



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 Hawthorne Street
San Francisco, CA 94105

September 28, 2004

Mohsen Nazemi
Assistant Deputy Executive Officer
South Coast Air Quality Management District
21865 East Copley Drive
Diamond Bar, CA 91765

Re: Proposed Permit to Operate for Storopack (Facility #054058)

Dear Mohsen,

Thank you for the opportunity to review the proposed Title V renewal permit for the Storopack facility located at 3520 E. La Palma Avenue in Anaheim, CA. EPA received the District's submittal on August 18, 2004; in accordance with 40 CFR 70.8(c) and the District's approved Title V program, EPA reviewed the proposed permit and wishes to submit the comments in the enclosed document.

Among EPA's primary concerns with this permit is its level of detail with respect to the requirements of Rule 1175. As the permit is written, it does not contain enough detail to ensure that the compliance obligations of the source are clear. This issue is especially important for facilities subject to Rule 1175 due to the multiple compliance options available to them and the difficulties many facilities have experienced in meeting the rule's requirements. The enclosed document contains examples of requirements that should be included in the permit to achieve a level of detail EPA considers appropriate in this case.

EPA would like to thank the District for providing detailed responses to all of our questions and for its willingness to work with us over the past several weeks to address issues that were identified. Specifically, we appreciate the District's commitment to review the applicability of the CAM requirements under 40 CFR Part 64 for several emission units at the facility prior to issuing the permit. EPA believes that the combined efforts of both our agencies will yield a permit that is more understandable, more enforceable, and more protective of the environment.

If you have any questions, please do not hesitate to contact me at 415-972-3974 or Joe Lapka of my staff at 415-947-4226. Thank you for your time and attention to this matter.

Sincerely,

original signed by

Gerardo C. Rios
Chief, Permits Office

Enclosure

**EPA Comments on Proposed Permit to Operate for Storopack
September 28, 2004**

1. The permit imposes the requirements of Rule 1175 on the source strictly by reference to the rule itself (see condition H23.1). While EPA guidance allows permitting authorities to incorporate applicable requirements into a permit by reference, they must do so with a level of detail sufficient to ensure that the compliance obligations of the source are clear. The reference used in condition H23.1 is not acceptable because rule 1175 contains more than one compliance option that is available to the facility. The use of such a broad reference to the rule leaves the permit unclear as to which option has been chosen and may render it unenforceable as a practical matter. Furthermore, although this facility has not been found in violation of the rule, several other facilities in the district have been. Particularly with respect to Rule 1175, the compliance problems experienced by those facilities highlight the importance of a permit that contains a clear statement of each applicable limit or standard and that provides a framework for achieving compliance.

Based on communications between EPA and the District, it is clear that Storopack has chosen to comply with Rule 1175 by following the requirements of Section (c)(4). As a result, the permit should be revised to contain conditions that impose the specific requirements of Section (c)(4) on the facility. For example, the permit should contain a requirement pursuant to Rule 1175(c)(4)(B)(i) which states that the collection system used at the facility must capture 90% of the manufacturing emissions and that the control device must reduce the collected emissions by at least 95%. Additional requirements that should be stated in the permit are those of sections (c)(4)(B)(ii), (e)(1), and (e)(2), as they apply to this facility.

2. Although the permit application indicates that CAM does not apply to the facility, it is not clear how that conclusion was reached. Several emission units at the facility appear capable of meeting the applicability requirements under 40 CFR Part 64.2. EPA appreciates the District's 9/23/04 commitment to conduct Part 64 applicability determinations for units at the facility that may be subject to the regulation. In doing so, EPA recommends that the District consider the following pieces of equipment:

- D2 (rotodrum expander)
- D4 (belt expander)
- D8 (rotodrum expander)
- D9 (rotodrum expander)
- D10 (rotodrum expander)
- D11 (rotodrum expander)
- D12 (belt expander)
- D23 (aging room)
- D24 (vertical expander)
- D25 (extruder)
- D26 (extruder)

As noted in the 9/23/04 correspondence, if the District finds that Storopack is subject to CAM, it will require the facility to submit a CAM plan and impose necessary conditions on their Title V permit to implement CAM requirements. Such measures, if necessary, should be taken prior to issuance of the renewal permit.

3. Rule 1175(b)(6) defines "manufacturing emissions" as any VOC, CFC, or methylene chloride emissions that occur during the manufacturing operation. A "manufacturing operation" is in turn defined under 1175(b)(7) as every step of the processing of a polymeric material from the delivery of the raw material, until the storage of the final cellular product. It is clear from these definitions that any emissions from the storage and handling of the raw or processed material are considered "manufacturing emissions" for the purposes of Rule 1175. However, the proposed permit fails to identify the rule as an applicable requirement for the following pieces of storage and handling equipment:

- D1 (raw material feed hopper)
- D3 and D5 (intermediate storage bins)
- D6 (bulk material loading and unloading station)
- D7 (loading hopper)
- D13 through D22 and D27 (storage bins)

While emissions may not be released from all of the storage bins, a significant amount may be released from some of them – especially those located in the aging room and finished goods containment room.

To resolve this issue, the District should ensure that 1) Rule 1175 is identified as an applicable requirement for all devices at the facility that produce VOC emissions and 2) all manufacturing emissions are controlled in accordance with the rule.

4. To demonstrate compliance with Rule 1175, Condition D28.1 requires that the facility conduct a source test on the boiler (D28) at least once during the life of the permit to measure the ROG emissions at the inlet and outlet. However, Rule 1175(b)(1) defines an “approved emission control system” as one that collects at least 90% by weight of the manufacturing emissions and reduces emissions from the collection system by at least 95%. Therefore, to fully demonstrate compliance with Rule 1175, the permit must also require that the capture efficiency of the collection system be tested. Please make the requirement to verify the capture efficiency explicit in the permit.
5. Condition F1.1 limits the material processed at the facility to no more than 24,200 lb per day but there is no associated recordkeeping requirement in permit. To resolve this issue, the District should add a condition to the permit that requires the Permittee to maintain records of the weight of the loose fill packaging materials produced at the facility each day.
6. To demonstrate compliance with the boiler’s NO_x and CO limits (most of which originate from Rule 1146.1), Conditions D332.1 and 332.2 require that the operator use a portable analyzer and an AQMD-approved test method or “if not available, a non-AQMD approved test method.” This condition is inconsistent with the requirements of Rule 1146.1 because section (d)(4) states that compliance with the NO_x and CO emission requirements shall be determined using:
 - i. District Source Test Method 100.1; or
 - ii. Method 7.1 and Method 10.1; or
 - iii. Any other test method determined to be equivalent and approved before the test in writing by the Executive Officers of the District and the CARB and the Regional Administrator of the EPA.

In the event that Methods 100.1, 7.1, and 10.1 can not be used to test the boiler, the permit gives the Permittee pre-approval to use an alternate test method without first obtaining written consent from the District, ARB and EPA. To resolve this issue, the District should revise the permit so that it requires the use of one of the stated test methods or a fully approved alternative.