

STATEMENT OF BASIS  
M.C. DIXON LUMBER COMPANY  
EUFAULA, ALABAMA  
FACILITY NO. 601-S008

This proposed Title V Major Source Operating Permit (MSOP) renewal has been developed in accordance with 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 facility was originally constructed in 1979. The initial application for this renewal was received on March 12, 2024, and was deemed complete on November 5, 2024. The initial MSOP was issued on February 4, 2000, and this would be the 5th renewal. The current MSOP was issued on December 13, 2019, became effective on February 4, 2020, and is scheduled to expire on February 3, 2025.

The facility is located in Barbour County, which is currently listed as attainment with all National Ambient Air Quality Standards (NAAQS).

There are no current or ongoing enforcement actions against M.C. Dixon necessitating additional requirements to achieve compliance with the proposed permit conditions. The enforcement and compliance history for the facility can be found at <https://echo.epa.gov/> (Search using Facility ID AL000000010050S008 ECHO/AIRS Number).

### **Permitting History**

On November 19, 2019, Air Permit No. X009 was issued for the installation of a new planer mill to replace the existing planer mill. On September 15, 2022, Air Permit No. X010 was issued for the installation of a new 83,000 MBF/yr Continuous Dry Kiln (CDK) with a 32 MMBtu/hr Natural Gas-fired Burner. The VOC, as WPP1, emission limit for the CDK was established at 4.037 lb/MBF. Batch Kiln Nos. 2, 3, and 4 were removed during this permitting action. On March 16, 2023, Air Permit No. X011 was issued for the installation of a new pneumatic wood waste transfer system with cyclone and truck loadout for the sawmill. On January 24, 2024, Air Permit No. X012 was issued for the reactivation of Batch Kiln No. 2 (49,275 MBF/yr Batch Kiln with a 25 MMBtu/hr Natural Gas-fired Burner) and a new facility-wide production limit of 100,000 MBF/yr. Within this permitting action both kilns were allowed to maintain their production limits of 83,000 MBF/yr (CDK) and 49,275 MBF/yr (Batch), but not exceed the 100,000 MBF/yr facility-wide to allow for production flexibility. The VOC, as WPP1, emission limit for the CDK and Batch are 4.037 lb/MBF and 4.30 lb/MBF, respectively. In addition, the VOC, as WPP1, emission limit for the facility-wide kiln production is 4.30 lb/MBF.

### **Facility Operations**

M.C. Dixon Lumber Company (Dixon) operates a softwood sawmill in Eufaula, Alabama. The significant sources of air pollutants at this facility are a 90 MMBtu/hr wood-fired boiler that provides indirect heat to a 140 MBF lumber dry kiln, a 147 MBF lumber dry kiln, and a 76 MBF lumber dry kiln; a dry lumber planer with two (2) cyclones; a 377 brake horsepower emergency generator; and fugitive emissions from debarking and cutting operations. Insignificant emission

sources at this facility include bark/sawdust handling and transfer systems; lumber sorting, stacking, and grading; and wood waste storage.

### **Proposed Changes**

- Incorporating Air Permit Nos. X011 (Sawmill Pneumatic Wood Waste Transfer System with Cyclone and Truck Loadout) and X012 (83,000 MBF/yr Continuous, Direct-Heated Lumber Drying Kiln (CDK) with a 32 MMBtu/hr natural gas-fired burner and 49,275 MBF/yr Batch, Direct-Heated Lumber Drying Kiln with a 25 MMBtu/hr natural gas-fired burner).
- Removal of the Emergency Generator (EU-008) and Wood-fired Boiler (EU-001).

### **Applicability: Federal Regulations**

#### Title V

This facility is a major source under Title V regulations because potential emissions for volatile organic compounds (VOC) exceed the 100 TPY major source threshold. The facility is also a synthetic minor source of Hazardous Air Pollutants (HAP) because individual HAP emissions are less than 10 TPY (methanol ~9.50 TPY), and the total HAP potential emissions are less than 25 TPY (combined PTE of ~ 17.13 TPY). This was achieved through a facility-wide limit of 100,000 MBF/yr during any consecutive 12-month period for the reactivated batch kiln and existing CDK to ensure the facility remains below the major source threshold for HAP emissions.

#### Prevention of Significant Deterioration (PSD)

Dixon is not one of the listed 28 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. Dixon has individual kiln production limits of 83,000 MBF/yr (CDK) and 49,275 MBF/yr (Batch), but not to exceed the 100,000 MBF/yr facility-wide to allow for production flexibility. Additionally, Dixon has a PSD synthetic minor emission limit for VOC, as WPP1, for the CDK and Batch as 4.037 lb/MBF and 4.30 lb/MBF, respectively, and facility-wide emission limit of 4.30 lb/MBF of VOC, as WPP1, for dry kiln production. These limits were to ensure the facility remains below the PSD threshold for VOC emissions.

#### New Source Performance Standards (NSPS)

There are no applicable NSPS regulations for this source.

#### National Emission Standards for Hazardous Air Pollutants (NESHAP)

40 CFR Part 63, Subpart DDDD (PCWP MACT) is not applicable to the 83,000 MBF/yr CDK, the 49,275 MBF/yr batch kiln, and facility-wide 100,000 MBF/yr limit because this facility is an area source of HAP.

### **Applicability: State Regulations**

The CDK, batch kiln, planer mill, and sawmill are 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:

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

Or

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

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 any source of particulate emissions shall not discharge more than one 6-minute average opacity greater than 20% in any 60-minute period. Also, at no time shall any source discharge a 6-minute average opacity of particulate emissions greater than 40%.

#### Fugitive Dust and Fugitive Emissions

ADEM Admin. Code r. 335-3-4-.02 requires that precautions be taken to prevent particulate matter from becoming airborne. This rule is applicable to the facility. SPC submitted a fugitive dust plan as part of the application. The dust plan will be included in Appendix A of the permit.

#### ADEM Admin. Code r. 335-3-4-.03, "Fuel Burning Equipment"

The burner on the CDK (32 MMBtu/hr natural gas-fired burner) and batch kiln (25 MMBtu/hr natural gas-fired burner) would not be considered fuel combustion equipment because it does not meet the definition of fuel burning equipment in ADEM Admin Code r. 335-3-1-.02(ee).

#### ADEM Admin. Code r. 335-3-5-.01, "Fuel Combustion"

The burner on the CDK (32 MMBtu/hr natural gas-fired burner) and batch kiln (25 MMBtu/hr natural gas-fired burner) would not meet the definition of fuel combustion sources, therefore the burner would not be subject to any sulfur dioxide (SO<sub>2</sub>) emission limitation of ADEM Admin. Code r. 335-3-5-.01(1)(b).

### **Emissions Monitoring**

Emissions monitoring for the sawmill and planer mill cyclones include visual observations followed by corrective action when visual emissions are greater than normal, and annual inspections of the cyclones for proper operation. The facility is required to maintain records of hours of operation of the planer mill to demonstrate it remains below the limit of 5,000 hours per 12-month rolling total.

The facility is required maintain a site-specific operating and maintenance plan (OMP) for the CDK process unit, which identifies key parameters to be monitored which are related to VOC emissions from the kiln and the frequency and/or averaging period of the monitoring. In addition, within fifteen (15) days of the end of each calendar month, the permittee shall calculate, batch kiln, CDK, and facility-wide kiln dried lumber production for the previous calendar month and the previous 12-month period (12-month rolling total).

## **Recordkeeping & Reporting**

### **Recordkeeping**

Dixon is required to maintain records of the daily instantaneous visual checks from the sawmill cyclone, weekly instantaneous visual checks of the planer mill cyclones. The planer mill is required to calculate by the 15<sup>th</sup> of each calendar month, for the previous calendar month, the monthly hours of operation and 12-month rolling total for the process. Dixon is required to maintain records of the proper maintenance and operation practices as determined by their operation and maintenance plan (OMP) for the CDK and batch kiln. In addition, the facility is required to calculate by the 15<sup>th</sup> of each calendar month, for the previous calendar month, the monitoring monthly and 12-month rolling kiln dried lumber produced for the batch kiln, and the facility-wide kiln dried lumber production 12-month rolling totals. Records, corrective actions taken, and emissions-related maintenance performed are required to be maintained and made readily available for inspection for five (5) years from the date of generation.

### **Reporting**

Should the facility, at any time, exceed any limitation, the permittee is required to notify the Air Division within two (2) working days of determining that the exceedance occurred. The permittee is required to submit a written report on a semiannual basis. This report will include cyclone inspections, maintenance, and corrective actions, the production records for the CDK (12-month rolling total), batch kiln (12-month rolling total) and facility-wide 12-month rolling total.

## **Compliance Assurance Monitoring (CAM)**

Compliance Assurance Monitoring (CAM), 40 CFR Part 64, applies to any pollutant-specific emission unit at a major source that is required to obtain an operating permit, in accordance with 40 CFR §64.5, if it meets all of the following criteria:

- It is subject to an emission limit or standard for an applicable regulated air pollutant.
- It uses a control device to achieve compliance with the applicable emission limit or standard.
- It has potential emissions, prior to the control device, of the applicable regulated air pollutant of 100 TPY of a criteria pollutant, 10 TPY of an individual HAP, or 25 TPY of total HAP.

The sawmill cyclone and two planer mill cyclones that collect emissions from process activity are considered to be integral part of the processes and, therefore, not considered to be a control device subject to CAM. The batch kiln and CDK do not use an active control device as defined in the CAM regulations to meet the applicable emission limitations. As such, these units are not subject to CAM requirements.

## **Public Participation**

A 30-day public comment period and a 45-day EPA review period are required prior to issuance of this MSOP.

**Recommendation**

Based on the above analysis, I recommend that M.C. Dixon's MSOP (Facility No. 601-S008) be issued/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.



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Corey D. Ohme  
Air Division

March 12, 2025  
Date