STATEMENT OF BASIS

Swift Lumber, Inc. Atmore, Escambia County, Alabama Facility No. 502-S003

This draft Title V Major Source Operating Permit (MSOP) significant modification is issued under the provisions of ADEM Admin. Code chap. 335-3-16. The above named applicant has requested authorization to perform the work or operate the facility shown on the application and drawings, plans, and other documents attached hereto or on file with the Air Division of the Alabama Department of Environmental Management, in accordance with the terms and conditions of this permit. The current MSOP was issued on November 28, 2016, became effective on January 1, 2017, and expires on December 31, 2021. This would be the first modification to this MSOP. Swift Lumber Co., Inc. requests this modification in order to incorporate Air Permit No. X020. This modification would also remove Emission Unit Nos. 007, 008, and 009 from the current MSOP.

Facility Operations

Swift Lumber, Inc. (Swift) operates a softwood lumber and pole manufacturing facility in Atmore, Alabama. The significant sources of air pollutants at this facility are a 16.8MMBtu/hr natural gasfired boiler, a 23.25 MMBtu/hr wood-fired boiler with a multiclone, a 29.5 MMBtu/hr wood-fired boiler with a multiclone, a 70 MBF/charge batch indirect-heated lumber/pole dry kiln and a 65,000 MBF/year continuous indirect-heated lumber/pole dry kiln. A planer mill with three (3) cyclones, CCA wood preservation and storage and an emergency backup generator are also considered to be a significant source of air pollutants. Insignificant emission sources at this facility include log debarking, sizing, and chipping; bark/sawdust handling and transfer systems; lumber sorting, stacking, and grading, wood residuals storage, and diesel fuel storage.

Significant Modifications to MSOP

The MSOP Modification would incorporate the following changes:

- 1. Incorporation of Air Permit No. X020 for the modification to convert the No. 1 Dry Kiln (Wellons 84'/Emission Unit No. 008) from a batch-style kiln to a continuous indirect-fired kiln with a rated capacity of 65,000 MBF/yr. The No. 5 Dry Kiln (Moore 84'/Emission Unit No. 006) was also included in this permit, but no changes were made. Permit No. X020 was issued June 10, 2019, and granted Temporary Authorization to Operate (TAO) on December 19, 2019. Authorization to Operate (ATO) was issued September 3, 2020.
- 2. Removal of the No. 2 Dry Kiln (Emission Unit 009), the No. 3 Dry Kiln (Emission Unit 010), and the No. 4 Dry Kiln (Emission Unit 007) which have been permanently retired.

Applicability: Federal Regulations

Title V

This facility is a major source under Title V regulations because the potential emissions for particulate matter (PM), carbon monoxide (CO), and volatile organic compounds (VOC) each exceed the 100 TPY major source threshold. The facility is a synthetic minor source of Hazardous

Air Pollutants (HAP) due to facility-wide emission limits of 9.9 TPY for any single HAP and 24.5 TPY for the combined HAP emissions and production limits¹ for the facility's two remaining kilns.

<u>Prevention of Significant Deterioration (PSD)</u>

This facility is located in an attainment area for all criteria pollutants, and the facility operations are not one of the 28 listed major source categories. Therefore, the major source thresholds of concern are 250 TPY for criteria pollutants. The facility is a minor source under PSD regulations, as no criteria pollutant potential emissions exceed the major source thresholds.

NSPS

The Nos. 5 and 1 Dry Kilns (Emission Unit Nos. 006 and 008) are not subject to the federal NSPS regulations.

NESHAP (MACT)

This facility is a synthetic minor source of HAP emissions, as listed in ADEM Admin. Code div. 335-3, Appendix G. Therefore, it is only subject to applicable National Emission Standards for Hazardous Air Pollutants (NESHAP) as an area source. The continuous kiln is not subject to the Plywood and Composite Wood Products ("PCWP") MACT, 40 CFR Part 63, Subpart DDDD, as an area source.

Applicability: State Regulations

Particulate Matter

Emission Unit Nos. 006 and 008 (Dry Kiln Nos. 5 and 1) are each subject to the particulate matter (as TSP) emission limitations of ADEM Admin. Code r. 335-3-4.04(1) for Process Industries-General. The allowable emission rate for each process is calculated using the following process weight equation:

$$E = 3.59 P^{0.62}$$
 (P< 30 tons per hour)

where E = Emissions in pounds per hour P = Process weight in tons per hour

In addition to the above limitations, ADEM Admin. Code r. 335-3-4-.01(1) sets forth a visible emissions standard which states that each stationary source at the facility shall not emit particulate of an opacity greater than twenty percent (20%), as determined by a six-minute average, more than

¹ The production limits were based upon a methanol emission rate of 0.21 lb/MBF for lumber production and 0.0483 lb/MBF for pole production. These emission rates were based upon emission factors obtained from NCASI Technical Bulletin No. 845.

once during any 60-minute period, and shall not at any time emit particulate of an opacity greater than forth percent (40%), as determined by a six-minute average.

Emission Testing and Monitoring

The lumber/poles in the Nos. 5 and 1 Dry Kilns (Emission Unit Nos. 006 and 008) are dried via radiant heat from closed steam coils resulting in negligible particulate emissions. Emissions from the kiln vents are primarily condensed water vapor and VOC driven off from the drying lumber. As it is expected that the kiln would be able to comply with the proposed synthetic minor limitations, testing for continuous kilns is not easily conducted, and there are no emission control devices, emission testing for the particulate standards is not considered practical.

Emission monitoring to determine compliance with the production limits would consist of calculating and recording the 12-month rolling total production of poles and lumber within 10 days of the end of each calendar month.

Recordkeeping and Reporting Requirements

Recordkeeping and reporting requirements for Emission Unit Nos. 006 and 008 will remain unchanged in the modified MSOP. This would require the facility to maintain records of pole and lumber production on a monthly and 12-month rolling total basis to determine compliance with the production limitations applicable to these units. The facility would be required to maintain these records on-site in a permanent form suitable for inspection and readily available for inspection for at least five (5) years from the date of generation of each record.

The facility would be required to include the following information for these Emission Units (as applicable) in the Semiannual Monitoring Report required by General Permit Proviso No. 21:

- A statement as to whether all calculations of pole and lumber production were completed as required during the reporting period, and if not, the date(s) and reason(s) why the monitoring was not performed
- A summary of pole and lumber production for each consecutive 12-month period during the reporting period

Compliance Assurance Monitoring (CAM)

The Nos. 1 And 5 Dry Kilns do not meet CAM applicability. CAM requirements for other emission units at the facility would remain unchanged.

Recommendation

Based on the above analysis, I recommend that Swift Lumber, Inc. be issued a significant modification to Major Source Operating Permit (502-S003) pending a public notice period and an EPA review.

Anna Wood Chemical Branch

Air Division

January 8, 2021

Date