

**NORTH CAROLINA DIVISION OF
AIR QUALITY**

Air Permit Review

Permit Issue Date:

Region: Fayetteville Regional Office
County: Cumberland
NC Facility ID: 2600009
Inspector's Name: Debra McHargue
Date of Last Inspection: 07/29/2010
Compliance Code: 3 / Compliance - inspection

Facility Data			Permit Applicability (this application only)	
Applicant (Facility's Name): Momentive Specialty Chemicals, Inc. - Fayetteville Facility Facility Address: Momentive Specialty Chemicals, Inc. - Fayetteville Facility 1411 Industrial Drive Fayetteville, NC 28301 SIC: 2891 / Adhesives And Sealants NAICS: 32552 / Adhesive Manufacturing Facility Classification: Before: Title V After: Title V Fee Classification: Before: Title V After: Title V			SIP: NSPS: NESHAP: 15A NCAC 2D .1109 (Case-By-Case MACT for Combustion Sources) PSD: PSD Avoidance: NC Toxics: 112(r): Other: Name Change	
Contact Data			Application Data	
Facility Contact	Authorized Contact	Technical Contact	Application Number: 2600009.09C & .10B Date Received: 09/17/2009 & 10/25/2010 Application Type: 112(j) Part II & Name Change Application Schedule: TV-Significant Existing Permit Data Existing Permit Number: 03387/T38 Existing Permit Issue Date: 03/11/2010 Existing Permit Expiration Date: 01/31/2015	
Rayford Hunt EHS Leader (910) 485-9270 1411 Industrial Drive Fayetteville, NC 28301	Kevin Morris Site Leader (910) 485-9225 1411 Industrial Drive Fayetteville, NC 28301	Michelle West Regional Environmental Engineer (910) 485-9221 1411 Industrial Drive Fayetteville, NC 28301		
Review Engineer: Fern Paterson, P.E. Review Engineer's Signature: _____ Date: _____			Comments / Recommendations:	
			Issue: 03387/T39 Permit Issue Date: _____ Permit Expiration Date: 01/31/2015	

I. Purpose of Application

Momentive Specialty Chemicals, Inc. – Fayetteville Facility is located in Fayetteville, Cumberland County, North Carolina. Application No. 2600009.09C, received September 17, 2009, is a Part 2 MACT “Hammer” application for two boilers, as follows:

- **ID No. ES3** – Boiler No. 3; natural gas, No. 4, No. 5, No. 6 fuel oil-fired; 20.9 million Btu per hour input
- **ID No. ES4** – Boiler No. 4; natural gas, No. 4, No. 5, No. 6 fuel oil-fired; 20.9 million Btu per hour input

The facility also has three additional boilers (**ID Nos. FORM1/2 and FORM3**) that are permitted to fire process tail gas. These boilers are affected by the Hazardous Organic NESHAP (40 CFR 63, Subpart F and G) are therefore are not affected under the boiler/process heater subcategory.

Application No. 2600009.10B, received October 25, 2010, is an application to change the owner's name from Hexion Specialty Chemicals, Inc. to Momentive Specialty Chemicals, Inc. The entity that owns the facility has not changed.

II. Permit Modifications/Changes

The following table describes the modifications to the current permit.

Page(s)	Section	Description of Change(s)
1	Permit Cover Page	Amend permit revision numbers and issuance/effective dates.
9	List of Permitted Sources	Add "Case-By-Case MACT" designation to the affected boilers (ID Nos. ES3 and ES4).
55	Section 2.1.L., Table	Add 15A NCAC 2D .1109 to the list of applicable regulations.
58-59	Section 2.1.L.5.	Add Section to include Case-By-Case MACT Hammer requirements.
71-79	Section 3 – General Conditions	Update General Conditions to the most recent revision (v. 3.2.2).

III. Regulatory Review

- A. **15A NCAC 2D .1109 – CAA § 112(j); Case-by-Case MACT for Boilers & Process Heaters** – On July 20, 2007, the D.C. Circuit Court vacated the National Emission Standard for Hazardous Air Pollutants (NESHAP) for Industrial, Commercial, and Institutional Boilers and Process Heaters, which had been promulgated under 40 CFR 63, Subpart DDDDD. The North Carolina Attorney General's office has determined that the NESHAP vacatur equates to the failure of the U.S. EPA to promulgate a standard as required under Section 112(d) of the Clean Air Act (CAA). As a result, the site-specific Maximum Achievable Control Technology (MACT) standards required under CAA §112(j), commonly referred to as the MACT "hammer" provisions, have been triggered. North Carolina regulations implementing the MACT hammer are found at 15A NCAC 2D .1109.

NC DAQ has developed this guidance to provide standards and compliance procedures that it has determined meet the requirements of § 112(j) (<http://daq.state.nc.us/permits/112j/>).

The NC DAQ received a Part 2 MACT "Hammer" application from this facility asking that the NC DAQ establish 112(j) emissions limitations in accordance with NC DAQ's recommendations. The facility proposed to comply with the filterable particulate matter (PM), mercury (Hg), and carbon monoxide (CO) emission limitations that are consistent with the NC DAQ application guidance. NC DAQ has developed this guidance to provide standards and compliance procedures that it has determined meet the requirements of § 112(j). Filterable PM emission limitations are a surrogate for non-mercury metal hazardous air pollutants (HAP).

Permanent Boiler (ID No. ES-001-01):

- For natural gas firing, NC DAQ has determined that MACT is the use of best work practice standards, consistent with the provisions in CAA § 112(d)(2)(D). No control technologies for the control of CO, metals, Hg, or HCl were identified for natural gas-fired boilers in the state of North Carolina, nor were any such technologies identified in a North Carolina query using U.S. EPA's AirControlNet software (v4.1). Best work practice standards in this case shall include the annual inspection and maintenance of the boilers.
- Both No. 5 and No. 6 fuel oils are residual fuel oils. No. 4 fuel oil is typically a blend of distillate and fuel oil. For the purposes of the case-by-case MACT standard, emissions

resulting from the firing of No. 4 fuel oil will be required to comply with the emissions standards for residual fuel oil firing. For residual fuel oil firing, the applicable emissions limitations and associated testing requirements shall only apply to boilers that fire at least 10% residual fuel oil on an annual average heat input basis. In such case:

- The Permittee will be required to conduct an annual compliance test. In most cases, the compliance test will be a stack test. However, the Permittee may choose to conduct a fuel analysis to demonstrate compliance with the mercury limit. Also, if stack test results show that emissions from an affected source are less than 80% of any applicable emission limitation, the frequency of testing for that pollutant shall be reduced from once per year to once every five years.

If the Permittee chooses to limit residual fuel oil firing to less than 10% to avoid applicability of the associated emissions limitations and testing requirements, the Permittee shall retain monthly records of the fuels fired at the boiler and complete a monthly calculation of the average heat input contribution from residual fuel oil to show that it is less than 10% for each 12-month rolling period.

IV. Draft Permit Review Summary

Debra McHargue and Jim Moser of the Fayetteville Regional Office was provided a draft permit and draft permit review document on November 10, 2010. <SUMMARY OF COMMENTS>.

Michelle West of Momentive Specialty Chemicals, Inc. was provided a draft permit for review on November 10, 2010. <SUMMARY OF COMMENTS>.

Ms. Katy Forney and Ms. Gracy DeNois (U.S. EPA, Region IV) were provided a draft permit for review on <DATE>. <SUMMARY OF COMMENTS>.

V. Recommendations

This permit modification application for Momentive Specialty Chemicals, Inc. – Fayetteville Facility located in Fayetteville, Cumberland County, North Carolina has been reviewed by NC DAQ to determine compliance with all procedures and requirements. NC DAQ has determined that this facility appears to be complying with all applicable requirements.

Issue Permit No. 03387T39