

AIR PERMIT REVIEW

APPLICANT American Drew, Plant #13	SITE LOCATION North Wilkesboro	COUNTY Wilkes
---------------------------------------	-----------------------------------	------------------

CDS PLANT ID
3719300005

CONTACT Michael Hewett Corporate Environmental Manager (734) 457-4978	PHONE
---	-------

APPLICATION FOR Renewal	EXISTING P/N 02641T20
----------------------------	--------------------------

APP No. 9700005.04A	REVIEWER Rahul Thaker	SIGNATURE	DATE April 13, 2004
------------------------	--------------------------	-----------	------------------------

RECOMMENDATION and COMMENT Issue Permit 02641T21	FEE CLASS Title V
---	----------------------

1. Purpose of Application

This revision is a renewal of an existing Title V permit pursuant to 2Q .0513. The existing Title V permit (02641T20) was issued on September 5, 2003 and is currently scheduled to expire on September 30, 2004. The renewal application was received on December 29, 2003 or at least nine months prior to the expiration date. Therefore, the existing permit shall not expire until the renewal permit has been issued or denied. All terms and conditions of the existing permit shall remain in effect until the renewal permit has been issued or denied.

2. Facility Description

American Drew, Plant #13 ("facility") manufactures dining room and bedroom furniture. Woodworking operations include lumber drying, sawing, machining, and sanding. Fabricated furniture is then finished in a multi-step process with a variety of stains, sealers, and lacquers. Current hours of operation are 16 hours/day, 5 days/week, and 50 weeks/year, although the finishing department normally only works one shift and the kilns operate 24 hours/day. This facility is a major source under the Title V of the Federal Clean Air Act (CAA). The implementing regulations for the Title V of CAA have been written at 40 CFR 70 and included in NC State Implementation Plan (SIP) at 15A NCAC 2Q .0500. The potential to emit for the facility for emissions of Carbon Monoxide (CO), Sulfur Dioxide (SO₂), Nitrogen Oxides (NO_x), Volatile Organic Compounds (VOCs), and Hazardous Air Pollutants (HAPs) are each greater than the major source threshold of 100 tons per year (criteria pollutants) and 25 tons per year (total HAPs).

3. Application Chronology

December 29, 2003 - Air permit application was received by the Division of Air Quality (DAQ), Winston-Salem Region Office (WSRO) and was sent to Raleigh Central Office (RCO) for processing on January 5, 2004. Permit application was considered complete as of December 29, 2003.

March 11, 2004 - Received the region review for this application.

4. Permit Modification/Changes

Pursuant to 15A NCAC 2Q .0523, the following Section 502(b)(10) changes were made to the initial Title V permit (02641T15) by utilizing the Part II Construction Section of the Air Quality Permit:

- One bagfilter (ID No. BH-14) and two simple cyclones (ID Nos. C3 and C4) were added under permit revision (02641T16) issued on 2/11/02.
- Replaced existing bagfilter (ID BH-3) with a larger bagfilter (ID BH-3) and also added a finger joiner in the wood working operation (ID ES-4) under the permit revision (02641T18) issued on 8/30/02.
- Added new woodworking equipment (two new foil saws, four new dovetail saws, and a new profile saw) to existing woodworking operations (ID No. ES-4) and a new bagfilter (ID No. BH-15) under permit revision (02641T20) issued on 9/5/03.

As per the procedures of 15A NCAC 2Q .0514, the following permit revision was issued:

- Typographical errors were corrected under the permit revision (02641T17) issued on 4/19/02.

As per the procedures of 15A NCAC 2Q .0501(c)(2), the following permit revision was issued by utilizing the Part II Construction Section of the Air Quality Permit:

- Added a roll coating print line (ID No. ES-9) and removed the insignificant activity, Roll Coating Operation (ID No. ES-8) under the permit revision (02641T19) issued on 6/18/03.

The permit 02641T20 will be revised for the following:

- * Include seven storage tanks (ID Nos. ST-1 through ST-7) and lumber drying operations (ID No. ES-5) in the insignificant activity list.
- * Revise Section 2.1 A.3.a. to include source DO-7 for emission limit of 20%.
- * Update General Conditions.
- * Remove Part II of the permit.

5. Regulatory Review

The facility is subject to the following regulations:

2D .0504 "Particulates from Wood Burning Indirect Heat Exchangers"
2D .0512 "Particulates from Wood Products Finishing Plants"
2D .0516 "Sulfur Dioxide Emissions from Combustion Sources"
2D .0521 "Control Of Visible Emissions"
2D .0530 "Prevention of Significant Deterioration (Avoidance)"
2D .1111 "Maximum Achievable Control Technology (40 CFR 63 Subpart JJ)"
2D .1806 "Control and Prohibition of Odorous Emissions"

However, no regulatory review is required at this time since there are no new applicable regulations for this permit renewal.

It should be noted here that currently permitted emission sources; seven storage tanks (ID Nos. ST-1 through ST-7) and lumber drying operations (ID No. ES-5) can now be deemed as "insignificant activities by size or

production rate" in accordance with 15A NCAC 2Q .0503(8). The potential precontrol VOC emissions from the lumber drying operations are less than 5 tons per year threshold. Similarly for each of the storage tank, the VOC and HAP precontrol potential emissions, are each less than 5 tons per year and 1000 lbs per year thresholds, respectively. Please see company submittal dated April 1, 2004 ,which has been verified by DAQ for accuracy. These emission sources are not required to be permitted, and will be taken out from the permit and included in the insignificant activity list.

6. NSPS, NESHAPS, PSD, Attainment Status, 112(r), CAM

NSPS

New Source Performance Standards (NSPS) do not apply to this facility.

NESHAP/MACT

This facility is currently subject to National Emission Standard for Wood Furniture Manufacturing Operations as codified at 40 CFR 63 Subpart JJ. The facility may also be subject to the requirements of recently signed (not yet published in the federal register (FR)) MACT standard for institutional/commercial boilers. This MACT is included at 40 CFR 63 Subpart DDDDD. Two wood-fired boilers may be deemed "existing" sources for this regulation and will have a three years from the date on which the regulation is published in the federal register to comply. After the publication of this rule in FR, the compliance date statement will be included in the permit.

PSD

This facility is a "250 tons" category major source under Prevention of Significant Deterioration (PSD) for VOCs.

Attainment Status

This facility is located in Wilkes County which is in attainment for all criteria pollutants.

112(r)

This facility is not subject to Section 112(r) of the Clean Air Act requirements because it does not store any of the regulated substances in quantities above the thresholds in the Rule.

CAM

Compliance Assurance Monitoring (CAM) requirements of 40 CFR Part 64 do not apply to any of the permitted emission sources at this facility.

In order to be subject to the Part 64 requirement, the following three criteria must be satisfied:

- (i) pollutant specific emission unit (eg. boiler, spray booth etc.) shall be subject to an emission limitation or a standard other than the exempt limitations or standards (eg. post-1990 federal standards such as MACT, NSPS etc.),
- (ii) the pollutant specific emission unit uses an active control device to achieve compliance with the applicable requirement, and
- (iii) potential precontrol device emission rate for the pollutant specific emission unit for any regulated pollutant shall be greater than major source threshold.

Per 40 CFR 64.2, only woodfired boilers (ID Nos. ES-2 and ES-3) and wood dust collection system (ID No. ES-4) are required to be reviewed for Part 64 applicability, because these are the only sources which have active control devices.

The potential precontrol device emission for each 30 million Btu/hr boiler (ID Nos. ES-2 and ES-3) is approximately 49.5 tons/yr for PM-10. The applicable requirement is 2D .0504 and these boilers are controlled by multiclones. Because the potential precontrol PM-10 emission rate is less than 100 tons/yr, the CAM plan is not required for each of these boilers per 40 CFR 64.2. Please refer the attached spreadsheet for potential emission estimate.

For wood dust collection system (ID No. ES-4), the applicable requirement is 2D .0512. The emission source has planing, shaving/chipping, rough sawing, fine sawing, milling, molding, and sanding operations. The particulate loading from these equipment is sent to a total of 14 baghouses in different proportions. Based on the applicant provided estimate, the highest precontrol PM-10 emission occurs for baghouse # 9 and #10. For both of these baghouses, the PM-10 precontrol emission rate is approximately 81.6 tons/yr each. Hence, the CAM does not apply to the wood dust collection system (ID No. ES-4). The company provided estimate and methodology are reasonable, and also representative to the actual configuration at the facility. Please refer the application for details.

Separately, note that the furniture finishing operations (ID No. ES-1) and roll coating print line (ID No. ES-9) are subject to 40 CFR 63 Subpart JJ MACT (post 1990 MACT) and hence they are not subject to CAM requirement. Finally, the other remaining currently permitted sources; seven storage tanks (ID Nos. ST-1 through ST-7) and lumber drying operations (ID No. ES-5) do not have any active control devices; so CAM requirement do not apply to them.

7. Facility Wide Air Toxics

The NC air toxics does not apply to this facility per 15A NCAC 2Q .0702(a)(23).

8. Facility Compliance Status

The facility was inspected on 6/5/03 by Eric Hudson of WSRO. The facility was found to be in violation of permit requirements. Refer to next section for details.

9. Statement of Compliance

The DAQ has reviewed the compliance status of this facility. For the 6/5/03 compliance inspection, the facility was issued an NOV/NRE on 6/20/03 for failure to maintain a logbook for annual internal inspection of multiclones and to train spray booth operator annually as per MACT JJ, both as required per current permit. The WSRO decided through a letter dated 8/11/03 not to recommend enforcement action for these violations.

The applicant has certified through a submittal of E5 form that the facility is in compliance with all applicable requirements.

10. Facility Emissions Review

There is no change in emissions for this renewal.

11. Stipulation Review

Refer to Section 4 for details on changes to current permit conditions.

12. Public Notice / EPA and Affected State Review

Pursuant to 2Q.0521, a notice of the draft Title V Permit shall be placed in a newspaper of general circulation in the area where the facility is located. The notice will provide for a 30 day comment period, with an opportunity for a public hearing. Copies of the public notice shall be sent to persons on the Title V mailing list and EPA. Pursuant to 2Q.0522, a copy of each permit application, each proposed permit and each final permit pursuant shall be provided to EPA. Also pursuant to 2Q.0522, a notice of the draft Title V Permit shall be provided to each affected State at or before the time notice provided to the public under 2Q.0521 above. The Affected states as specified by 15A NCAC 2Q.0503(1) and 40 CFR 70.8(b) are South Carolina, Georgia, Tennessee and Virginia; North Carolina local air pollution control programs for Western North Carolina Regional Air Pollution Control Agency (Buncombe County), Mecklenburg County and Forsyth County; and the Catawba Indian Nation in York County South Carolina and the Eastern Band of Cherokee Indians in Swain, Jackson and Graham Counties North Carolina.

13. Conclusions, Comments, and Recommendations

A professional engineer's seal was not required for this renewal.

A consistency determination was not required for this renewal.

WSRO recommends issuance of the permit per WSRO (Eric Hudson) review dated March 8, 2004.

RCO concurs with WSRO's recommendation to issue air permit.