

AIR EMISSION PERMIT NO. 05500003- 002

IS ISSUED TO

Northern Engraving Corporation

Northern Engraving Corporation
202 4th Avenue Northeast
Spring Grove, Houston County, MN 55974

The emission units, control equipment and emission stacks at the stationary source authorized in this permit are as described in the following permit application(s):

Permit Type	Application Date	Issuance Date	Action Number
Total Facility Operating Permit	06/15/1995	04/08/02	001
Moderate Amendment	06/27/2002	See below	002

This permit authorizes the permittee to operate and modify the stationary source at the address listed above unless otherwise noted in Table A. The permittee must comply with all the conditions of the permit. Any changes or modifications to the stationary source must be performed in compliance with Minn. R. 7007.1150 to 7007.1500. Terms used in the permit as defined in the state air pollution control rules unless the term is explicitly defined in the permit.

Permit Type: Moderate Amendment to a State; Syn Min Part 70

Issue Date: 8/16/2002

Expiration: 04/08/2007

Title I Conditions do not expire.

Ann M. Foss
Major Facilities Section Manager
Majors and Remediation Division

for Karen A. Studders
Commissioner
Minnesota Pollution Control Agency

AMF:lh

TABLE OF CONTENTS

Notice to the Permittee

Permit Shield

Facility Description

Table A: Limits and Other Requirements

Table B: Submittals

NOTICE TO THE PERMITTEE:

Your stationary source may be subject to the requirements of the Minnesota Pollution Control Agency's (MPCA) solid waste, hazardous waste, and water quality programs. If you wish to obtain information on these programs, including information on obtaining any required permits, please contact the MPCA general information number at:

Metro Area	(651) 296-6300
Outside Metro Area	1-800-657-3864
TTY	(651) 282-5332

The rules governing these programs are contained in Minn. R. chs. 7000-7105. Written questions may be sent to: Minnesota Pollution Control Agency, 520 Lafayette Road North, St. Paul, Minnesota 55155-4194.

Questions about this air emission permit or about air quality requirements can also be directed to the telephone numbers and address listed above.

PERMIT SHIELD:

Subject to the limitations in Minn. R. 7007.1800, compliance with the conditions of this permit shall be deemed compliance with the specific provision of the applicable requirement identified in the permit as the basis of each condition.

Subject to the limitations of Minn. R. 7007.1800, and 7017. 0100, subp. 2, notwithstanding the conditions of this permit specifying compliance practices for applicable requirements, any person (including the Permittee) may also use other credible evidence to establish compliance or noncompliance with applicable requirements.

FACILITY DESCRIPTION:

Description Of The Facility

Northern Engraving Corporation manufactures decorated metal and plastic nameplates and automotive parts. Plastic parts may be produced by melting and molding plastic pellets into parts. Plastic and metal sheets may be used to make parts. Parts are decorated by the application of various inks, coatings, or paints. Coatings of sheets may be done by either priming before printing or adding a protective coating following lithographic or screened printing.

Lithography is a printing process in which the image configuration to be printed is rendered on a surface and treated so that it will retain ink. The non-image areas are treated to repel ink. Screening is a process where ink is pushed through open areas of a screen onto a metal or plastic sheet below the screen. Spraying is the application of paint by hand or automatically. All decorated parts are dried and cured in ovens.

Once decorated, the flat parts may be punched out (blanked) and curve and angled formed. The parts are washed and are then ready for inspection, packing, and shipping.

The coating, inks, and paints are sources of volatile organic compounds (VOCs) and Hazardous Air Pollutant (HAPs).

Description of the Activities Allowed By This Permit Action (002)

This permit action authorizes the modification of EU024 (PSO-SG-51). The screening line currently consists of two screening machines, and an oven. The two screening machines will be replaced. With this application and permit issuance the facility name is also changed from Northern Automotive LLC to Northern Engraving Corporation.

Northern will also add a screening line, EU044 (PSO-SG-75). Like EU024, the screening line consists of two screening machines and an oven.

Lastly, Northern will replace EU025 (PSO-SG-52), EU026 (PSO-SG-53), EU30 (PSO-SG-64), and EU031 (PSO-SG-65). These units will be identified as EU045, EU046, EU047, and EU048. All of these units also consist of two screening machines and an oven.

The facility is currently a synthetic minor one for HAPs and VOCs. This action does not change the status of the facility.

TABLE A: LIMITS AND OTHER REQUIREMENTS

08/16/02

Facility Name: Northern Automotive Systems LLC

Permit Number: 05500003 - 002

Table A contains limits and other requirements with which your facility must comply. The limits are located in the first column of the table (What To do). The limits can be emission limits or operational limits. This column also contains the actions that you must take and the records you must keep to show that you are complying with the limits. The second column of Table A (Why to do it) lists the regulatory basis for these limits. Appendices included as conditions of your permit are listed in Table A under total facility requirements.

Subject Item: Total Facility

What to do	Why to do it
Circumvention: Do not install or use a device or means that conceals or dilutes emissions, which would otherwise violate a federal or state air pollution control rule, without reducing the total amount of pollutant emitted.	Minn. R. 7011.0020
Shutdown Notifications: Notify the Commissioner at least 24 hours in advance of a planned shutdown of any control equipment or process equipment if the shutdown would cause any increase in the emissions of any regulated air pollutant. If the owner or operator does not have advance knowledge of the shutdown, notification shall be made to the Commissioner as soon as possible after the shutdown. However, notification is not required in the circumstances outlined in Items A, B and C of Minn. R. 7019.1000, subp. 3. At the time of notification, the owner or operator shall inform the Commissioner of the cause of the shutdown and the estimated duration. The owner or operator shall notify the Commissioner when the shutdown is over.	Minn. R. 7019.1000, subp. 3
Breakdown Notifications: Notify the Commissioner within 24 hours of a breakdown of more than one hour duration of any control equipment or process equipment if the breakdown causes any increase in the emissions of any regulated air pollutant. The 24-hour time period starts when the breakdown was discovered or reasonably should have been discovered by the owner or operator. However, notification is not required in the circumstances outlined in Items A, B and C of Minn. R. 7019.1000, subp. 2. At the time of notification or as soon as possible thereafter, the owner or operator shall inform the Commissioner of the cause of the breakdown and the estimated duration. The owner or operator shall notify the Commissioner when the breakdown is over.	Minn. R. 7019.1000, subp. 2
Notification of Deviations Endangering Human Health or the Environment: As soon as possible after discovery, notify the Commissioner or the state duty officer, either orally or by facsimile, of any deviation from permit conditions which could endanger human health or the environment.	Minn. R. 7019.1000, subp. 1
Notification of Deviations Endangering Human Health or the Environment Report: Within 2 working days of discovery, notify the Commissioner in writing of any deviation from permit conditions which could endanger human health or the environment. Include the following information in this written description: 1. the cause of the deviation; 2. the exact dates of the period of the deviation, if the deviation has been corrected; 3. whether or not the deviation has been corrected; 4. the anticipated time by which the deviation is expected to be corrected, if not yet corrected; and 5. steps taken or planned to reduce, eliminate, and prevent reoccurrence of the deviation.	Minn. R. 7019.1000, subp. 1
Operation Changes: In any shutdown, breakdown, or deviation the Permittee shall immediately take all practical steps to modify operations to reduce the emission of any regulated air pollutant. The Commissioner may require feasible and practical modifications in the operation to reduce emissions of air pollutants. No emissions units that have an unreasonable shutdown or breakdown frequency of process or control equipment shall be permitted to operate.	Minn. R. 7019.1000, subp. 4
Fugitive Emissions: Do not cause or permit the handling, use, transporting, or storage of any material in a manner which may allow avoidable amounts of particulate matter to become airborne. Comply with all other requirements listed in Minn. R. 7011.0150.	Minn. R. 7011.0150
Application for Permit Amendment: If a permit amendment is needed, submit an application in accordance with the requirements of Minn. R. 7007.1150 through Minn. R. 7007.1500. Submittal dates vary, depending on the type of amendment needed.	Minn. R. 7007.1150 through Minn. R. 7007.1500
Extension Requests: The Permittee may apply for an Administrative Amendment to extend a deadline in a permit by no more than 120 days, provided the proposed deadline extension meets the requirements of Minn. R. 7007.1400, subp. 1(H).	Minn. R. 7007.1400, subp. 1(H)

TABLE A: LIMITS AND OTHER REQUIREMENTS

08/16/02

Facility Name: Northern Automotive Systems LLC

Permit Number: 05500003 - 002

Recordkeeping: Maintain records describing any insignificant modifications (as required by Minn. R. 7007. 1250, subp. 3) or changes contravening permit terms (as required by Minn. R. 7007.1350 subp. 2), including records of the emissions resulting from those changes.	Minn. R. 7007. 0800, subp. 5(B)
Record keeping: Retain all records at the stationary source for a period of five (5) years from the date of monitoring, sample, measurement, or report. Records which must be retained at this location include all calibration and maintenance records, all original recordings for continuous monitoring instrumentation, and copies of all reports required by the permit. Records must conform to the requirements listed in Minn. R. 7007.0800, subp. 5(A).	Minn. R. 7007.0800, subp. 5(C)
Noise: The Permittee shall comply with the noise standards set forth in Minn. R. 7030.0010 to 7030.0080 at all times during the operation of any emission units. This is a state only requirement and is not enforceable by the EPA Administrator or citizens under the Clean Air Act.	Minn. R. 7030.0010 - 7030.0080
The Permittee shall comply with the General Conditions listed in Minn. R. 7007.0800, subp. 16.	Minn. R. 7007.0800, subp. 16
Inspections: The Permittee shall comply with the inspection procedures and requirements as found in Minn. R. 7007.0800, subp. 9(A).	Minn. R. 7007.0800, subp. 9(A)
Emission Inventory Report: due 91 days after end of each calendar year following permit issuance (April 1). To be submitted in a format specified by the Commissioner.	Minn. R. 7019.3000 through Minn. R. 7019.3030
Emission Fees: due 60 days after receipt of an MPCA bill.	Minn. R. 7002.0005 through Minn. R. 7002.0095
Fuel Usage: Fuel used at the facility is limited to natural gas or liquidified propane gas only. This includes fuel for both ovens and boilers.	Minn. R. 7007.0800, subp. 2
Volatile Organic Compounds: less than or equal to 95.0 tons/year using 12-month Rolling Sum to be calculated by the 15th day of each month for the previous 12-month period. This does not include combustion VOC emissions.	Title I Condition: to avoid major source classification under 40 CFR Section 70.2
HAPs - Total: less than or equal to 24.5 tons/year using 12-month Rolling Sum to be calculated by the 15th day of each month for the previous 12-month period.	Title I Condition: to avoid major source classification under 40 CFR 63.2
HAP-Single: less than or equal to 9.5 tons/year using 12-month Rolling Sum to be calculated by the 15th day of each month for the previous 12-month period.	Title I Condition: to avoid major source classification under 40 CFR 63.2
VOC and HAP Material Content Monitoring: Obtain from the supplier a MSDS or Environmental Data Sheet (EDS) for all VOC-containing and HAP-containing materials used at the facility. The supplier data shall specify the VOC content and HAP content of each HAP in each material. Material content may be expressed in pounds per gallon or as a percent by weight if the density of the material is also indicated. Maintain supplier data for a minimum of five years.	Title I Condition: to avoid major source classification under 40 CFR 70.2 and 63.2
If the MSDS or EDS contains a range of a VOC or individual HAP content, the Permittee shall use the upper range for the monthly calculations, or other more specific information as provided by the manufacturer to the Permittee, or sampling.	Minn. R. 7007.0800, subp. 4
VOC/HAP Vapor Extraction Recordkeeping: by the 15th day of each month, record the quantity of VOC/HAP, from the vapor extraction (soil remediation) unit, emitted during the previous month.	Title I Condition: to avoid major source classification under 40 CFR 70.2 and 63.2
Monthly VOC Material Usage and VOC Usage Recordkeeping: by the 15th day of each month, record the quantity for each VOC-containing material and its VOC content used during the previous month. Separate records shall be kept for each material quantity and VOC content.	Title I Condition: to avoid major source classification under 40 CFR 70.2
Monthly and 12-month rolling sum VOC Emissions Recordkeeping: 1) by the 15th day of each month, calculate VOC emissions for the previous month as follows: $\sum_{i=1}^n [(U_i \times C_i \times D_i)/2000 + (R/2000) - (W/2000)] = \text{VOC Emissions}$ where: n = number of all VOC containing materials used during month U _i = VOC monthly usage (gallons) for material i C _i = Percent VOC content, by weight, for material i D _i = VOC material density (lb/gal) for material i R = VOC content emitted from vapor extraction unit (pounds) W = VOC waste shipped off-site (pounds) 2) by the 15th day of each month, calculate VOC emissions for previous 12-month period by summing the monthly VOC emissions for the previous 12 months.	Title I Condition: to avoid major source classification under 40 CFR 70.2

TABLE A: LIMITS AND OTHER REQUIREMENTS

08/16/02

Facility Name: Northern Automotive Systems LLC

Permit Number: 05500003 - 002

Monthly HAP Material Usage and HAP Usage Recordkeeping: by the 15th day of each month, record the quantity of each HAP from each HAP containing material and its HAP contents used during the previous month. Separate records shall be kept for each material's quantity of each HAP and each of its HAP's content.	Title I Condition: to avoid major source classification under 40 CFR 63.2
<p>Monthly and 12-month rolling sum Single HAP Emissions Recordkeeping:</p> <p>1) by the 15th day of each month, calculate single HAP emissions, for all HAP containing materials, for the previous month as follows:</p> $\sum_{i=1}^n [(U_i \times C_i \times D_i)] + (R/2000) - (W/2000) = \text{HAP Emissions}$ <p>where: n = number of all materials containing same HAP used during the month U_i = HAP monthly usage (gallons) for material i C_i = Percent HAP content, by weight, for material i D_i = HAP material density (lb/gal) for material i R = HAP content emitted from vapor extraction unit (pounds) W = HAP content shipped off-site (pounds)</p> <p>2) by the 15th day of each month, calculate single HAP emissions, for all HAP containing materials, for previous 12-month period by summing the monthly HAP emissions for the previous 12 months.</p>	Title I Condition: to avoid major source classification under 40 CFR 63.2
<p>Monthly and 12-month Rolling Sum Total HAP Emissions Calculations:</p> <p>By the 15th day of each month:</p> <p>1) Calculate and record the total HAP emissions for the previous month by summing the individual HAP emissions from the previous month;</p> <p>2) Calculate and record the total HAP emissions for the previous 12-month period by summing the total monthly HAP emissions from the previous 12 months.</p>	Title I Condition: to avoid major source classification under 40 CFR 63.2
Maintain the records of the Shipper or Disposer certifications which state the amount of VOC and/or individual HAPs contained in the waste and the date the waste was shipped from the facility.	Title I Condition: to avoid major source classification under 40 CFR 70.2 and 63.2

TABLE A: LIMITS AND OTHER REQUIREMENTS

08/16/02

Facility Name: Northern Automotive Systems LLC

Permit Number: 05500003 - 002

Subject Item: GP 001 Boilers**Associated Items:** EU 001 Boiler PB-01-SG

EU 002 Boiler PB-02-SG

EU 003 Boiler PB-03-SG

What to do	Why to do it
Opacity: less than or equal to 20 percent except for one six-minute period per hour of not more than 60 percent opacity.	Minn. R. 7011.0510, subp. 1
Total Particulate Matter: less than or equal to 0.6 lbs/million Btu heat input	Minn. R. 7011.0510, subp. 2

TABLE A: LIMITS AND OTHER REQUIREMENTS

08/16/02

Facility Name: Northern Automotive Systems LLC

Permit Number: 05500003 - 002

Subject Item: GP 002 Paint Spray Booths**Associated Items:** EU 005 Paint Booth PSB-10-SG

EU 006 Paint Booth PSB-11-SG

EU 008 Paint Booth PSB-13-SG

EU 009 Paint Booth PSB-14-SG

EU 010 Paint Booth PSB-15-SG

EU 015 Paint Booth PSB-25-SG

EU 016 Paint Booth PSB-26-SG

EU 017 Paint Booth PSB-27-SG

EU 018 Paint Booth PSB-34-SG

EU 021 Paint Booth PSB-35-SG

What to do	Why to do it
Total Particulate Matter: less than or equal to 0.30 grains/dry standard cubic foot of exhaust gas unless required to further reduce emissions to comply with the less stringent limit of either Minn. R. 7011.0730 or Minn. R. 7011.0735.	Minn. R. 7011.0715, subp. 1(A)
Opacity: less than or equal to 20 percent	Minn. R. 7011.0715, subp. 1(B)

TABLE A: LIMITS AND OTHER REQUIREMENTS

08/16/02

Facility Name: Northern Automotive Systems LLC

Permit Number: 05500003 - 002

Subject Item: GP 003 Ovens**Associated Items:** EU 004 Box Oven PBO-09-SG

EU 011 Oven STO-16-SG

EU 012 Oven STO-17-SG

EU 019 Oven STO-38-SG

EU 024 Screening Line PSO-51-SG, with oven and 2 screen machine

EU 037 Oven SDO-45-SG

EU 038 Oven SDO-39-SG

EU 039 Coating Line, PCO-69-SG, with oven, 2 coaters, and 1 screen machine

EU 041 Coating Line, PCO-72-SG, with oven, 2 coaters, and 1 screen machine

EU 044 Screening line (PSO-SG-75), with oven and two screening machines

EU 045 Screening line (PSO-SG-52), with oven and two screening machines

EU 046 Screening line (PSO-SG-53), with oven and two screening machines

EU 047 Screening line (PSO-SG-64), with oven and two screening machines

EU 048 Screening line (PSO-SG-65), with oven and two screening machines

What to do	Why to do it
Opacity: less than or equal to 20 percent except for one six-minute period per hour of not more than 60 percent opacity.	Minn. R. 7011.0610, subp. 1
Total Particulate Matter: less than or equal to 0.30 grains/dry standard cubic foot of exhaust gas unless required to further reduce emissions to comply with the less stringent limit of either Minn. R. 7011.0730 or Minn. R. 7011.0735.	Minn. R. 7011.0610, subp. 1

TABLE A: LIMITS AND OTHER REQUIREMENTS

08/16/02

Facility Name: Northern Automotive Systems LLC

Permit Number: 05500003 - 002

Subject Item: EU 033 UV Litho Line SLO-70-SG

What to do	Why to do it
Total Particulate Matter: less than or equal to 0.30 grains/dry standard cubic foot of exhaust gas unless required to further reduce emissions to comply with the less stringent limit of either Minn. R. 7011.0730 or Minn. R. 7011.0735.	Minn. R. 7011.0715, subp. 1(A)
Opacity: less than or equal to 20 percent	Minn. R. 7011.0715, subp. 1(B)

TABLE A: LIMITS AND OTHER REQUIREMENTS

08/16/02

Facility Name: Northern Automotive Systems LLC

Permit Number: 05500003 - 002

Subject Item: EU 036 Cleaning Oven PCO-68-SG

What to do	Why to do it
Opacity: less than or equal to 20 percent except for one six-minute period per hour of not more than 60 percent opacity.	Minn. R. 7011.0610, subp. 1
Total Particulate Matter: less than or equal to 0.30 grains/dry standard cubic foot of exhaust gas unless required to further reduce emissions to comply with the less stringent limit of either Minn. R. 7011.0730 or Minn. R. 7011.0735.	Minn. R. 7011.0610, subp. 1
The cleaning oven unit is to be used as a rack, part, and drum reclamation unit, in accordance with 40 CFR 60 part 60.2555(k).	40 CFR 60 part 60.2555(k)

TABLE A: LIMITS AND OTHER REQUIREMENTS

08/16/02

Facility Name: Northern Automotive Systems LLC

Permit Number: 05500003 - 002

Subject Item: EU 043 Screening Cylinder Press (PSO-74-SG), with electric oven**Associated Items:** SV 045 SSO-74-SG

SV 046 SSO-74-SG

What to do	Why to do it
Total Particulate Matter: less than or equal to 0.30 grains/dry standard cubic foot of exhaust gas unless required to further reduce emissions to comply with the less stringent limit of either Minn. R. 7011.0730 or Minn. R. 7011.0735.	Minn. R. 7011.0715, subp. 1(A)
Opacity: less than or equal to 20 percent	Minn. R. 7011.0715, subp. 1(B)

TABLE B: SUBMITTALS

08/16/02

Facility Name: Northern Automotive Systems LLC
Permit Number: 05500003 - 002

Table B lists most of the submittals required by this permit. Please note that some submittal requirements may appear in Table A or, if applicable, within a compliance schedule located in Table C. Table B is divided into two sections in order to separately list one-time only and recurrent submittal requirements.

Each submittal must be postmarked or received by the date specified in the applicable Table. Those submittals required by parts 7007.0100 to 7007.1850 must be certified by a responsible official, defined in Minn. R. 7007.0100, subp. 21. Other submittals shall be certified as appropriate if certification is required by an applicable rule or permit condition.

Send any application for a permit or permit amendment to:

Permit Technical Advisor
Permit Section
Air Quality Division
Minnesota Pollution Control Agency
520 Lafayette Road North
St. Paul, Minnesota 55155-4194

Also, where required by an applicable rule or permit condition, send to the Permit Technical Advisor notices of:

- accumulated insignificant activities,
- installation of control equipment,
- replacement of an emissions unit, and
- changes that contravene a permit term.

Unless another person is identified in the applicable Table, send all other submittals to:

Supervisor
Compliance Determination Unit
Air Quality Division
Minnesota Pollution Control Agency
520 Lafayette Road North
St. Paul, Minnesota 55155-4194

Send submittals that are required to be submitted to the U.S. EPA regional office to:

Mr. George Czerniak
Air and Radiation Branch
EPA Region V
77 West Jackson Boulevard
Chicago, Illinois 60604

Send submittals that are required by the Acid Rain Program to:

U.S. Environmental Protection Agency
Clean Air Markets Division
1200 Pennsylvania Avenue NW (6204N)
Washington, D.C. 20460

TABLE B: RECURRENT SUBMITTALS

08/16/02

Facility Name: Northern Automotive Systems LLC

Permit Number: 05500003 - 002

What to send	When to send	Portion of Facility Affected
Semiannual Deviations Report	due 30 days after end of each calendar half-year starting 04/08/2002 . The first semiannual report submitted by the Permittee shall cover the calendar half-year in which the permit is issued. The first report of each calendar year covers January 1 - June 30. The second report of each calendar year covers July 1 - December 31. If no deviations have occurred, the Permittee shall submit the report stating no deviations.	Total Facility
Compliance Certification	due 31 days after end of each calendar year starting 04/08/2002 (for the previous calendar year). To be submitted to the Commissioner on a form approved by the Commissioner. This report covers all deviations experienced during the calendar year.	Total Facility

TECHNICAL SUPPORT DOCUMENT
For
DRAFT AIR EMISSION PERMIT NO. 05500003-002

This technical support document is for all the interested parties of the draft permit. The purpose of this document is to set forth the legal and factual basis for the draft permit conditions, including references to the applicable statutory or regulatory provisions.

1. General Information

1.1. Applicant and Stationary Source Location:

Owner/Operator Address and Phone Number	Facility Address (SIC Code: 3089 and 3469)
Northern Engraving Corporation 803 S. Black River St. Sparta, WI 54656 Mary Goodman 608/269-6911	Northern Automotive Systems, LLC 202 4th Ave NE Spring Grove, MN 55974

1.2. Description Of The Facility

Northern Automotive manufactures decorated metal and plastic nameplates and automotive parts. Plastic parts may be produced by melting and molding plastic pellets into parts. Plastic and metal sheets may be used to make parts. Parts are decorated by the application of various inks, coatings, or paints. Coatings of sheets may be done by either priming before printing or adding a protective coating following lithographic or screened printing.

Lithography is a printing process in which the image configuration to be printed is rendered on a surface and treated so that it will retain ink. The non-image areas are treated to repel ink. Screening is a process where ink is pushed through open areas of a screen onto a metal or plastic sheet below the screen. Spraying is the application of paint by hand or automatically. All decorated parts are dried and cured in ovens.

Once decorated, the flat parts may be punched out (blanked) and curve and angled formed. The parts are washed and are then ready for inspection, packing, and shipping.

The coating, inks, and paints are sources of VOCs and HAPs.

1.3 Description of the Activities Allowed By This Permit Action

Permit Action Number:
Date: 2/19/2004

This permit action authorizes the modification of EU024 (PSO-SG-51). The screening line currently consists of two screening machines, and an oven. The two screening machines will be replaced.

Northern will also add a screening line, EU044 (PSO-SG-75). Like EU024, the screening line consists of two screening machines and an oven.

Lastly, Northern will replace EU025 (PSO-SG-52), EU026 (PSO-SG-53), EU30 (PSO-SG-64), and EU031 (PSO-SG-65). These units will be identified as EU045, EU046, EU046, and EU048. All of these units also consist of two screening machines and an oven.

The facility is currently a synthetic minor one for HAPs and VOCs. This action does not change the status of the facility.

1.4. Facility Emissions:

Table 1. Emissions Associated With the Modification

Unlimited Potential Emissions:

EU #	Emission Unit Description	PM tpy	PM10 tpy	SO2 tpy	NOx tpy	CO tpy	VOC tpy*	Pb tpy	Single HAP Tpy *	All HAPs Tpy *
024	Screening Line	0.048	0.048	0.071	0.98	0.55	65	-	30.4	44.1
044	Screening Line	0.048	0.048	0.071	0.98	0.55	65	-	30.4	44.1
045	Screening Line	0.048	0.048	0.071	0.98	0.55	65	-	30.4	44.1
046	Screening Line	0.048	0.048	0.071	0.98	0.55	65	-	30.4	44.1
047	Screening Line	0.048	0.048	0.071	0.98	0.55	95	-	30.4	44.1
048	Screening Line	0.053	0.053	0.074	1.04	0.59	95	-	30.4	44.1

*Total facility emissions are limited to 95 tpy VOC, 24.5 tpy total HAPs, and 9.5 tpy single HAP

Limited Potential Emissions:

	PM tpy	PM10 tpy	SO2 tpy	NOx tpy	CO tpy	VOC tpy	Pb tpy	Single HAP tpy	All HAPs tpy
Total Facility Limited Potential Emissions Prior to Modification	87.5	87.5	3.32	30.98	17.0	95.0*	-	9.5*	24.5*
Total Facility Limited Potential Emissions Change Associated with the Modification	0.053	0.053	0.074	1.04	0.59		-		

Permit Action Number:

Date: 2/19/2004

Total Facility Limited Potential Emissions Following Modification	87.6	87.6	3.39	32.0	17.6	95	-	9.5	24.5
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Notes:

1. Emissions from combustion increase by one oven only (EU044), and the potential emissions increase from EU048 which has a slightly larger oven than the existing EU031 (1.6 mmBtu per hour vs 1.5 mmBtu/hr). The replacement ovens for EU025, EU026, and EU030 are the same size and fuel type as the existing ovens, hence no increase in potential emissions from them. The oven in EU024 does not change.
2. VOC emissions from fuel combustion are less than 2 tpy.

Table 3. Permit Action Classification

The existing facility has limits set at the total facility level that restrict potential emissions to less than major source levels for 40 CFR Pt. 70, 40 CFR Pt. 63, and 40 CFR 52.21. This permit action does not change those limits. This permit is issued as a moderate amendment.

2. Regulatory and/or Statutory Basis

Regulatory Overview of Units Affected by the Modification

Table 4.

EU, GRP, or SV #	Applicable Regulations	Comments
EU044, EU045, EU046, EU047, EU048, EU024	Minn. R. 7011.610 40 CFR 52.21, 40 CFR Pt. 63, and 40 CFR Pt. 70	Performance Standards for Direct Heating Equipment The units are subject to the limits set at the total facility level that restrict potential emissions to less than major source levels.

3. Technical Information

This approval is being issued as a moderate amendment. The hourly potential emissions increase exceeds the minor amendment thresholds at Minn. R. 7011.1450, subp. 2, however, because of the total facility cap on HAP and VOC emissions, there can be no annual increase in potential emissions.

There was some internal discussion as to whether or not this modification qualified for approval through moderate amendment procedures. U.S. EPA, Region V has made some statements that it would like to see the MPCA's total facility permits changed somewhat if it intends that total facility caps extend to added equipment. Following is the discussion from the July 24, 2002 leads meeting wherein the decision was made to recommend that this amendment be issued as a moderate. The leads made a recommendation to the Risk Managers as is shown below. The

Permit Action Number:

Date: 2/19/2004

Risk Managers, at the meeting on Monday, July 29, 2002, concurred with the leads decision that this permit be issued as a moderate amendment. A major amendment will be initiated to include language in the permit that makes it clear that the total facility cap applies to new VOC using equipment. That language is shown below in the leads minutes.

3.2 Issue: New PreCap Permit Option (P. Bartz and J. Reinertsen)

Background: EPA was contacted recently about what type of an amendment is needed to add new equipment under an existing total facility cap when no specific pre-authorization language is in the permit. EPA concluded that a major amendment (significant modification under Part 70, see bolded text below) is not required if the limit is set at the total facility level, and is not dependent on specific equipment (see italicized text). EPA then said something that could be interpreted as the opposite (see bolded text). EPA is asking that the permit contain a statement that specifies the type of equipment that would be subject to the limit, if added.

This lead to the suggestion to develop some template language that could be used in permits that cap total facility VOC emissions or fuel usage, that would allow some flexibility, but don't go as far as full FlexCap. *Here is EPA's write up:

"There are some folks within EPA who believe that unless a change is specifically pre-authorized in a Title V permit that a significant permit amendment is required to incorporate that new equipment into the Title V permit. If we look at the criteria for significant modifications in 40 CFR 70.7, a sig. mod. is required when a change does not qualify for a minor mod. or administrative amendment, or if there is a significant change in existing monitoring permit terms or conditions or a relaxation in recordkeeping or reporting requirements. It's safe to say that adding new equipment not specified in a permit is not going to be an administrative amendment.

40 CFR 70.7 includes certain gatekeepers in the minor modification criteria.

The first is that the change cannot violate any applicable requirement. So, if the change would require a change in any already existing applicable requirement, then you must use the sig. mod. process.

The next gatekeeper is that changes cannot involve significant changes in recordkeeping, monitoring, or reporting requirements contained in the permit. EPA interprets the need to include new recordkeeping, monitoring and reporting requirements as significant. This is why I believe some people within EPA argue that any change under a cap, unless specifically identified, would require a significant mod. I think it depends on the situation and how the existing requirements are set up.

*In the case of VOC emitting equipment, the MR&R requirements are often not dependent on specific units, but on total material usage at a facility. Adding a new unit does not require a change in those terms, so I see no need for a sig. mod. **A statement in the permit that the facility is allowed to add similar equipment and that new equipment would be subject to the existing MR&R requirements should be sufficient.** If the new unit were subject to unit specific limitations or MR&R requirements, such as an NSPS or MACT, I do believe that any change that is not pre-*

Permit Action Number:

Date: 2/19/2004

authorized and does not already have those requirements specified in the permit would need a sig. mod.

The third gatekeeper is the change cannot require a change in a case-by-case emission limitation or requirement, and the fourth is that you cannot change a term for which there is no underlying applicable requirement (like a synthetic minor limit). I don't think this is an issue here since you're keeping the same emission limitations.

The fifth is that the change cannot be a modification under any provisions of Title I of the CAA. These changes are not considered to be major modifications under the Federal pre-construction programs, so as long as they are not considered modifications under your own rules and the approved SIP, no sig. mod. is required (unless we decide that your minor NSR program is inadequate and do a SIP call).

Finally, you can't use the minor mod. process for changes required to get a sig. mod. under the State's approved program."

Some of this is confusing and doesn't exactly jibe with our rules (e.g., we can currently add new requirements through an administrative amendment – if EPA ever amends Part 70 we will likely be required to change this). For now, we believe this gives us enough information to propose some template language for a lower-tier of flexible caps permits.*

For permits that contain some type of synthetic minor cap (for Part 70 or PSD), if the permit includes language that says new units are covered by the limit (and there are no other pollutants involved), the emissions increase using Title I = cap (covered by cap). And since the cap is set to avoid either NSR or Part 70, this would then not trigger Title I. The remaining traditional analysis still applies to determine if an amendment is needed. This is where the analysis deviates from a true FlexCap where all the applicable requirements, periodic monitoring, and hourly emissions are already taken into account -- so no amendment is needed if you have a full-blown FlexCap. The PreCap wouldn't pre-authorize the equipment (since that means the full analysis would've been completed and no amendment needed), but will *pre-limit* the equipment so that a lower-level amendment process can possibly be used to add it. Any better ideas on what to call these permits? Suggestions and votes will be taken at the meeting.

Under a PreCap, an amendment may be needed based on the other criteria listed in our rules/forms (and by EPA above). For example: if the modification is Title I for some other reason (e.g., triggers 112(g) or is an NSPS modification), if the hourly emissions increase from the new/replaced/modified unit is over the various thresholds (from insignificant to moderate amendment), if the unit will be subject to an applicable requirement not currently listed in the permit (administrative amendment to add, major to revise), if any other permit limits would need to be amended to make the change (likely major), or if the monitoring and recordkeeping in the permit needs to be amended or added to (major if revising, administrative if adding).

We now would have the following options of flexible permits: PALs (flexcaps for major NSR sources), FlexCaps, and PreCaps, in order of decreasing complexity and flexibility.

We propose some template language that can be used when setting total facility VOC and fuel caps. Include this language as part of the limit box as additional text if possible. If it won't fit, include right after the limit as a CD requirement, using the same citation as the limit itself.

All VOC-emitting equipment at the Facility is subject to this limit.

If the Permittee replaces any existing VOC-emitting equipment, adds new VOC-emitting equipment, or modifies the existing equipment, such equipment is subject to this permit limit as well as all of the requirements <of GP 001> <listed at the Total Facility Level> *(wherever the monitoring is listed in the permit)* <except for the following: > *(if applicable)*. Prior to making such a change, the Permittee shall apply for and obtain the appropriate permit amendment, as applicable. The Permittee is not required to repeat VOC calculations described in Minn. R. 7007.1200, subp. 2.

A permit amendment will still be needed regardless of the emissions increase if the change will be subject to a new applicable requirement or requires revisions to the limits or monitoring and recordkeeping in this permit.

We don't need to be as specific as this for HAP limits since our rule has no hourly amendment thresholds for HAPs.

All HAP-emitting equipment at the Facility is covered by this limit.

If the Permittee replaces any existing HAP-emitting equipment or adds new HAP-emitting equipment, such equipment is subject to this permit limit as well as all of the requirements of <GP 001> <listed at the Total Facility Level> *(wherever the monitoring is listed in the permit)*. Prior to making such a change, the Permittee shall apply for and obtain the appropriate permit amendment, as applicable. A permit amendment may be needed if the change will be subject to a new applicable requirement or requires revisions to limits or the monitoring and recordkeeping in this permit.

The following could be used for fuel caps:

All <natural gas> <No. 2 Fuel Oil> combustion units at the Facility are subject to this limit.

If the Permittee replaces any <natural gas><No. 2 Fuel Oil> combustion units, adds new <natural gas><No. 2 Fuel Oil> combustion units, or modifies the existing equipment, such equipment is subject to this permit limit as well as all of the requirements of <GP 001> <listed at the Total Facility Level> *(wherever the monitoring is listed in the permit)*. Prior to making such a change, the Permittee shall apply for and obtain the appropriate permit amendment, as applicable. However, when calculating the emissions increase, only the hourly emissions increase (calculated per Minn. R. 7007.1200, subp. 3) shall be calculated.

A permit amendment will still be needed regardless of the emissions increase if the change will be subject to a new applicable requirement or requires revisions to the limits or monitoring and recordkeeping in this permit.

Recommendation: Approve proposed template language. If approved, Peggy will convert it into the helpfile format and submit it to Bonnie.

Permit Action Number:

Date: 2/19/2004

In addition, when creating a PreCap permit, include the annual report requirement currently listed in the helpfile under “Flexible Permit Language”, “Recordkeeping and Reporting” to have the company update the equipment list using the necessary forms. If the permit is somewhat complex and has many groups and this cap is just one of those groups, you may also need to have an equipment labeling and inventory requirement.

Because this is new, and potentially confusing to the Permittee (do I have a cap, a PreCap, or a FlexCap...), we suggest that you include some specific guidance on what this means in their final permit cover letter – maybe write some TSD language and specifically highlight it for them.

Leads Discussion: Some staff expressed reservations about “All VOC-emitting equipment at the Facility is subject to this limit” – do we really mean that? There may be cases where something shouldn’t be included (like fuel-burning equipment). Also, if equipment added to a state (non-Part 70) permit is subject to a NESHAP, then the Permittee has to get the Part 70 permit.

Leads Decision: Accept the proposed template language, as amended above. Language should include an option for the permit writer to exclude certain things from the PreCap, if necessary, on a case-by-case basis. Don’t forget that if the added equipment causes the facility to need a Part 70 permit for the first time (i.e., subject to a NESHAP), then the procedures of Minn. R. 7007.1150(E) have to be followed, and supersede any allowances for a minor or moderate amendment that the existing permit may provide.

3.3 Issue: Specific case: Northern Automotive – (Don Smith)

Background: Northern Automotive recently submitted an application for a moderate permit amendment to its state permit. The state permit sets limits on VOCs and HAPs, with emissions calculated by usage tracking. The limits are set at the total facility level as are the requirements and equations for tracking.

Northern would like to change out a couple of its screening machines, and add two screening machines.

Northern has stated that it faces layoffs if it is unable to get the machines operational in time.

Recommendation: Issue this permit as a moderate amendment, and begin the process for adding the above recommended language as a major permit amendment. In the future, all total facility caps would include the above language (PreCap.)

Leads Decision: This is a management decision, not a Leads decision. However, Leads makes the following recommendation to the management: It appears that the intent was to allow the proposed modification, whether or not that was correctly conveyed in the permit, and the Permittee legitimately believes that the modification is allowed. Under a strict interpretation of the rules, addition of the language allowing the

Permit Action Number:

Date: 2/19/2004

modifications should be a major amendment. Based on the circumstances of this particular case, we believe that the proposed change should be made under a moderate amendment. However, we also propose a mass mailing to holders of permits with similar requirements, informing them of the determination that their permits will have to be modified via a major amendment in order to legitimately allow any modifications that they may believe are already allowed. Jenny will write a letter, Toni will work on the list of facilities.

4. Conclusion

Based on the information provided by Northern Automotive, the MPCA has reasonable assurance that the proposed operation of the emission facility, as described in the Air Emission Permit No. 05500003-002 and this technical support document, will not cause or contribute to a violation of applicable federal regulations and Minnesota Rules.

Staff Members on Permit Team: Jenny Reinertsen,

Attachment: Calculations