

South Coast Air Quality Management District

Statement of Basis

Proposed Title V Renewal Permit

Facility Name:	Peter Pepper Products, Inc.
Facility ID:	009978
SIC Code:	2521
Equipment Location:	17929 South Susana Road Compton, CA 90221
Application #(s):	507852
Application Submittal Date(s):	02/18/10
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1. Introduction and Scope of Permit

Title V is a national operating permit program for air pollution sources. Facilities subject to Title V must obtain a Title V permit and comply with specific Title V procedures to modify the permit. This permit replaces the facility's other existing permits. Title V does not necessarily include any new requirements for reducing emissions. It does, however, include new permitting, noticing, recordkeeping, and reporting requirements.

Pursuant to Title V of the federal Clean Air Act and AQMD Rule 3004(f), a Title V permit shall expire five years from the date of issuance unless such permit has been renewed. Accordingly, each facility is required to submit a Title V renewal application and requested the AQMD to renew their Title V permit. The proposed permit incorporates updates to the facility information provided in the facility's Title V renewal application and all rules and regulations that are currently applicable to the facility.

The AQMD implements Title V through Regulation XXX – Title V Permits, adopted by the AQMD Governing Board in order to comply with EPA's requirement that local air permitting authorities develop a Title V program. Regulation XXX was developed with the participation of the public and affected facilities through a series of public workshops, working group meetings, public hearings and other meetings.

The Title V major source threshold for a particular pollutant depends on the attainment status of the pollutant. NO₂, SO₂, CO and lead are in attainment with federal standards. The status for PM-10 is serious nonattainment. The status for ozone is currently extreme nonattainment.

A Title V renewal permit is proposed to be issued to cover the operations of Peter Pepper Products, Inc. located at 17929 South Susana Road, Compton, CA 90221. This facility is subject to Title V requirements because it is a major source.

2. Facility Description

This is an existing facility that is in the business of manufacturing metal and wood office furniture. The facility operates three spray booths, two ovens, a diesel fired emergency internal combustion engine, a solvent distillation unit, and other supporting equipment.

3. Construction and Permitting History

The facility has been in constant operation with a Title V permit at this location since 2005. An initial Title V permit was issued to this facility on July 26, 2005.

4. Regulatory Applicability Determinations

Applicable legal requirements for which this facility is required to comply are required to be identified in the Title V permit (for example, Section D, E, and H of the proposed Title V permit). Applicability determinations (i.e., determinations made by the District with respect to what legal requirements apply to a specific piece of equipment, process, or operation) can be found in the Engineering Evaluations. This facility is not subject to any NSPS requirements. The facility is an area source under 40CFR 63 Subpart JJ-National Emission Standards for Wood Furniture Manufacturing Operations. Permit conditions are specified in the Title V permit limiting the quantity of a volatile hazardous air pollutant emissions (VHAP) from the facility to less than 5 tons per year and a combination of VHAPs to less than 12.5 tons per year.

5. Monitoring and Operational Requirements

Applicable monitoring and operational requirements for which the facility is required to comply are identified in the Title V permit (for example, Section D, F, and J and Appendix B of the proposed Title V permit). Discussion of any applicable operational requirements can be found in the Engineering Evaluations. All periodic monitoring requirements were developed using strict adherence to the following applicable guidance documents: SCAQMD Periodic Monitoring Guidelines for Title V Facilities (November 1997); CAPCOA/CARB/EPA Region IX Periodic Monitoring Recommendations for Generally Applicable Requirements in SIP (June 1999); and CAPCOA/CARB/EPA Region IX Recommended Periodic Monitoring for Generally Applicable Grain Loading Standards in the SIP: Combustion Sources (July 2001).

Since the facility complies with applicable rules requirements and emission limits without the use of air pollution control equipment, the Compliance Assurance Monitoring (CAM) requirements of 40 CFR Part 64 are not applicable to this facility.

6. Permit Features

Permit Shield

A permit shield is an optional part of a Title V permit that gives the facility an explicit protection from requirements that do not apply to the facility. A permit shield is a provision in a permit that states that compliance with the conditions of the permit shall be deemed compliance with all identified regulatory requirements. To incorporate a permit shield into the Title V permit involves submission of applications for change of conditions for each equipment affected by the permit shield. Permit shields are addressed in Rule 3004 (c). This facility has not applied for a permit shield.

Streamlining Requirements

Some emission units may be subject to multiple requirements which are closely related or redundant. The conditions may be streamlined to simplify the permit conditions and compliance. Emission limits, work practice standards, and monitoring, recordkeeping, and reporting requirements may be streamlined. Compliance with a streamlined condition will be deemed compliance with the underlying requirements whether or not the emission unit is actually in compliance with the specific underlying requirement. This facility has not applied for any streamlined conditions.

7. Summary of Emissions and Health Risks

Criteria Pollutant Emissions (tons/year) Annual Reported Emissions for Reporting Period 2009

Pollutant	Emissions (tons/year)
NOx	2.841
CO	0.762
VOC	2.374
PM	0.164
SOx	0.013

Toxic Air Contaminants Emissions (TAC) Annual Reported Emissions for Reporting Period 2009

The Following TACs Were Reported	Emissions (lbs/yr)
Ammonia	775
Benzene	0.381
1,3 Butadiene	0.043
Formaldehyde	1.076
Lead	0.001
Naphthalene	0.016
PAH's	0.011

Health Risk from Toxic Air Contaminants

The facility is subject to review by the Air Toxics Information and Assessment Act (AB2588). The AQMD is tracking the status of the facility under AB2588.

8. Compliance History

As noted, the facility has been in constant operation with a Title V permit since 2005. The facility has been subject to both self-reporting requirements and AQMD inspections. The facility has had no citizen complaints filed in the last two years. However, the facility was issued two Notices of Violation (NOV) on 7/18/2008 and 5/7/2009. The NOV's were issued for failure to submit semi-annual and annual compliance certification reports for year 2007 and the semi-annual report that was due on March 1, 2009. In addition, the facility was issued a Notice to Comply on 7/18/2008 requiring the applicant to provide records showing compliance with the permit limits. The applicant provided the requested records and is currently operating in compliance with all applicable rules and regulations.

9. Compliance Certification

By virtue of the Title V permit application and issuance of this Title V renewal permit, the reporting frequency for compliance certification for the facility shall be annual.