

**Air Permit Review**

**Permit Issue Date: ??**

**Region:** Asheville Regional Office  
**County:** McDowell  
**NC Facility ID:** 5600164  
**Inspector's Name:** Brendan Davey  
**Date of Last Inspection:** 12/15/2015  
**Compliance Code:** 3 / Compliance - inspection

<p align="center"><b>Facility Data</b></p> <p><b>Applicant (Facility's Name):</b> Baxter Healthcare Corporation</p> <p><b>Facility Address:</b>                  Baxter Healthcare Corporation                  65 Pitts Station Road                  Marion, NC 28752</p> <p><b>SIC:</b> 4961 / Steam Supply  <b>NAICS:</b> 22133 / Steam and Air-Conditioning Supply</p> <p><b>Facility Classification: Before:</b> Title V <b>After:</b> Title V  <b>Fee Classification: Before:</b> Title V <b>After:</b> Title V</p>	<p align="center"><b>Permit Applicability (this application only)</b></p> <p><b>SIP:</b>  <b>NSPS:</b>  <b>NESHAP:</b> JJJJJJ  <b>PSD:</b>  <b>PSD Avoidance:</b>  <b>NC Toxics:</b>  <b>112(r):</b>  <b>Other:</b> remove 2Q .0317 Avoidance for NESHAP JJJJJJ</p>
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<b>Contact Data</b>			<p align="center"><b>Application Data</b></p> <p><b>Application Number:</b> 5600164.15A  <b>Date Received:</b> 09/02/2015  <b>Application Type:</b> Modification  <b>Application Schedule:</b> TV-Sign-501(c)(2) Part II  <b>Existing Permit Data</b>  <b>Existing Permit Number:</b> 05600/T16  <b>Existing Permit Issue Date:</b> 12/10/2014  <b>Existing Permit Expiration Date:</b> 09/30/2016</p>
<p align="center"><b>Facility Contact</b></p> <p>Mike Pisarik                  Senior Environmental Engineer                  (828) 756-6017                  65 Pitts Station Road                  Marion, NC 28752</p>	<p align="center"><b>Authorized Contact</b></p> <p>Tony Johnson                  VP, Ops - US/Canada Area                  (828) 756-6530                  65 Pitts Station Road                  Marion, NC 28752</p>	<p align="center"><b>Technical Contact</b></p> <p>Mike Pisarik                  Senior Environmental Engineer                  (828) 756-6017                  65 Pitts Station Road                  Marion, NC 28752</p>	

**Total Actual emissions in TONS/YEAR:**

CY	SO2	NOX	VOC	CO	PM10	Total HAP	Largest HAP
2014	3.57	122.00	97.90	185.09	56.82	12.29	4.54 [Hydrogen chloride (hydrochlori)]
2013	2.78	128.87	77.54	197.44	60.80	13.20	4.96 [Hydrogen chloride (hydrochlori)]
2012	3.48	128.84	72.80	198.73	72.15	13.28	5.03 [Hydrogen chloride (hydrochlori)]
2011	12.18	114.20	58.65	171.66	62.72	11.17	4.19 [Hydrogen chloride (hydrochlori)]
2010	1.03	108.62	5.12	168.51	61.13	10.29	3.92 [Hydrogen chloride (hydrochlori)]

<p><b>Review Engineer:</b> Brian Bland</p> <p><b>Review Engineer's Signature:</b> _____ <b>Date: ??</b></p>	<p align="center"><b>Comments / Recommendations:</b></p> <p><b>Issue</b> 05600/T17  <b>Permit Issue Date:</b> ??  <b>Permit Expiration Date:</b> 09/30/2016</p>
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**I. Purpose of Application/ Facility Description**

Baxter Healthcare Corporation (Baxter), located in Marion, McDowell County, manufactures sterile intra-venous (IV) solutions for use in the medical industry. The facility stamps bags from PVC sheets, labels the bags for content, extrudes the fill tube

(from PVC), extrudes an overwrap (from HDPE), and fills the bags with several different types of IV (salt/sugar/medication/water) solutions. Steam for the facility is supplied primarily by a wood-fired boiler, formerly owned by Suez Energy. In addition to wood, the boiler is permitted to fire on-site generated used oil. The facility operates 24 hours a day, 7 days a week, and employs approximately 2200 people.

Application No. 5600164.15A, received September 2, 2015, was submitted to satisfy the 15A NCAC 2Q .0501(c)(2) requirement to submit a complete Title V Air Permit application within twelve (12) months after commencing operation for the emission sources added pursuant to Application No. 5600164.14B. Therefore, this application will be processed as the “second step” of two-step 15A NCAC 2Q .0501(c)(2) significant modification. Specifically, this permitting action is a significant modification for the purpose of adding two natural gas-fired (with No. 2 fuel oil as a back-up fuel) boilers (ID Nos. B-10 and B-11) to replace currently permitted boilers ID Nos. B-4 and B-5. According to the permit application, ID No. B-10 was first operated June 23, 2015, and ID No. B-11 was first operated June 24, 2015

## II. Application Chronology

December 10, 2014 Air Permit No. 05600T16, for the installation of natural gas-fired (with No. 2 fuel oil as a back-up fuel) boilers (ID Nos. B-10 and B-11) to replace boilers ID Nos. B-4 and B-5, was issued pursuant to Application No. 5600164.14B and included the following requirement:

*The Permittee shall file a Title V Air Quality Permit Application on or before 12 months after commencing operation in accordance with General Condition NN.1*

September 2, 2015 A permit application (“second step” of two-step 15A NCAC 2Q .0501(c)(2) significant modification) for the changes made in Application No. 5600164.14B was received by DAQ and processed as Application No. 5600164.15A. Additionally, Baxter requested that the avoidance condition for Area Source MACT JJJJJ, added to the permit for boilers ID Nos. B-10 and B-11 as requested by the Permittee, be removed from the air permit.

December 14, 2015 A permit application requesting renewal of Air Permit No. 05600/T17 was received and will be processed as Application No. 5600164.15A.

June 3, 2016 Baxter requests that the removal of Boiler ID No. B-Temp-1, originally requested as part of this modification, be processed as part of the renewal No. 5600164.15B in order to expedite the removal of the MACT JJJJJ Avoidance Condition.

June 16, 2016 Draft permit and review document forwarded to Patrick Ballard of Asheville Regional Office (ARO) and Samir Parekh (SSCB) for comments.

June 16, 2016 Draft permit forwarded to Michael Pisarik of Baxter for comments.

June 20, 2016 Patrick Ballard comments that the ARO recommends issuance of the permit.

June 23, 2016 Michael Pisarik responds that Baxter has no comments on the draft.

??, 2016 Draft permit sent to public notice and EPA review.

??, 2016 Public comment period ends.

### III. Changes to Existing Permit

The following changes were made to the Baxter Healthcare Corporation Facility Air Permit No. 05600T16:

Page(s)	Section	Description of Change(s)
N/A	Insignificant Activities	Remove (ID No. I-OT-1) "Two No. 2 fuel oil storage tanks (10,000 gallon capacity each)"  Change description of (ID No. I-OT-2) "One No. 6 fuel oil storage tank (100,000 gallon capacity)" to "No. 2 oil storage tank (100,000 gallon capacity)"  Change (ID No. I-Castfilm) "Two PVC cast film extruders" to "Two HDPE cast film extruders"
All	All	Update dates and permit revision number  Replace "2D" and "2Q" citations with "02D" and "02Q"
3	Permitted Items	Add MACT JJJJJ indicator to Boiler ID Nos. B-10 and B-11  Remove asterisks from ID numbers and 15A NCAC 2Q .0501(c)(2) paragraph at bottom of permitted item list (ID Nos. B-10 and B-11)
7	2.1 A. 4. d	Add 40 CFR 60.9 CAM reporting requirements
21	2.1 F. 5.	Remove 2Q .0317 PSD Avoidance Condition for NESHAP Subpart JJJJJ (ID Nos. B-10 and B-11)  Add NESHAP Subpart JJJJJ condition
31-	3	Update General Conditions to version 4.0

Based on the December 15, 2015 inspection report, and as confirmed by Baxter on June 1, 2016, the following updates were made to the insignificant activities list:

I-Castfilm Two PVC cast film extruders: These over pouch extruders are HDPE, not PVC.

I-OT-1 Two No. 2 fuel oil storage tanks (10,000 gallon capacity each): removed February 2014.

I-OT-2 One No. 6 fuel oil storage tank (100,000 gallon capacity): converted to No. 2 oil and feeds all boilers and peak shaving generators.

### IV. Compliance History

Mr. Brendan Davey from the ARO inspected the facility on December 15, 2015. Based on his observations during the inspection, Baxter "appeared to be in compliance with the applicable air quality regulations and Air Permit No. 05600T16."

### V. Regulatory Review

McDowell County has not been triggered for any pollutants, so no PSD increment tracking is required.

The facility is subject to the following regulations:

15A NCAC 2D .0402, Sulfur Oxides

15A NCAC 2D .0503, Particulates from Fuel Burning Indirect Heat Exchangers

15A NCAC 2D .0504, Particulates from Wood Burning Indirect Heat Exchangers

15A NCAC 2D .0515, Particulates from Miscellaneous Industrial Processes  
15A NCAC 2D .0521, Control of Visible Emissions  
15A NCAC 2D .0524, New Source Performance Standards (NSPS), 40 CFR 60, Subpart Dc  
15A NCAC 2D .0614, Compliance Assurance Monitoring  
15A NCAC 2D .0958, Work Practices for Sources of Volatile Organic Compounds  
15A NCAC 2D .1100, Toxic Air Pollutant Emissions Limitation Requirement  
15A NCAC 2D .1111, NESHAP, 40 CFR 63 Subparts Subpart ZZZZ, JJJJJ  
15A NCAC 2Q .0317, Avoidance (15A NCAC 2D .0530 PSD and GACT JJJJJ)  
15A NCAC 2Q .0317, Avoidance of 15A NCAC 2D .1111  
15A NCAC 2Q .0711, Emission Rates Requiring a Permit

The only significant regulatory changes as the results of this modification were: (1) the removal of the NESHAP JJJJJ avoidance condition for boilers B-10 and B-11 and (2) the addition of the NESHAP JJJJJ condition for boilers B-10 and B-11.

The other regulatory requirements/changes associated with the addition of these boilers were discussed in detail in the December 10, 2014 review document for the first part of this two part modification (Air Permit No. 05600T16), so won't be discussed here.

#### 15A NCAC 02D .1111: NESHAP for Area Sources: Industrial, Commercial, and Institutional Boilers

This Subpart applies to new, reconstructed, or existing industrial, commercial, and institutional boilers located at an area source [§63.11194(a)(1)]. An affected source is existing if construction or reconstruction of the affected source commenced on or before June 4, 2010. [§63.11194(b)]

#### *Compliance Dates*

For a new or reconstructed boiler subject to a biennial tune-up, the first biennial tune-up must be no later than 25 months after the initial startup of the new or reconstructed boiler. [§63.11223, §63.11196] If the unit is not operating on the required date for a tune-up, the tune-up must be conducted within 30 days of startup. [§63.11223(b)(7)]

The Permittee shall comply with the energy assessment requirement no later than March 21, 2014. [§63.11196] The permit will require an energy assessment within 180 days of startup. Since the rule is unclear on the deadline for the addition of an existing source, this permit will follow DAQ's previous determinations that required an energy assessment within 180 days based on a "subcategory" or "classification" change in 63.11210(h) or 63.11210(i).

An Initial Notification must be submitted no later than January 20, 2014, or within 120 days after the source becomes subject to the standard. [§63.11225(a)(2)]

The Permittee shall submit a Notification of Compliance Status no later than July 19, 2014, or within 120 days of the source becomes subject to the standard. [§63.11225(a)(4)]

#### *Performance Tune-up Requirements*

The Permittee shall conduct an initial tune-up of the boiler and subsequent tune-ups biennially.

Each biennial tune-up shall be conducted no more than 25 months after the previous tune-up.

The Permittee shall conduct the tune-ups while burning the type of fuel (or fuels in the case of boilers that routinely burn two types of fuels at the same time) that provided the majority of the heat input to the boiler over the 12 months prior to the tune-up.

Tune up shall meet the items requirements of §63.11223(b)(1)-(7).

#### *Energy Assessment Requirements*

The permit will require the existing energy assessment be amended to include these two boilers within 180 days of startup. Performed by a qualified energy assessor, the energy assessment shall include the following items:

- i. A visual inspection of the boiler system.

- ii. An evaluation of operating characteristics of the affected boiler systems, specifications of energy use systems, operating and maintenance procedures, and unusual operating constraints,
- iii. An inventory of major energy use systems consuming energy from affected boiler(s) and which are under control of the boiler owner or operator,
- iv. A review of available architectural and engineering plans, facility operation and maintenance procedures and logs, and fuel usage,
- v. A list of major energy conservation measures that are within the facility's control
- vi. A list of the energy savings potential of the energy conservation measures identified, and
- vii. A comprehensive report detailing the ways to improve efficiency, the cost of specific improvements, benefits, and the time frame for recouping those investments.

The Permittee initially conducted an energy assessment on February 4, 2014, but this assessment was amended on November 18, 2014 to include Boiler B-Temp-1.

#### *Recordkeeping*

The Permittee shall maintain the following records:

As required in §63.10(b)(2)(xiv), the Permittee shall keep a copy of each notification and report that was submitted to comply with this rule and all documentation supporting any Notification of Compliance Status that was submitted.

The Permittee shall keep records to document conformance with the performance tune-ups.

The Permittee shall keep a copy of each boiler energy assessment report, and:

- 1) Records of the occurrence and duration of each malfunction of the boiler or of the associated air pollution control and monitoring equipment.
- 2) Records of actions taken during periods of malfunction to minimize emissions in accordance with the general duty to minimize emissions, including corrective actions to restore the malfunctioning boiler, air pollution control, or monitoring equipment to its normal or usual manner of operation.

The records must be in a form suitable and readily available for expeditious review. The Permittee shall keep each record for 5 years following the date of each recorded action. The Permittee shall keep each record on-site or accessible from a central location by computer or other means that instantly provide access at the site for at least 2 years after the date of each recorded action. The Permittee may keep the records off site for the remaining 3 years.

#### *Reporting*

The Permittee shall submit a summary report of monitoring and recordkeeping activities postmarked on or before January 30 of each calendar year for the preceding six-month period between July and December and July 30 of each calendar year for the preceding six-month period between January and June. All instances of deviations from the requirements of this permit must be clearly identified.

#### **VI. Recommendation**

The NC DAQ recommends the issuance of Air Permit No. 05600T17 for Baxter Healthcare Corporation located in Marion, McDowell County, NC.