

**FIRST TIME TITLE V AIR PERMIT APPLICATION REVIEW**

<b>APPLICANT:</b> Standard Commercial Tobacco Company, Inc.	<b>SITE LOCATION:</b> Wilson	<b>COUNTY:</b> Wilson	
<b>TECHNICAL CONTACT:</b> Gary Foote	<b>PHONE:</b> (252) 237-1106	<b>RESPONSIBLE OFFICIAL:</b> Karl Anderson	<b>TITLE:</b> Vice President Special Operations
<b>REVIEW ENGINEER:</b> Mark Cuilla	<b>SIGNATURE:</b>	<b>DATE:</b> XXXXXX, 2003	
<b>REGIONAL CONTACT:</b> Charles McEachern	<b>REGIONAL OFFICE:</b> RRO	<b>SIC CODE:</b> 2141	
<b>APPLICATION NUMBER:</b> 9800202.03A	<b>EXISTING PERMIT NUMBER:</b> 08687R04	<b>NEW PERMIT NUMBER:</b> 08687T05	

**I Introduction/Purpose of Application**

In 1998, Standard Commercial Tobacco Company, Inc., was issued its initial permit to construct and operate. At that time the facility was classified as a synthetic minor facility with permit limits on volatile organic compound emissions from the topdressing application portion of its process line. Due to increases in material usage and the need for VOC emission levels to exceed the 100 tons per year limit, the facility requested that they be reclassified as a title V major facility and were issued a permit revision in 2002 to accomplish this. That permit modification included a permit requirement that the facility submit a title V application within a year. This application satisfies that requirement.

**II History and Permit Application Background Information**

**January 4, 1999** – Air Permit 08687R00 issued.

**May 6, 1999** – Air Permit 08687R01 issued.

**June 21, 2001** – Air Permit 08687R02 issued.

**February 1, 2002** – Air Permit 08687R03 issued.

**February 24, 2003** – Application 9800202.03A for a first time title V permit and 9800202.03B for a modification of the existing State operating permit were each received by DAQ. It was requested by the applicant that the modification be completed first.

**March 11, 2003** – Raleigh Regional Office permit review was received by me. They comment that the application looks as expected and have no comments at this time. They recommend issuance of the permit.

**March 17, 2003** – Air Permit 08687R04 issued.

**April 14, 2003** – DRAFT first time title V permit sent to Permittee for comment.

**April 29, 2003** – I received comments on the DRAFT permit from the facility. See Section XIV of this document for a discussion of comments and responses.

**III. Facility Description**

Standard Commercial Tobacco Company processes tobacco for cigarette manufacturing. Tobacco strips and stems are received for processing and sold to end users for manufacturing cigarette products. The facility consists of a cut rag process line consisting of a series of handling, drying, separating, casing, cutting, topdressing, and packaging equipment. An addition line is also available for the addition of specialty flavorings. The facility has one natural gas and No. 2 fuel oil-fired boiler for process steam.

**IV. Statement of Compliance**

The facility was last inspected by the Raleigh Regional Office on April 19, 2002. At that time it was found to be in compliance with all applicable air quality regulations.

**V. Summary of Emission Sources and Control Devices**

The following tables provide information describing the emission sources at the facility.

Emission Source ID No.	Emission Source Description	Control Device ID No.	Control Device Description
ES-101	<p><u>Cut Rag Process consisting of:</u></p> <ul style="list-style-type: none"> <li>-One feeder line 1 (15,000 pounds per hour capacity) including slicing, conditioning, and separating equipment</li> <li>-One optional feeder line 2 (7,000 pounds per hour process capacity) including feeding, conditioning, and separating equipment</li> <li>-Additional process equipment including:               <ul style="list-style-type: none"> <li>-feeders</li> <li>-weigh belts</li> <li>-shakers</li> <li>-conveyors</li> <li>-silos</li> <li>-cutters</li> <li>-rotary dryer</li> <li>-casing drum</li> <li>-topdressing cylinder</li> <li>-pack out process</li> </ul> </li> </ul>	<p>CD-101</p> <p>CD-102*</p>	<p>One bagfilter (2,260 square feet of filter area)</p> <p>One bagfilter (2,260 square feet of filter area)</p>
ES-102 (NSPS)	One natural gas/No. 2 fuel oil-fired boiler (25.1 million Btu per hour maximum heat input)	NA	NA

Emission Source ID No.	Emission Source Description	Control Device ID No.	Control Device Description
ES-201	<b>Batch Flavoring Process consisting of:</b> -unpacking operations -flavoring operations, and -pack out operations	NA	NA

\* The facility was issued permit 08687R04 on March 17, 2003 for the construction of CD-102. As of the issuance date of this permit, the control equipment has not been installed. A permit condition requiring notification of its start-up has been added to the permit.

## VI. Emission Source Evaluation

### A. Cut Rag Process Line (ES -101)

The cut rag process line is subject to the particulate matter emission limits contained in 15A NCAC 2D .0515 and the 20 percent opacity standard in 2D .0521.

1. The cut rag process line is limited to 15,000 pounds per hour process capacity. This equates to a calculated particulate emission limit of 15.8 pounds per hour (2D .0515). The facility estimates particulate emissions 1.42 pounds per hour after control. This level is below the allowed; therefore, compliance is expected.
2. The cut rag process line has two main emission points. Each emission point is controlled by and identical bagfilter. Each bagfilter has an estimated control efficiency of 99 percent. With proper operation and maintenance, the 20 percent opacity level should continue to be maintained. Compliance is expected.

### B. Boiler (ES -102)

The boiler is subject to the particulate matter emission limits contained in 15A NCAC 2D .0503, the 20 percent opacity standard in 2D .0521, and the sulfur dioxide emissions standards of 2D .0524 (NSPS, Subpart Dc).

1. The 25.1 million Btu per hour boiler has a calculated particulate emission rate of 0.47 pounds per hour per 2D .0503. Using DAQ spreadsheets, the facility estimates particulate emissions from this boiler using No. 2 fuel oil as the worse case scenario as 0.20 pounds per hour. This estimated level is below the allowable; therefore, compliance is expected.
2. The facility is required to comply with the 20 percent opacity standard in 2D .0521. The facility states in the application that the boiler uses natural gas as the primary fuel and No. 2 fuel oil as a backup fuel. These fuels are inherently clean fuels; therefore, compliance is expected.
3. See Section X.D. of this document.

### C. Batch Flavoring Process Line (ES -201)

This process line is not subject to any specific regulations. However, it is subject to the VOC work practice standards and the facility-wide odorous emissions, toxics and PSD avoidance conditions. See Section VII of this document for the applicable emission standards for this process line.

## **VII. Multiple Emission Source Limits**

### **A. Cut Rag Process Line (ES -101) and Batch Flavoring Process Line (ES -201)**

The two process lines noted above are subject to the volatile organic compound work practice standards contained in 15A NCAC 2D .0958.

1. This permit condition describes the work practice standards for all sources that use volatile organic compounds as solvents, carriers, material processing media, or industrial chemical reactants, or in similar uses that mix, blend, or manufacture volatile organic compounds as a product of chemical reactions, and whose emissions of VOC are greater than 15 pounds per day. The permit condition contains monitoring, recordkeeping, and reporting requirements. Continued compliance is expected.

### **B. Facility-wide**

The facility is subject to the odorous emissions requirements contained in 15A NCAC 2D .1806, toxic pollutant emission rates (TPERs) for ammonia and acetic acid contained in 15A NCAC 2Q .0711, and a volatile organic compound prevention of significant deterioration (PSD) avoidance condition contained in 15A NCAC 2D .0530 (see Section X.A. of this document).

1. The odorous emissions requirements state that the Permittee shall not operate the facility without implementing management practices or installing and operating odor control equipment sufficient to prevent odorous emissions from the facility from causing or contributing to objectionable odors beyond the facility's boundary. Continued compliance is expected.
2. The facility currently operates with TPERs limits for ammonia (0.68 pounds per hour) and acetic acid (0.96 pounds per hour) from the cut rag process line. The facility estimates emissions of these two toxics as 0.60 and 0.68 pounds per hour, respectively; both of which fall below the level at which a permit to emit must be received. Continued compliance is expected.

## **VIII. MACT Applicability and Requirements**

There are no MACT issues associated with this facility. The facility is classified as a minor facility with respect to HAP emissions.

## **IX. Permit Shield (including non-applicable requirements)**

The permit contains a general permit condition extending the permit shield to the facility. The permit shield states that compliance with the terms and conditions of this permit shall be deemed compliance with applicable requirements, where such applicable requirements are included and specifically identified in the permit as of the date of permit issuance.

## **X. Other Applicable Requirements**

### **A. PSD**

In order to avoid applicability of the PSD regulations for VOC emissions, the facility has requested that a permit condition be added to the permit limiting facility-wide VOC emissions to below 250 tons per year. The facility will be required to monitor and record VOC emissions on a monthly basis. Emissions shall be calculated by multiplying the total amount of each type of VOC-containing material consumed during the month by the VOC content of the material. Reporting of emissions is required quarterly.

## **B. North Carolina Air Toxics**

The facility currently operates under TPER limits for both ammonia and acetic acid from the cut rag process line. Continued compliance is expected.

## **C. 112(g) Case-By-Case Maximum Achievable Control Technology**

There are no case-by-case MACT issues associated with this first time title V permit application.

## **D. NSPS**

The one natural gas and No. 2 fuel oil-fired boiler is subject to 40 CFR Part 60, Subpart Dc. The boiler is less than 30 million Btu per hour, and therefore subject to the sulfur dioxide emission limit of 0.5 percent sulfur content of the No. 2 fuel oil burned in the boiler. The facility is required to keep notification and fuel recordkeeping and recording requirements. Compliance is expected.

## **XI. General Conditions**

The "General Conditions" section of the Title V Operating Permit lists additional applicable rule requirements that the Permittee must adhere to, as with any other permit condition. These requirements in general are common to all Title V facilities. The general conditions include provisions such as annual fee payment, permit renewal and expiration, transfer of ownership or operation, property rights, submission of documents, inspections and entry procedures, reopen for cause, severability, etc.

The permit was written to include the most recent general conditions; specifically "newshe34.wpd."

## **XII. Insignificant Activities**

The facility has not reported any insignificant activities; therefore the permit does not include an attachment.

## **XIII. Public Notice**

Per 15A NCAC 2Q .0521, Public Participation, this first time title V permit will be required to be taken to public notice and EPA review prior to issuance. The notice will be given by publication in a newspaper of general circulation in the area in which the facility is located.

## **XIV. Recommendations**

The Raleigh Regional Office has commented that they concur with the issuance of the first time title V permit as submitted.

### **Review of Facility Comments on DRAFT permit:**

Comment: The equipment list is too detailed in its listing of specific numbers of equipment pieces associated with a process line. The list should instead list the operations for flexibility of moving non-essential pieces without a permit change.

Response: Agree; the equipment list will be modified as suggested.

Comment: The bagfilter (ID No. CD-102) has not been installed at this time. However, a construction permit has been issued for its construction. The title V permit should note this and include a trigger that recordkeeping and reporting for this control device is not required until it is in operation.

Response: Agree; a permit condition will be added which requires regional office notification upon start-up of the control device.

Comment: The NSPS Subpart Dc permit condition requires that the Permittee keep records and report natural gas and No. 2 fuel oil usage. The No. 2 fuel oil capacity has not been put in yet. The current state operating permit has a notification requirement that does not appear in the draft title V permit. This condition would only require recordkeeping and reporting in the event that No. 2 fuel oil is used in the future.

Response: Do not agree; the notification statement does not relieve the Permittee from reporting fuel usage. Subpart Dc does not include a 15-day notification period for multiple fuels. The current permit condition was written to relieve the Permittee from stack testing requirements for the fuel not used in the boiler. Recordkeeping and reporting are required as drafted in the permit.

Comment: The PSD avoidance permit condition requires the calculation of VOC emissions assuming 100% loss rate. The facility's calculations do not use this assumption exclusively in its records. They use industry generated "loss rates" for some of the VOCs at the facility. The facility requests that the permit reflect these rates.

Response: Do not agree; the language as written is acceptable. The facility shall calculate VOC emissions by multiplying total amount of each VOC-containing material consumed during each month of the VOC content of the material. The facility shall keep records of the VOC content for this calculation for all VOC containing materials.