COMMONWEALTH of VIRGINIA

DEPARTMENT OF ENVIRONMENTAL QUALITY

PIEDMONT REGIONAL OFFICE

4949A Cox Road, Glen Allen, Virginia 23060

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Molly Joseph Ward
Secretary of Natural Resources

David K. Paylor
Director

Michael P. Murphy
Regional Director

June 16, 2014

Mr. Richard W. Gouldin, Jr.
Chief Operating Officer
Potomac Supply LLC
1398 Kinsale Rd.
Kinsale, VA 22488

Location: Westmoreland County
Registration No: 40371

Dear Mr. Gouldin:

Attached is a Title V permit to operate your lumber processing plant pursuant to 9 VAC 5 Chapter 80 of the Virginia Regulations for the Control and Abatement of Air Pollution.

The permit contains legally enforceable conditions. Failure to comply may result in a Notice of Violation and civil penalty. Please read all permit conditions carefully.

This approval to operate does not relieve Potomac Supply LLC of the responsibility to comply with all other local, state, and federal permit regulations.

Issuance of this permit is a case decision. The Regulations, at 9 VAC 5-170-200, provide that you may request a formal hearing from this case decision by filing a petition with the Board within 30 days after this permit is mailed or delivered to you. Please consult that and other relevant provisions for additional requirements for such requests.

Additionally, as provided by Rule 2A:2 of the Supreme Court of Virginia, you have 30 days from the date you actually received this permit or the date on which it was mailed to you, whichever occurred first, within which to initiate an appeal to court by filing a Notice of Appeal with:

David K. Paylor, Director
Department of Environmental Quality
P.O. Box 1105
Richmond, Virginia 23218-1105

In the event that you receive this permit by mail, three days are added to the period in which to file an appeal. Please refer to Part Two A of the Rules of the Supreme Court of Virginia for additional information including filing dates and the required content of the Notice of Appeal.

If you have any questions concerning this permit, please call Bruce Pollock at (804) 527-5143.

Sincerely,

_____
Kyle Ivar Winter
Deputy Regional Director

Attachment: Permit
MACT ZZZZ

cc: Director, OAPP (electronic file submission)
Manager, Data Analysis (electronic file submission)
Chief, Permits and Technical Assessment Branch (3AP11), U.S. EPA, Region III

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Federal Operating Permit
Article 1

This permit is based upon the requirements of Title V of the Federal Clean Air Act and Chapter 80, Article 1, of the Commonwealth of Virginia Regulations for the Control and Abatement of Air Pollution. Until such time as this permit is reopened and revised, modified, revoked, terminated or expires, the permittee is authorized to operate in accordance with the terms and conditions contained herein. This permit is issued under the authority of Title 10.1, Chapter 13, §10.1-1322 of the Air Pollution Control Law of Virginia. This permit is issued consistent with the Administrative Process Act, and 9 VAC 5-80-50 through 9 VAC 5-80-300 of the State Air Pollution Control Board Regulations for the Control and Abatement of Air Pollution of the Commonwealth of Virginia.

Authorization to operate a Stationary Source of Air Pollution as described in this permit is hereby granted to:

Permittee Name:	Potomac Supply LLC
Facility Name:	Potomac Supply LLC
Facility Location:	1398 Kinsale Road Kinsale, Virginia
Registration Number:	40371
Permit Number:	PRO40371

This permit includes the following programs:

Federally Enforceable Requirements - Clean Air Act (Sections I through XIII)

June 16, 2014
Effective Date

June 15, 2019
Expiration Date

Deputy Regional Director

June 16, 2014
Signature Date

Table of Contents, 2 pages
Permit Conditions, 36 pages

Table of Contents

I. FACILITY INFORMATION 1

II. EMISSION UNITS 2

III. FUEL BURNING EQUIPMENT REQUIREMENTS 4

A. LIMITATIONS 4
B. MONITORING AND RECORDKEEPING 7
C. TESTING 8

IV. FUEL BURNING EQUIPMENT REQUIREMENTS 8

A. LIMITATIONS 8
B. MONITORING AND RECORDKEEPING 11
C. TESTING 12

V. OTHER PROCESS EQUIPMENT APPLICABLE REQUIREMENTS 12

A. LIMITATIONS 12
B. MONITORING AND RECORDKEEPING 14
C. TESTING 15

VI. OTHER PROCESS EQUIPMENT APPLICABLE REQUIREMENTS 16

A. LIMITATIONS 16
B. MONITORING 16
C. RECORDKEEPING 17

VII. 40 CFR 63 SUBPART ZZZZ - NATIONAL EMISSIONS STANDARDS FOR HAZARDOUS AIR POLLUTANTS FOR STATIONARY RECIPROCATING INTERNAL COMBUSTION ENGINES 17

A. SUBPART ZZZZ WORK PRACTICE REQUIREMENTS 17
B. SUBPART ZZZZ MONITORING REQUIREMENTS 19
C. SUBPART ZZZZ REPORTING REQUIREMENTS 19
D. SUBPART ZZZZ RECORDKEEPING REQUIREMENTS 20
E. SUBPART ZZZZ GENERAL COMPLIANCE REQUIREMENT 20

VIII. FACILITY WIDE CONDITIONS 21

A. LIMITATIONS 21
B. MONITORING AND RECORDKEEPING 21
C. TESTING 22

IX. INSIGNIFICANT EMISSION UNITS 22

X. COMPLIANCE PLAN 23

XI. PERMIT SHIELD & INAPPLICABLE REQUIREMENTS 23

XII. GENERAL CONDITIONS 25

A. FEDERAL ENFORCEABILITY 25

B. PERMIT EXPIRATION 26
C. RECORDKEEPING AND REPORTING 26
D. ANNUAL COMPLIANCE CERTIFICATION 28
E. PERMIT DEVIATION REPORTING 28
F. FAILURE/MALFUNCTION REPORTING 29
G. SEVERABILITY 29
H. DUTY TO COMPLY 29
I. NEED TO HALT OR REDUCE ACTIVITY NOT A DEFENSE 29
J. PERMIT MODIFICATION 30
K. PROPERTY RIGHTS 30
L. DUTY TO SUBMIT INFORMATION 30
M. DUTY TO PAY PERMIT FEES 30
N. FUGITIVE DUST EMISSION STANDARDS 30
O. STARTUP, SHUTDOWN, AND MALFUNCTION 31
P. ALTERNATIVE OPERATING SCENARIOS 31
Q. INSPECTION AND ENTRY REQUIREMENTS 32
R. REOPENING FOR CAUSE 32
S. PERMIT AVAILABILITY 32
T. TRANSFER OF PERMITS 33
U. MALFUNCTION AS AN AFFIRMATIVE DEFENSE 33
V. PERMIT REVOCATION OR TERMINATION FOR CAUSE 34
W. DUTY TO SUPPLEMENT OR CORRECT APPLICATION 34
X. STRATOSPHERIC OZONE PROTECTION 34
Y. ASBESTOS REQUIREMENTS 34
Z. ACCIDENTAL RELEASE PREVENTION 34
AA. CHANGES TO PERMITS FOR EMISSIONS TRADING 35
BB. EMISSIONS TRADING 35

XIII. STATE-ONLY ENFORCEABLE REQUIREMENTS 35

I. Facility Information

Permittee
Potomac Supply, LLC
1398 Kinsale Road
Kinsale, VA 22488

Responsible Official
Mr. Richard W. Gouldin, Jr.
Supply Chain Manager

Facility
Potomac Supply LLC
1398 Kinsale Road
Kinsale, VA 22488

Contact Person
Richard W. Gouldin, Jr.
Supply Chain Manager
(804) 472-2527

County-Plant Identification Number: 51-193-0023

Facility Description: NAICS 321113 Sawmills; 321114 Wood Preservation; 321918 Other Millwork (including Flooring); 321920 Wood Container and Pallet Manufacturing; and 321999 Miscellaneous Wood Product Manufacturing – Potomac Supply LLC is a lumber production facility, consisting of lumber drying, sawing, planing, pressure-treating, painting and storage. Newer operations include a landscape timber line, wood pellet production, and dry shavings bagging operations. Products produced include: raw lumber, kilned lumber, treated lumber, pallets, specialty custom wood fixtures, wood fuel pellets and bagged shavings.

II. Emission Units

Equipment to be operated consists of:

Emission Unit ID	Stack ID	Emission Unit Description	Size/Rated Capacity[§]	Pollution Control Device (PCD) Description	PCD ID	Pollutant Controlled	Applicable Permit Date
Fuel Burning Equipment (dryers and kilns)							
DK-2	VDK-2 (18 vents)	68-ft wood and propane-fired Drying Kiln burner (1997)	15 mmBtu/hr	-	-	-	February 22, 2011
DK-3	VDK-3 (18 vents)	68-ft wood and propane-fired Drying Kiln burner (2006)	25 mmBtu/hr 8600 bd-ft/hr	-	-	-	February 22, 2011
RD-4	SRD-1	Propane-fired, wood biomass dryer (2009)	12 mmBtu/hr 20 wet tons/hr input 10 dry tons/hr output	Cyclones	C-1	PM-10	February 22, 2011
RD-4A	SRD-1	Wood –fired, wood biomass dryer (2009)					
RD-5	SRD-2	Propane-fired, wood biomass dryer (2009)	20 mmBtu/hr 32 wet tons/hr input 16 dry tons/hr output	Cyclones	C-2	PM-10	February 22, 2011
RD-5A	SRD-2	Wood –fired, wood biomass dryer (2009)					
Internal Combustion Engines							
EG-1	SE-1	Emergency diesel generator (2004)	78 kW (104 hp)	-	-	-	-
EG-2	SE-2	Emergency diesel generator (2004)	45 kW (60 hp)	-	-	-	-
FP-1	SE-3	Diesel fire pump (1974)	240 hp	-	-	-	-
Woodworking Equipment (sawing, planing, chipping)							
W-1	SW-1	Sawing/top chipper – cut to length (pre-1972)	20 tons/hr	Cyclone*	C-4	PM-10	February 22, 2011
W-2	SW-2	Sawing/lower chipper – round to square (pre-1972)	135 tons/hr	Cyclone*	C-5	PM-10	February 22, 2011
W-3	SW-3	Planing (1973)	85 tons/hr 50,000 bd-ft/hr	Cyclone*	C-6	PM-10	February 22, 2011

Emission Unit ID	Stack ID	Emission Unit Description	Size/Rated Capacity[§]	Pollution Control Device (PCD) Description	PCD ID	Pollutant Controlled	Applicable Permit Date
W-5 A&B	SW-6	Dry shavings bagging operations (2010)	12,000 lbs/hr	baghouse	BH-1	PM-10	February 22, 2011
Pellet Production and Dry Shavings Bagging Operations							
PM-1	SPM-1	Pellet Hammer Mill (2009)	20 dry tons/hr	Closed loop cyclone system**	C-3 C-7 C-8	PM-10	February 22, 2011
PM-2	SPM-2	Hammer Mill/Tub Grinder (to be built)	20 dry tons/hr				February 22, 2011
PM-3	SPM-3	Pellet Hammer Mill (to be built)	20 dry tons/hr				February 22, 2011
Pallet Spray Painting							
SB-1	SSB-1 SSB-2	Spray booth (1992)	3.5 gallons/hr	Panel filters	F-1	PM-10	February 22, 2011

[§] The Size/Rated capacity is provided for informational purposes only, and is not an applicable requirement.
* Potomac Supply considers these cyclones to be an integral part of the material handling system, not pollution control equipment.
**Cyclones for PM-1, PM-2 and PM-3 are enclosed and form a closed loop system which vents back to the pellet mills.

III. Fuel Burning Equipment Requirements Kilns (DK-2, DK-3)

A. Limitations

1. **Processing -** The two drying kilns (DK-2 and DK-3) combined shall process no more than 80 million board feet of lumber per year, calculated monthly as the sum of each consecutive 12-month period. Compliance for the consecutive 12-month period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding 11 months.

   (9 VAC 5-80-110 and Condition 13 of the 2/22/2011 permit)

2. **Fuel** - The approved fuels for the 68-ft drying kilns (DK-2 and DK-3) are liquefied petroleum gas (LPG) and wood planer shavings (including ACQ treated wood). A change in the fuel may require a permit to modify and operate.

   (9 VAC 5-80-110 and Condition 20 of the 2/22/2011 permit)

3. **Fuel Throughput** - The two drying kilns (DK-2, DK-3) combined shall consume no more than 2,273,224 gallons of propane or no more than 26 million lbs of wood planer shavings per year, calculated monthly as the sum of each consecutive 12-month period.

   If a combination of the two fuels is used, then the quantities of propane and wood planer shavings, calculated monthly as the sum of each consecutive 12-month period, shall not exceed values that will allow the following equation to hold true:

   $(X) \times (91{,}500 \text{ BTU/gal}) + (Y) \times (8{,}000 \text{ BTU/lb}) <= 2.08 \times 10^{11} \text{ BTU/yr}$

   where X= number of gallons of propane burned during any 12-month period
   Y= number of lbs of wood planer shavings burned during any 12-month period

   Compliance for the consecutive 12-month period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding 11 months.
   (9 VAC 5-80-110 and Condition 21 of the 2/22/2011 permit)

4. **Fuel -** The LPG and wood planer shavings shall meet the specifications below:

   LPG, including butane and propane, which meets ASTM specification D1835

   WOOD PLANER SHAVINGS AND FINES, excluding any wood which contains chemical treatments which would generate hazardous air pollution

upon combustion or has affixed thereto paint and/or finishing materials or paper or plastic laminates. Wood treated with ACQ (alkaline copper quat) which is produced at this facility is acceptable as it is a pressure treated wood product containing no hazardous ingredients: Average annual heat content: 8,000 Btu/lb HHV as determined by ASTM D2015 or DEQ-approved equivalent method
(9 VAC 5-80-110 and Condition 26 of the 2/22/2011 permit)

5. **Process Emission Limits** - Emissions from the operation of the 68-ft drying kiln (DK-2) shall not exceed the limits specified below:

Particulate Matter (PM)	0.8	lbs/hr
PM-10 (including condensable)	0.8	lbs/hr
Sulfur Dioxide	0.4	lbs/hr
Nitrogen Oxides (as NO2)	7.4	lbs/hr
Carbon Monoxide	9.0	lbs/hr
Volatile Organic Compounds	13.9	lbs/hr
Lead	0.001	lbs/hr

These emissions are derived from the estimated overall emission contribution from operating limits. Exceedance of the operating limits may be considered credible evidence of the exceedance of emission limits. Compliance with these emission limits may be determined as stated in Condition numbers II, 2, and 4.
(9 VAC 5-80-110 and Condition 29 of the 2/22/2011 permit)

6. **Process Emission Limits** - Emissions from the operation of the 68-ft drying kiln (DK-3) shall not exceed the limits specified below:

Particulate Matter (PM)	1.4	lbs/hr
PM-10 (including condensable)	1.4	lbs/hr
Sulfur Dioxide	0.6	lbs/hr
Nitrogen Oxides (as NO2)	12.3	lbs/hr

Carbon Monoxide	15.0	lbs/hr
Volatile Organic Compounds	23.1	lbs/hr
Lead	0.001	lbs/hr

These emissions are derived from the estimated overall emission contribution from operating limits. Exceedance of the operating limits may be considered credible evidence of the exceedance of emission limits. Compliance with these emission limits may be determined as stated in Condition numbers II, 2, and 4.
(9 VAC 5-80-110 and Condition 30 of the 2/22/2011 permit)

7. **Process Emission Limits** - Emissions from the operation of the two kilns (DK-2 and DK-3) shall not exceed the limits specified below:

Particulate Matter (PM)	5.9	tons/yr
PM-10 (including condensable)	5.9	tons/yr
Sulfur Dioxide	2.6	tons/yr
Nitrogen Oxides (as NO2)	51.0	tons/yr
Carbon Monoxide	62.4	tons/yr
Volatile Organic Compounds	96.2	tons/yr
Lead	0.005	tons/yr

These emissions are derived from the estimated overall emission contribution from operating limits. Exceedance of the operating limits may be considered credible evidence of the exceedance of emission limits. Compliance with these emission limits may be determined as stated in Condition numbers 1, 2, 3, and 4.
(9 VAC 5-80-110 and Condition 31 of the 2/22/2011 permit)

8. **Visible Emission Limit** - Visible emissions from the drying kilns (DK-2, DK-3) shall not exceed 20 percent opacity except during one six-minute period in any one hour in which visible emissions shall not exceed 30 percent opacity as determined by the EPA Method 9 (reference 40 CFR 60, Appendix A). This condition applies at all times except during startup, shutdown, and malfunction.
(9 VAC 5-80-110 and Condition 36 of the 2/22/2011 permit)

B. Monitoring and Recordkeeping

1. **Visible Emission Monitoring** - Visible emissions checks shall be conducted for each kiln, while burning wood planer shavings, at least monthly during periods of normal facility operation for a sufficient time interval to determine if there are any above normal visible emissions. If above normal visible emissions are observed, a visible emissions evaluation (VEE) in accordance with 40 CFR Part 60, Appendix A, Method 9 shall be conducted. The VEE shall be conducted for a minimum period of six minutes. If any of the observations exceed the applicable opacity limit, the observation period shall continue until a total of sixty minutes of observation has been completed. A Method 9 evaluation shall not be required if the visible emissions condition is corrected in a timely manner such that no above normal visible emissions are present; the emissions unit is operating at normal operating conditions; and the cause and corrective measures taken are recorded.

   (9 VAC 5-80-110)

2. **On Site Records** - The permittee shall maintain records of emission data and operating parameters as necessary to demonstrate compliance with this permit. The content and format of such records shall be arranged with the Piedmont Regional Office. These records shall include, but are not limited to:

   a. Monthly and annual processing of lumber through the kilns (DK-2, DK-3), in board-feet, calculated monthly as the sum of each consecutive 12-month period. Compliance for the consecutive 12-month period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding 11 months.

   b. Monthly and annual throughput of propane to the kilns (DK-2, DK-3), in gallons, calculated monthly as the sum of each consecutive 12-month period. Compliance for the consecutive 12-month period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding 11 months.

   c. Monthly and annual throughput of planer shavings to the kilns (DK-2, DK-3), in pounds, calculated monthly as the sum of each consecutive 12-month period. Compliance for the consecutive 12-month period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding 11 months.

d. Records of monthly visible emissions checks including any corrective actions and any VEEs conducted.

These records shall be available for inspection by the DEQ and shall be current for the most recent five years.
(9 VAC 5-80-110 and Condition 40 of the 2/22/2011 permit)

C. Testing

Visible Emission Testing - If testing is conducted in addition to the monitoring specified in this permit, the permittee shall use the appropriate method(s) in accordance with procedures approved by the DEQ.

(9 VAC 5-80-110)

IV. Fuel Burning Equipment Requirements
Dryers (RD-4, RD-5)

A. Limitations

1. **Emission Controls –** Particulate matter emissions from the dryers (RD-4 and RD-5) shall be controlled by cyclones. The cyclones shall be provided with adequate access for inspection and shall be in operation when the dryer is operating.

   (9 VAC 5-80-110 and Condition 5 of the 2/22/2011 permit)

2. **Operating and Training Procedures** – Dryer emissions shall be controlled by proper operation and maintenance of combustion. Dryer operators shall be trained in the proper operation of all such equipment. Training shall consist of a review and familiarization of the manufacturer's operating instructions, at a minimum. The permittee shall maintain records of the required training including a statement of time, place and nature of training provided. The permittee shall have available good written operating procedures and a maintenance schedule for the dryers. These procedures shall be based on the manufacturer's recommendations, at minimum. All records required by this condition shall be kept on site and made available for inspection by the DEQ.

   (9 VAC 5-80-110 and Condition 10 of the 2/22/2011 permit)

3. **Processing** – The dryers (RD-4 and RD-5) <u>each</u> shall process no more than 50,000 dry tons of wood biomass per year, calculated monthly as the sum of each consecutive 12-month period. Compliance for the consecutive 12-month period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding 11 months.

   (9 VAC 5-80-110 and Condition 14 of the 2/22/2011 permit)

4. **Fuel** - The approved fuels for the dryers (RD-4 and RD-5) are propane (LPG), wood planer shavings and fines (including ACQ treated wood). A change in the fuel may require a permit to modify and operate.

   (9 VAC 5-80-110 and Condition 22 of the 2/22/2011 permit)

5. **Fuel Throughput** - The dryers (RD-4 and RD-5) each shall consume no more than 100,000 gallons of liquid propane per year, calculated monthly as the sum of each consecutive 12-month period. Compliance for the consecutive 12-month period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding 11 months.

   (9 VAC 5-80-110 and Condition 23 of the 2/22/2011 permit)

6. **Fuel Throughput** - The 12 mmBtu/hr dryer (RD-4) shall consume no more than 1,875.0 tons of wood planer shavings and fines per year, calculated monthly as the sum of each consecutive 12-month period. Compliance for the consecutive 12-month period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding 11 months.

   (9 VAC 5-80-110 and Condition 24 of the 2/22/2011 permit)

7. **Fuel Throughput** - The 20 mmBtu/hr dryer (RD-5) shall consume no more than 3,906.0 tons of wood planer shavings and fines per year, calculated monthly as the sum of each consecutive 12-month period. Compliance for the consecutive 12-month period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding 11 months.

   (9 VAC 5-80-110 and Condition 25 of the 2/22/2011 permit)

8. **Fuel -** The LPG, wood planer shavings and fines shall meet the specifications below:

   LPG, including butane and propane, which meets ASTM specification D1835

   WOOD PLANER SHAVINGS AND FINES, excluding any wood which contains chemical treatments which would generate hazardous air pollution upon combustion or has affixed thereto paint and/or finishing materials or paper or plastic laminates. Wood treated with ACQ (alkaline copper quat) which is produced at this facility is acceptable as it is a pressure treated wood product containing no hazardous ingredients:

   Average annual heat content: 8,000 Btu/lb HHV as determined by ASTM D2015 or DEQ-approved equivalent method
   (9 VAC 5-80-110 and Condition 26 of the 2/22/2011 permit)

9. **Process Emission Limits** – Emissions from the operation of the 12 mmBtu/hr dryer (RD-4) shall not exceed the limits specified below:

Particulate Matter (PM)	3.6 lbs/hr	4.5 tons/yr
PM-10 (including condensable)	1.9 lbs/hr	2.4 tons/yr
Nitrogen Oxides (as NO2)	3.2 lbs/hr	4.7 tons/yr
Carbon Monoxide	9.9 lbs/hr	12.7 tons/yr
Volatile Organic Compounds (as propane)	17.9 lbs/hr	33.6 tons/yr

These emissions are derived from the estimated overall emission contribution from operating limits. Exceedance of the operating limits (Ref. Nos. IV.A. 5 and 6) may be considered credible evidence of the exceedance of emission limits
(9 VAC 5-80-110 and Condition 27 of the 2/22/2011 permit)

10. **Process Emission Limits** – Emissions from the operation of the 20 mmBtu/hr dryer (RD-5) shall not exceed the limits specified below:

Particulate Matter (PM)	6.0 lbs/hr	9.4 tons/yr
PM-10 (including condensable)	3.2 lbs/hr	5.0 tons/yr
Nitrogen Oxides (as NO2)	5.4 lbs/hr	9.1 tons/yr
Carbon Monoxide	16.4 lbs/hr	26.1 tons/yr
Volatile Organic Compounds (as propane)	23.8 lbs/hr	45.7 tons/yr

These emissions are derived from the estimated overall emission contribution from operating limits. Exceedance of the operating limits (Ref. Nos. IV.A. 5 and 7) may be considered credible evidence of the exceedance of emission limits.
(9 VAC 5-80-110 and Condition 28 of the 2/22/2011 Permit)

11. **Visible Emission Limit** - Visible emissions from the dryers (RD-4, RD-5) as emitted by the cyclones, shall not exceed 10 percent opacity as determined by the EPA Method 9 (reference 40 CFR 60, Appendix A). This condition applies at all times except during startup, shutdown, and malfunction.
(9 VAC 5-80-110 and Condition 37 of the 2/22/2011 permit)

B. Monitoring and Recordkeeping

1. **Visible Emission Monitoring** - Visible emissions checks shall be conducted for each dryer, while burning wood planer shavings and fines, at least monthly during periods of normal facility operation for a sufficient time interval to determine if there are any above normal visible emissions. If above normal visible emissions are observed, a visible emissions evaluation (VEE) in accordance with 40 CFR Part 60, Appendix A, Method 9 shall be conducted. The VEE shall be conducted for a minimum period of six minutes. If any of the observations exceed the applicable opacity limit, the observation period shall continue until a total of sixty minutes of observation has been completed. A Method 9 evaluation shall not be required if the visible emissions condition is corrected in a timely manner such that no above normal visible emissions are present; the emissions unit is operating at normal operating conditions; and the cause and corrective measures taken are recorded.

   (9 VAC 5-80-110)

2. **Equipment Monitoring** - An annual internal inspection shall be conducted on the cyclone system by the permittee to insure structural integrity, including the presence of any leaks from the closed loop system.

   (9 VAC 5-80-110)

3. **On Site Records** - The permittee shall maintain records of emission data and operating parameters as necessary to demonstrate compliance with this permit. The content and format of such records shall be arranged with the Piedmont Regional Office. These records shall include, but are not limited to:

   a. Monthly and annual processing of wood biomass through the rotary dryers (RD-4 and RD-5), in dry tons, calculated monthly as the sum of each consecutive 12-month period. Compliance for the consecutive 12-month period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding 11 months.

   b. Monthly and annual throughput of propane to the dryers (RD-4 and RD-5), in gallons, calculated monthly as the sum of each consecutive 12-month period. Compliance for the consecutive 12-month period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding 11 months.

   c. Monthly and annual throughput of planer shavings and fines to the dryers (RD-4 and RD-5), in tons, calculated monthly as the sum of each consecutive 12-month period. Compliance for the consecutive 12-month

period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding 11 months.

d. Records of monthly visible emissions checks including any corrective actions and any VEEs conducted.

These records shall be available for inspection by the DEQ and shall be current for the most recent five years.
(9 VAC 5-80-110 and Condition 40 of the 2/22/2011 permit)

C. Testing

Visible Emission Testing - If testing is conducted in addition to the monitoring specified in this permit, the permittee shall use the appropriate method(s) in accordance with procedures approved by the DEQ.

(9 VAC 5-80-110)

V. Other Process Equipment Applicable Requirements

Miscellaneous Woodworking Equipment (W-1, W-2, W-3, W-5, PM-1, PM-3)

A. Limitations

1. **Emission Controls –** Particulate matter emissions from the chipping and planing operations (W-1 Top Chipper, W-2 Lower Chipper, and W-3) shall be controlled by cyclones. The cyclones shall be provided with adequate access for inspection and shall be in operation when the sawing and planing equipment is operating.

   (9 VAC 5-80-110 and Condition 2 of the 2/22/2011 permit)

2. **Emission Controls –** Particulate matter emissions from the pellet hammer mills (PM-1 & PM-3) and hammer mill/grinder (PM-2) shall be controlled by a closed loop cyclone system. The system shall be provided with adequate access for inspection and shall be in operation when the mills are operating.

   (9 VAC 5-80-110 and Condition 6 of the 2/22/2011 permit)

3. **Emission Controls –** Particulate matter emissions from the bagging operations (W-5A & W-5B) shall be controlled by a baghouse. The baghouse shall be provided with adequate access for inspection and shall be in operation when the bagging operation is operating.

   (9 VAC 5-80-110, and Condition 7 of the 2/22/2011 permit)

4. **Processing** – The Pellet Hammer Mills (PM-1 & PM-3) shall process no more than 100,000 dry tons of wood biomass per year combined, calculated monthly as the sum of each consecutive 12-month period. Compliance for the consecutive 12-month period shall be demonstrated monthly by adding the total

for the most recently completed calendar month to the individual monthly totals for the preceding 11 months.

(9 VAC 5-80-110 and Condition 15 of the 2/22/2011 permit)

5. **Processing** – The Top Chipper (W-1) shall process no more than 480,000 tons of wood chips per year, calculated monthly as the sum of each consecutive 12-month period. Compliance for the consecutive 12-month period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding 11 months.

   (9 VAC 5-80-110 and Condition 16 of the 2/22/2011 permit)

6. **Processing** – The Lower Chipper (W-2) shall process no more than 336,000 tons of wood chips per year, calculated monthly as the sum of each consecutive 12-month period. Compliance for the consecutive 12-month period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding 11 months.

   (9 VAC 5-80-110 and Condition 17 of the 2/22/2011 permit)

7. **Processing** – The planing equipment (W-3) shall process no more than 133 million board-ft of lumber per year (146,300 tons @ 2.2 lb/bd-ft) calculated monthly as the sum of each consecutive 12-month period. Compliance for the consecutive 12-month period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding 11 months.

   (9 VAC 5-80-110 and Condition 18 of the 2/22/2011 permit)

8. **Process Emission Limits** – Emissions from the operation of the Bagging Operations (W-5A and W-5B) shall not exceed the limits specified below:

Particulate Matter (PM)	0.01 gr/dscf
PM-10	0.01 gr/dscf

   (9 VAC 5-80-110 and Condition 32 of the 2/22/2011 permit)

9. **Process Emission Limits** - Emissions from the operation of the planing and chipping operations (W-1 top chipper, W-2 lower chipper, and W-3) as emitted through the cyclones, shall not exceed the limits specified below:

PM	0.05 gr/dscf	8.4 lbs/hr	16.8 tons/yr
PM-10		4.8 lbs/hr	9.6 tons/yr

These emissions are derived from the estimated overall emission contribution from operating limits. Exceedance of the operating limits may be considered credible evidence of the exceedance of emission limits.
(9 VAC 5-80-110 and Condition 33 of the 2/22/2011 permit)

10. **Visible Emission Limit** - Visible emissions from the woodworking, (W-1, W-2, W-3) as emitted by the cyclones, shall not exceed 10 percent opacity as determined by the EPA Method 9 (reference 40 CFR 60, Appendix A). This condition applies at all times except during startup, shutdown, and malfunction.
(9 VAC 5-80-110 and Condition 37 of the 2/22/2011 permit)

11. **Visible Emission Limit** - Visible emissions from the bagging operations (W-5A & W-5B) as emitted from the baghouse, shall not exceed 5 percent opacity as determined by the EPA Method 9 (reference 40 CFR 60, Appendix A). This condition applies at all times except during startup, shutdown, and malfunction.
(9 VAC 5-80-110 and Condition 38 of the 2/22/2011 permit)

B. Monitoring and Recordkeeping

1. **Monitoring Devices** - The baghouse shall be equipped with devices to continuously measure the differential pressure drop across the fabric filter. Each monitoring device shall be installed, maintained, calibrated and operated in accordance with approved procedures which shall include, as a minimum, the manufacturer's written requirements or recommendations. Each monitoring device shall be provided with adequate access for inspection and shall be in operation when the baghouse is operating.
(9 VAC 5-80-110 and Condition 8 of the 2/22/2011 permit)

2. **Monitoring** - Visible emissions checks shall be conducted for the baghouse at least monthly during periods of normal facility operation for a sufficient time interval to determine if there are any above normal visible emissions. If above normal visible emissions are observed, a visible emissions evaluation (VEE) in accordance with 40 CFR Part 60, Appendix A, Method 9 shall be conducted. The VEE shall be conducted for a minimum period of six minutes. If any of the observations exceed the applicable opacity limit, the observation period shall continue until a total of sixty minutes of observation has been completed. A Method 9 evaluation shall not be required if the visible emissions condition is corrected in a timely manner such that no above normal visible emissions are present; the emissions unit is operating at normal operating conditions; and the cause and corrective measures taken are recorded.
(9 VAC 5-80-110)

3. **Monitoring** - An annual internal inspection shall be conducted on the closed loop cyclone system (required in Condition 2) by the permittee to insure structural integrity, including the presence of any leaks from the closed loop (9 VAC 5-80-110 and Condition 9 of the 2/22/2011 permit)

4. **On Site Records** - The permittee shall maintain records of emission data and operating parameters as necessary to demonstrate compliance with this permit. The content and format of such records shall be arranged with the Piedmont Regional Office. These records shall include, but are not limited to:

   a. Monthly and annual processing of chipped wood by the Top Chipper (W-1), in tons, calculated monthly as the sum of each consecutive 12-month period. Compliance for the consecutive 12-month period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding 11 months.

   b. Monthly and annual processing of chipped wood by the Lower Chipper (W-2), in tons, calculated monthly as the sum of each consecutive 12-month period. Compliance for the consecutive 12-month period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding 11 months.

   c. Monthly and annual throughput of lumber to the planing area (W-3), in board-feet, calculated monthly as the sum of each consecutive 12-month period. Compliance for the consecutive 12-month period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding 11 months.

   d. Operation and control device monitoring records for the cyclones and baghouses as required in Conditions V. B. 1 and 3.

   e. Monthly visible emission checks including any corrective actions taken and results of any VEEs conducted as required in Condition V.B. 3.

   These records shall be available for inspection by the DEQ and shall be current for the most recent five years.
   (9 VAC 5-80-110 and Condition 40 of the 2/22/2011 permit)

C. Testing

If testing is conducted in addition to the monitoring specified in this permit, the permittee shall use the appropriate method(s) in accordance with procedures approved by the DEQ.
9 VAC 5-80-110)

VI. Other Process Equipment Applicable Requirements
Spray Booth (SB-1)

A. Limitations

1. **Emission Controls** – The maximum volatile organic compound content of the purchased paint used in the painting operations (SB-1) is limited to 0.9 lb VOC/gal or less.

   (9 VAC 5-80-110 and Condition 3 of the 2/22/2011 permit)

2. **Emission Controls** – Particulate Matter emissions from the painting operations (SB-1) shall be controlled by panel filters. The panel filters shall be provided with adequate access for inspection and shall be in operation when the spray booth is operating.

   (9 VAC 5-80-110 and Condition 4 of the 2/22/2011 permit)

3. **Processing** – The quantity of concentrated paint used in the paint operation (SB-1) shall not exceed 12,000 gallons per year calculated monthly as the sum of each consecutive 12-month period. Compliance for the consecutive 12-month period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding 11 months.

   (9 VAC 5-80-110 and Condition 19 of the 2/22/2011 permit)

4. **Process Emission Limits** - Emissions from the operation of the paint spray booth (SB-1) shall not exceed the limits specified below:

Volatile Organic Compounds	3.2 lbs/hr	5.4 tons/yr

   These emissions are derived from the estimated overall emission contribution from operating limits. Exceedance of the operating limits may be considered credible evidence of the exceedance of emission limits.
   (9 VAC 5-80-110 and Condition 34 of the 2/22/2011 permit)

B. Monitoring

Monitoring Device Observation - To ensure good performance, the painting operations the panel filters shall be observed by the permittee with a frequency of not less than once per operating shift when unit is operating and replaced as recommended by the equipment manufacturer. The permittee shall keep a log of the observations and replacements.

(9 VAC 5-80-110)

C. Recordkeeping

On Site Records - The permittee shall maintain records of all emission data and operating parameters necessary to demonstrate compliance with this permit. The content and format of such records shall be arranged with the Director, Piedmont Regional Office. These records shall include, but are not limited to:

a. Monthly and annual quantity of concentrated paint used in the painting operation SB-1, in gallons, calculated monthly as the sum of each consecutive 12-month period. Compliance for the consecutive 12-month period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding 11 months.

b. Material Safety Data Sheets (MSDS) showing VOC content for each paint purchased for use in the painting operation SB-1.

c. Monitoring results for the panel filters.

These records shall be available on site for inspection by the DEQ and shall be current for the most recent five (5) years.

(9 VAC 5-80-110 and Condition 40 of the 2/22/2011 permit)

VII. 40 CFR 63 Subpart ZZZZ - National Emissions Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines

A. Subpart ZZZZ Work Practice Requirements

1. As stated in 40 CFR 63.6602 and 63.6640, and as excepted in Table 2C of 40 CFR 63 Subpart ZZZZ, the permittee shall comply with the following requirements for emergency generators Ref. EG-1 and EG-2:

   a. Change oil and filter every 500 hours of operation or annually, whichever comes first.

   b. Inspect air cleaner every 1,000 hours of operation or annually, whichever comes first.

   c. Inspect all hoses and belts every 500 hours of operation or annually, whichever comes first, and replace as necessary.

(40 CFR 63.6602, Table 2C of 40 CFR 63 Subpart ZZZZ and 9 VAC 5-80-110)

2. At all times the permittee must operate and maintain any affected source, including associated air pollution control equipment and monitoring equipment, in a manner consistent with safety and good air pollution control practices for minimizing emissions. The general duty to minimize emissions does not require the permittee to make any further efforts to reduce emissions if levels required by this standard have been achieved. Determination of whether such operation and maintenance procedures are being used will be based on information available to the Administrator which may include, but is not limited to, monitoring results, review of operation and maintenance procedures, review of operation and maintenance

   (40 CFR 63.6605(b) and 9 VAC 5-80-110)

3. The permittee shall operate and maintain each emergency generator (Ref. EG-1, and EG-2) and after-treatment control device (if any) according to the manufacturer's emission-related written instructions or develop a site-specific maintenance plan which shall provide to the extent practicable for the maintenance and operation of the each emergency generator in a manner consistent with good air pollution control practice for minimizing emissions.

   (40 CFR 63.6625(e) and 9 VAC 5-80-110)

4. For emergency generators Ref. EG-1 and EG-2, any operation other than emergency operation, maintenance and testing, and operation in non-emergency situations for 50 hours per year, as permitted in this condition, shall be prohibited:

   a. There shall be no time limit on the use of emergency generators in emergency situations.

   b. The permittee may operate emergency generators for the purpose of maintenance checks and readiness testing, provided that the tests are recommended by Federal, State or local government, the manufacturer, the vendor, or the insurance company associated with the unit. Maintenance checks and readiness testing of such units shall be limited to 100 hours per year. The permittee may petition the Director, Piedmont Regional Office for approval of additional hours to be used for maintenance checks and readiness testing, but a petition is not required if the owner or operator maintains records indicating that Federal, State, or local standards require maintenance and testing of emergency generators beyond 100 hours per year.

   c. The permittee must minimize engine’s time spent at idle during startup and minimize the engine’s startup time to a period needed for appropriate and safe loading of the engine, not to exceed 30 minutes, after which time the emission standards applicable to all times other than startup apply.

d. The permittee may operate each emergency generator up to 50 hours per year in non-emergency situations, but those 50 hours shall be counted towards the 100 hours per year provided for maintenance and testing. The 50 hours per year for non-emergency situations shall not be used for peak shaving or to generate income for a facility to supply power to an electric grid or otherwise supply power as part of a financial arrangement with another entity.

(i) Except that the permittee may operate each emergency generator for a maximum of 15 hours per year as part of a demand response program if the regional transmission organization or equivalent balancing authority and transmission operator has determined there are emergency conditions that could lead to a potential electrical blackout, such as unusually low frequency, equipment overload, capacity or energy deficiency, or unacceptable voltage level.

(ii) Each emergency generator shall not be operated for more than 30 minutes prior to the time when the emergency condition is expected to occur, and each emergency generator's operation shall be terminated immediately after the permittee is notified that the emergency condition is no longer imminent.

(iii) The 15 hours per year of demand response operation shall be counted as part of the 50 hours of operation per year provided for non-emergency situations. The supply of emergency power to another entity or entities pursuant to financial arrangement is not limited by this condition, as long as the power provided by the financial arrangement is limited to emergency power.

(40 CFR 63.6625(h), 40 CFR 63.6640(f) and 9 VAC 5-80-110)

B. Subpart ZZZZ Monitoring Requirements

The permittee shall install a non-resettable hour meter on each emergency generator (Ref. EG-1 and EG-2) if one is not already installed.

(40 CFR 63.6625(f) and 9 VAC 5-80-110)

C. Subpart ZZZZ Reporting Requirements

1. The permittee shall submit an annual compliance report as specified in Table 7 of 40 CFR 63 Subpart ZZZZ if it operates or is contractually obligated to be available for more than 15 hours per calendar year for the purposes of 40 CFR 63.6640. The permittee shall submit each report by the date specified in 40 CFR 63.6650(b). Each compliance report shall contain the information specified by 40 CFR 63.6650.

(40 CFR 63.6650 and VAC 5-80-110)

D. Subpart ZZZZ Recordkeeping Requirements

1. As specified in 40 CFR 63.10(b)(1), the permittee shall keep each record for 5 years following the date of each occurrence, measurement, maintenance, corrective action, report, or record. The permittee shall keep records on site for at least 2 years after the date of each occurrence, measurement, maintenance, corrective action, report, or record according to 40 CFR 63.10(b)(1). The permittee can keep the records offsite for the remaining 3 years. The permittee's records shall be in a form suitable and readily available for expeditious review as specified in 40 CFR 63.10(b)(1). These records shall include, but are not limited to:

    a. Records of the maintenance conducted on each emergency generator and air pollution control equipment (if any) (Ref. EG-1 and EG-2) in order to demonstrate that the permittee operated and maintained the units and after-treatment control devices (if any) according to the maintenance plan required by Condition #71.

    b. Records of the hours of operation of each emergency generator that is recorded through the non-resettable hour meter. The permittee shall document how many hours are spent for emergency operation, including what classified the operation as emergency and how many hours are spent for non-emergency operation. If the emergency generators are used for demand response operation, the permittee shall keep records of the notification of the emergency situation, and the time each emergency generator was operated as part of demand response.

    c. Actions taken during periods of malfunction to minimize emissions including corrective actions to restore malfunctioning process and air pollution control equipment.

    (40 CFR 63.6655(e-f) and VAC 5-80-110)

E. Subpart ZZZZ General Compliance Requirement

1. The permittee shall operate in compliance with all applicable requirements of 40 CFR 63 Subparts A and ZZZZ. Table 8 of 40 CFR 63 Subpart ZZZZ shows which parts of the General Provisions in 40 CFR 63.1 through 63.13 apply to the permittee. As specified by 40 CFR 63 in Subpart ZZZZ, the requirements of Conditions #VII A.1 through #VII E 1 were not be applicable to the emergency generators (Ref. EG-1 and EG-2) until October 19, 2013 .

    (40 CFR 63, Subparts A and ZZZZ and 9 VAC 5-80-110)

VIII. Facility Wide Conditions

A. Limitations

1. **VOC Work Practice Standards** – At all times the disposal of volatile organic compounds shall be accomplished by taking measures, to the extent practicable, consistent with air pollution control practices for minimizing emissions. Volatile organic compounds shall not be intentionally spilled, discarded in sewers which are not connected to a treatment plant, or stored in open containers, or handled in any other manner that would result in evaporation beyond that consistent with air pollution practices for minimizing emissions.

   (9 VAC 5-80-110 and Condition 11 of the 2/22/2011 permit)

2. **Facility wide Emission Limits -** Total emissions from the lumber processing facility shall not exceed the limits specified below:

PM	21.4 lbs/hr	37.5 tons/yr
PM-10 (including condensable)	13.3 lbs/hr	23.7 tons/yr
Sulfur Dioxide	2.0 lbs/hr	3.1 tons/yr
Nitrogen Oxides (as NO_2)	40.8 lbs/hr	67.9 tons/yr
Carbon Monoxide	53.0 lbs/hr	101.8 tons/yr
Volatile Organic Compounds	82.8 lbs/hr	181.1 tons/yr
Lead	0.005 lbs/hr	0.007 tons/yr

   These emissions are derived from the estimated overall emission contribution from operating limits. Exceedance of the operating limits may be considered credible evidence of the exceedance of emission limits.
   (9 VAC 5-80-110 and Condition 35 of the 2/22/2011 permit)

B. Monitoring and Recordkeeping

1. The permittee shall maintain records of all emission data and operating parameters necessary to demonstrate compliance with Condition VIII. A.2 . The content and format of such records shall be arranged with the Piedmont Regional Office. These records shall include, but are not limited to:

a. Results of all stack tests, visible emission evaluations and performance evaluations.

b. Scheduled and unscheduled maintenance, and operator training.

c. Calculations of emissions

These records shall be available on site for inspection by the DEQ and shall be current for the most recent five years.

(9 VAC 5-80-110)

C. Testing

1. **Stack Tests -** If testing is conducted in addition to the monitoring specified in this permit, the permittee shall use the appropriate method(s) in accordance with procedures approved by the DEQ.

   (9 VAC 5-80-110)

IX. Insignificant Emission Units

The following emission units at the facility are identified in the application as insignificant emission units under 9 VAC 5-80-720:

Emission Unit No.	Emission Unit Description	Citation	Pollutant(s) Emitted (9 VAC 5-80-720 B)	Rated Capacity (9 VAC 5-80-720 C)
W-4	Landscape Timber Line with process cyclone	9 VAC 5-80-720.B.1	PM-10	60,000 lbs/hr
W-6	Specialty Products trailer loadout		PM-10	
W-7	Pallet Mfg. trailer loadout		PM-10	
W-7.a	Pallet Mfg. special shavings trailer loadout		PM-10	
P-1	Pallet spraying process	9 VAC 5-80-720.B.2	VOC PM10	6 gallons/hr
T-1	Indoor wood treatment process using waterborne, copper-based preservative	9 VAC 5-80-720.B.1	PM-10	10,000 gallon tank

These emission units are presumed to be in compliance with all requirements of the federal Clean Air Act as may apply. Based on this presumption, no monitoring, recordkeeping, or reporting shall be required for these emission units in accordance with 9 VAC 5-80-110.

X. Compliance Plan

The facility is not operating under a compliance plan.

XI. Permit Shield & Inapplicable Requirements

Compliance with the provisions of this permit shall be deemed compliance with all applicable requirements in effect as of the permit issuance date as identified in this permit. This permit shield covers only those applicable requirements covered by terms and conditions in this permit and the following requirements which have been specifically identified as being not applicable to this permitted facility:

Citation	Title of Citation	Description of Applicability
40 CFR 60.40D	Standards of Performance for Fossil-Fuel-Fired Steam Generators	This Subpart does not apply to the Drying Kilns or Dryers since they are rated at less than 250 MMBtu/Hr
40 CFR 60.40Da	Standards of Performance for Electric Utility Steam Generating Units	This Subpart does not apply, the drying kilns since these operating units are not used to supply electricity and are rated at less than 250 MMBtu/Hr
40 CFR 60.40Db	Standards of Performance for Industrial-Commercial-Institutional Steam Generating Units	This Subpart does not apply, each of the operating units supplies less than 100 MMBtu/Hr.
40 CFR 60.40Dc	Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units	This Subpart does not apply, the kilns do not transfer heat from combustion gases to a heat transfer medium across a physical barrier as a steam generating unit would.
40 CFR 60 Kb	Volatile Organic Liquid Storage Vessel Standards	This Subpart does not apply to the distillate oil storage tanks because the fuel has a maximum true vapor pressure of less than 15kPa.
40 CFR 60.4200	Subpart IIII –Standards of Performance for Stationary	The construction dates for the two emergency generators

Citation	Title of Citation	Description of Applicability
	Compression Ignition Internal Combustion Engines	(both May 2004) and the water fire pump (April 1974) were prior to applicable construction date of July 11, 2005. The order date for the fire pump was before the applicable date, April 2006. The engines were not modified or reconstructed after July 11, 2005.
40 CFR 63.2230 MACT DDDD	Subpart DDDD—National Emission Standards for Hazardous Air Pollutants: Plywood and Composite Wood Products.	This Subpart does not apply. The facility is not a plywood and composite wood products manufacturer and is not a major source of HAPs.
40 CFR 63.4680 MACT QQQQ	National Emission Standards for Hazardous Air Pollutants: Surface Coating of Wood Building Products	This Subpart does not apply. The facility is not a major source of HAPs, engages in impregnating wood with treatment applications via pressure vessels, and the pallet painting process does not qualify as wood building product production.
40 CFR 63.7480 MACT DDDDD	National Emission Standards for Hazardous Air Pollutants for Major Sources: Industrial, Commercial, and Institutional Boilers and Process Heaters	This Subpart does not apply. The facility is not a major source of HAPs.
40 CFR 63.11193 MACT JJJJJJ	Subpart JJJJJJ – National Emission Standards for Hazardous Air Pollutants for Industrial, Commercial, and Institutional Area Sources	This Subpart does not apply. The kilns and heaters at this facility classify as process heaters.
40 CFR 98.1 Subpart A 40 CFR 98.2	General Provision (Greenhouse Gas) Who must report?	Reporting not required. (a) Source category not listed on Tables A-3 or A-4. (b) Source's kilns and driers consume biomass fuel (CO_2(e) from that combustion is not included in the total potential), the

Citation	Title of Citation	Description of Applicability
40 CFR 98.2 (b)(2)		other non biomass equipment and use of propane fuel does not have the potential to exceed 25,000 metric tons CO_2(e) per year.
40 CFR 63.11193	Subpart JJJJJJ – National Emission Standards for Hazardous Air Pollutants for Industrial, Commercial, and Institutional Area Sources	This Subpart does not apply. The kilns and heaters at this facility classify as process heaters.
40 CFR 64.2(b)(vi)	Part 64 - Compliance Assurance Monitoring	This part does not apply. At this facility the cyclones are used as inherent process equipment for product transfer and not as Air Pollution Control (APC) devices.
9 VAC 5-40-880	Emission Standards for Fuel Burning Equipment (Rule 4-8)	15 MM Btu/ hr Kilns exceed the 350,000 Btu/hr threshold for solid fuel burning equipment. However, 9 VAC 5-80-50 takes precedence since the facility is a major source and this regulation has more stringent requirements.

Nothing in this permit shield shall alter the provisions of §303 of the federal Clean Air Act, including the authority of the administrator under that section, the liability of the owner for any violation of applicable requirements prior to or at the time of permit issuance, or the ability to obtain information by the administrator pursuant to §114 of the federal Clean Air Act, (ii) the Board pursuant to §10.1-1314 or §10.1-1315 of the Virginia Air Pollution Control Law or (iii) the Department pursuant to §10.1-1307.3 of the Virginia Air Pollution Control Law.

(9 VAC 5-80-140)

XII. General Conditions

A. Federal Enforceability

All terms and conditions in this permit are enforceable by the administrator and citizens under the federal Clean Air Act, except those that have been designated as only state-enforceable.

(9 VAC 5-80-110 N)

B. Permit Expiration

This permit has a fixed term of five years. The expiration date shall be the date five years from the date of issuance. Unless the owner submits a timely and complete application for renewal to the Department consistent with the requirements of 9 VAC 5-80-80, the right of the facility to operate shall be terminated upon permit expiration.

a. The owner shall submit an application for renewal at least six months but no earlier than eighteen months prior to the date of permit expiration.

b. If an applicant submits a timely and complete application for an initial permit or renewal under this section, the failure of the source to have a permit or the operation of the source without a permit shall not be a violation of Article 1, Part II of 9 VAC 5 Chapter 80, until the Board takes final action on the application under 9 VAC 5-80-150.

c. No source shall operate after the time that it is required to submit a timely and complete application under subsections C and D of 9 VAC 5-80-80 for a renewal permit, except in compliance with a permit issued under Article 1, Part II of 9 VAC 5 Chapter 80.

d. If an applicant submits a timely and complete application under section 9 VAC 5-80-80 for a permit renewal but the Board fails to issue or deny the renewal permit before the end of the term of the previous permit, (i) the previous permit shall not expire until the renewal permit has been issued or denied and (ii) all the terms and conditions of the previous permit, including any permit shield granted pursuant to 9 VAC 5-80-140, shall remain in effect from the date the application is determined to be complete until the renewal permit is issued or denied.

e. The protection under subsections F 1 and F 5 (ii) of section 9 VAC 5-80-80 F shall cease to apply if, subsequent to the completeness determination made pursuant section 9 VAC 5-80-80 D, the applicant fails to submit by the deadline specified in writing by the Board any additional information identified as being needed to process the application.

(9 VAC 5-80-80 B, C, and F, 9 VAC 5-80-110 D and 9 VAC 5-80-170 B)

C. Recordkeeping and Reporting

1. All records of monitoring information maintained to demonstrate compliance with the terms and conditions of this permit shall contain, where applicable, the following:
   a. The date, place as defined in the permit, and time of sampling or measurements.

b. The date(s) analyses were performed.

c. The company or entity that performed the analyses.

d. The analytical techniques or methods used.

e. The operating conditions existing at the time of sampling or measurement.

(9 VAC 5-80-110 F)

2. Records of all monitoring data and support information shall be retained for at least five years from the date of the monitoring sample, measurement, report, or application. Support information includes all calibration and maintenance records and all original strip-chart recordings for continuous monitoring instrumentation, and copies of all reports required by the permit.

(9 VAC 5-80-110 F)

3. The permittee shall submit the results of monitoring contained in any applicable requirement to DEQ no later than **March 1** and **September 1** of each calendar year. This report must be signed by a responsible official, consistent with 9 VAC 5-80-80 G, and shall include:

a. The time period included in the report. The time periods to be addressed are January 1 to June 30 and July 1 to December 31.

b. All deviations from permit requirements. For purpose of this permit, deviations include, but are not limited to:

(1) Exceedance of emissions limitations or operational restrictions;

(2) Excursions from control device operating parameter requirements, as documented by continuous emission monitoring, periodic monitoring, or Compliance Assurance Monitoring (CAM) which indicates an exceedance of emission limitations or operational restrictions; or,

(3) Failure to meet monitoring, recordkeeping, or reporting requirements contained in this permit.

If there were no deviations from permit conditions during the time period, the permittee shall include a statement in the report that “no deviations from permit requirements occurred during this semi-annual reporting period.”

(9 VAC 5-80-110 F)

D. Annual Compliance Certification

Exclusive of any reporting required to assure compliance with the terms and conditions of this permit or as part of a schedule of compliance contained in this permit, the permittee shall submit to EPA and DEQ no later than March 1 each calendar year a certification of compliance with all terms and conditions of this permit including emission limitation standards or work practices for the period ending December 31. The compliance certification shall comply with such additional requirements that may be specified pursuant to §114(a)(3) and §504(b) of the federal Clean Air Act. The permittee shall maintain a copy of the certification for five (5) years after submittal of the certification. This certification shall be signed by a responsible official, consistent with 9 VAC 5-80-80 G, and shall include:

a. The time period included in the certification. The time period to be addressed is January 1 to December 31.

b. The identification of each term or condition of the permit that is the basis of the certification.

c. The compliance status.

d. Whether compliance was continuous or intermittent, and if not continuous, documentation of each incident of non-compliance.

e. Consistent with subsection 9 VAC 5-80-110 E, the method or methods used for determining the compliance status of the source at the time of certification and over the reporting period.

f. Such other facts as the permit may require to determine the compliance status of the source.

g. One copy of the annual compliance certification shall be submitted to EPA in electronic format only. The certification document should be sent to the following electronic mailing address: R3_APD_Permits@epa.gov

(9 VAC 5-80-110 K.5)

E. Permit Deviation Reporting

The permittee shall notify the Director, Piedmont Regional Office within four daytime business hours after discovery of any deviations from permit requirements which may cause excess emissions for more than one hour, including those attributable to upset conditions as may be defined in this permit. In addition, within 14 days of the discovery, the permittee shall provide a written statement explaining the problem, any corrective actions or preventative measures

taken, and the estimated duration of the permit deviation. The occurrence should also be reported in the next semi-annual compliance monitoring report pursuant to General Condition XII.C.3 of this permit.

(9 VAC 5-80-110 F.2 and 9 VAC 5-80-250)

F. Failure/Malfunction Reporting

In the event that any affected facility or related air pollution control equipment fails or malfunctions in such a manner that may cause excess emissions for more than one hour, the owner shall, as soon as practicable but no later than four daytime business hours after the malfunction is discovered, notify the Director, Piedmont Regional Office by facsimile transmission, telephone or telegraph of such failure or malfunction and shall within 14 days of discovery provide a written statement giving all pertinent facts, including the estimated duration of the breakdown. Owners subject to the requirements of 9 VAC 5-40-50 C and 9 VAC 5-50-50 C are not required to provide the written statement prescribed in this paragraph for facilities subject to the monitoring requirements of 9 VAC 5-40-40 and 9 VAC 5-50-40. When the condition causing the failure or malfunction has been corrected and the equipment is again in operation, the owner shall notify the Director, Piedmont Regional Office.

(9 VAC 5-20-180 C)

G. Severability

The terms of this permit are severable. If any condition, requirement or portion of the permit is held invalid or inapplicable under any circumstance, such invalidity or inapplicability shall not affect or impair the remaining conditions, requirements, or portions of the permit.

(9 VAC 5-80-110 G.1)

H. Duty to Comply

The permittee shall comply with all terms and conditions of this permit. Any permit noncompliance constitutes a violation of the federal Clean Air Act or the Virginia Air Pollution Control Law or both and is ground for enforcement action; for permit termination, revocation and reissuance, or modification; or, for denial of a permit renewal application.

(9 VAC 5-80-110 G.2)

I. Need to Halt or Reduce Activity not a Defense

It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.

(9 VAC 5-80-110 G.3)

J. Permit Modification

A physical change in, or change in the method of operation of, this stationary source may be subject to permitting under State Regulations 9 VAC 5-80-50, 9 VAC 5-80-1100, 9 VAC 5-80-1605, or 9 VAC 5-80-2000 and may require a permit modification and/or revisions except as may be authorized in any approved alternative operating scenarios.

(9 VAC 5-80-190 and 9 VAC 5-80-260)

K. Property Rights

The permit does not convey any property rights of any sort, or any exclusive privilege.

(9 VAC 5-80-110 G.5)

L. Duty to Submit Information

1. The permittee shall furnish to the Board, within a reasonable time, any information that the Board may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating the permit or to determine compliance with the permit. Upon request, the permittee shall also furnish to the Board copies of records required to be kept by the permit and, for information claimed to be confidential, the permittee shall furnish such records to the Board along with a claim of confidentiality.

   (9 VAC 5-80-110 G.6)

2. Any document (including reports) required in a permit condition to be submitted to the Board shall contain a certification by a responsible official that meets the requirements of 9 VAC 5-80-80 G.

   (9 VAC 5-80-110 K.1)

M. Duty to Pay Permit Fees

The owner of any source for which a permit under 9 VAC 5-80-50 through 9 VAC 5-80-300 was issued shall pay permit fees consistent with the requirements of 9 VAC 5-80-310 through 9 VAC 5-80-350. The actual emissions covered by the permit program fees for the preceding year shall be calculated by the owner and submitted to the Department by April 15 of each year. The calculations and final amount of emissions are subject to verification and final determination by the Department.

(9 VAC 5-80-110 H and 9 VAC 5-80-340 C)

N. Fugitive Dust Emission Standards

During the operation of a stationary source or any other building, structure, facility, or installation, no owner or other person shall cause or permit any materials or property to be handled, transported, stored, used, constructed, altered, repaired, or demolished without taking reasonable precautions to

prevent particulate matter from becoming airborne. Such reasonable precautions may include, but are not limited to, the following:

a. Use, where possible, of water or chemicals for control of dust in the demolition of existing buildings or structures, construction operations, the grading of roads, or the clearing of land;

b. Application of asphalt, water, or suitable chemicals on dirt roads, materials stockpiles, and other surfaces which may create airborne dust; the paving of roadways and the maintaining of them in a clean condition;

c. Installation and use of hoods, fans, and fabric filters to enclose and vent the handling of dusty material. Adequate containment methods shall be employed during sandblasting or similar operations;

d. Open equipment for conveying or transporting material likely to create objectionable air pollution when airborne shall be covered or treated in an equally effective manner at all times when in motion; and,

e. The prompt removal of spilled or tracked dirt or other materials from paved streets and of dried sediments resulting from soil erosion.

(9 VAC 5-40-90 and 9 VAC 5-50-90)

O. Startup, Shutdown, and Malfunction

At all times, including periods of startup, shutdown, and soot blowing, and malfunction, owners shall, to the extent practicable, maintain and operate any affected facility including associated air pollution control equipment in a manner consistent with air pollution control practices for minimizing emissions. Determination of whether acceptable operating and maintenance procedures are being used will be based on information available to the Board, which may include, but is not limited to, monitoring results, opacity observations, review of operating and maintenance procedures, and inspection of the source.

(9 VAC 5-50-20 E and 9 VAC 5-40-20 E)

P. Alternative Operating Scenarios

Contemporaneously with making a change between reasonably anticipated operating scenarios identified in this permit, the permittee shall record in a log at the permitted facility a record of the scenario under which it is operating. The permit shield described in 9 VAC 5-80-140 shall extend to all terms and conditions under each such operating scenario. The terms and conditions of each such alternative scenario shall meet all applicable requirements including the requirements of 9 VAC 5 Chapter 80, Article 1.

(9 VAC 5-80-110 J)

Q. Inspection and Entry Requirements

The permittee shall allow DEQ, upon presentation of credentials and other documents as may be required by law, to perform the following:

1. Enter upon the premises where the source is located or emissions-related activity is conducted, or where records must be kept under the terms and conditions of the permit.
2. Have access to and copy, at reasonable times, any records that must be kept under the terms and conditions of the permit.
3. Inspect at reasonable times any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under the permit.
4. Sample or monitor at reasonable times substances or parameters for the purpose of assuring compliance with the permit or applicable requirements.

(9 VAC 5-80-110 K.2)

R. Reopening For Cause

The permit shall be reopened by the Board if additional federal requirements become applicable to a major source with a remaining permit term of three years or more. Such reopening shall be completed no later than 18 months after promulgation of the applicable requirement. No such reopening is required if the effective date of the requirement is later than the date on which the permit is due to expire, unless the original permit or any of its terms and conditions has been extended pursuant to 9 VAC 5-80-80 F.

1. The permit shall be reopened if the Board or the administrator determines that the permit contains a material mistake or that inaccurate statements were made in establishing the emissions standards or other terms or conditions of the permit.
2. The permit shall be reopened if the administrator or the Board determines that the permit must be revised or revoked to assure compliance with the applicable requirements.
3. The permit shall not be reopened by the Board if additional applicable state requirements become applicable to a major source prior to the expiration date established under 9 VAC 5-80-110 D.

(9 VAC 5-80-110 L)

S. Permit Availability

Within five days after receipt of the issued permit, the permittee shall maintain the permit on the premises for which the permit has been issued and shall make the permit immediately available to DEQ upon request.

(9 VAC 5-80-150 E)

T. Transfer of Permits

1. No person shall transfer a permit from one location to another, unless authorized under 9 VAC 5-80-130, or from one piece of equipment to another.
2. In the case of a transfer of ownership of a stationary source, the new owner shall comply with any current permit issued to the previous owner. The new owner shall notify the Board of the change in ownership within 30 days of the transfer and shall comply with the requirements of 9 VAC 5-80-200.
3. In the case of a name change of a stationary source, the owner shall comply with any current permit issued under the previous source name. The owner shall notify the Board of the change in source name within 30 days of the name change and shall comply with the requirements of 9 VAC 5-80-200.

   (9 VAC 5-80-160)

U. Malfunction as an Affirmative Defense

1. A malfunction constitutes an affirmative defense to an action brought for noncompliance with technology-based emission limitations if the requirements of paragraph 2 of this condition are met.
2. The affirmative defense of malfunction shall be demonstrated by the permittee through properly signed, contemporaneous operating logs, or other relevant evidence that show the following:
   a. A malfunction occurred and the permittee can identify the cause or causes of the malfunction.
   b. The permitted facility was at the time being properly operated.
   c. During the period of the malfunction the permittee took all reasonable steps to minimize levels of emissions that exceeded the emission standards, or other requirements in the permit.
   d. The permittee notified the Board of the malfunction within two working days following the time when the emission limitations were exceeded due to the malfunction. This notification shall include a description of the malfunction, any steps taken to mitigate emissions, and corrective actions taken. The notification may be delivered either orally or in writing. The notification may be delivered by electronic mail, facsimile transmission, telephone, or any other method that allows the permittee to comply with the deadline. This notification fulfills the requirements of 9 VAC 5-80-110 F.2.b to report promptly deviations from permit requirements. This notification does not release the permittee from the malfunction reporting requirement under 9 VAC 5-20-180 C.
   e. In any enforcement proceeding, the permittee seeking to establish the occurrence of a malfunction shall have the burden of proof.

The provisions of this section are in addition to any malfunction, emergency or upset provision contained in any applicable requirement.

(9 VAC 5-80-250)

V. Permit Revocation or Termination for Cause

A permit may be revoked or terminated prior to its expiration date if the owner knowingly makes material misstatements in the permit application or any amendments thereto or if the permittee violates, fails, neglects or refuses to comply with the terms or conditions of the permit, any applicable requirements, or the applicable provisions of 9 VAC 5 Chapter 80 Article 1. The Board may suspend, under such conditions and for such period of time as the Board may prescribe any permit for any grounds for revocation or termination or for any other violations of these regulations.

(9 VAC 5-80-190 C and 9 VAC 5-80-260)

W. Duty to Supplement or Correct Application

Any applicant who fails to submit any relevant facts or who has submitted incorrect information in a permit application shall, upon becoming aware of such failure or incorrect submittal, promptly submit such supplementary facts or corrections. An applicant shall also provide additional information as necessary to address any requirements that become applicable to the source after the date a complete application was filed but prior to release of a draft permit.

(9 VAC 5-80-80 E)

X. Stratospheric Ozone Protection

If the permittee handles or emits one or more Class I or II substances subject to a standard promulgated under or established by Title VI (Stratospheric Ozone Protection) of the federal Clean Air Act, the permittee shall comply with all applicable sections of 40 CFR Part 82, Subparts A to F.

Y. Asbestos Requirements

The permittee shall comply with the requirements of National Emissions Standards for Hazardous Air Pollutants (40 CFR 61) Subpart M, National Emission Standards for Asbestos as it applies to the following: Standards for Demolition and Renovation (40 CFR 61.145), Standards for Insulating Materials (40 CFR 61.148), and Standards for Waste Disposal (40 CFR 61.150).

(9 VAC 5-60-70 and 9 VAC 5-80-110 A.1)

Z. Accidental Release Prevention

If the permittee has more, or will have more than a threshold quantity of a regulated substance in a process, as determined by 40 CFR 68.115, the permittee shall comply with the requirements of 40 CFR Part 68.

(40 CFR Part 68)

AA. Changes to Permits for Emissions Trading

No permit revision shall be required under any federally approved economic incentives, marketable permits, emissions trading and other similar programs or processes for changes that are provided for in this permit.

(9 VAC 5-80-110 I)

BB. Emissions Trading

Where the trading of emissions increases and decreases within the permitted facility is to occur within the context of this permit and to the extent that the regulations provide for trading such increases and decreases without a case-by-case approval of each emissions trade:

1. All terms and conditions required under 9 VAC 5-80-110, except subsection N, shall be included to determine compliance.

2. The permit shield described in 9 VAC 5-80-140 shall extend to all terms and conditions that allow such increases and decreases in emissions.

3. The owner shall meet all applicable requirements including the requirements of 9 VAC 5-80-50 through 9 VAC 5-80-300.

(9 VAC 5-80-110 I)

XIII. State-Only Enforceable Requirements

The following terms and conditions are included in this permit to implement requirements of 9 VAC 5-60-200 et seq. and 9 VAC 5-60-300 et seq. and are enforceable only by the Virginia Air Control Board. Neither their inclusion in this permit nor any resulting public comment period make these terms federally enforceable. They are not required under the federal Clean Air Act or under any of its applicable federal requirements, and are not subject to the requirements of 9 VAC 5-80-290 concerning review of proposed permits by EPA and draft permits by affected states.

(9 VAC 5-80-110 N and 9 VAC 5-80-300)

1. **Toxic Emission Limits -** Toxic pollutant emissions from the operation of the two drying kilns (DK-2 and DK-3) while burning wood planer shavings shall not exceed the limits specified below:

Hydrogen Chloride	0.76 lb/hr	1.98 tons/yr

These emissions are derived from the estimated emission contribution from operating limits. Exceedance of the operating limits may be considered credible evidence of the exceedance of emission limits.

(9 VAC 5-80-110 N and Condition 49 of the 2/22/11 permit)

2. **Toxic Emission Limits** - Toxic pollutant emissions from the operation of the dryers (RD-4 and RD-5) while burning wood planer shavings and fines shall not exceed the limits specified below:

Acrolein	0.50 lbs/hr	2.50 tons/yr
Formaldehyde	0.50 lb/hr	1.25 tons/yr

These emissions are derived from the estimated emission contribution from operating limits. Exceedance of the operating limits may be considered credible evidence of the exceedance of emission limits.
(9 VAC 5-80-110 N and Condition 50 of the 2/22/11 permit)

3. **On Site Records -** The permittee shall maintain records of emission data and operating parameters as necessary to demonstrate compliance with this section of the permit. The content and format of such records shall be arranged with the Piedmont Regional Office. These records shall include, but are not limited to the monthly and annual emissions (in pounds) of each toxic compound listed or subsequently approved. Annual emissions shall be calculated monthly as the sum of each consecutive 12 month period. These records shall be available for inspection by the DEQ and shall be current for the most recent five years.
(9 VAC 5-80-110 N and Condition 51 of the 2/22/11 permit)