Santa Barbara County
Air Pollution Control District

Authority to Construct/Permit to Operate and Part 70 Minor Modification 13594 - 01

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 the Celpure Second Stage Dryer Baghouse (District Dev. No. 8077). The modifications to the baghouse include the installation of vortex breaker and the replacement of the existing tubesheet with a re-designed tubesheet. The vortex breaker will reduce tangential velocity in the baghouse which should reduce wear on the bags. The re-designed tubesheet should provide greater rigidity in bag installation and retention. The installation of the vortex breaker and new tubesheet will not change any operating parameters of the baghouse, and will have no effect on emissions.

PROJECT/PROCESS DESCRIPTION:

Celite currently mines and processes diatomaceous earth (DE) at its Lompoc Plant. Celite operates multiple product lines 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. 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, District 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 District, Rule 505 (Upset/Breakdown rule) and/or District 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 District, 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, District 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: District 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: District Rule 1303.D.2*]

A.5 **Payment of Fees.** The permittee shall reimburse the District 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 District and the USEPA pursuant to section 502(a) of the Clean Air Act. [*Re: District 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 District 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 District in accordance with Rule 505. *Breakdown Conditions*, or Rule 1303.F *Emergency Provisions*. [District 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 District 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: District 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 District-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 District upon request. [*Re: District 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 District 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 District 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 District Rule 303. [*Re: District 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: District 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: District 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: District 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 **Initial Operations and Inspection.** The permittee shall:

a. Notify the District 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. Following initial operations, Celite shall use EPA Method 9 performed by a certified observer to obtain a reading of visible emissions from the stack of the second stage dryer baghouse to determine compliance with Rule 302 and the requirements of PTO 5840-R3 Part II. The results of this visible emissions inspection shall be submitted to the District no later than fourteen (14) calendar days after initial operations commence. This initial visible emissions inspection is required to verify that the equipment and its operation are not in violation of District Rules and Permit Conditions.

9.D District-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 District and the State of California. These conditions are issued pursuant to District 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 District 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 District and these comments require no modification to this permit. The District 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 District's letter.

(b) After the USEPA has provided the District written comments that require a modification to this permit, the District 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

APR 22 2011

Date

Attachment:

- Permit Equipment List(s)
- Permit Evaluation for ATC/PTO No. 13594 – 01

Notes:

- This permit supersedes ATC/PTO No. 13594

ATC/PTO 13594 - 01 / FID: 00012 Celite Corporation / SSID: 01735

A PERMITTED EQUIPMENT

1 Second Stage Dryer Baghouse

Device ID #	**008077**	***Device Name***	**Second Stage Dryer Baghouse**
Rated Heat Input		*Physical Size*	
Manufacturer	Mikropul	*Operator ID*	CP32
Model	133-8-100 C	*Serial Number*	
Location Note			
Device Description	(DC8) 6143 acfm, 0.005 gr/dscf, 90 psig header Equipped with a vortex breaker to reduce tangential velocity		

Santa Barbara County
Air Pollution Control District

PERMIT EVALUATION for
AUTHORITY TO CONSTRUCT / PERMIT TO OPERATE AND PART 70 MINOR MODIFICATION 13594 - 01

1.0 BACKGROUND

1.1 General: Celite currently mines and processes diatomaceous earth (DE) at its Lompoc Plant. Celite operates multiple product lines 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 a vortex breaker in the Celpure Second Stage Dryer Baghouse (District Dev. No. 8077), was received on January 7, 2011. Celite requested to install this vortex breaker within the baghouse to reduce tangential velocity within the baghouse and thereby reduce the wear on the bags. Final Authority to Construct/Permit to Operate 13594 was issued for the installation of the vortex breaker on March 7, 2011. An application to modify this permit to include the installation of a re-designed tubesheet in the same baghouse was received on March 15, 2011. The re-designed tubesheet will provide a more secure fitting for the baghouse bags, and the number and type of bags installed in the baghouse will not be modified. The baghouse manufacturer, Mikropul, provided the design for the vortex breaker and the tubesheet. The installation of the vortex breaker and the tubesheet will not change any operating parameters of the baghouse, 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 Second Stage Dryer Baghouse (District Dev. No. 8077).

2.2 Emission Controls: The equipment affected by this permit is a baghouse used to control particulate matter emissions.

2.3 Emissions: There are no emissions associated with this permit.

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 project is not subject to the Air Quality Impact Analysis requirements of Regulation VIII.

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 District 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 NOTFICATION PROCESS/COMMENTS on DRAFT PERMIT

10.1 This project was not subject to public notice.

10.2 The permittee was issued a draft Permit to Operate on March 30, 2011. The permittee submitted comments on April 5, 2011. The District responses to those comments appear in Attachment A of this permit.

11.0 FEE DETERMINATION

Fees for the District'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	4/6/2011		4/15/11
AQ Engineer	Date	Engineering Supervisor	Date

ATTACHMENTS

A. Response to Comments

Attachment A

Response to Comments

The following are the APCD responses to comments on the draft permit by Celite in a letter dated April 5, 2011:

1. Celite Comment:
   Page 1, Project/Process Description:
   Celite requests the first sentence be modified to reference that this permit is a modification to PTO 5840.

   APCD Response: The "Project/Process Description" language has been modified to reflect that Celite operates multiple product lines at its Lompoc facility.

2. Celite Comment:
   Equipment List
   Celite notes that the emission factor for the Second Stage Dryer Baghouse is 0.005 gr/dscf (PTO 5840, Part 2, Table 5.2), and requests that this be reflected in the equipment list.

   APCD Response: The equipment list has been updated to reflect the permitted emission factor (0.005 gr/dscf) for the Second Stage Baghouse.

Our Vision Clean Air

Santa Barbara County
Air Pollution Control District

7010 1060 0002 4620 2539

APR 2 2 2011

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

FID: 00012
Permit: APM 13594 - 01
SSID: 01735

Re: Final Authority to Construct/Permit to Operate 13594 - 01

Dear Ms. Wallon:

Enclosed is the final Authority to Construct/Permit to Operate (ATC/PTO) No. 13594 - 01 for installation of a vortex breaker and new tubesheet on the Celpure Second Stage Dryer baghouse 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.

Terence E. Dressler • Air Pollution Control Officer
260 North San Antonio Road, Suite A • Santa Barbara, CA • 93110 • www.sbcapcd.org • 805.961.8800 • 805.961.8801 (fax)

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,

Michael Goldman, Manager
Engineering & Compliance Division

enc: Final ATC/PTO 13594 - 01
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
Ben Ellenberger (Cover letter only)
David Harris (Cover letter only)
Ms. Felicia Kaminsky, M.F. Strange & Associates

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