

AIR PERMIT REVIEW

APPLICANT: Ethan Allen, Inc - Pine Valley Division	SITE LOCATION: Old Fort	COUNTY: McDowell	
TECHNICAL CONTACT: Mike Baker	PHONE: (828) 668-7686	RESPONSIBLE OFFICIAL: Ron Hartwell	TITLE: Plant Manager
REVIEW ENGINEER: Mark Cuilla	SIGNATURE:	DATE: XXXX xx, 2004	
REGIONAL CONTACT: Brendan Davey	REGIONAL OFFICE: ARO	SIC CODE: 2511	
APPLICATION NUMBER: 5600036.04A	EXISTING PERMIT NUMBER: 03913T17	NEW PERMIT NUMBER: 03913T18	

I Purpose of Application

The facility is requesting that its annual hazardous air pollutant (HAP) emissions be limited by enforceable permit condition to below the major source thresholds. They argue that based upon reformulation efforts and pollution prevention technologies implemented over the past several years, the facility has significantly decreased its emissions of HAPs. The addition of these limits will ensure that the facility will not become subject to any future maximum achievable control technology (MACT) standards that have yet to be promulgated. The avoidance of these MACTs is expected to save the facility both in regulatory costs and recordkeeping and reporting burden.

II Facility Description

The facility operates a wooden furniture manufacturing facility. Woodworking operations may include lumber drying, sawing, machining, and sanding. Fabricated furniture is finished in a multi-step process with a variety of stains, sealers, and lacquers.

III History/Background/Application Chronology

January 21, 2004 – Permit application received and deemed complete for processing.

February 12, 2004 – DRAFT permit sent to facility and regional office for review prior to public notice.

February 16, 2004 – Comments on DRAFT permit received from Asheville Regional Office (see Section IX of this document for discussion).

March 11, 2004 – Comments on DRAFT permit received from facility (see Section IX of this document for discussion).

March 18, 2004 – Re-draft or permit sent to facility for comment.

IV. Permit Modification/Changes

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

Page(s)	Section	Description of Change
Cover	-	-amended permit revision numbers and associated dates
All	Header	-amended permit revision number
3	Equipment table	-added reference to MACT Subpart
5	2.1 A.1.d	-added title to paragraph -corrected cross-reference
7	2.1 B.3.b	-corrected cross-reference
9	2.1 D (table)	-added reference to MACT Subpart
14	2.2 B	-added HAP limits per facility request
15	Section 3.D	-corrected shell language in general condition
17	Section 3.I.B	-corrected shell language in general condition
18	Section 3.O	-corrected shell language in general condition
22	Section 3.LL	-corrected shell language in general condition

V. Regulatory Review

No regulatory review is required for this modification. The Permittee is not adding or removing process equipment or control devices. All current permit conditions remain in effect. The process equipment is subject to the following regulations:

- 15A NCAC 2D .0503, Particulates from Fuel Burning Indirect Heat Exchangers
- 15A NCAC 2D .0504, Particulates from Woodburning Indirect Heat Exchangers
- 15A NCAC 2D .0512, Particulates from Miscellaneous Wood Products Finishing Plants
- 15A NCAC 2D .0516, Sulfur Dioxide Emissions from Combustion Sources
- 15A NCAC 2D .0521, Control of Visible Emissions
- 15A NCAC 2D .1111, Maximum Achievable Control Technology

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

NSPS

The facility is not subject to any new source performance standards. The proposed modification does not affect this status.

NESHAP/MACT

The facility is currently subject to 40 CFR 63, Subpart JJ, Wood Furniture Manufacturing Operations. Applicable equipment includes all equipment associated with the furniture finishing operation (ID No. ES-F1). The permit condition stipulates work practice standards, requirements for finishing operations, requirements for cleaning operations, and requirements for contact adhesive operations.

The proposed modification of the permit adds permit restrictions on the emission of HAPs facility-wide. This is to remove the requirement to comply with any future MACT standards that may be applicable to the facility (e.g., 40 CFR 63, Subpart DDDDD, “Boiler MACT”). This modification will also eliminate the need for the facility to submit a Part II application for 112(j), MACT hammer date.

It should be noted that these proposed limitations do not relieve the facility from having to comply with the existing furniture MACT requirements. At the last inspection the facility was found to be in compliance with the MACT permit conditions; therefore, continued compliance is expected.

PSD

The facility is not subject to any prevention of significant deterioration standards or avoidance conditions. The proposed modification does not affect this status.

112(r)

The facility is not subject to the Chemical Accident Release Prevention Program (112(r)) because it does not store any applicable chemicals. The proposed modification does not affect this status.

CAM

The facility currently operates control equipment on both its wood fuel/solid finishing waste-fired boiler and its woodwaste collection system that may be subject to CAM. However, this permit application, although being processed as a significant modification, is not for a modification of these sources. Therefore, a CAM determination is not due at this time. It should however be addressed during the facility's permit renewal process.

VII. Facility Wide Air Toxics

The facility is not currently operating under an emission limitation for toxic air pollutants. This modification is for the establishment of enforceable limitations on the emission of hazardous air pollutants facility-wide in order to avoid MACT applicability to the facility. It should be noted that by doing this, the facility has made its current MACT standards the "last MACT" standard subject to the facility. Normally this would trigger a facility-wide toxics demonstration per 15A NCAC 2Q .0705(b)(1) for existing sources. However, the furniture industry has completed an industry wide demonstration for those facilities subject to 40 CFR 63, Subpart JJ. This demonstration eliminates the need for the facility to complete a toxics demonstration showing compliance with the toxics regulations at the same time it is required to comply with the last MACT.

A check of the latest emissions inventory submitted for the 2002 emissions inventory year for the facility indicates that the facility has actual combined emissions of hazardous air pollutants of 10.15 tons per year. The largest single HAP is toluene at 4.057 tons per year.

VIII. Statement of Compliance

The facility was last inspected by Brendan Davey of the Asheville Regional Office on May 13, 2003. At the time of the inspection the facility was found to be in compliance with the applicable air quality regulations.

IX. Stipulation Review

Asheville Regional Office had the following comments on the draft permit:

1. Permit condition 2.1 A.1.d requires that stack testing be performed on the associated process equipment within one year of permit issuance. ARO comments that this testing was completed on August 9, 2001 and the facility was found to be in compliance with the particulate emission rate; therefore this permit condition can be removed from the permit. However, it should be added back in upon permit renewal for the facility. *Agree, testing will be removed and replaced with shell language. It should be noted that the stack testing condition should be added during the next renewal cycle. Note (March 18, 2004), as a result of the re-draft, this language has not been removed. It should be re-assessed at renewal as indicated by ARO.*
2. The new MACT avoidance language refers to a 12-month rolling average. ARO suggests changing this to a rolling total since the facility is not averaging anything. *Agree, change will be made.*

On March 11, 2004, comments were received in the draft air permit from the facility. A summary of the comments indicate that the facility feels this permit activity should not be handled as a significant modification subject to public and EPA review. In phone conversations with the facility, it was explained that the requested limitations are subject and the processing schedule was applicable. It should be noted that many of the modifications to the permit not associated with the requested limit were removed in the re-draft. These modifications shall be included in the renewed permit (November 2004 – application submittal requirement).

X. 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. There are no affected States for this facility.

XI. Conclusions, Comments, and Recommendations

Asheville Regional Office recommends issuance of modified permit with noted stipulation corrections above. RCO concurs with issuance of modified permit upon completion of public notice and EPA review periods.