



Authority to Construct / Permit to Operate 13478
And
Part 70 Minor Modification Permit 13478

Page 1 of 7

EQUIPMENT OWNER:

Celite Corporation

205129

EQUIPMENT OPERATOR:

Celite Corporation

EQUIPMENT LOCATION:

2500 Miguelito Rd, Lompoc

STATIONARY SOURCE/FACILITY:

Celite Corporation

SSID: 01735

FID: 00012

AUTHORIZED MODIFICATION:

This permit authorizes modifications to two Celpure baghouses, the Celpure Flash Cooler Baghouse (APCD Dev. No. 8076) and the Second Stage Dryer Baghouse (APCD Dev. No. 8077). The modifications to the baghouses include the installation of access doors on the clean side of each baghouse to allow for easier baghouse inspection and maintenance. The installation of the access doors will not change any operating parameters of the baghouses, and will have no effect on emissions.

PROJECT/PROCESS DESCRIPTION:

Celite currently mines and processes diatomaceous earth (DE) at its Lompoc Plant. Celite operates two product lines (6, and 7 Systems) each with "wet end" and "dry end" processing. Wet diatomaceous earth crude is surface mined, crushed, milled and dried and/or calcined at high temperatures. The dried product is classified into a variety of grades and bagged or bulk loaded for shipment to distributors and customers. Process material is ventilated to a number of baghouses for product sizing and dust control, and baghouses also control dust from the storage silos and packing stations. System #7 is currently operating under an extended SCDP, and sock modifications for BH 773 are pending. The Celite Facility

ID is 0012 and the Stationary Source ID is 1735.

CONDITIONS:

9.A Standard Administrative Conditions

A.1 Compliance with Permit Conditions

- (a) The permittee shall comply with all permit conditions in Sections 9.A, 9.B and 9.C.
- (b) This permit does not convey property rights or exclusive privilege of any sort.
- (c) Any permit noncompliance constitutes a violation of the Clean Air Act and is grounds for enforcement action; for permit termination, revocation and re-issuance, or modification; or for denial of a permit renewal application.
- (d) It shall not be a defense for the permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.
- (e) A pending permit action or notification of anticipated noncompliance does not stay any permit condition.
- (f) Within a reasonable time period, the permittee shall furnish any information requested by the Control Officer, in writing, for the purpose of determining:
 - (i) compliance with the permit, or
 - (ii) whether or not cause exists to modify, revoke and reissue, or terminate a permit or for an enforcement action. [*Re: 40 CFR Part 70.6, APCD Rules 1303.D.1*]
- (g) In the event that any condition herein is determined to be in conflict with any other condition contained herein, then, if principles of law do not provide to the contrary, the condition most protective of air quality and public health and safety shall prevail to the extent feasible.

A.2 Emergency Provisions. The permittee shall comply with the requirements of the APCD, Rule 505 (Upset/Breakdown rule) and/or APCD Rule 1303.F, whichever is applicable to the emergency situation. In order to maintain an affirmative defense under Rule 1303.F, the permittee shall provide the APCD, in writing, a “notice of emergency” within 2 days of the emergency. The “notice of emergency” shall contain the information/documentation listed in Sections (1) through (5) of Rule 1303.F. [*Re: 40 CFR 70.6, APCD Rule 1303.F*]

A.3 Compliance Plan.

- (a) The permittee shall comply with all federally-enforceable requirements that become applicable during the permit term, in a timely manner, as identified in the Compliance Plan.
- (b) For all applicable equipment, the permittee shall implement and comply with any specific compliance plan required under any federally-enforceable rules or standards. [*Re: APCD Rule 1302.D.2*]

- A.4 **Right of Entry.** The Regional Administrator of USEPA, the Control Officer, or their authorized representatives, upon the presentation of credentials, shall be permitted to enter upon the premises where a Part 70 Source is located or where records must be kept:
- (a) To inspect the stationary source, including monitoring and control equipment, work practices, operations, and emission-related activity;
 - (b) To inspect and duplicate, at reasonable times, records required by this Permit to Operate;
 - (c) To sample substances or monitor emissions from the source or assess other parameters to assure compliance with the permit or applicable requirements, at reasonable times. Monitoring of emissions can include source testing. [Re: APCD Rule 1303.D.2]
- A.5 **Payment of Fees.** The permittee shall reimburse the APCD for all its Part 70 permit processing and compliance expenses for the stationary source on a timely basis. Failure to reimburse on a timely basis shall be a violation of this permit and of applicable requirements and can result in forfeiture of the Part 70 permit. Operation without a Part 70 permit subjects the source to potential enforcement action by the APCD and the USEPA pursuant to section 502(a) of the Clean Air Act. [Re: APCD Rules 1303.D.1 and 1304.D.11, 40 CFR 70.6]
- A.6 **Prompt Reporting of Deviations:** The permittee shall submit a written report to the APCD documenting each and every deviation from the requirements of this permit or any applicable federal requirements within 7 days after discovery of the violation, but not later than 180-days after the date of occurrence. The report shall clearly document 1) the probable cause and extent of the deviation, 2) equipment involved, 3) the quantity of excess pollutant emissions, if any, and 4) actions taken to correct the deviation. The requirements of this condition shall not apply to deviations reported to APCD in accordance with Rule 505. *Breakdown Conditions*, or Rule 1303.F *Emergency Provisions*. [APCD Rule 1303.D.1, 40 CFR 70.6(a) (3)]
- A.7 **Reporting Requirements/Compliance Certification:** The permittee shall submit compliance certification reports to the USEPA and the Control Officer every six months. These reports shall be submitted on APCD forms and shall identify each applicable requirement/condition of the permit, the compliance status with each requirement/condition, the monitoring methods used to determine compliance, whether the compliance was continuous or intermittent, and include detailed information on the occurrence and correction of any deviations (excluding emergency upsets) from permit requirement. The reporting periods shall be each half of the calendar year, e.g., January through June for the first half of the year. These reports shall be submitted by September 1 and March 1, respectively, each year. Supporting monitoring data shall be submitted in accordance with the "Semi-Annual Monitoring/Compliance Verification Report" condition in section 9.C. The permittee shall include a written statement from the responsible official, which certifies the truth, accuracy, and completeness of the reports. [Re: APCD Rules 1303.D.1, 1302.D.3, 1303.2.c]

A.8 **Federally-Enforceable Conditions.** Each federally-enforceable condition in this permit shall be enforceable by the USEPA and members of the public. None of the conditions in the APCD-only enforceable section of this permit are federally-enforceable or subject to the public/USEPA review. [Re: CAAA, § 502(b)(6), 40 CFR 70.6]

A.9 **Recordkeeping Requirements.** Records of required monitoring information shall include the following:

- (a) The date, place as defined in the permit, and time of sampling or measurements;
- (b) The date(s) analyses were performed;
- (c) The company or entity that performed the analyses;
- (d) The analytical techniques or methods used;
- (e) The results of such analyses; and
- (f) The operating conditions as existing at the time of sampling or measurement;

The records (electronic or hard copy), as well as all supporting information including calibration and maintenance records, shall be maintained for a minimum of five (5) years from date of initial entry by the permittee and shall be made available to the APCD upon request. [Re: APCD Rule 1303.D.1.f, 40CFR70.6(a)(3)(ii)(A)]

A.10 **Conditions for Permit Reopening.** The permit shall be reopened and revised for cause under any of the following circumstances:

- (a) Additional Requirements: If additional applicable requirements (e.g., NSPS or MACT) become applicable to the source which has an unexpired permit term of three (3) or more years, the permit shall be reopened. Such a reopening shall be completed no later than 18 months after promulgation of the applicable requirement. However, no such reopening is required if the effective date of the requirement is later than the date on which the permit is due to expire, unless the original permit or any of its terms and conditions has been extended. All such re-openings shall be initiated only after a 30-day notice of intent to reopen the permit has been provided to the permittee, except that a shorter notice may be given in case of an emergency.
- (b) Inaccurate Permit Provisions: If the APCD or the USEPA determines that the permit contains a material mistake or that inaccurate statements were made in establishing the emission standards or other terms or conditions of the permit, the permit shall be reopened. Such re-openings shall be made as soon as practicable.
- (c) Applicable Requirement: If the APCD or the USEPA determines that the permit must be revised or revoked to assure compliance with any applicable requirement including a federally-enforceable requirement, the permit shall be reopened. Such re-openings shall be made as soon as practicable.

Administrative procedures to reopen and revise/revoke/reissue a permit shall follow the same procedures as apply to initial permit issuance. Re-openings shall affect only those parts of the permit for which cause to reopen exists.

If a permit is reopened, the expiration date does not change. Thus, if the permit is reopened, and revised, then it will be reissued with the expiration date applicable to the re-opened permit. [Re: 40 CFR 70.7, 40 CFR 70.6]

9.B. Generic Conditions

B.1 **Circumvention (Rule 301):** A person shall not build, erect, install, or use any article, machine, equipment or other contrivance, the use of which, without resulting in a reduction in the total release of air contaminants to the atmosphere, reduces or conceals an emission which would otherwise constitute a violation of Division 26 (Air Resources) of the Health and Safety Code of the State of California or of these Rules and Regulations. This Rule shall not apply to cases in which the only violation involved is of Section 41700 of the Health and Safety Code of the State of California, or of APCD Rule 303. [Re: APCD Rule 301]

B.2 **Visible Emissions (Rule 302).** Celite shall not discharge into the atmosphere from any single source of emission any air contaminants for a period or periods aggregating more than three minutes in any one hour which is:

- (a) As dark or darker in shade as that designated as No. 1 on the Ringlemann Chart, as published by the United States Bureau of Mines, or
- (b) Of such opacity as to obscure an observer's view to a degree equal to or greater than does smoke described in subsection B.2(a) above.

Compliance shall be determined by visible emission evaluations by certified observers. All visible emission observation and inspection sheets and records shall be maintained consistent with the recordkeeping condition of this permit. [Ref: APCD Rule 302].

B.3 **Nuisance (Rule 303):** No pollutant emissions from any source at the permittee shall create nuisance conditions. Operations shall not endanger health, safety or comfort, nor shall they damage any property or business. [Re: APCD Rule 303]

B.4 **PM Concentration – Northern Zone (Rule 304).** Celite shall not discharge into the atmosphere, from any source, particulate matter in excess of 0.3 grain per cubic foot of gas as standard conditions. [Ref: APCD Rule 304].

9.C Requirements and Equipment Specific Conditions

This section includes non-generic federally enforceable conditions including emissions and operation limits, monitoring and recordkeeping and reporting for each specific equipment group. This section may also contain other non-generic requirements.

C.1 Baghouse Access Doors. Celite may install baghouse access doors on the baghouses listed in the *Equipment List* section of this permit. The access doors permitted herein are subject to the following:

- a. The baghouse access doors shall be installed and maintained such that when the door is in the closed position, it creates an air-tight seal with the body of the baghouse.
- b. The baghouse access doors shall remain in the closed position whenever the baghouse is in operation.

Celite shall obtain additional District permits for the installation of access doors on any other baghouse at the Celite stationary source.

C.2 Initial Operations and APCD Inspection. The permittee shall:

- a. Notify the APCD in writing (Attn: *Engineering & Compliance Division*) of the initial equipment operation date. Initial operations are defined as the first operation of the equipment in the modified configuration. This notification shall be provided within 7 days of initial operations.
- b. Arrange for equipment inspection by contacting the APCD's *Compliance Supervisor*, no later than fourteen (14) calendar days after initial operations commence. The equipment inspection shall occur not more than thirty (30) calendar days (or other mutually agreed upon time period) after initial operations begins. This inspection is required to verify that the equipment and its operation are in compliance with APCD Rules and Permit Conditions.

9.D APCD-Only Conditions

The following section lists permit conditions that are not enforceable by the USEPA or the public. However, these conditions are enforceable by the APCD and the State of California. These conditions are issued pursuant to APCD Rule 206 (*Conditional Approval of Authority to Construct or Permit to Operate*), which states that the Control Officer may issue an operating permit subject to specified conditions. Permit conditions have been determined as being necessary for this permit to ensure that operation of the facility complies with all applicable local and state air quality rules, regulations and laws. Failure to comply with any condition specified pursuant to the provisions of Rule 206 shall be a violation of that rule, this permit, as well as any applicable section of the California Health & Safety Code.

D.1 Permit Activation. All aspects of this permit are enforceable by the APCD and the State of California upon the issuance date stamped below. The Part 70 aspects of this permit are not final until:

- (a) The USEPA has provided written comments to the APCD and these comments require no modification to this permit. The APCD will issue a letter stating that this permit is a final Part 70 permit. The effective date that this permit will be considered a final Part 70 permit will be the date stamped on the APCD's letter.
- (b) After the USEPA has provided the APCD written comments that require a modification to this permit, the APCD will modify this permit to address the USEPA's comments and issue the Part 70 permit as final. The re-issued permit will supersede this permit in its entirety.



AIR POLLUTION CONTROL OFFICER

JUL 01 2010

Date

Attachment:

- Permit Equipment List(s)
- Permit Evaluation for ATC/PTO No. 13478

Equipment List for Authority to Construct / Permit to Operate 13478

Page 1 of 1

ATC/PTO 13478 / FID: 00012 Celite Corporation / SSID: 01735

A PERMITTED EQUIPMENT

1 Flash Cooler Baghouse

<i>Device ID #</i>	008076	<i>Device Name</i>	Flash Cooler Baghouse
<i>Rated Heat Input</i>		<i>Physical Size</i>	2678.00 Cubic Feet/Minute
<i>Manufacturer</i>	Mikropul	<i>Operator ID</i>	DC7
<i>Model</i>	69-8-35 "C"	<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device Description</i>	90 psig header, 2678 acfm, 0.002 gr/dscf. Serves the product mix tank and packing area.		

2 Second Stage Dryer Baghouse

<i>Device ID #</i>	008077	<i>Device Name</i>	Second Stage Dryer Baghouse
<i>Rated Heat Input</i>		<i>Physical Size</i>	
<i>Manufacturer</i>	Mikropul	<i>Operator ID</i>	CP32
<i>Model</i>	133-8-100 C	<i>Serial Number</i>	
<i>Location Note</i>			
<i>Device Description</i>	(DC8) 6143 acfm, 0.002 gr/dscf, 90 psig header		



PERMIT EVALUATION for
AUTHORITY TO CONSTRUCT / PERMIT TO OPERATE No. 13478

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1.0 BACKGROUND

- 1.1 General: Celite currently mines and processes diatomaceous earth (DE) at its Lompoc Plant. Celite operates two product lines (6, and 7 Systems) each with “wet end” and “dry end” processing. Wet diatomaceous earth crude is surface mined, crushed, milled and dried and/or calcined at high temperatures. The dried product is classified into a variety of grades and bagged or bulk loaded for shipment to distributors and customers. The project has modified System 7 by redesigning the process line, removing some existing equipment and installing new equipment. The Celite Facility ID is 0012 and the Stationary Source ID is 1735.

An application to allow for the installation of access doors on two Celpure baghouses, the Celpure Flash Cooler Baghouse (APCD Dev. No. 8076) and the Second Stage Dryer Baghouse (APCD Dev. No. 8077), was received on June 25, 2010. Celite is requesting to install these access doors on the clean side of each baghouse in order to facilitate easier baghouse inspection and maintenance. The baghouse manufacturer, Mikropul, was consulted regarding the feasibility of installing access doors on these baghouses. Mikropul indicated that these baghouses could function properly with access doors installed on the clean side, and were properly designed to accommodate such access doors. This permit requires that the access doors be installed in an air-tight manner, and that the doors remain shut when the baghouse is in operation. The installation of the access doors will not change any operating parameters of the baghouses, and will have no effect on emissions.

2.0 ENGINEERING ANALYSIS

- 2.1 Equipment/Processes: The equipment and processes affected by this permitting action include the Celpure Flash Cooler Baghouse (APCD Dev. No. 8076) and the Second Stage Dryer Baghouse (APCD Dev. No. 8077).
- 2.2 Emission Controls: The equipment affected by this permit are baghouses used to control particulate matter emissions.
- 2.3 Emissions: There are no emissions associated with this permit.

PERMIT EVALUATION for
AUTHORITY TO CONSTRUCT/PERMIT TO OPERATE 13478

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3.0 REEVALUATION REVIEW (not applicable)

4.0 REGULATORY REVIEW

4.1 Partial List of Applicable Rules: This project is anticipated to operate in compliance with the following rules:

- Rule 101. Compliance of Existing Facilities
- Rule 205. Standards for Granting Permits
- Rule 302. Visible Emissions
- Rule 303. Nuisance
- Rule 304. Particulate Matter - Northern Zone
- Rule 306. Dust and Fumes - Northern Zone
- Rule 309. Specific Contaminants
- Rule 505. Breakdown Procedures
- Rule 801. New Source Review
- Rule 802. Nonattainment Review
- Rule 803. Prevention of Significant Deterioration

4.2 NEI Calculations: This permit modification does not change permitted emissions, and does not contribute to stationary source NEI.

5.0 AQIA

The APCD did not require an AQIA for the ATC modification or this PTO.

6.0 OFFSETS/ERCs

6.1 General: The NEI particulate emission offset threshold of 80 lbs/day in Regulation VIII is not exceeded for this permitting action.

6.2 Offsets: Offsets are not triggered by this permitting action.

6.3 ERCs: This source does not generate emission reduction credits.

7.0 AIR TOXICS

A health risk assessment was not performed for this permitting action.

8.0 CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) REVIEW

The APCD is the lead agency for this permit. This project is exempt from CEQA pursuant to Appendix A of the CEQA Guidelines. The reason for the exemption is that the modification did not involve any increase in emissions.

9.0 SCHOOL NOTIFICATION PROCESS

A school notice pursuant to the requirements of H&SC §42301.6 was not required.

10.0 PUBLIC and AGENCY NOTIFICATION PROCESS

10.1 This project was not subject to public notice.

PERMIT EVALUATION for
AUTHORITY TO CONSTRUCT/PERMIT TO OPERATE 13478

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10.2 The permittee was issued a draft permit on June 30, 2010. The permittee had no comments on the draft permit.

11.0 FEE DETERMINATION

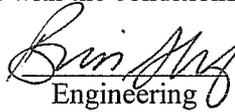
Fees for the APCD's work efforts are assessed on a cost reimbursement basis. The Project Code is 205129.

12.0 RECOMMENDATION

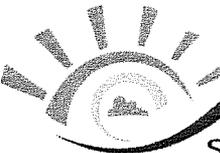
It is recommended that this permit be granted with the conditions as specified in the permit.

David Harris
AQ Engineer

6/30/2010
Date


Engineering
Supervisor

6/30/10
Date



**Santa Barbara County
Air Pollution Control District**

JUL 01 2010

Certified Mail 7009 2250 0004 4642 3798
Return Receipt Requested

Sara Wallon
Celite Corporation
2500 San Miguelito Road
Lompoc, CA 93436

FID: 00012
Permit: AP 13478
SSID: 01735

Re: Final Authority to Construct/Permit to Operate 13478

Dear Ms. Wallon:

Enclosed is the final Authority to Construct/Permit to Operate (ATC/PTO) No. 13478 for modifications to baghouses at the Celpure plant at 2500 San Miguelito Road in Lompoc.

Please carefully review the enclosed documents to ensure that they accurately describe your facility and that the conditions are acceptable to you. Note that your permitted emission limits may, in the future, be used to determine emission fees.

You should become familiar with all APCD rules pertaining to your facility. This permit does not relieve you of any requirements to obtain authority or permits from other governmental agencies.

This permit requires you to:

- Follow the conditions listed on your permit. Pay careful attention to the recordkeeping and reporting requirements.
- Mail us the enclosed Start-up Notification postcard once you have completed construction of the permitted equipment and are ready to operate it.
- Ensure that a copy of the enclosed permit is posted or kept readily available near the permitted equipment.
- Promptly report changes in ownership, operator, or your mailing address to the APCD.

If you are not satisfied with the conditions of this permit, **you have thirty (30) days from the date of this issuance to appeal this permit to the Air Pollution Control District Hearing Board** (ref: California Health and Safety Code, §42302.1). Any contact with APCD staff to discuss the terms of this permit will not stop or alter the 30-day appeal period.

Please include the facility identification (FID) and permit numbers as shown at the top of this letter on all correspondence regarding this permit. If you have any questions, please contact David Harris of my staff at (805) 961-8824.

Sincerely,

A handwritten signature in black ink, appearing to read 'Michael Goldman', with a long horizontal flourish extending to the right.

Michael Goldman, Manager
Engineering & Compliance Division

enc: Final ATC/PTO 13478
Final Permit Evaluation
Air Toxics "Hot Spots" Fact Sheet APCD Form 12B
Start-up Notification Postcard

cc: Celite Corporation 00012 Project File NC/SC
ECD Chron File
Craig Strommen (Cover letter only)
David Harris (Cover letter only)