

**NORTH CAROLINA DIVISION OF
AIR QUALITY**

Air Permit Review

Permit Issue Date:

Region: Fayetteville Regional Office
County: Montgomery
NC Facility ID: 6200029
Inspector's Name: Gregory Reeves
Date of Last Inspection: 05/14/2015
Compliance Code: 3 / Compliance - inspection

<p align="center">Facility Data</p> <p>Applicant (Facility's Name): Troy Lumber Company</p> <p>Facility Address: Troy Lumber Company 110 Leslie Street Troy, NC 27371</p> <p>SIC: 2421 / Sawmills & Planing Mills General NAICS: 321912 / Cut Stock, Resawing Lumber, and Planing</p> <p>Facility Classification: Before: Title V After: Title V Fee Classification: Before: Title V After: Title V</p>	<p align="center">Permit Applicability (this application only)</p> <p>SIP: NSPS: NESHAP: PSD: PSD Avoidance: NC Toxics: 112(r): Other:</p>
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Contact Data			Application Data
<p align="center">Facility Contact</p> <p>Terry Brown HR Director (910) 576-6111 PO Box 748 Troy, NC 27371</p>	<p align="center">Authorized Contact</p> <p>Fred Taylor II Manager (910) 576-6111 PO Box 748 Troy, NC 27371</p>	<p align="center">Technical Contact</p> <p>Lea Talbert Boiler Supervisor (910) 572-3814 110 Leslie Street Troy, NC 27371</p>	<p>Application Number: 6200029.15C Date Received: 06/08/2015 Application Type: Renewal Application Schedule: TV-Renewal</p> <p align="center">Existing Permit Data</p> <p>Existing Permit Number: 02330/T20 Existing Permit Issue Date: 11/02/2015 Existing Permit Expiration Date: 02/29/2016</p>

Total Actual emissions in TONS/YEAR:

CY	SO2	NOX	VOC	CO	PM10	Total HAP	Largest HAP
2014	3.98	35.10	246.03	26.34	24.44	23.26	11.84 [Methanol (methyl alcohol)]
2013	6.68	58.77	240.01	44.10	98.04	26.88	11.46 [Methanol (methyl alcohol)]
2012	4.18	36.81	237.00	27.89	49.48	22.92	11.39 [Methanol (methyl alcohol)]
2011	4.04	35.52	198.64	26.99	44.20	20.01	9.53 [Methanol (methyl alcohol)]
2010	4.34	38.19	204.33	28.94	47.00	20.86	9.80 [Methanol (methyl alcohol)]

<p>Review Engineer: Russell Braswell</p> <p>Review Engineer's Signature: _____ Date: _____</p>	<p align="center">Comments / Recommendations:</p> <p>Issue 02330/T21 Permit Issue Date: Permit Expiration Date:</p>
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1. Purpose of Application:

Troy Lumber Company (Troy) currently operates under Air Quality Permit 02330T20, which expires on February 29, 2016. Troy submitted this application in order to renew the permit. However, the permit application was signed less than nine months before the expiration date of the existing permit. Therefore, unless this permit application is approved before the expiration date of the existing permit, the permit will expire.

2. Facility Description:

Based on the most recent inspection report¹, the facility produces kiln-dried dimensional lumber from southern yellow pine logs.

3. History/Background Since the Previous Permit Renewal:

- March 10, 2011 Permit T17 issued. This action renewed the permit and added the Case-by-Case MACT (CBCM) for boilers.
- March 31, 2015 Applications .15A and .15B received. This was for a significant modification.
- June 8, 2015 Application .15C received. This was for renewal.
- July 29, 2015 Permit T18 issued for application .15A. This action allowed Kiln 1 to be operated continuously and avoid PSD.
- October 5, 2015 Permit T19 issued for applications .15A and .15B. This action addressed issues not completed by Permit T18. These included: removing TAP requirements, exempted boilers from MACT 5D (provided they meet the definition of "hybrid" boiler) and allowed for Kiln 3 to operate provided Kiln 2 was shut down.
- November 2, 2015 Permit T20 issued. This was an administrative amendment to correct typos in T19.

4. Application Chronology:

- June 8, 2015 Application received.
- January 14, 2016 Responsibility for application transferred to Russell Braswell.
- January 15, 2016 The EPA / Public Notice period began. For a summary of comments received, see Attachment 2.
- XXXX Permit issued.

5. Permit Modifications/Changes:

The list of changes to the permit can be found in Attachment 1.

¹ Gregory Reeves, May 15, 2015

6. Regulatory Review:

Troy is subject to the following regulations, in addition to the requirements in the General Conditions:

- a. 15A NCAC 2D .0504 "Particulates from Wood Burning Indirect Heat Exchangers"
- b. 15A NCAC 2D .0512 "Particulates from Wood Products Finishing Plants"
- c. 15A NCAC 2D .0516 "Sulfur Dioxide from Combustion Sources"
- d. 15A NCAC 2D .0521 "Control of Visible Emissions"
- e. 15A NCAC 2D .0524 "New Source Performance Standards" (40 CFR Part 60 Subpart Dc)
- f. 15A NCAC 2D .1109 "112(j) Case-by-Case Maximum Achievable Control Technology"
- g. 15A NCAC 2D .1111 "Maximum Achievable Control Technology" (40 CFR Part 63 Subparts DDDD, DDDDD)
- h. 15A NCAC 2D .1806 "Control and Prohibition of Odorous Emissions"
- i. 15A NCAC 2Q .0317 "Avoidance Conditions" (PSD Avoidance)

An extensive review for each applicable regulation is not included in this document, as the facility's status with respect to these regulations has not changed. The permit will be updated to reflect the most current stipulations for all applicable regulations.

7. NSPS, MACT/GACT, PSD/NSR, 112(r), RACT, CAM:

a. NSPS

1. *Subpart Dc "Small Industrial-Commercial-Institutional Steam Generating Units"*

This rule applies to boilers with a capacity greater than 10 mmBtu/hr and also constructed after 1989. The only such boiler at the facility is ES-Boiler2.

For units with a capacity less than 30 mmBtu/hr, the only requirement is that the facility keep records on the amount of fuel burned.

Based on the most recent inspection report, the Troy is keeping the required records. Continued compliance is expected.

b. MACT

1. *Subpart DDDD "Plywood and Composite Wood Products"*

This rule applies to all lumber kilns located at a HAP-Major facility.

For lumber kilns, the rule only requires an initial notification. There are no subsequent requirements.

2. *Subpart DDDDD "Industrial, Commercial, and Institutional Boilers and Process Heaters"*

This rule applies to boilers and process heaters located at HAP-Major facilities. However, 40 CFR 63.7491(h) and (i) allow boilers to be exempt from the MACT provided they are used as control devices for other MACT-applicable sources.

In the T19 permit (Charlie Yirka, October 5, 2015), it was determined that the boilers do count as control devices for the kilns, and are therefore exempt from the MACT. This determination was

based on the EPA Applicability Determination M0700006 and the Florida DEP permit for Rex Lumber. This permit dealt with a similar situation to Troy's, and was favorably reviewed by the EPA.

Therefore, MACT Subpart DDDDD does not apply.

c. PSD/NSR

The facility is considered PSD-Major, but is avoiding further PSD requirements by limiting facility-wide emissions of VOC.

Troy is required to calculate and monitor the monthly and yearly VOC emissions. The results of the monitoring and calculations must be reported twice per year.

According to the most recent reports, Troy has been emitting less VOC than the limit.

d. 112(r)

The facility does not appear to store any 112(r)-subject materials above their respective thresholds. Therefore, the facility does not have any increased requirements under Section 112(r) of the Clean Air Act.

e. RACT

The facility is not located in an area of ozone nonattainment, therefore RACT does not apply.

f. CAM

CAM applies to a control device if the following criteria are met:

1. The unit being controlled is subject to a non-exempt emission standard (as defined by 2D .0614(b)(1)),
2. The control device is being used to comply with the emission standard, and
3. The unit being controlled has potential emissions of the pollutant subject to the emission standard of greater than major source thresholds.

The only control devices at the facility are for PM10. No source of PM10 at the facility has potential emissions that meet #3 above. Therefore, CAM does not apply to the facility.

8. Toxic Air Pollutants

TAP emission limits were removed from the permit based on Session Law 2012-91.

9. Facility Emissions Review

This permit renewal is not expected to impact potential emissions from the facility.

For a summary of historic emissions from the facility, see the table on the first page of this review.

10. Compliance Status

a. Notices of Violation/Recommendation for Enforcement since the previous renewal

- February 6, 2012 An NOV was issued for not properly operating and maintaining one of the wood dust cyclones. The cyclone had become clogged and therefore was not collecting wood dust. Once notified, Troy stopped operation of the cyclone until it was fixed. No fine was issued.

b. Inspection status

The facility was most recently inspected on May 15, 2015 by Gregory Reeves. Troy appeared to be complying with the permit at the time of that inspection.

11. Other Regulatory Concerns

A PE seal was not required for this permit renewal.

A zoning consistency form was not required for this permit renewal.

12. Public Notice/EPA and Affected State(s) Review

A notice of the DRAFT Title V Permit shall be made pursuant to 15A NCAC 2Q .0521. The notice will provide for a 30-day comment period, with an opportunity for a public hearing. Copies of the public notice shall be sent to persons on the Title V mailing list and EPA. Pursuant to 15A NCAC 2Q .0522, a copy of each permit application, each proposed permit and each final permit pursuant shall be provided to EPA.

Also pursuant to 2Q .0522, a notice of the DRAFT Title V Permit shall be provided to each affected State at or before the time notice provided to the public under 2Q .0521 above.

13. Recommendations

Issue permit XXXXXXXXX

Change List

Page*	Section*	Description of Change(s)
Throughout	Throughout	<ul style="list-style-type: none">• Updated dates, application numbers, and permit numbers• Changed "2D" and "2Q" to "02D" and "02Q"
3	Permitted Emission Source List	<ul style="list-style-type: none">• Added MACT Subpart DDDDD to ES-B1/2.• Added note regarding MACT Subpart DDDDD applicability.
	3.	<ul style="list-style-type: none">• Updated General Conditions to v4.0

* This refers to the current permit unless otherwise specified.

DRAFT