

Statement of Basis
Scotch Plywood Company
Fulton, Clarke County, Alabama
Facility/Permit No. 102-S006

This draft Title V Major Source Operating Permit (MSOP) renewal is issued under the provisions of ADEM Admin. Code r. 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 August 26, 2014, modified on August 21, 2018, and expired on April 22, 2019. This is the fourth renewal of the facility's Title V MSOP.

Scotch Plywood Company, Inc. (SPC) produces southern pine plywood. The significant sources of air pollutants at this facility are a 17 MSF/hr veneer dryer with 30 MMBtu/hr wood-fired burner (EU 001) with the heated zones controlled by a dedicated electrostatic precipitator and/or regenerative thermal oxidizer (RTO) Nos. 1-2; a 23.7 MSF/hr veneer dryer with a 30 MMBtu/hr wood-fired burner and two 15 MMBtu/hr natural gas-fired burners (EU 002) with the heated zones controlled by a dedicated electrostatic precipitator and/or RTO Nos. 1-2; two layup lines with glue spreaders (EU 003 & 004); a 20 MMBtu/hr natural gas-fired boiler (EU 010); a 40-opening plywood press (EU 005); a 46-opening plywood press (EU 006); a trim saw with cyclone (EU 007); a sander machine & tongue and groove machine & panel saw with baghouse (EU 008); a fuel silo pneumatic system with cyclone (EU 011); a plywood patch station (EU 012); a ply shield operation (EU 013); three resin storage tanks (EU 014, 015, 016); and a 15,000-gallon gasoline storage tank (EU 009). Since the 2018 significant modification to the Title V MSOP was issued, one permitting action was completed: a flexibility modification on February 4, 2020, for the addition of a corner clipper as a secondary component to the existing panel saw associated with EU 008. This renewal would incorporate this action.

Applicability: Federal Regulations

Title V

Based on the Title V permit application, this facility is a major source for particulate matter (PM), particulate matter less than 10 microns in diameter (PM-10) and particulate matter less than 2.5 microns in diameter (PM-2.5) volatile organic compounds (VOC), carbon monoxide (CO), and sulfur dioxide (SO₂). The facility is a major source of hazardous air pollutants (HAP) with methanol greater than 10 tons per year (tpy), and combined total HAP greater than 25 tpy.

Prevention of Significant Deterioration (PSD)

This facility is located in an attainment area for all criteria pollutants, and its 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 synthetic minor source under PSD regulations, as no criteria pollutant potential emissions exceed the major source thresholds.

National Emission Standards for Hazardous Air Pollutants (NESHAP), 40 CFR Part 63

- *40 CFR 63 Subpart DDDD*

As a major source of HAP, all of the processes at this facility (except the boiler and gasoline storage tank) are considered affected sources under the National Emission Standards for Hazardous Air Pollutants for Plywood and Composite Wood Products, 40 CFR Part 63, Subpart DDDD [adopted by reference at ADEM Admin. Code r. 335-3-11-.06(81)], the “PCWP MACT”.

The facility is required to demonstrate continuous compliance with Subpart DDDD for the veneer dryers by:

- (a) Reducing emissions of total HAP, measured as THC (as carbon) by 90 percent and maintain the 3-hour block average RTO firebox temperature at or above the minimum established according to 40 CFR §63.2262;
- (b) Following an Air Division approved plan for minimizing fugitive emissions from the doors and the green end of the dryers and document that the plan is being followed;
- (c) Reporting each instance in which the selected compliance option or operating requirement was not met as specified in 40 CFR §63.2271(b);
- (d) Reporting any deviation in accordance with 40 CFR §63.2281.
- (e) Complying with the applicable notification requirements in 40 CFR §63.2280, reporting requirements in 40 CFR §63.2281 and Table 9 to Subpart DDDD, and the recordkeeping requirements in 40 CFR §63.2282 and §63.2283.

The patch station and the ply-shield station are considered Miscellaneous Coating Operations as defined in 40 CFR §63.2292. However, the processes would not be considered Group 1 Miscellaneous Coating Operations as the facility utilizes only synthetic patches at an existing patch station and the ply-shield station and layup lines are not identified as affected sources under the Group 1 Miscellaneous Coating Operations definition. The remaining processes are not subject to any compliance or work practice standards.

- *40 CFR 63 Subpart EEEE*

40 CFR 63 Subpart EEEE, the NESHAP for Organic Liquids Distribution (Non-Gasoline) applies to tanks storing “organic liquid”. Organic liquid is defined in Subpart EEEE as any non-crude oil liquid or liquid mixture that contains five percent by weight or greater any of the organic HAP listed in Table 1 of the subpart. The resin storage tanks at Scotch Plywood would not be subject to 40 CFR Subpart EEEE as Scotch stated in a letter dated February 27, 2009, that the resin utilized at the facility “does not contain five percent of the listed HAPs”.

- *40 CFR 63 Subpart DDDDD*

40 CFR 63 Subpart DDDDD, the NESHAP for Industrial, Commercial, and Institutional Boilers at Major Sources (Boiler MACT) applies to the 20 MMBtu/hr natural gas-fired boiler (EU 010). According to 40 CFR §§63.7490 and 63.7575, EU 010 is classified as a existing unit designed to burn gas 1 fuels. Continuous compliance for EU 010 would be demonstrated by conducting annual tune-ups of the boiler in accordance with 40 CFR §63.7540(a)(10). Each subsequent annual tune-

up must be conducted no later than 13 months after the previous tune-up (40 CFR §63.7515(d)). An annual compliance report must be submitted by January 31 of each year for the previous calendar year containing the applicable information specified in 40 CFR §63.7550.

New Source Performance Standards (NSPS)

The 20 MMBtu/hr natural gas-fired boiler is not subject to NSPS, Subpart Dc as it was installed prior to 1989. The gasoline storage tank and resin tanks are not subject to NSPS Subpart Kb since the capacity of each tank is less than 19,000 gallons.

Applicability: State Regulations

Particulate Matter

The direct-fired burners with veneer dryers, the plywood presses, the sanding machine and tongue and groove machine with baghouse, trim saw/hog cyclone, and fuel silo cyclone are subject to the particulate matter (as TSP) emission standards for process industries [ADEM Admin. Code r. 335-3-4-.04(1)]. The allowable particulate emission rates for these units are calculated using the appropriate equation below:

$$E = 3.59P^{0.62} \quad (P < 30 \text{ tons/hour})$$

or

$$E = 17.31P^{0.16} \quad (P \geq 30 \text{ tons/hour})$$

where E = Emissions in pounds/hour

P = Process weight in tons/hour

The boiler is subject to the particulate emission standard for fuel burning equipment as outlined in ADEM Admin. Code r. 335-3-4-.03.

Visible Emissions

All sources of particulate emissions at the facility are subject to the State visible emission standards of ADEM Admin. Code r. 335-3-4-.01, which states that any source of particulate emissions shall not discharge more than one 6-minute average opacity greater than 20% in any 60-minute period and, at no time, shall any source discharge a 6-minute average opacity of particulate emissions greater than 40%.

Sulfur Compound Emissions

The RTOs and boiler are subject to the sulfur dioxide emission limit for fuel combustion (4 lb/MMBtu) as outlined in ADEM Admin. Code r. 335-3-5-.01(1)(b).

Control of Organic Emissions

The gasoline storage tank is equipped with a submerged fill pipe and the gasoline vapors displaced from the storage tank during filling are processed by a vapor control system to comply ADEM Admin. Code r. 335-3-6-.07.

Emission Testing, Monitoring, and Recordkeeping

Veneer Dryers (EU 001 & 002)

Each veneer dryer is equipped with an electrostatic precipitator (ESP) to control particulate matter and a regenerative thermal oxidizer (RTO) to control hazardous air pollutants. Because the pre-controlled particulate emissions from the dryers are greater than the applicable major source threshold, the dryers are subject to Compliance Assurance Monitoring (CAM). See CAM section below for more details. The requirements for periodic monitoring for the dryers regarding HAP emissions would be satisfied by the monitoring and reporting requirements for the PCWP MACT as discussed in the MACT section of this document. No other periodic monitoring would be required for the dryers.

During testing conducted on January 15, 2002, and December 2, 2008, the facility established parametric monitoring action levels for the ESPs and RTOs. SPC must comply with any testing requirements under PCWP regulations. No additional testing would be required at this time.

All observations and inspections shall be documented and available for inspection for five years from the date of generation. The records shall include:

- The date, time, and results of any monitoring performed
- The date(s), time, nature, and results of any corrective action taken when an excursion from a monitoring parameter occurs.

Pneumatic Conveyance Systems (EU 007, 008, & 011)

No emission testing is required for 007, 008 or 011 to comply with all applicable emission standards. However, if emission problems are observed, an increase in the emission rate is made, or a valid complaint is received, a reassessment of this determination will be made.

EU 007 and 011 shall be visually observed at least once per day during daylight hours while the process operating to determine if visible emissions are greater than normal. EU 008 shall be visually observed at least once per day during daylight hours while the process is operating for any visible emissions. All visible emission monitoring must be conducted by personnel familiar with the process observed. EU 007, 008, and 011 must be inspected for proper operation and cleaned at least annually or more frequently whenever visible emissions are greater than normal for the cyclones or if any visible emissions are observed from the baghouse to ensure that the removal efficiency meets the manufacturer specifications.

All observations and inspections shall be documented and available for inspection for five years from the date of generation. The records shall include:

- The date, time, and results of each observation for greater than normal visible emissions from each cyclone and each observation of any visible emissions from the baghouse.
- The date(s), time, nature, and results of any corrective action taken when greater than normal visible emissions from the cyclone or any visible emissions from the baghouse were observed.
- The date(s) and time the baghouse and cyclones were inspected for proper operation and, if the results of the inspection indicated that cleaning or emissions-related maintenance was needed, the date(s) and nature of the cleaning/maintenance performed.

15,000-gallon Gasoline Storage Tank (EU 009)

No emission testing would be required at this time. However, if emission problems are observed, emission testing may be required at that time. SPC shall maintain records of the throughput quantities in gallons and types of petroleum distillates in this tank. These records must be maintained for a period of five years from the date of generation.

Boiler (EU 010)

Boiler No. 010 does not require emission testing, however SPC is required to conduct a tune-up annually (§63.7540(a)(10)) and subsequent tune-ups must be conducted no more than 12 months after the previous tune-up (§63.7515(d)). Reporting and recordkeeping are to be done according to 40 CFR §63.7550(b)(1) through (4) and any report in Table 9 that applies to this source.

Miscellaneous Coating Operations (EU 003, 004, 012, 013, & 017)

Group I Miscellaneous Coating Operations (EU 018 & 019)

Plywood Presses (EU 005 & 006)

Resin Tanks (EU 014, 015, & 016)

No emission testing or monitoring would be required at this time for these units. However, if emission problems are observed, emission testing may be required at that time.

Compliance Assurance Monitoring (CAM)

40 CFR Part 64, Compliance Assurance Monitoring, applies to processes that utilize an active control device to meet an emission limitation.

EU 001 & 002

EU 001 & 002 are equipped with an electrostatic precipitator (ESP) to control particulate matter and a regenerative thermal oxidizer (RTO) to control hazardous air pollutants. Because the pre-controlled particulate emissions from the dryers are greater than the applicable major source threshold, the veneer dryers are subject to CAM. CAM for the ESP would require the permittee to monitor the control device at least once per 24-hour period because the post-control emissions are less than the major source threshold. Each field of the ESP shall be monitored once each shift (a minimum of once per day) to determine if the transformer/rectifier set voltages are operating between 20 and 55 KVDC and the conduction angle is operating between 30° and 160°. If any of the fields are noted to be operating outside of these ranges, the operators shall log the time of occurrence and cause (if known). The operator shall also notify the maintenance supervisor and

correct causes of the occurrence as soon as possible. If two or more fields of the ESP are not operating within the above specified ranges, the operator shall shut down the corresponding veneer dryer and burner until repairs have been made and at least two of the ESPs are operating within the specified ranges. 40 CFR §64.2(b)(1)(i) stipulates the CAM does not apply to units that have “emission limitations or standards proposed by the Administrator after November 15, 1990 pursuant to section 111 or 112 of the Act”. Although the HAP emissions from the dryers are greater than the applicable major source thresholds, CAM would not be required for the RTOs as the standards of Subpart DDDD were proposed after November 15, 1990.

EU 008

The pre-controlled particulate emissions from the sander machine, tongue and groove machine, and panel saw pneumatic conveyance system (EU 008) are greater than 100 TPY. Therefore CAM would apply to the baghouse that controls emissions from these units. Since the post-control emissions are less than 100 TPY, the facility would be required to monitor the emissions from the baghouse at least once per day. The emissions from the baghouse will be visually observed at least daily when operating to determine the presence of visible emissions. The baghouse will also be inspected for proper operation and cleaned at least annually but more frequently whenever visible emissions are observed to ensure that the removal efficiency meets the manufacturer specifications. All observations and inspections would be documented and available for inspection for five years from the date of inception.

Reporting Requirements

Scotch Plywood would be required to include the following information (as applicable) in the Semiannual Monitoring Report required by General Permit Proviso No. 21:

- A statement describing the emission monitoring that was required during the reporting period, whether all emission monitoring was completed as required, and if not, the date(s) and reasons(s) why the monitoring was not performed;
- A statement as to whether the annual inspection(s) of the control device(s) were accomplished during the reporting period, and if so, the date and results of the inspection(s);
- The date(s), nature, and results of any corrective action taken when (1) a deviation from an emission monitoring parameter was observed or (2) an inspection of the control device indicated that cleaning or emission-related maintenance was needed.

Public Notice

The renewal of this Title V MSOP would require a 30-day public comment period and a 45-day EPA review period.

Recommendation

I recommend that Scotch Plywood Company’s Title V MSOP be renewed with the requirements noted above pending the resolution of any comments received during the 30-day public comment

period and the EPA 45-day review.

Rachael Broadway
Chemical Branch
Air Division

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Date