

**NORTH CAROLINA
DIVISION OF AIR QUALITY**

Air Permit Review

Region: Raleigh Regional Office
County: Granville
NC Facility ID: 3900065
Inspector's Name: Steve Hall
Date of Last Inspection: 04/20/2006
Compliance Code: 3/In Compliance - Inspection

Facility Data			Permit Applicability (this application only)		
Applicant (Facility's Name): Georgia - Pacific Corporation Chip-N-Saw Plant Facility Address: Georgia - Pacific Corporation Chip-N-Saw Plant 2128 Horner Waldorf Drive Creedmoor, NC 27522 SIC: 2421 / Sawmills & Planing Mills General NAICS: 321113 / Sawmills Facility Classification: Before: Title V After: Title V Fee Classification: Before: Title V After: Title V			SIP: NSPS: NESHAP: MACT DDDD PSD: PSD Avoidance: NC Toxics: 2Q .0705 112(r): Other:		
Contact Data			Application Data		
Facility Contact	Authorized Contact	Technical Contact	Application Number: 3900065.05A Date Received: 02/22/2005 Application Type: Renewal Application Schedule: TV-Renewal Existing Permit Data Existing Permit Number: 04048/T13 Existing Permit Issue Date: 12/20/2000 Existing Permit Expiration Date: 11/30/2005		
Stephen Peskar Plant Manager (919) 528-2576 P O Box 489 Creedmoor, NC 27522	Stephen Peskar Plant Manager (919) 528-2576 P O Box 489 Creedmoor, NC 27522	Cliff Bowling Sr Environmental Engineer (434) 283-6211 P O Box 340 Brookneal, VA 24528			
Review Engineer: Rahul Thaker Review Engineer's Signature: _____ Date: 6/7/06			Comments / Recommendations: Issue 04048/T14 Permit Issue Date: Permit Expiration Date:		

1. Purpose of Application

This revision is a renewal of an existing Title V permit pursuant to 2Q .0513. The existing Title V permit (04048T13) was issued on December 20, 2000 and is scheduled to expire on November 30, 2005. The renewal application was received on February 22, 2005 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

Georgia - Pacific Corporation's Creedmoor mill receives pine lumber and produces finished lumber. The logs are brought onsite and stored on the logyard. The logs are subsequently debarked, cut to size, and processed through the sawmill where the logs are cut into rough dimensional lumber. The rough cut lumber is then stacked and dried in direct-fired kilns. The kiln dried lumber is processed through the planer mill where it is dressed to produce finished dimensional lumber.

The direct-fired kilns utilize green sawdust generated during various processes within the manufacturing operation to provide heat required for drying the lumber. Other wood residuals such as green chips, planer shavings, bark, etc., which are generated through manufacturing steps, are transferred offsite for utilization by other operations.

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 facility is a major source under the Title V program for emissions of PM₁₀, PM_{2.5}, volatile organic compounds (VOC), carbon monoxide (CO), individual hazardous air pollutant (HAP) (methanol) and aggregate HAP.

3. Application Chronology

Refer to attached "Comprehensive Application Report for 3900065.05A" for complete details.

4. Permit Modification/Changes

The initial Title V permit (04048T13) was issued on December 20, 2000 and it has not been revised.

5. Regulatory Review

The permitted emission sources are subject to the following regulations:

2D .0512 "Particulates from Wood Products Finishing Plants"
2D .0515 "Particulates from Miscellaneous Industrial Processes"
2D .0516 "Sulfur Dioxide Emissions from Combustion Sources"
2D .0521 [Control of Visible Emissions]
2D .0614 "Compliance Assurance Monitoring"
2D .1100 "Control of Toxic Air Pollutants"
2D .1111 "Maximum Achievable Control Technology"
2D .1806 "Control and Prohibition of Odorous Emissions"
2Q .0705 "Existing Facilities and SIC Calls"
2Q .0711 "Emission Rates Requiring a Permit"

No regulatory review is required for the above applicable requirements, except for the requirements in 2D .0614 (CAM) and .1111 (MACT Subpart Subpart DDDD). For CAM and MACT applicability, please refer to Section 6.

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

NSPS

None of the permitted sources are subject any promulgated MACT standards.

NESHAPS

EPA has promulgated (69 FR 49544, July 30, 2004) a MACT standard in 40 CFR 63 Subpart DDDD, "National Emission Standards for Hazardous Air Pollutants: Plywood and Composite Wood Products". It applies to major existing and new sources of HAP emissions located at plywood and composite wood products (PCWP) manufacturing facilities. The affected sources include among others, the lumber kilns located at either PCWP facilities or at any other kind of facility. Refer to § 63.2232(b). The compliance date for existing affected sources is October 1, 2007.

The above original, promulgated regulation was revised (71 FR 8342, February 16, 2006) for several reasons. Couple of reasons, which are pertinent for this facility are the following:

- The compliance date for the existing, affected sources has been extended to October 1, 2008.
- The lumber kilns are not required to comply with the compliance options, work practice requirements, performance testing, monitoring, SSM plans, and record keeping and reporting requirements, or any other requirements in Subpart A of 40 CFR 63, except the initial notification requirement in § 63.9(b).

As indicated in Section 2 above, the facility is a major source for HAP, and hence, lumber kilns at the facility have been deemed as existing, affected sources under this MACT standard. However, they are not subject to any requirement under the MACT standard, except the initial notification requirement. The Permittee has already submitted initial notification to DAQ on January 5, 2005. Refer to the attached copy.

ATTAINMENT STATUS

This facility is located in Granville County, which is in attainment for all criteria pollutants including for PM_{2.5}, but excluding for 8-hr ozone standard.

The non-attainment classification for 8-hr ozone NAAQS for the county is "basic" and it is accordance with Subpart 1 of Part D of CAA. The maximum attainment date for this classification is June 2009.

The non-attainment area new source review (NAA NSR) applies to all major sources and major modifications in this county for emissions of VOC and NO_x (both are precursors for ozone). The major source threshold for emissions of both VOC and NO_x for this county under the NAA NSR program is 100 tons/yr.

Based on the potential emissions of VOC (247 tons/yr), the facility can be deemed as an existing major source for VOC under NAA NSR. The renewal of the existing Title V permit neither changes this status nor any emission change in these pollutants is expected while renewing the Title V permit, which otherwise would require a review for applicability to major modification provision of NAA NSR.

PSD

Based on the potential emissions as included in Section 10 below, the facility is an existing, minor source (major source threshold 250 tons/yr) under PSD program for all regulated pollutants including NO₂, but excluding VOC. This renewal does not change this classification. For VOC, please see above for details.

112(r)

This facility is not subject to Section 112(r) of the Clean Air Act requirements.

CAM

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

- (i) pollutant specific emission unit (e.g. boiler, spray booth, planer, etc.) shall be subject to an emission limitation or a standard other than the exempt limitations or standards (e.g. 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.

The following Table provides a summary, which indicates that none of the PSEUs are subject to CAM.

PSEU	Pollutant	Applicable Requirement	Control Device (Inherent Process Equipment)	Pre-controlled Emission Rate	Major Source Threshold	Subject to CAM?
Sawdust Conveyance System (ID No. ES-SCS)	PM	15A NCAC 2D .0512	cyclone (ID No. CD-S2)	1.15	100	No
Shavings Bin Conveyance System (ID No. ES-SBS)	PM	15A NCAC 2D .0512	cyclone (ID No. CD-S3)	21.85	100	No
Planer Hog (ID No. ES-PH)	PM	15A NCAC 2D .0512	cyclone (ID No. CD-S4)	12.8	100	No
Woodwaste Transfer System (ID No. ES-S10)	PM	15A NCAC 2D .0512	cyclone (ID No. CD-S10)	1.15	100	No

It should be noted here the cyclones on these emission sources (PSEUs) as tabulated above, can be considered "inherent process equipment" as defined in Part 64.

The company has provided a rationale for considering the cyclone on a chip screening equipment as inherent process equipment in a July 6, 2006 letter to DAQ for their Ahoskie facility. This letter has been attached with this review. The company states that (i) the primary purpose of the cyclone on the chip screening operation is for beneficial reuse either internally or externally for another wood products manufacturer, (ii) The cost savings due to recovery of the product (sawdust) vastly outweighs the cost for installation of a cyclone, and (iii) The cyclone would be installed even if there is no air quality regulations exist, because the primary purpose is to collect/convey the product.

The Creedmoor facility is very similar in operation to Ahoskie facility. In fact, both of these facilities produce dry lumber using the planers, hogs, trimmers, etc. Hence, DAQ will consider the company's rationale for Ahoskie facility for treating cyclone as inherent process equipment, for this facility as well. DAQ concludes that that the cyclones at the Creedmoor facility are not active control devices and they are inherent process equipment, and thus, none of the above PSEUs are subject to Part 64 requirement.

Finally, it should be noted here that even if these cyclones were considered active controls, none of the PSEUs would exceed the 100 tons pre-control criteria. For example, assuming that cyclone can reduce PM10 emissions by 70% (conservative estimate), the pre-control emission rate for shavings bin conveyance system (ID No. ES-SBS) will be approximately 72.8 tons/yr ((i.e., 21.85 / (1-0.7)).

7. Facility Wide Air Toxics

The facility is currently operating under 2D .1100 emission limits for formaldehyde and phenol on a facility wide basis. Also, the existing permit includes a requirement to maintain acetaldehyde emission below its TPER on a facility total basis. These requirements will not change in the renewal permit.

In addition, the facility (two lumber kilns) is subject to MACT DDDD (last MACT excluding boiler MACT) even if there is no specific requirement it is subject to. Hence, the 2Q .0705 requires the facility to demonstrate compliance with the 2D .1100 at the same time the MACT compliance date (October 1, 2008). The revised permit will include this requirement.

8. Facility Compliance Status

The facility was inspected on 4/20/06 by Steve Hall of RRO. The facility was found to be in compliance of all requirements of the existing air permit.

The above inspection report noted that the company had installed a planer trimmer in 2004 and DAQ should include this equipment as an insignificant activity list of the permit. As per DAQ (Rahul Thaker)'s discussion with the company (Cliff Bowling) on 6/7/06, it was learned that this equipment was actually a replacement for the two trimmers on the planer hog, which were removed in 2003. Per company, the trimmer will feed the material into the permitted planer hog (ES-PH), which then discharge the materials for collection through a permitted process cyclone (ID No. CD-S4). In brief, the particulate emission from the installed trimmer have been accounted for in the emission from the planer hog, and no new, additional particulate emissions are to be reviewed for the trimmer on the planer hog. The source descriptor for ES-PH in the permit will be revised to clarify this matter as following: "one trimmer emptying into a planer hog". Finally, the company had submitted a letter on 11/17/03 to DAQ including replacement of two trimmers with one trimmer and concluding that the replacement would not increase in particulate emissions from planer hog nor it would result into increase in production rate. Please see attached.

9. Statement of Compliance

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. The following is an emission summary, copied from the application.

Pollutant	Actual Emissions (tons per year)	Potential Emissions (tons per year)
Particulate (TSP)	69.8	171.8
PM-10	51.8	128.4
PM-2.5	51.8	128.4
Carbon Monoxide	51.8	124.8
Nitrogen Oxides	9.2	22.1
Sulfur Dioxide	2.0	6.35
Volatile Organic Compounds	102.5	247
Single largest HAP (Methanol)	7.15	12.4
Total HAP	< 25	> 25

11. Stipulation Review

Air permit 04048T13 will be revised as per the following:

- Revise the Part I Section 1 Table to include reference for MACT.
- Include a footnote for all cyclones to indicate that these equipment are "inherent process equipment" under Part 64.
- Revise Section 2.1 A. Table and Section 2.1 A.4. to include applicable requirement of MACT Subpart DDDD.

- Revise Section 2.1 A. Table and Section 2.1 B. Table to include applicable requirement of 2Q .0705. Also, revise the citation for odorous emissions from repealed 2D .0522 to 2D .1806.
- Include a noncompliance statement in Section 2.1 B.1.c. and Section 2.1 B.2.d.
- Update visible monitoring requirement in Section 2.1 B.2.c. with the latest TV shell language.
- Include latest version of General Conditions.

12. Public Notice / EPA and Affected States Review

Pursuant to 2Q .0521, a notice of the proposed Title V Permit will be placed in the local 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 will also be sent to persons on the Title V mailing list.

Based upon the EPA's current policy, the proposed permit for this facility will be sent to EPA for their 45-day review, simultaneously with noticing it in the newspaper for 30-day public review. The final permit will also be provided to EPA after issuance.

Also pursuant to 2Q .0522, a notice of the proposed Title V Permit will be sent to each affected State at or before the time notice provided to the public under 2Q .0521 above. Affected states as specified by 15A NCAC 2Q .0503(1) and 40 CFR 70.8(b) are none.

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.

The draft permit was sent to RRO (Charles McEachern) for review on 6/1/06. Charles e-mailed on the same day noting that he did not have any comments and the RRO recommended renewing the permit.

The draft permit was also sent to the company (Cliff Bowling) for review on 6/1/06. Cliff responded on 6/7/06 stating that he did not have any comments at this time.

RCO recommends issuing the renewed permit after the completion of public comment period and EPA review.