

**AIR PERMIT REVIEW**

<b>APPLICANT:</b> New South Lumber Company, Inc. – Graham Plant	<b>SITE LOCATION:</b> Graham	<b>COUNTY:</b> Alamance	
<b>TECHNICAL CONTACT:</b> Terry Bishop	<b>PHONE:</b> (336) 376-3130	<b>RESPONSIBLE OFFICIAL:</b> Don Olson	<b>TITLE:</b> Chief Operating Officer
<b>REVIEW ENGINEER:</b> Mark Cuilla	<b>SIGNATURE:</b>	<b>DATE:</b> XXXXXX, 2004	
<b>REGIONAL CONTACT:</b> Hilary King	<b>REGIONAL OFFICE:</b> WSRO	<b>SIC/NAICS CODE:</b> 5031/42131	
<b>APPLICATION NUMBER:</b> 0100237.04A	<b>EXISTING PERMIT NUMBER:</b> 06740T08	<b>NEW PERMIT NUMBER:</b> 06740T09	

**I. Purpose of Application**

This permitting action is a renewal of an existing Title V permit pursuant to 2Q .0513. The existing Title V permit (06740T08) was issued on February 19, 2002, and is currently scheduled to expire on December 31, 2004. The renewal application was received on January 29, 2004, 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.

**II. Facility Description**

The facility is a sawmill that produces structural lumber from pine logs. Operations include debarking, sawing, and kiln drying. The plant operates 10 hours per day Monday through Thursday and about 4 hours on Friday. The boilers operate 24 hours per day, seven days a week.

**III. History/Background/Application Chronology**

**January 29, 2004** – Renewal application 0100237.04A received and deemed complete for processing. Assigned to Kevin Godwin for processing.

**February 20, 2004** – WSRO permit application review received at DAQ headquarters.

**April 5, 2004** – Permit application transferred from Kevin Godwin to Mark Cuilla for processing.

**April 24, 2004** – DRAFT permit sent to title V coordinator, regional office, and Permittee for comment.

**April 27, 2004** – Comments on DRAFT permit received back from applicant and regional office. See Section XII of this document for a discussion.

**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(s)
Cover	-	-amended all permit revision numbers and dates
All	Header	-amended permit revision number
3	Equipment Table	-added reference to Subpart Dc for applicable boilers
4	2.1 A.1.a-f	-updated condition language with most recent shell conditions (tvcond54.doc) -added equipment and control device identification numbers where appropriate
5	2.1 A.2.a-c	-added equipment identification numbers where applicable
5	2.1 A.3.a-e	-updated condition language with most recent shell conditions (tvcond54.doc) -added equipment and control device identification numbers where appropriate
6	2.1 A.3.a-b	-updated condition language with most recent shell conditions (tvcond54.doc) -relaxed recordkeeping requirements from daily to monthly per EPA guidance
6-7	2.1 B.1.a-e	-updated condition language with most recent shell conditions (tvcond54.doc) -added equipment and control device identification numbers where appropriate
7	2.1 B.2.a-e	-updated condition language with most recent shell conditions (tvcond54.doc)
8-15	General Conditions	-updated conditions with most recent shell conditions (new word permit shell 2.2)

**V. Regulatory Review**

The facility is subject to the following regulations:

- 15A NCAC 2D .0504, Particulates from Woodburning Indirect Heat Exchangers
- 15A NCAC 2D .0512, Particulates from Miscellaneous Wood Products Finishing
- 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

No new or additional requirements have been added to this renewed permit. Therefore, a regulatory review will not be included in this document. The permit language has been amended as noted above to include the most recent permit shell condition language.

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

**NSPS**

The facility is currently subject to NSPS requirements (Subpart Dc) for two wood-fired boilers (ID Nos. B-2 and B-3). Because the two boilers are below the 38 million Btu per hour heat input capacity they are only subject to the recordkeeping requirements; specifically, the Permittee is required to record and maintain records of the amounts of wood fuel fired in the two boilers. In addition per EPA guidance, the monitoring frequency is being amended from daily to monthly. This modification has been agreed upon by the regional office in an April 22, 2004 email response from Hilary King.

**NESHAP/MACT**

The facility is not currently subject to a federal MACT standard. The renewal of this permit does not modify this status. However, the facility may become subject to the recently signed (not yet published) federal MACT for combustion sources (i.e., “boiler MACT”). The facility should be reviewed for applicability once the MACT is published and permit conditions inserted when applicable.

**PSD**

The facility is not currently operating under a PSD avoidance condition. The renewal of this permit does not require PSD analysis.

**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**

The facility has three wood-fired boilers and one planer mill permitted for operation. All are equipped with control devices for the control of particulate matter and therefore, potentially subject to compliance assurance monitoring (CAM) regulations. However, the facility has presented a demonstration for each of the three boilers using the DAQ spreadsheets verifying that the potential uncontrolled particulate matter emissions are below 100 tons per year PM10 each. A breakdown is as follows:

<u>Boiler ID No.</u>	<u>Potential PM10 emissions</u>
ID No. B-1	27.56
ID No. B-2	35.77
ID No. B-3	28.92

In addition, the planer mill, although controlled is not subject to CAM because the processes are not expected to be sources of PM10. Per Terry Bishop (New South Incorporated), the facility’s planer mill only has planning equipment and some wood hogging processes. Per the DAQ spread sheets for woodworking processes, PM10 portions of total particulate matter emissions from planning and wood hogging operations are expected to be zero percent. Therefore, CAM does not apply to this facility.

**VII. Facility Wide Air Toxics**

The facility is not currently subject to air toxics emission limits. The renewal of this permit will not require an air toxics analysis. It should be noted that on February 27, 2004, EPA signed the last of the 10-year MACT standards. The facility may be subject to the boiler MACT once it is published and the compliance dates set. The permitted equipment should be reviewed for future inclusion of MACT language if it is found to be applicable to the facility.

**VIII. Statement of Compliance**

The DAQ has reviewed the compliance status of this facility. Based on the latest inspection (July 24, 2003), the facility was in compliance with all applicable requirements

**IX. Facility Emissions Review**

There is no change in emissions for this renewal. The latest emissions inventory on file is in effect for this facility.

**X. Stipulation Review/Regional Concerns, Comment, and Recommendations**

The Winston-Salem Regional Office suggested only minor corrections to the permit prior to its issuance. Those changes have been included in the DRAFT permit.

**XI. 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.

**XII. 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 and **does** request a DRAFT permit prior to issuance. The regional office did not have any comments on the DRAFT permit prior to issuance.

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

The facility had the following comments on the DRAFT permit:

1. The responsible official should be changed from Mr. Hoffman to Mr. Olson, Chief Operating Officer. *Agree, change was made.*
2. The summary table had a typographical error. *Agree, fix was made.*
3. The facility address should be changed from 4408 Mount Herman Church Road to 4408 Mount Herman-Rock Creek Road. *Agree, change was made.*