

**NORTH CAROLINA DIVISION OF
AIR QUALITY**

Air Permit Review

Permit Issue Date: **date, 2006**

Region: Raleigh Regional Office
County: Nash
NC Facility ID: 6400232
Inspector's Name: Will Wike
Date of Last Inspection: 02/17/2005
Compliance Code: C/In Compliance With
 Procedural Reqr

Facility Data			Permit Applicability (this application only)		
Applicant (Facility's Name): Consolidated Diesel Company Facility Address: Consolidated Diesel Company 9377 US Highway 301 North Whitakers, NC 27891 SIC: 3519 / Internal Combustion Engines NAICS: 333618 / Other Engine Equipment Manufacturing Facility Classification: Before: Title V After: Title V Fee Classification: Before: Title V After: Title V			SIP: NA NSPS: NA NESHAP: 15A NCAC 2D .1111 (Subpart Mmmm) PSD: NA PSD Avoidance: NA NC Toxics: 15A NCAC 2Q .0705 112(r): NA Other:		
Contact Data			Application Data		
Facility Contact	Authorized Contact	Technical Contact	Application Number: 6400232.05A Date Received: 11/23/2005 Application Type: Renewal Application Schedule: TV-Renewal Existing Permit Data Existing Permit Number: 04620/T19 Existing Permit Issue Date: 09/12/2001 Existing Permit Expiration Date: 08/31/2006		
Nikki Morris Environmental Engineer (252) 437-9473 P.O. Box 670 Whitakers NC, 27891	Wayne Ripberger Plant Manager (252) 437-6611 P.O. Box 670 Whitakers NC, 27891	Nikki Morris Environmental Engineer (252) 437-9473 P.O. Box 670 Whitakers NC, 27891			
Review Engineer: Mark Cuilla Review Engineer's Signature: Date: date, 2006			Comments / Recommendations: Issue 04620/T20 Permit Issue Date: date, 2006 Permit Expiration Date: date, 2011		

I. Purpose of Application

Consolidated Diesel Company is currently operating under permit **04620T19**. This permit is set to expire on August 31, 2006. Per the requirements of the permit, an application for renewal was due by November 30, 2005. This application completes that requirement. The permit is deemed complete for processing.

In addition to renewal of the permit, the Permittee has asked via March 17, 2006 email, for the following additional items:

1. For the monitoring frequency of all visible emission requirements on the gen sets and paint oven to be the same (monthly vs. daily) as the rest of the other permitted equipment; and
 2. For the ability to use biodiesel as an alternative fuel in the facility's test stands.
- These modifications will be made to the renewed permit.

II. Facility Description

The facility is a diesel engine manufacturing facility that manufactures engines for trucks, farm equipment, and boats. Production is divided into to lines (small engines/large engines). Operations include several machining processes, spray booths, ovens, test stands, generators, washers, and boilers.

III. History/Background/Application Chronology

November 23, 2005 – Permit application **6400232.05A** received requesting renewal of the current title V permit with no changes. Application deemed complete for processing.

January 12, 2006 – I sent an email to the Permittee requesting verification of MACT applicability status and CAM demonstration calculations.

January 23, 2006 – I received the CAM demonstration indicating that CAM does not apply to the facility (calculations were also attached to fax).

January 24, 2006 – I received MACT applicability status check from Permittee.

February 22, 2006 – I received email response from Raleigh Regional Office indicating that they had no additional comments on this renewal application other than what is shown in the most recent inspection report.

March 17, 2006 – I received an email from the Permittee requesting the additional modification discussed in Section I of this document.

April 25, 2006 – I sent an email to the facility asking for additional MACT clarifications.

May 2, 2006 – I received an email response from the Permittee to my MACT questions. See Section VI of this Document for a discussion.

May 4, 2006 – DRAFT permit sent to Permittee, Title V Coordinator, and Regional Office for comment.

May 12, 2006 – Received Regional Office comments on DRAFT permit. See Section X of this Document for a discussion.

May 24, 2006 – Received Permittee comments on DRAFT permit. See Section X of this Document for a discussion.

Date, 2006 – Public notice published, establishing the start of the 30-day public notice and 45-day EPA review periods.

IV. Permit Modifications/Changes

The following table describes the modifications to the current permit as part of the renewal process.

Page(s)	Section	Description of Change(s)
Attachment	Insignificant activities	-put in tabular form -added ID Nos. per ESM listing
Cover	-	-updated permit revision number and all dates
All	Header	-updated permit revision number
3-4	Equipment table	-added MACT Subpart citations -updated equipment descriptions -added “biodiesel” to test stands -added “watertube type” to boilers
5	2.1 A.1.a 2.1 A.1.b 2.1 A.1.c 2.1 A.1.d 2.1 A.1.f 2.1 A.2.a	-added equipment ID Nos. -updated shell language -added equipment ID Nos. and updated shell language -updated shell language -updated shell language -added equipment ID Nos.

Page(s)	Section	Description of Change(s)
6	2.1 A.2.c 2.1 A.2.d 2.1 A.2.e 2.1 B 2.1 B.1.a	-added equipment ID Nos. and updated shell language -updated shell language -updated shell language -updated equipment descriptions -added equipment ID Nos.
7	2.1 B.1.b 2.1 B.2.a 2.1 B.2.b 2.1 B.2.c 2.1 B.3.a 2.1 B.3.c	-updated shell language -added equipment ID Nos. -added generic testing requirements -added equipment ID Nos. -added equipment ID Nos. -added equipment ID Nos. and updated shell language
8	2.1 B.3.d 2.1 B.3.e 2.1 C (table) 2.1 C.1.a 2.1 C.1.b	-updated shell language -updated shell language -corrected regulation citation -added MACT Subpart requirements -added equipment ID Nos. -updated shell language
9	2.1 C.2.a 2.1 C.2.c 2.1 C.2.d 2.1 C.2.e	-added equipment ID Nos. -added equipment ID Nos. and updated shell language -updated shell language -updated shell language
10	2.1 C.3.b 2.1 D (table) 2.1 D.1.a 2.1 D.1.b 2.1 D.2.a	-updated shell language -corrected rule citation -added MACT Subpart requirements -added equipment ID Nos. -updated shell language -added equipment ID Nos.
11	2.1 D.2.c 2.1 D.3.c 2.1 D.3.d 2.1 D.3.e	-added equipment ID Nos. -modified monitoring frequency from daily to monthly -added equipment ID Nos. -updated shell language -updated shell language -updated shell language
12	2.1 E 2.1 E.1.a 2.1 E.1.c 2.1 E.2.a 2.1 E.2.c	-clarified equipment description -added equipment ID Nos. -added equipment ID Nos. -added equipment ID Nos. -added equipment ID Nos. and updated shell language
13	2.1 E.2.d 2.1 E.2.e 2.1 F (table) 2.1 F.1.a 2.1 F.1.c 2.1 F.2.a	-updated shell language -updated shell language -corrected rule citation -added equipment ID Nos. -added equipment ID Nos. -added equipment ID Nos.
14	2.1 F.2.c 2.1 F.2.d 2.1 F.2.e 2.1 G (table) 2.1 G.1.a	-added equipment ID Nos. and updated shell language -updated shell language -updated shell language -corrected rule citation -added equipment ID Nos.
15	2.1 G.1.b 2.1 G.2.a 2.1 G.2.c 2.1 G.3.a 2.1 G.3.c	-updated shell language -added equipment ID Nos. -added equipment ID Nos. -added equipment ID Nos. -added equipment ID Nos.

Page(s)	Section	Description of Change(s)
15-16	2.1 H (table)	-clarified equipment description -added MACT Subpart requirements
16	2.1 H.1.a 2.1 H.1.c 2.1 H.2.a 2.1 H.2.c 2.1 H.3.a 2.1 H.3.c	-added equipment ID Nos. -added equipment ID Nos. -added equipment ID Nos. -added equipment ID Nos. -added equipment ID Nos. -added equipment ID Nos.
17	2.1 I (table) 2.1 J (table) 2.1 J.1.a 2.1 J.1.b 2.1 J.2.a	-added MACT requirements -corrected rule citation -added equipment ID Nos. -updated shell language -added equipment ID Nos.
18	2.1 J.2.c 2.1 J.3.a 2.1 J.3.c 2.1 K.1.a	-added equipment ID Nos. -added equipment ID Nos. -added equipment ID Nos. -updated shell language
19	2.2 A.1.e	-updated shell language
20	2.2 B 2.2 C 2.2 C.1 2.2 C.1.a 2.2 C.1.b	-updated equipment description -added equipment ID Nos. -corrected rule citation -added equipment ID Nos. -added equipment ID Nos.
21	2.2 D 2.2 E	-added MACT requirements -added last MACT/air toxics requirements
22-30	General Conditions	-updated shell language

The following changes were made in ESM as a result of this renewal:

Current permit listing	Modified permit listing
NA	Associated previously unassociated source (ID No. IS-RPS ; miscellaneous rust prevention)
NA	Associated previously unassociated source (ID No. IS-SPA ; satellite painting areas)
NA	One natural gas-fired boiler (0.75 million Btu per hour maximum heat input capacity; ID No. IS-ES6)
Six dry cartridge filters (ID Nos. DCBBK1 through DCBBK6)	Six dry cartridge filters (29,040 square feet of filter area, each; ID Nos. DCBBK1 through DCBBK6)
Three dry cartridge filters (ID Nos. DCBHD1 through DCBHD3)	Three dry cartridge filters (19,360 square feet of filter area, each; ID Nos. DCBHD1 through DCBHD3)
Five dry cartridge filters (ID Nos. DCCBK1 through DCCBK5)	Five dry cartridge filters (19,360 square feet of filter area, each; ID Nos. DCCBK1 through DCCBK5)
Three dry cartridge filters (ID Nos. DCCHD1 through DCCHD3)	Three dry cartridge filters (19,360 square feet of filter area, each; ID Nos. DCCHD1 through DCCHD3)
One cleaning and phosphating oven (ID No. ES-1CP)	One natural gas-fired cleaning and phosphating washer and oven (12 million Btu per hour maximum heat input capacity; ID No. ES-1CP)
One paint dry oven (ID No. ES-1PDO)	One paint dry oven (2.5 million Btu per hour maximum heat input capacity; ID No. 1PDO)
Thirteen diesel/natural gas test stands (ID Nos. ES-1NDTS through ES-13NDTS)	Thirteen diesel/biodiesel/natural gas test stands (3.0 million Btu per hour maximum heat input capacity, each; ID Nos. ES-1NDTS through ES-13NDTS)

Current permit listing	Modified permit listing
Seventeen diesel engine test stands (ID Nos. ES-1DTS through ES-17DTS)	<i>Seventeen diesel/biodiesel engine test stands (3.0 million Btu per hour maximum heat input capacity, each; ID Nos. ES-1DTS through ES-17DTS)</i>
Eight diesel generators (ID Nos. ES-1DG through ES-8DG)	<i>Eight diesel generators (10.8 million Btu per hour maximum heat input capacity, each; ID Nos. ES-1DG through ES-8DG)</i>
One diesel generator (ID No. ES-9DG)	<i>One diesel generator (18.8 million Btu per hour maximum heat input capacity; ID No. ES-9DG)</i>
One natural gas fired primary block washer (ID No. ES-1CBP)	<i>One natural gas/propane-fired primary block washer (2.6 million Btu per hour maximum heat input capacity; ID No. ES-1CBP)</i>
One natural gas fired primary block washer (ID No. ES-CBF)	<i>One natural gas/propane-fired primary block washer (3.9 million Btu per hour maximum heat input capacity; ID No. ES-BBP)</i>
One natural gas fired primary head washer (ID No. ES-CH)	<i>One natural gas/propane-fired primary head washer (1.8 million Btu per hour maximum heat input capacity; ID No. ES-CH)</i>
One natural gas/propane-fired boiler (12 million Btu per hour maximum heat input; ID No. ES-1B)	<i>One watertube type natural gas/propane-fired boiler (12 million Btu per hour maximum heat input; ID No. ES-1B)</i>
One natural gas/propane-fired boiler (12 million Btu per hour maximum heat input; ID No. ES-2B)	<i>One watertube type natural gas/propane-fired boiler (12 million Btu per hour maximum heat input; ID No. ES-2B)</i>
One natural gas-fired boiler (0.75 million Btu per hour maximum heat input; ID No. ES-3B)	<i>One watertube type natural gas-fired boiler (0.75 million Btu per hour maximum heat input; ID No. ES-3B)</i>
One natural gas fired washer (ID No. ES-BH)	<i>One natural gas/propane fired washer (1.8 million Btu per hour maximum heat input capacity; ID No. ES-BH)</i>
One natural gas fired washer (ID No. ES-1BBP)	<i>One natural gas/propane fired washer (0.5 million Btu per hour maximum heat input capacity; ID No. ES-CBF)</i>
One natural gas fired washer (ID No. ES-1CRP)	<i>One natural gas/propane fired washer (1.6 million Btu per hour maximum heat input capacity; ID No. ES-1CRP)</i>
One natural gas fired washer (ID No. ES-1CRF)	<i>One natural gas/propane fired washer (2.4 million Btu per hour maximum heat input capacity; ID No. ES-1CRF)</i>
One natural gas fired washer (ID No. ES-1ES)	<i>One natural gas/propane fired washer (1.5 million Btu per hour maximum heat input capacity; ID No. ES-1ES)</i>
One natural gas fired washer (ID No. ES-1EN)	<i>One natural gas/propane fired washer (1.5 million Btu per hour maximum heat input capacity; ID No. ES-1EN)</i>
One diesel storage tank (ID No. ES-DST)	<i>One diesel storage tank (20,000 gallon capacity; ID No. ES-DST)</i>

V. Regulatory Review

The facility is currently subject to the following regulations:

- 15A NCAC 2D .0503, Particulates from Fuel Burning Indirect Heat Exchangers
- 15A NCAC 2D .0515, Particulates from Miscellaneous Industrial Processes
- 15A NCAC 2D .0516, Sulfur Dioxide Emissions from Combustion Sources
- 15A NCAC 2D .0521, Control of Visible Emissions
- 15A NCAC 2D .0524, New Source Performance Standards
- 15A NCAC 2D .0934, Coating of Miscellaneous Metal Parts and Products

15A NCAC 2D .0958, Work Practices for Sources of Volatile Organic Compounds
15A NCAC 2D .1100, Control of Toxic Air Pollutants
15A NCAC 2Q .0317, Avoidance Conditions (for 15A NCAC 2D .0530, Prevention of Significant Deterioration)

No regulatory review is required for these existing permit conditions as part of the renewal process.

The following regulations have been added to the permit as a result of this renewal:

15A NCAC 2D .1111, Maximum Achievable Control Technology
15A NCAC 2Q .0705, Existing Facilities and SIC Calls

VI. NSPS, NESHAPS/MACT, PSD, 112(r), CAM

NSPS – For the diesel storage tank (**ID No. ES-DST**), the Permittee shall comply with all applicable provisions, including paragraphs 60.116b(a) and (b), contained in the Environmental Management Commission Standard 15A NCAC 2D .0524 “New Source Performance Standards (NSPS)” as promulgated in 40 CFR Part 60, Subpart Kb. The Permittee shall maintain a list of tanks, recording the tanks’ dimensions and capacity. The Permittee shall be deemed in noncompliance with 40 CFR 60, Subpart Kb if records are not kept. This renewal action does not change this status.

NESHAPS/MACT –

The Permittee has indicated that it will be subject to the following MACT Subparts:

1. 40 CFR 63, Subpart MMMM, National Emission Standards for Hazardous Air Pollutants for Surface Coating of Miscellaneous Metal Parts and Products – This Subpart applies to each new, reconstructed, or existing affected source that uses 946 liters (250 gallons) per year, or more, of coatings that contain hazardous air pollutants in the surface coating of miscellaneous metal parts and products and that is located at a major source of emissions of HAPs (40 CFR 63.3881(b)). An existing source is one that commenced construction or reconstruction before August 12, 2002. The facility currently operates equipment for the painting of completed diesel engines (**ID Nos. ES-1SB, ES-2SB, ES-3SB, and ES-4SB**). The affected source of the MACT is defined as collection of all items (as listed in 63.3882(b)(1) through (4)) that are used for surface coating of miscellaneous metal parts and products. The Permittee has indicated that they do use more than the threshold quantity of HAP containing coatings. Therefore, they will be required to be in compliance with all applicable portions of the MACT by **January 2, 2007**, for all existing sources per 63.3883(b). The following language has been added as Section 2.2 D to the renewed permit:

D. Facility-wide affected sources

1. 15A NCAC 2Q .1111: MAXIMUM ACHIEVABLE CONTROL TECHNOLOGY

- a. The Permittee shall comply with all applicable provisions contained in Environmental Management Commission Standard 15A NCAC 2D .1111, “Maximum Achievable Control Technology” (MACT) as promulgated in 40 CFR Part 63, Subpart MMMM, “National Emission Standards for Hazardous Air Pollutants for Surface Coating of Miscellaneous Metal Parts and Products,” by **January 2, 2007**, for all existing affected sources.*
2. 40 CFR 63, Subpart ZZZZ, National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines – This Subpart applies to each affected source which is defined as any existing, new, or reconstructed stationary RICE with a site-rating of more than 500 brake horsepower (bhp) located at a major source of HAP emissions, excluding stationary RICE being tested at a stationary RICE test cell/stand (40 CFR 63.6590(a)). An existing RICE is one that commenced construction or reconstruction before December 19, 2002. The facility currently operates nine diesel generators (**ID Nos. ES-1DG through ES-9DG**). All nine of generators are considered existing, 4 stroke lean burn, compression ignition, emergency generators.

Therefore, per 63.6590(b)(3), these generators DO NOT have to meet the requirements of this Subpart and of Subpart A of this part. Additionally, NO initial notification is necessary. *Therefore no requirements of compliance will be associated with this MACT for this permit renewal (the facility is not subject).*

3. 40 CFR 63, Subpart P – This subpart applies to engine test cells/stands located at major sources of hazardous air pollutants. An engine test cell/stand is any apparatus (and associated collection of equipment) used for testing uninstalled stationary or uninstalled mobile engines (40 CFR 63.9285(a)). An affected source is existing if the Permittee commenced construction or reconstruction of the affected source on or before May 14, 2002 (40 CFR 63.9290(a)). Existing affected sources DO NOT have to meet the requirements of this Subpart and of Subpart A of this part (40 CFR 63.9290(b)). The Permittee has indicated that all test cells/stands (**ID Nos. ES-1NDTS through ES-13NDTS and ES-1DTS through ES-17DTS**) are existing. *Therefore no requirements of compliance will be associated with this MACT for this permit renewal (the facility is not subject).*
4. 40 CFR 63, Subpart D – This Subpart applies to new, reconstructed, or existing affected sources which is defined as the collection of all existing industrial, commercial, and institutional boilers and process heaters located at a major source of HAPs (40 CFR 63.7490(a)). A boiler or process heater is existing if the Permittee commenced construction or reconstruction of the affected source on or before January 12, 2003 (40 CFR 63.7490(d)). Per 63.7506, some boilers and process heaters have limited requirements. The facility operates three boilers (**ID Nos. ES-1B, ES-2B, and ES-3B; 12, 12, and 0.75 million Btu per hour maximum heat input capacity, respectively**). Boilers **ES-1B and ES-2B** are each existing, watertube, large, liquid fuel fired; therefore, are ONLY subject to the initial notification requirements and ARE NOT subject to any requirements in this Subpart or in Subpart A of this Part per 63.7506(b)(2). Boiler **ES-3B** is an existing, watertube, small, gaseous fuel fired; therefore, IS NOT subject to the initial notification requirements and IS NOT subject to any requirements in this Subpart or in Subpart A of this Part per 63.7506(c)(3). *Therefore no requirements of compliance will be associated with this MACT for this permit renewal except for the requirement for an initial notification for Boilers (ID Nos. ES-1B and ES-2B).*

PSD – The facility is currently subject to two PSD Avoidance conditions. Specifically the fuel burning sources are subject to a 250 ton per year limit for NO_x and the surface coating and rust prevention operations are subject to a 250 ton per year limit for VOCs. To ensure enforceability of these two conditions, the Permittee must limit the amount of diesel fuel combusted to less than 730,000 gallons per year. In addition, the Permittee shall calculate monthly VOC emissions by multiplying the total amount of each type of VOC containing material consumed during the month by the VOC content of the material. Records for these monitoring requirements must be kept and semi-annual reporting is required. This renewal action does not change this status.

112(r) – The facility is not subject to 112(r) requirements because it does not store any of the covered chemicals. This renewal action does not change this status.

CAM – 40 CFR 64 requires that a continuous assurance monitoring plan be developed for all equipment located at a major facility, that have pre-controlled emissions above the major source threshold, and use a control device to meet an applicable standard. The facility currently has machining processes (B-Head and Block and C-Head and Block) controlled by dry cartridge filters for particulate control. The Permittee provided the following potential pre-controlled particulate emission calculations:

C-Block Line

Total particulate emission rate = 1.922 pounds per hour (February 12, 1996 source test)

Raw block casting = 515 pounds

Block through final test location = 468 pounds

Total material lost = 47 pounds

Throughput = 40 blocks per hour

$EF = (1.922 \text{ lbs/hr}) / ((40 \text{ blocks per hour})(47 \text{ lbs PM/block})) = 0.001022 \text{ lbs PM emitted/lb PM removed}$

B-Head Line

Total particulate emission rate = 2.06 pounds per hour (February 12, 1996 source test)

Raw head casting = 149 pounds

Finished head = 121 pounds

Total material lost = 28 pounds/block

Throughput = 59 heads per hour

$$EF = (2.06 \text{ lbs/hr}) / ((59 \text{ heads per hour})(28 \text{ lbs PM/block})) = 0.00125 \text{ lbs PM emitted/lb PM removed}$$

The Permittee completed raw and finished weight measurement for all block and heads manufactured. Listed below are the worse case metal removal rates and maximum process rates for each of the head and block lines:

Source	Max Metal Removal (lbs/item)	Max. Process Rate (items/hour)	PM Emission Rate (tpy)*
B-Head	31.0	64	10.864
B-Block	91.0	52	21.182
C-Head	37.5	44	9.034
C-Block	60.0	52	13.966

* Calculations as: (max. metal removed)(max. process rate)(type emission factor)(8760/2000)

Based on the above data and emission factors, the potential uncontrolled PM emission rates are each less than the major source thresholds. It should be noted that this is total particulate; CAM would only apply if the PM₁₀ portion of the waste stream were greater than the major source threshold of 100 tons per year). Therefore; CAM does not apply.

VII. Facility Wide Air Toxics

The facility is currently subject to toxic air pollutant emission limits and reporting requirements pursuant to 15A NCAC 2D .1100 and in accordance with approved modeling. The following emission limits shall not be exceeded:

Emission Source(s)	Toxic Air Pollutant(s)	Emission Limit(s)
Diesel fired sources (ID Nos. ES-1DTS through ES-17DTS, ES-1NDTS through ES-13NDTS, and ES-1DG through ES-9DG)	Benzene	93.3 pounds per year
Paint booths (ID Nos. ES-1SB through ES-4SB)	Methyl Ethyl Ketone	1851.6 pounds per day 664.36 pounds per hour
Paint booths (ID Nos. ES-1SB through ES-4SB)	Ethyl Acetate	1050.97 pounds per hour
Paint booths (ID Nos. ES-1SB through ES-4SB)	Methyl Isobutyl Ketone	1281.12 pounds per day 225.21 pounds per hour
Paint booths (ID Nos. ES-1SB through ES-4SB)	Phenol	7.72 pounds per hour
Paint booths (ID Nos. ES-1SB through ES-4SB)	Toluene	2350.8 pounds per day 420.39 pounds per hour
Paint booths (ID Nos. ES-1SB through ES-4SB)	Xylene	1354.24 pounds per day 487.95 pounds per hour

To ensure compliance with the above limits, the Permittee shall limit the total amount of diesel fuel combusted to less than 730,000 gallons per consecutive 12-month period. In addition not more than 450,000 gallons of diesel fuel shall be combusted in the combination diesel/natural gas-fired engine test stands (ID Nos. ES-1NDTS through ES-13NDTS) per consecutive 12-month period. Also, the Permittee shall, for the two dry filter-type paint spray booths (ID Nos. ES-3SB through ES-4SB), maintain the exhaust stack heights at least 33 feet above ground level and shall not employ rain caps. This renewal action does not change this status.

Per 15A NCAC 2Q .0705, the Permittee must demonstrate compliance with the air toxics limits at the same time as compliance is required for the last MACT applicable to the facility, excluding the combustion MACTs. As stated above, the facility is subject to the MACTs for the Surface Coating of Miscellaneous Metal Parts and Products (Subpart MMMM) and for Industrial, Commercial, and Institutional Boilers and Process Heaters (Subpart DDDDD). The Permittee is required to submit an application which includes an evaluation for all toxic air pollutants covered under 15A NCAC 2D .1104 for all sources at the facility, excluding those sources exempt from evaluation under Rule 15A NCAC 2Q .0702. The following permit condition has been added to the permit in Section 2.2 to enforce this requirement:

E. Facility-wide affected sources

1. 15A NCAC 2Q .0705: EXISTING FACILITIES AND SIC CALLS

- a. *For sources at a facility subject to a MACT or GACT standard, or that may be subject to a MACT or GACT standard based on studies required by Section 112 (n)(1) of the Clean Air Act, 42 U.S.C. Section 7412 (n)(1), the owner or operator of the facility shall comply with 15A NCAC 2D .1100 as follows:*
 - i. *When the owner or operator submits a permit application to comply with the last MACT or GACT, excluding the MACT or GACT for combustion sources, known to apply to the facility, he shall also submit a permit application to comply with 15A NCAC 2D .1100. The facility shall comply with 15A NCAC 2D .1100 by the same deadline that it is required to comply with the last MACT or GACT.*
 - ii. *If the owner or operator does not have to submit a permit application to comply with the last MACT or GACT, excluding the MACT or GACT for combustion sources, he shall submit a permit application to comply with 15A NCAC 2D .1100 within six months after the promulgation of the last MACT or GACT, excluding the MACT or GACT for combustion sources, known to apply to the facility or by January 1, 1999, whichever is later. The facility shall comply with 15A NCAC 2D .1100 by the same deadline that it is required to comply with the last MACT or GACT.*
 - iii. *If the owner or operator submitted a permit application for the last MACT or GACT, excluding the MACT or GACT for combustion sources, known to apply to the facility before July 1, 1998, he shall submit a permit application to comply with 15A NCAC 2D .1100 by January 1, 1999. The facility shall comply with 15A NCAC 2D .1100 within three years from the date that the permit is issued.*

VIII. Facility Emissions Review

The following table represents the latest years emission inventory from the facility:

Pollutant(s)	2004 Actual Emissions (tpy)
CO	32.92
NO _x	147.55
PM ₁₀	13.57
SO ₂	8.39
VOC	80.30
HAPs	6.10

IX. Stipulation Review

There are no current stipulation modification necessary as part of this permit renewal. The regional office indicated the following items that should be addressed as part of the next permit re-opening:

- 1. The description of the cleaning and phosphating oven (**ID No. ES-1CP**) should be modified to read “One natural gas-fired cleaning and phosphating washer and oven (**ID No. ES-1CP**).” *Agree, modification will be made on the permit and in ESM.*

2. The emission sources (**ID Nos. ES-CBF and ES-BBP**) were improperly listed in each other's place on the equipment list. This error should be corrected during the next air permit revision. The description provided for the equipment is correct. *Agree, modification will be made in permit and in ESM.*
3. The Permittee wants to change the monitoring frequency for the paint oven and gen sets from daily to monthly to be consistent with the requirements for the rest of the facility. *Agree, modification will be made in the permit as requested.*
4. One 0.75 million Btu per hour boiler should be added to the insignificant activities list. *Agree, addition will be made to the permit and to ESM.*

X. Public Notice/EPA and Affected State(s) Review

Pursuant to 15A NCAC 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 15A NCAC 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. Virginia is an affected State within 50 miles of this facility.

The following comments were received from the Regional Office on the DRAFT permit prior to notice:

1. Is there any way to add more specific text on the MACT Subpart MMMM instead of incorporating it by reference? It makes the job much harder for the inspector and for the facility to properly comply. *Agree that more information would be appropriate. However, incorporating the details prior to the compliance date has not been addressed. There still remains the possibility that the Permittee could avoid the MACT by taking permit restrictions or changing a method of operation. DAQ has decided not to include details until after the compliance date for these reasons.*

The following comments were received from the Permittee on the DRAFT permit prior to notice:

1. Add "propane" to the list of fuels combusted in the two primary block washers and one primary head washer. *Agree, change will be made.*
2. Check MACT applicability to the drying ovens and automatic rust prevention station as they do not emit HAPS. *Agree, the applicability of the MACT will be removed from this equipment.*
3. The Permittee questioned the inclusion of reporting requirements for almost all the 2D .0515 applicable sources. Some of which had the requirements in the permit already and others I added because of the shell language includes them. Specifically, sections:
 - 2.1 B.1.d;
 - 2.1 C.1.d;
 - 2.1 C.3.e (typo in the permit has this as "c");
 - 2.1 D.1.d;
 - 2.1 G.1.d; and
 - 2.1 J.1.d,all of my DRAFT permit. *Agree, RRO has concurred that the removal of these requirements.*
4. Please return the reporting for PSD Avoidance to quarterly. The current system is designed for that period and the Permittee is used to that schedule. The modification to semi-annual is not needed. *Agree, the language will be put back to the way it is in the current permit.*
5. All natural gas cells are capable of running propane, but this is not normal and would require an orifice change on the engine prior to that, but capability exists. Please add this to the list of allowed fuels. *Agree, change will be made.*
6. The rust preservative doesn't contain HAPS. Therefore, the application is not subject to the MACT standards. *Agree, change will be made.*

XI. Conclusions, Comments, and Recommendations

A professional engineer's certification was not required as part of this renewal.

A local zoning consistency determination was not required as part of this renewal.

RRO recommends issuance of renewed permit and was presented with a DRAFT permit prior to public notice and EPA review.

RCO concurs with RRO's recommendation for renewal of the permit.