



## COMMONWEALTH of VIRGINIA

DEPARTMENT OF ENVIRONMENTAL QUALITY  
TIDEWATER REGIONAL OFFICE  
5636 Southern Boulevard, Virginia Beach, Virginia 23462  
(757) 518-2000 Fax (757) 518-2009  
www.deq.virginia.gov

Molly Joseph Ward  
Secretary of Natural Resources

David K. Paylor  
Director

Maria R. Nold  
Regional Director

### STATEMENT OF LEGAL AND FACTUAL BASIS

ATC Panels Incorporated  
Franklin, Virginia  
**Permit No. TRO-60171**

Title V of the 1990 Clean Air Act Amendments required each state to develop a permit program to ensure that certain facilities have federal Air Pollution Operating Permits, called Title V Operating Permits. As required by 40 CFR Part 70 and 9 VAC 5 Chapter 80, ATC Panels Incorporated has applied for a Title V Operating Permit for its Franklin facility. The Department has reviewed the application and has prepared a draft Title V Operating Permit.

Permit Writer:

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Cindy Keltner  
(757) 518-2167

Date: July 10, 2014

Regional Air Permits  
Manager:

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Troy D. Breathwaite

Date: July 10, 2014

Regional Director:

\_\_\_\_\_  
Maria R. Nold

Date: July 10, 2014

## **I. FACILITY INFORMATION**

### Permittee

ATC Panels Incorporated  
33320 North Lynn Road, Franklin, Virginia 23851

### Facility

ATC Panels Incorporated  
33320 North Lynn Road, Franklin, Virginia 23851

County-Plant Identification Number: 51-093-00018

### **A. SOURCE DESCRIPTION**

NAICS Code: 321219 - Wood Product Manufacturing

This plant manufactures particleboard by combining refined sawdust, wood chips and wood shavings with resin, then forming and pressing the resulting material into sheets. The process involves receiving and storing woodchip shavings, drying and sorting the woodchip shavings, forming and pressing the board mat, trimming and sanding the finished boards, then cutting the boards into various dimensions.

The facility is a Title V major source of PM<sub>10</sub>, NO<sub>x</sub>, CO and VOC, as well as total Hazardous Air Pollutants. This source is a PSD-sized facility located in an attainment area for all pollutants; however, it has never been required to have a PSD permit. The facility was previously permitted under a Minor NSR Permit issued on November 18, 2008.

## **II. COMPLIANCE STATUS**

A full compliance evaluation of this facility, including a site visit, has been conducted. In addition, all reports and other data required by permit conditions or regulations, which are submitted to DEQ, are evaluated for compliance. Based on these compliance evaluations, the facility is noncompliant with 40 CFR 60, Subpart DDDD. The facility has been shut-down and non-operational since 3/4/2009 and as such, the equipment required to meet 40 CFR 60, Subpart DDDD is not in place.

### III. EMISSION UNIT AND CONTROL DEVICE IDENTIFICATION

The emissions units at this facility consist of the following:

Emission Unit ID	Stack ID	Emission Unit Description	Size/Rated Capacity*	Pollution Control Device (PCD) Description	PCD ID	Pollutant Controlled	Applicable Permit Date
<b>Fuel Burning Equipment</b>							
1P	1P-A	Babcock and Wilcox boiler, mod. FM-10-61	#2 oil - 53 MMBtu/hr wooddust-47 MMBtu/hr	Zurn Air Systems Multi-clone cyclone	1PMC	PM10	Existing Equip.
2P	18P,19P,20P	Coen Burner, mod. 230FYR - COMPAK	40 MMBtu/hr, burning sanderdust for fuel	Exhaust to rotary dryers	18PSC	PM10	November 18, 2008
<b>Raw Materials Screening, Refining and Drying Processes</b>							
7P	7P-A	Bauer Wood Dust Refiner in-feed process cyclone	10 Oven Dried Tons (ODT)/hr	--	--	--	November 18, 2008
10P	10P-A	Bauer out-feed process cyclone	10 ODT/hr	Pneumafil Air Filter	--	--	November 18, 2008
11P	11P-A	#1 and #2 Pallmann outfeed cyclone	20 ODT/hr	--	--	--	November 18, 2008
<b>Raw Materials Screening, Refining and Drying Processes (Cont'd.)</b>							
18P	18P-A	MEC Rotary dryer #1 - core material	20 ODT/hr	Cyclone	18PSC	PM	November 18, 2008

Emission Unit ID	Stack ID	Emission Unit Description	Size/Rated Capacity*	Pollution Control Device (PCD) Description	PCD ID	Pollutant Controlled	Applicable Permit Date
19P	19P-A	MEC Rotary dryer #2 - face material	20 ODT/hr	Cyclone	19PSC	PM	November 18, 2008
20P	20P-A	MEC Rotary dryer #3 - pre-dryer	10 ODT/hr	Cyclone	20PSC	PM	November 18, 2008
Particleboard Finishing Processes							
21P	21P-A,B& C	Part. Board Press	20,000 sq ft/hr	None	NA	PM	November 18, 2008
22P	22P-A & B	Part. Board Cooler	20,000 sq ft/hr	None	NA	PM	November 18, 2008
23P	(see 2P above)	Part. Board sander	12,000 linear ft/hr	Sanderdust reused in 1P & 2P, above	(see 18P, 19P,20P)	PM	November 18, 2008

#### IV. EMISSIONS INVENTORY

A copy of the 2012 permit application emission inventory is attached. Emissions are summarized in the following tables.

2012 Actual Emissions

Emission Unit	2012 Criteria Pollutant Emission in Tons/Year				
	VOC	CO	SO <sub>2</sub>	PM <sub>10</sub>	NO <sub>x</sub>
	0	0	0	0	0
<b>Total</b>					

2012 Facility Hazardous Air Pollutant Emissions

Pollutant	2012 Hazardous Air Pollutant Emission in Tons/Yr
Chlorine	0
Formaldehyde	0
Methanol	0

#### V. EMISSION UNIT APPLICABLE REQUIREMENTS - Fuel Burning Equipment Requirements (REF. NO. 1P and 2P)

##### A. Limitations

1. The following limitations are applicable requirements from Conditions 5, 13, 14, 15, and 22 of Minor NSR Permit issued on November 18, 2008:
  - a. Condition 5, requiring the Coen Particleboard sanderdust burner (URN 2P) emissions to be controlled by three sets of primary and secondary cyclones.
  - b. Condition 14, limiting the amount of sanderdust consumed by the sanderdust burner (URN 2P) to 14,000 tons/yr.
  - c. Condition 15, limiting the amount of sanderdust per oven-dried ton wood chips to 80 lbs sanderdust per oven-dried ton of wood chips.
  - d. Condition 22, limiting annual emissions from the sanderdust burner (URN 2P) as follows:

Particulate Matter / PM-10 0.07 lb/million BTU

Nitrogen Oxides                      37.5 lbs/hr                      105.0 tons/yr

Carbon Monoxide                      7.5 lbs/hr                      21.0 tons/yr

**B. Monitoring**

1. The permittee shall check the Babcock and Wilcox Boiler (REF. NO. 1P-A) and Coen Burner boiler (REF. NO. 2P) stacks for visible emissions at least once each calendar week (Monday - Sunday) during daylight hours of operation, for at least six minutes.
2. The permittee shall monitor, operate, calibrate and maintain the Zurn Air Systems Multiclone (Ref. No. 1P) controlling the wood/No. 2 oil-fired boiler (Ref. No. 1P).

**C. Recordkeeping**

The permit includes requirements for maintaining records of all monitoring and testing required by the permit. These records include Annual particleboard sanderdust throughput, Annual throughput of wood shavings from the three dryers, combined, in oven-dried tons (ODT), Ratio of annual throughputs, visible emissions records and opacity data, and Maintenance records, training records, and written operating procedures.

**D. Testing**

The permit does not require source tests. The Department and EPA has authority to require testing not included in this permit if necessary to determine compliance with an emission limit or standard.

**VI. EMISSION UNIT APPLICABLE REQUIREMENTS - Raw Materials Screening, Refining and Drying Processes (ID #s 7P-11P, 18P-20P)**

**A. Limitations**

1. The following limitations are applicable requirements from Conditions 3, 4, and 18 of the Minor NSR Permit issued on November 18, 2008:
  - a. Condition 3, requiring the use of a process cyclone for control of particulate from the #5 Bin wood hog (URN 8P).
  - b. Condition 4, requiring the use of baghouses for the #1 and #2 Pallmann outfeed cyclone (11P).
  - c. Condition 18, limiting annual emissions for the #1 and #2 Pallmann outfeed cyclone (11P) to:

Particulate Matter / PM-10	0.05 gr/dscf of exhaust gas	0.3 lbs/hr	0.9 tons/yr
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**B. Monitoring**

The monitoring and recordkeeping requirements in Condition 8 of the NSR permit have been modified to meet Part 70 requirements.

The permittee shall check the secondary cyclones on each dryer for visible emissions at least once each calendar week (Monday - Sunday) during daylight hours of operation, for at least six minutes.

**C. Recordkeeping**

1. The permit includes requirements for maintaining records of all monitoring and testing required by the permit. These records include:

- a. Annual throughput of green wood through the No. 5 Bin Wood Hog (URN 8P), in tons, calculated monthly as the sum of each consecutive 12-month period;
- b. Annual throughput of wood fines processed by the #1 and #2 Pallmann outfeed cyclone, in tons, calculated as the sum of each consecutive 12-month period;
- c. Results of annual cyclone inspections required by Condition IV.A.1;
- d. All visible emissions records and opacity data; and
- e. Maintenance records, training records, and written operating procedures specified in Condition IX.C.2, for the units specified in this section.

#### **D. Testing**

The permit does not require source tests. The Department and EPA has authority to require testing not included in this permit if necessary to determine compliance with an emission limit or standard.

### **VII. EMISSION UNIT APPLICABLE REQUIREMENTS - Particleboard Finishing Processes (REF. NOS. 21P - 23P)**

#### **A. Limitations**

1. The following limitations are applicable requirements from Conditions 3, 4, and 18 of the Minor NSR Permit issued on November 18, 2008:
  - a. Condition 12, limits throughputs for the particleboard press, cooler, particleboard sander (23P), and Schelling saws (25P and 26P) shall not exceed 140,160,000 square feet (on a ¾-inch board thickness basis) per year of wood particleboard.
  - b. Condition 19, limits emissions from the operation of Schelling saw II (25P) ducted to and emitted from the associated baghouse vent shall not exceed the limits specified below:

Particulate Matter / PM-10	0.05 gr/dscf of exhaust gas	4.4 lbs/hr	10.7 tons/yr
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  - c. Condition 20, limits emissions from the operation of Schelling saw III (26P) ducted to and emitted from the associated baghouse vent shall not exceed the limits specified below:

Particulate Matter / PM-10	0.05 gr/dscf of exhaust gas	1.1 lbs/hr	4.9 tons/yr
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  - d. Condition 21, limits emissions from the operation of the particleboard sander (23P) ducted to and emitted from the vents of the two associated baghouses shall (individually) not exceed the limits specified below:

Particulate Matter / PM-10	0.05 gr/dscf of exhaust gas	0.4 lbs/hr	1.6 tons/yr
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#### **B. Monitoring**

1. The monitoring and recordkeeping requirements in Condition 8 of the NSR permit have been modified to meet Part 70 requirements.
  - a. The permittee shall check for visible emissions from each fabric filter once a month during normal operation and keep records of observations including, but not limited to, date, time, observation, observer's name, and corrective action including, but not limited to, a brief description and date of completion. The presence of visible emissions shall indicate the need for corrective action.

### C. Recordkeeping

The permit includes requirements for maintaining records of all monitoring and testing required by the permit. These records include annual press throughput, in square feet (3/4-inch basis) of particleboard, all visible emissions records and opacity data, and Maintenance records, training records, and written operating procedures.

### D. Testing

The permittee shall check each permitted process cyclone, baghouse, press vent, and cooler vent for visible emissions at least once each calendar week (Monday - Sunday) during daylight hours of operation, for at least six minutes.

The permit does not require source tests. The Department and EPA has authority to require testing not included in this permit if necessary to determine compliance with an emission limit or standard.

## E. GENERAL CONDITIONS

The permit contains general conditions required by 40 CFR Part 70 and 9 VAC 5-80-110 that apply to all Federal-operating permitted sources. These include requirements for submitting semi-annual monitoring reports and an annual compliance certification report. The permit also requires notification of deviations from permit requirements or any excess emissions.

#### 1. Comments on General Conditions

##### a. Condition B. Permit Expiration

This condition refers to the Board taking action on a permit application. The Board is the State Air Pollution Control Board. The authority to take action on permit application(s) has been delegated to the Regions as allowed by §2.2-604 and §10.1-1185 of the *Code of Virginia*, and the “Department of Environmental Quality Agency Policy Statement No. 2-09”.

This general condition cite(s) the Article(s) that follow(s):

Article 1 (9 VAC 5-80-50 et seq.), Part II of 9 VAC 5 Chapter 80. Federal Operating Permits for Stationary Sources

This general condition cites the sections that follow:

9 VAC 5-80-80. Application

9 VAC 5-80-140. Permit Shield

9 VAC 5-80-150. Action on Permit Applications

##### b. Condition F. Failure/Malfunction Reporting

Section 9 VAC 5-20-180 requires malfunction and excess emission reporting within four hours of discovery. Section 9 VAC 5-80-250 of the Title V regulations also requires malfunction reporting; however, reporting is required within two days. Section 9 VAC 5-20-180 is from the general regulations. All affected facilities are subject to section 9 VAC 5-20-180 including Title V facilities. Section 9 VAC 5-80-250 is from the Title V regulations. Title V facilities are subject to both sections. A facility may make a single report that meets the requirements of 9 VAC 5-20-180 and 9 VAC 5-80-250. The report must be made within four daytime business hours of discovery of the malfunction.

c. Condition J. Permit Modification

This general condition cites the sections that follow:

9 VAC 5-80-50. Applicability, Federal Operating Permit For Stationary Sources

9 VAC 5-80-190. Changes to Permits

9 VAC 5-80-260. Enforcement

9 VAC 5-80-1100. Applicability, Permits For New and Modified Stationary Sources

9 VAC 5-80-1605. Applicability, Permits For Major Stationary Sources and Modifications Located in Prevention of Significant Deterioration Areas

9 VAC 5-80-2000. Applicability, Permits for Major Stationary Sources and Major Modifications Locating in Nonattainment Areas

d. Condition U. Malfunction as an Affirmative Defense

The regulations contain two reporting requirements for malfunctions that coincide. The reporting requirements are listed in sections 9 VAC 5-80-250 and 9 VAC 5-20-180. The malfunction requirements are listed in General Condition U and General Condition F. For further explanation see the comments on general condition F.

This general condition cites the sections that follow:

9 VAC 5-20-180. Facility and Control Equipment Maintenance or Malfunction

9 VAC 5-80-110. Permit Content

e. Condition Y. Asbestos Requirements

The Virginia Department of Labor and Industry under Section 40.1-51.20 of the Code of Virginia also holds authority to enforce 40 CFR 61 Subpart M, National Emission Standards for Asbestos.

This general condition contains a citation from the Code of Federal Regulations that follow:

40 CFR 61.145, NESHAP Subpart M. National Emissions Standards for Asbestos as it applies to demolition and renovation.

40 CFR 61.148, NESHAP Subpart M. National Emissions Standards for Asbestos as it applies to insulating materials.

40 CFR 61.150, NESHAP Subpart M. National Emissions Standards for Asbestos as it applies to waste disposal.

This general condition cites the regulatory sections that follow:

9 VAC 5-60-70. Designated Emissions Standards

9 VAC 5-80-110. Permit Content

## VIII. STATE ONLY APPLICABLE REQUIREMENTS

The following Virginia Administrative Codes have specific requirements only enforceable by the State and have been identified as applicable by the applicant:

9 VAC 5-80-300. Voluntary inclusions of additional state-only requirements as applicable state requirements in the permit.

## IX. INAPPLICABLE REQUIREMENTS

As of January 2, 2011, sources that are major for criteria pollutants are required to include a statement on Greenhouse Gases (GHG) in their Title V permit Statement of Basis. If a Title V renewal is being processed between January 2, 2011 and June 30, 2011 the following statement should be included in the SOB:

There are no applicable GHG permitting requirements.

The startup, shut down, and malfunction opacity exclusion listed in 9 VAC 5-40-20 A 4 cannot be included in any Title V permit. This portion of the regulation is not part of the federally approved state implementation plan. The opacity standard applies to existing sources at all times including startup, shutdown, and malfunction. Opacity exceedances during malfunction can be affirmatively defended provided all requirements of the affirmative defense section of this permit are met. Opacity exceedances during startup and shut down will be reviewed with enforcement discretion using the requirements of 9 VAC 5-40-20 E, which state that "At all times, including periods of startup, shutdown, 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."

## X. COMPLIANCE PLAN

<b>Indicator</b>	Opacity and Particulate Matter (PM-10) for Wood/No. 2 fired Boiler (1P)
<b>Measurement approach</b>	<ul style="list-style-type: none"> <li>• Monthly visual inspection of the system ductwork and material collection units for leaks.</li> <li>• Visual inspection of the boilers fuel combustion systems.</li> </ul>
<b>Indicator range</b>	An excursion is defined as average opacity greater than 10% during one six-minute period in any one hour.
<b><u>Performance criteria:</u></b>	<ul style="list-style-type: none"> <li>• Visible emissions observations are to be taken at the exhaust stack for at least 6 minutes during operating hours.</li> </ul>

<b>Response to excursions</b>	<ul style="list-style-type: none"> <li>• Maintenance shall be conducted if visible emissions are noted from the stack.</li> <li>• If visible emissions continue after maintenance, a VEE (visible emissions evaluation) shall immediately be conducted on the stack for at least 6 minutes in accordance with 40 CFR 60, Appendix A (Method 9).</li> <li>• If the VEE is greater than 10%, the VEE shall continue for one hour.</li> <li>• Initiate further inspection of multiclone and kiln operations.</li> <li>• Notify Environmental Manager or Production Superintendent.</li> <li>• If visible emissions lasts for more than 3 hours, initiate reduction in boiler process and notify plant manager.</li> <li>• If visible emissions can not be corrected in a timely manner, initiate shutdown of boiler and begin repair to multiclones, ductwork, or boiler as applicable.</li> </ul>
<b>QA/QC practices and criteria</b>	Training of plant personnel on inspection and observation procedures.
<b>Monitoring frequency and data collection procedure</b>	Visible emissions observations are to be reported once per week for at least 6 minutes during operating hours.

## XI. INSIGNIFICANT EMISSION UNITS

The insignificant emission units are presumed to be in compliance with all requirements of the 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.

Insignificant emission units include the following:

Emission Unit No.	Emission Unit Description	Citation	Pollutant(s) Emitted (9 VAC 5-80-720 B)	Rated Capacity (9 VAC 5-80-720 C)
4P	Schelling saw II process filter	9 VAC 5-80-710.A.2	PM	10 tons/hr
5P	Schelling saw III process filter	9 VAC 5-80-710.A.2	PM	5 tons/hr
6P	Storage Bins 1,2 & 3	9 VAC 5-80-710.A.2	PM	22 tons/hr
8P	Pallman (#3 & #4) infeed filter	9 VAC 5-80-710.A.2	PM	5 tons/hr
9P	#3 Dryer infeed cyclone	9 VAC 5-80-710.A.2	PM	20 tons/hr
12P	Pallman (#3 & #4) out-feed process filter	9 VAC 5-80-710.A.2	PM	5 tons/hr
14P	Forming rejects filter	9 VAC 5-80-710.A.2	PM	9 tons/hr
15P	Process filters for press	9 VAC 5-80-710.A.2	PM	5 tons/hr
16P	Process filters for N sander	9 VAC 5-80-710.A.2	PM	5 tons/hr
17P	Process filters for S sander	9 VAC 5-80-710.A.2	PM	5 tons/hr
25P	Schelling Saw II	9 VAC 5-80-710.A.2	PM	11,600 sq. ft/hr
26P	Schelling Saw III	9 VAC 5-80-710.A.2	PM	23,000 sq. ft/hr
27P	Shelving Machine	9 VAC 5-80-710.A.2	PM	2,250 sq. ft/hr

<sup>1</sup>The citation criteria for insignificant activities are as follows:

9 VAC 5-80-720 A - Listed Insignificant Activity, Not Included in Permit Application

9 VAC 5-80-720 B - Insignificant due to emission levels

9 VAC 5-80-720 C - Insignificant due to size or production rate

## **XII. CONFIDENTIAL INFORMATION**

The permittee did not submit a request for confidentiality. All portions of the Title V application are suitable for public review.

## **XIII. PUBLIC PARTICIPATION**

The proposed permit will be placed on public notice in the **Tidewater News** newspaper from **Sunday, May 18, 2014** to **Tuesday, June 17, 2014**.