

South Coast Air Quality Management District

Statement of Basis

Proposed Title V Renewal Permit

Facility Name: Anthony, Inc.
Facility ID: 118314
SIC Code: 3231
Equipment Location: 12812 Arroyo Street
San Fernando, CA 91340

Application #(s): 503169
Application Submittal Date(s): 10/22/09

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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 Anthony, Inc. located at 12812 Arroyo Street, San Fernando, CA 91340. This facility is subject to Title V requirements because it is a major source.

2. Facility Description

This is an existing facility applying for a Title V permit renewal that is engaged in the manufacturing of commercial freezer and refrigerator doors. The facility operates spray booths, baking ovens, baghouses, and other supporting equipment. Volatile organic compound (VOC) emissions from a spray booth and associated oven are vented to an air pollution control equipment regenerative thermal oxidizer.

3. Construction and Permitting History

The facility has been in constant operation with a Title V permit at this location since 2000. Numerous permits to construct and or permits to operate have been issued to the facility since May 2000. A Title V permit renewal was issued to the facility on May 11, 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 or NESHAP requirements.

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).

Volatile organic compound (VOC) emissions from a spray booth and associated oven are vented to an air pollution control system regenerative thermal oxidizer. The uncontrolled VOC emissions to the air pollution control system are greater than the major source threshold for VOC of 10 tons per year. As a result, the operation of the oxidizer is subject to the Compliance Assurance Monitoring (CAM) requirements of 40 CFR Part 64. Permit conditions have been added to satisfy the CAM requirements. Such permit conditions were developed using the

design criteria and other pertinent requirements identified in 40 CFR 64- Compliance Assurance Monitoring and Technical Guidance Document and in the August 1998 Revised Draft CAM.

Particulate matter emissions from a spray booth are vented to air pollution control equipment baghouse. However, since the uncontrolled PM₁₀ emissions to the air pollution control system is less than 70 tons per year, the Compliance Assurance Monitoring (CAM) requirements of 40 CFR Part 64 are not applicable to the baghouse.

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.

Variances

In the manufacturing process of commercial freezer and refrigerator doors, glass panels are spray coated with a conductive transparent coating, so that the surface of the glass doors could be heated to prevent condensation from moisture in the room on the glass doors. The company recently replaced their old line with a new glass coating and heat treating line. The new coating line has been constructed and is in operation. It applies a conductive clearcoat containing tin, and is vented to the RTO to reduce VOC emissions. The old coating line was vented to a baghouse to control PM emissions, but had no VOC control. During the permit to construct evaluation for the new line, it was proposed by the applicant that the RTO would also control PM emissions. The RTO manufacturer estimated that the RTO would reduce the PM emissions by approximately 80%. Some of the tin coating would deposit on the ceramic media which may get clogged eventually, however by monitoring the pressure drop across the ceramic bed, they would be able to determine when to replace the ceramic media. In addition, Anthony proposed a bake-out process that would be done periodically to burn off some of the coating build-up on the ceramic media, and they would also replace the ceramic media periodically. Due to a number of factors including the uncertainty of the PM emissions from the coating operation and the PM control efficiency of the RTO, the applicant requested a permit condition of 1 lb/day PM₁₀ so BACT would not be triggered. Source tests were required by the P/C to determine emissions and efficiency of the RTO on both VOC and PM₁₀.

Once the coating line was constructed, trial runs started, and the source test protocol prepared, Anthony determined that the amount of coatings they would have to spray to conduct the source test properly would cause them to exceed the 1 lb/day PM₁₀ emission limit. As a result, Anthony got an interim variance (Case No. 4797) on 6/30/2011 to allow them to emit more than 1 lb/day while they conduct the source test. The source tests were conducted in July 2011.

On 8/9/2011, Anthony received a regular variance from the 1 lb/day PM₁₀ emission limit condition (A63.3) so they could switch over to the new coating line and shut down the old coating line. By doing so, they greatly reduced the VOC emissions since the new line is vented to an RTO, although there are PM₁₀ and NO_x emissions from the new process. The variance conditions limited their coating usage to 12.8 gallons in any one day. This was based on the maximum PM₁₀ emissions to comply with Rule 1303(b)(1)-Modeling requirements. The variance expires on 11/9/2011.

The source test report dated 8/11/2011 was reviewed and approved by our District Source Test Engineering. The overall efficiency for VOC was 95% which complies with BACT and the permit conditions. However, the results for PM₁₀ showed the RTO was reducing emissions by only 30-51% during normal operation (3 runs), for an average emission of 0.768 lb/hr PM₁₀ from the RTO exhaust. In addition, a source test was conducted during the burnout cycle, with PM₁₀ emissions of 0.269 lb/hr. Anthony also conducted a source test on their old glass coating line vented to a baghouse which showed the PM₁₀ emissions from the old system were 0.058 lb/hr, more than 10 times lower than the PM₁₀ from the RTO exhaust. Based on this data, in a letter dated September 2, 2011, the District informed Anthony that the RTO alone did not constitute BACT for PM₁₀ emissions.

As a result of the District BACT determination, Anthony filed a new application to install a new baghouse at the outlet of the RTO and remove the 1 lb/day PM₁₀ condition. In preparation for the installation of the new baghouse, Anthony petitioned the Hearing Board of the SCAQMD to extend the final compliance date until the baghouse is installed to comply with BACT requirements. An extension of the variance (Case No. 4797-2) was granted on 10/27/2011 and it allows the company to operate the coating and drying line until the new baghouse is installed, but no later than 2/12/2012. The extension of the variance includes the same condition limiting the total quantity of coatings sprayed in the spray enclosure (D40) to no more than 12.8 gallons in any one day. As specified by Rule 3004(a)(10)(C), condition II.1 has been added to devices C38, D39, and D40, in section H of the permit requiring the operator to comply with all the conditions of the variance. The issuance of the variance by the AQMD Hearing Board does not affect federal or citizen enforceability of the requirement.

7. Summary of Emissions and Health Risks

**Criteria Pollutant Emissions (tons/year)
Annual Reported Emissions for Reporting Period 2010**

Pollutant	Emissions (tons/year)
NO _x	0.152
CO	0.04

Pollutant	Emissions (tons/year)
VOC	12.993
PM	0.009
Sox	0.001

**Toxic Air Contaminants Emissions (TAC)
Annual Reported Emissions for Reporting Period 2010**

The Following TACs Were Reported	Emissions (lbs/yr)
Ammonia	41.95
Arsenic	0.001
Benzene	0.004
Cadmium	0.001
Chromium	0.001
Formaldehyde	0.014
PAH's	0.001

Health Risk from Toxic Air Contaminants

The facility is subject to review by the Air Toxics Information and Assessment Act (AB2588). The facility was determined to be exempt from AB2588 requirements.

8. Compliance History

As noted, the facility has been in constant operation with a Title V permit since 2000. The facility has been subject to both self-reporting requirements and AQMD inspections. The facility has had no citizen complaints, Notices to Comply or Notices of Violation issued in the last two years.

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.