



JUN 15 2011

Gerardo C. Rios, Chief
Permits Office
Air Division
U.S. EPA - Region IX
75 Hawthorne St.
San Francisco, CA 94105

**Re: Proposed ATC / Certificate of Conformity (Significant Mod)
District Facility # C-801
Project # C-1103119**

Dear Mr. Rios:

Enclosed for your review is the District's engineering evaluation of an application for Authority to Construct for Saint-Gobain Containers, Inc at 24441 Avenue 12, at Road 24 1/2, Madera, which has been issued a Title V permit. Saint-Gobain Containers, Inc is requesting that a Certificate of Conformity, with the procedural requirements of 40 CFR Part 70, be issued with this project. The applicant proposes to modify the existing mold swabbing operation (permit C-801-11) to replace the existing mold cooling fan with a new larger mold cooling fan.

Enclosed is the engineering evaluation of this application with a copy of the current Title V permit and proposed Authority to Construct # C-801-11-6 with Certificate of Conformity. After demonstrating compliance with the Authority to Construct, the conditions will be incorporated into the facility's Title V permit through an administrative amendment.

Please submit your written comments on this project within the 45-day comment period that begins on the date you receive this letter. If you have any questions, please contact Mr. Jim Swaney, Permit Services Manager, at (559) 230-5900.

Seyed Sadredin

Executive Director/Air Pollution Control Officer

Northern Region

4800 Enterprise Way
Modesto, CA 95356-8718

Tel: (209) 557-6400 FAX: (209) 557-6475

Central Region (Main Office)

1990 E. Gettysburg Avenue
Fresno, CA 93726-0244

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Southern Region

34946 Flyover Court
Bakersfield, CA 93308-9725

Tel: 661-392-5500 FAX: 661-392-5585

Mr. Gerardo C. Rios
Page 2

Thank you for your cooperation in this matter.

Sincerely,

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

David Warner
Director of Permit Services

Enclosures

c: Stanley Tom, Permit Services



JUN 15 2011

Mike Tollstrup, Chief
Project Assessment Branch
Air Resources Board
P O Box 2815
Sacramento, CA 95812-2815

**Re: Proposed ATC / Certificate of Conformity (Significant Mod)
District Facility # C-801
Project # C-1103119**

Dear Mr. Tollstrup:

Enclosed for your review is the District's analysis of an application for Authority to Construct for the facility identified above. The applicant is requesting that a Certificate of Conformity with the procedural requirements of 40 CFR Part 70 be issued with this project. The applicant proposes to modify the existing mold swabbing operation (permit C-801-11) to replace the existing mold cooling fan with a new larger mold cooling fan.

Enclosed is the engineering evaluation of this application with a copy of the current Title V permit and proposed Authority to Construct # C-801-11-6 with Certificate of Conformity. After demonstrating compliance with the Authority to Construct, the conditions will be incorporated into the facility's Title V permit through an administrative amendment.

Please submit your written comments on this project within the 30-day comment period that begins on the date you receive this letter. If you have any questions, please contact Mr. Jim Swaney, Permit Services Manager, at (559) 230-5900.

Thank you for your cooperation in this matter.

Sincerely,

David Warner
Director of Permit Services

Enclosures

c: Stanley Tom, Permit Services

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JUN 15 2011

Mr. R. Todd Rosebrock
Saint-Gobain Containers, Inc
P.O. Box 4200
Muncie, IN 47307

**Re: Proposed ATC / Certificate of Conformity (Significant Mod)
District Facility # C-801
Project # C-1103119**

Dear Mr. Rosebrock:

Enclosed for your review is the District's analysis of an application for Authority to Construct for the facility identified above. The applicant is requesting that a Certificate of Conformity with the procedural requirements of 40 CFR Part 70 be issued with this project. The applicant proposes to modify the existing mold swabbing operation (permit C-801-11) to replace the existing mold cooling fan with a new larger mold cooling fan.

After addressing any EPA comments made during the 45-day comment period, the Authority to Construct will be issued to the facility with a Certificate of Conformity. Prior to operating with modifications authorized by the Authority to Construct, the facility must submit an application to modify the Title V permit as an administrative amendment, in accordance with District Rule 2520, Section 11.5.

If you have any questions, please contact Mr. Jim Swaney, Permit Services Manager, at (559) 230-5900.

Thank you for your cooperation in this matter.

Sincerely,

David Warner
Director of Permit Services

Enclosures

c: Stanley Tom, Permit Services

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Fresno Bee

**NOTICE OF PRELIMINARY DECISION
FOR THE ISSUANCE OF AUTHORITY TO CONSTRUCT AND
THE PROPOSED SIGNIFICANT MODIFICATION OF FEDERALLY
MANDATED OPERATING PERMIT**

NOTICE IS HEREBY GIVEN that the San Joaquin Valley Air Pollution Control District solicits public comment on the proposed modification of Saint-Gobain Containers, Inc for its container glass production facility at 24441 Avenue 12, at Road 24 1/2, Madera, California. The applicant proposes to modify the existing mold swabbing operation (permit C-801-11) to replace the existing mold cooling fan with a new larger mold cooling fan.

The District's analysis of the legal and factual basis for this proposed action, project #C-1103119, is available for public inspection at http://www.valleyair.org/notices/public_notices_idx.htm and the District office at the address below. This will be the public's only opportunity to comment on the specific conditions of the modification. If requested by the public, the District will hold a public hearing regarding issuance of this modification. For additional information, please contact Mr. Jim Swaney, Permit Services Manager, at (559) 230-5900. Written comments on the proposed initial permit must be submitted within 30 days of the publication date of this notice to DAVID WARNER, DIRECTOR OF PERMIT SERVICES, SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT, 1990 E. GETTYSBURG AVE, FRESNO, CA 93726-0244.

- Rule 4002** National Emission Standards for Hazardous Air Pollutants (May 20, 2004)
40 CFR 61 Subpart N - National Emissions Standard for Inorganic Arsenic Emissions from Glass Manufacturing Plants
- Rule 4101** Visible Emissions (February 17, 2005)
- Rule 4102** Nuisance (December 17, 1992)
- Rule 4201** Particulate Matter Concentration (December 17, 1992)
- Rule 4202** Particulate Matter - Emission Rate (December 17, 1992)
- CH&SC 41700** California Health & Safety Code, Sec 41700 - Health Risk Assessment
- CH&SC 42301.6** California Health & Safety Code, Sec 42301.6 - School Notice
- Public Resources Code 21000-21177: California Environmental Quality Act (CEQA)
California Code of Regulations, Title 14, Division 6, Chapter 3, Sections 15000-15387: CEQA Guidelines

III. PROJECT LOCATION

This facility is located at 24441 Avenue 12, at Road 24 1/2, Madera, CA. The District has verified that the facility is not located within 1,000 feet of any K-12 school. Therefore, the public notification requirement of California Health and Safety Code 42301.6 is not applicable to this project.

IV. PROCESS DESCRIPTION

Molds for the bottles are coated with a petroleum-based hydrocarbon compound that allows the bottles to be released from the mold after they are formed. This is done by having a person take a long swab, which has been dipped into the swabbing material, and rub the swab on the neck portion of the mold. Because the bottles are formed while the glass is still very hot (temperatures of approximately 800 - 1,000°F), the mold swabbing material is volatilized at contact and will be emitted as particulate soot and tar.

The Mold Cooling fan is used to cool the Blank and Mold sections of an Individual Section (IS) machine. Cooling of the molds (which are made of steel) is necessary so that the glass doesn't stick to them. When the Molds and Blanks get too hot, it causes the glass to stick and produces increased down time and creates a potential fire hazard. During the summer months, the inlet temperature of the cooling air increases (derivative of ambient air temperature), and in order to compensate, the cooling air must be blown in faster. The Molds and Blanks use a series of holes throughout the metal to increase surface area and create a vast heat sink. These Molds have anywhere from 20 to 30 inches of water pressure differential, which then to overcome the increased temperature of the heat sink, they need to have more volume of air through the cavity to decrease residence time.

V. EQUIPMENT LISTING

Pre-Project Equipment Description:

C-801-11-3: MOLD SWABBING OPERATION INCLUDING FIVE INDIVIDUAL SECTION MACHINES

Proposed Modification:

C-801-11-6: MODIFICATION OF MOLD SWABBING OPERATION INCLUDING FIVE INDIVIDUAL SECTION MACHINES: REPLACE THE EXISTING MOLD COOLING FAN WITH A NEW LARGER MOLD COOLING FAN

Post Project Equipment Description:

C-801-11-6: MOLD SWABBING OPERATION INCLUDING FIVE INDIVIDUAL SECTION MACHINES

VI. EMISSION CONTROL EQUIPMENT EVALUATION

No control equipment will be used on this operation.

VII. CALCULATIONS

A. Assumptions

- Maximum permitted pre and post project potential glass pull-rate of 1,050 tons per day (based on pre and post project maximum production for furnaces #1 and #2).
- Maximum permitted annual pre and post project glass production rate of 370,380 tons per year (based on pre and post project maximum production for furnaces #1 and #2).
- 70% of the petroleum-based hydrocarbon compound used in the mold swabbing operation will volatilize at contact temperatures of approximately 800 °F and be emitted as particulate soot and tar (per Applicant).
- 50% of total suspended PM is PM₁₀ (per Rule 2201, Section 4.11.2).

B. Emission Factors

The following emissions factors will be used for this project.

| Pre- and Post Project Emission Factors (EF1 and EF2) for the Mold Swabbing Operation, Permit Unit -11-6 | | |
|--|--------------|--|
| Pollutant | EF | Source |
| PM ₁₀ | 0.074 lb/ton | Historical material usage/Current Permit Limit |

C. Calculations

1. Pre-Project Potential to Emit (PE1)

$$\begin{aligned}
 PE_{1PM_{10}} &= (0.074 \text{ lb/ton}) * (1,050 \text{ ton/day}) \div (24 \text{ hr/day}) \\
 &= 3.2 \text{ lb PM}_{10}/\text{hr} \\
 &= (0.074 \text{ lb/ton}) * (1,050 \text{ ton/day}) \\
 &= 77.7 \text{ lb PM}_{10}/\text{day}
 \end{aligned}$$

$$= (0.074 \text{ lb/ton}) * (370,380 \text{ ton/year})$$

$$= 27,408 \text{ lb PM}_{10}/\text{year}$$

| Pre-Project Potential to Emit (PE1) for the Mold Swabbing Operation, Permit Unit -11-6 | | | |
|---|--------------------------|--------------------------|----------------------------|
| Pollutant | Hourly Emissions (lb/hr) | Daily Emissions (lb/day) | Annual Emissions (lb/year) |
| PM ₁₀ | 3.2 | 77.7 | 27,408 |

2. Post Project Potential to Emit (PE2)

$$PE2_{PM10} = (0.074 \text{ lb/ton}) * (1,050 \text{ ton/day}) \div (24 \text{ hr/day})$$

$$= 3.2 \text{ lb PM}_{10}/\text{hr}$$

$$= (0.074 \text{ lb/ton}) * (1,050 \text{ ton/day})$$

$$= 77.7 \text{ lb PM}_{10}/\text{day}$$

$$= (0.074 \text{ lb/ton}) * (370,380 \text{ ton/year})$$

$$= 27,408 \text{ lb PM}_{10}/\text{year}$$

| Post Project Potential to Emit (PE2) for the Mold Swabbing Operation, Permit Unit -11-6 | | | |
|--|--------------------------|--------------------------|----------------------------|
| Pollutant | Hourly Emissions (lb/hr) | Daily Emissions (lb/day) | Annual Emissions (lb/year) |
| PM ₁₀ | 3.2 | 77.7 | 27,408 |

3. Pre-Project Stationary Source Potential to Emit (SSPE1)

Pursuant to Section 4.9 of District Rule 2201, the Pre-Project Stationary Source Potential to Emit (SSPE1) is the Potential to Emit (PE) from all units with valid Authorities to Construct (ATC) or Permits to Operate (PTO) at the Stationary Source and the quantity of emission reduction credits (ERC) which have been banked since September 19, 1991 for Actual Emissions Reductions that have occurred at the source, and which have not been used on-site. The Pre-Project Stationary Source Potential to Emit (SSPE1) is summarized below (see project C-1084423).

| Pre-Project Stationary Source Potential to Emit [SSPE1] (lb/year) | | | | | |
|--|---------------------------|---------------------------|----------------------------|--------------|---------------|
| | NO _x (lb/year) | SO _x (lb/year) | PM ₁₀ (lb/year) | CO (lb/year) | VOC (lb/year) |
| Pre-project SSPE (SSPE1) | > 20,000 | > 140,000 | > 140,000 | > 200,000 | > 20,000 |

4. Post Project Stationary Source Potential to Emit (SSPE2)

Pursuant to Section 4.10 of District Rule 2201, the Post Project Stationary Source Potential to Emit (SSPE2) is the Potential to Emit (PE) from all units with valid Authorities to Construct (ATC) or Permits to Operate (PTO) at the Stationary Source and the quantity of emission reduction credits (ERC) which have been banked since September 19, 1991 for Actual Emissions Reductions that have occurred at the source, and which have not been used on-site. The Post Project Stationary Source Potential to Emit (SSPE2) is summarized below.

| Post Project Stationary Source Potential to Emit [SSPE2] (lb/year) | | | | | |
|---|-------------------------------------|-------------------------------------|--------------------------------------|-------------------------|--------------------------|
| | NO_x (lb/year) | SO_x (lb/year) | PM₁₀ (lb/year) | CO (lb/year) | VOC (lb/year) |
| Post Project SSPE (SSPE2) | > 20,000 | > 140,000 | > 140,000 | > 200,000 | > 20,000 |

5. Major Source Determination

Pursuant to Section 3.25 of District Rule 2201, a major source is a stationary source with post project emissions or a Post Project Stationary Source Potential to Emit (SSPE2), equal to or exceeding one or more of the following threshold values.

| Major Source Determination | | | | | |
|-----------------------------------|-------------------------------------|-------------------------------------|--------------------------------------|-------------------------|--------------------------|
| | NO_x (lb/year) | SO_x (lb/year) | PM₁₀ (lb/year) | CO (lb/year) | VOC (lb/year) |
| Post Project SSPE (SSPE2) | > 20,000 | > 140,000 | > 140,000 | > 200,000 | > 20,000 |
| Major Source Threshold | 20,000 | 140,000 | 140,000 | 200,000 | 20,000 |
| Major Source? | Yes | Yes | Yes | Yes | Yes |

6. Baseline Emissions (BE)

Section 3.7 of Rule 2201 defines Baseline Emissions as the following:

BE = Pre-project Potential to Emit for:

- Any unit located at a non-Major Source,
- Any Highly-Utilized Emissions Unit, located at a Major Source,
- Any Fully-Offset Emissions Unit, located at a Major Source, or
- Any Clean Emissions Unit, located at a Major Source.

otherwise,

BE = Historic Actual Emissions (HAE), calculated pursuant to Section 3.22

Clean Emissions Unit, Located at a Major Source

Pursuant to Rule 2201, Section 3.12, a Clean Emissions Unit is defined as an emissions unit that is "equipped with an emissions control technology with a minimum control efficiency of at least 95% or is equipped with emission control technology that meets the requirements for achieved-in-practice BACT as accepted by the APCO during the five years immediately prior to the submission of the complete application.

This emissions unit meets the requirements for achieved-in-practice BACT in BACT Guideline 1.5.11 (see Attachment C). Therefore, Baseline Emissions (BE) are equal to the Pre-Project Potential to Emit (PE1).

BE = PE1 = 27,408 lb-PM₁₀/year

7. SB 288 Major Modification

Major Modification is defined in 40 CFR Part 51.165 as "any physical change in or change in the method of operation of a major stationary source that would result in a significant net emissions increase of any pollutant subject to regulation under the Act."

As discussed in Section VII.C.5 above, the facility is an existing Major Source for all pollutants; however, the project by itself would need to be a significant increase in order to trigger a Major Modification.

Baseline Actual Emissions (BAE)

The baseline actual emission values as provided by the applicant are shown below.

| BAE (tons/year) (2008) | | | | | |
|------------------------|----------------------|-----------------|-----------------|------------------|-------|
| Permit Unit | Description | NO _x | SO _x | PM ₁₀ | VOC |
| C-801-1 | Furnace #1 | 222.43 | 19.55 | 6.34 | 0.16 |
| C-801-3 | Major Raw Materials | 0.00 | 0.00 | 0.31 | 0.00 |
| C-801-5 | Raw Material Storage | 0.00 | 0.00 | 0.18 | 0.00 |
| C-801-11 | Mold Swab | 0.00 | 0.00 | 6.46 | 0.00 |
| C-801-12 | Hot End Coating | 0.00 | 0.00 | 2.59 | 0.00 |
| C-801-26 | Distributor #1 | 1.08 | 0.01 | 0.08 | 0.06 |
| C-801-27 | Forehearth #11 | 0.47 | 0.00 | 0.04 | 0.03 |
| C-801-28 | Forehearth #12 | 0.29 | 0.00 | 0.02 | 0.052 |
| C-801-29 | Forehearth #13 | 0.47 | 0.00 | 0.04 | 0.03 |
| C-801-30 | Lehr Shop #11 | 0.54 | 0.00 | 0.04 | 0.03 |
| C-801-31 | Lehr Shop #12 | 0.54 | 0.00 | 0.04 | 0.03 |
| C-801-32 | Lehr Shop #13 | 0.54 | 0.00 | 0.04 | 0.03 |
| C-801-43 | Major Raw Materials | - | - | - | - |
| C-801-44 | Major Raw Materials | - | - | - | - |

| BAE (tons/year) (2009) | | | | | |
|-------------------------------|----------------------|-----------------------|-----------------------|------------------------|------------|
| Permit Unit | Description | NO_x | SO_x | PM₁₀ | VOC |
| C-801-1 | Furnace #1 | 240.00 | 27.46 | 5.49 | 0.17 |
| C-801-3 | Major Raw Materials | 0.00 | 0.00 | 0.22 | 0.00 |
| C-801-5 | Raw Material Storage | 0.00 | 0.00 | 0.12 | 0.00 |
| C-801-11 | Mold Swab | 0.00 | 0.00 | 4.72 | 0.00 |
| C-801-12 | Hot End Coating | 0.00 | 0.00 | 2.64 | 0.00 |
| C-801-26 | Distributor #1 | 1.21 | 0.01 | 0.09 | 0.07 |
| C-801-27 | Forehearth #11 | 0.53 | 0.00 | 0.04 | 0.03 |
| C-801-28 | Forehearth #12 | 0.33 | 0.00 | 0.03 | 0.02 |
| C-801-29 | Forehearth #13 | 0.53 | 0.00 | 0.04 | 0.03 |
| C-801-30 | Lehr Shop #11 | 0.61 | 0.00 | 0.05 | 0.03 |
| C-801-31 | Lehr Shop #12 | 0.61 | 0.00 | 0.05 | 0.03 |
| C-801-32 | Lehr Shop #13 | 0.61 | 0.00 | 0.05 | 0.03 |
| C-801-43 | Major Raw Materials | 0.00 | 0.00 | 0.22 | 0.00 |
| C-801-44 | Major Raw Materials | 0.00 | 0.00 | 0.22 | 0.00 |

| BAE (tons/year) (Annual Average) | | | | | |
|---|----------------------|-----------------------|-----------------------|------------------------|------------|
| Permit Unit | Description | NO_x | SO_x | PM₁₀ | VOC |
| C-801-1 | Furnace #1 | 231.2 | 23.505 | 5.9 | 0.17 |
| C-801-3 | Major Raw Materials | 0.00 | 0.00 | 0.26 | 0.00 |
| C-801-5 | Raw Material Storage | 0.00 | 0.00 | 0.1 | 0.00 |
| C-801-11 | Mold Swab | 0.00 | 0.00 | 5.6 | 0.00 |
| C-801-12 | Hot End Coating | 0.00 | 0.00 | 2.6 | 0.00 |
| C-801-26 | Distributor #1 | 1.1 | 0.0069 | 0.087 | 0.063 |
| C-801-27 | Forehearth #11 | 0.5 | 0.003 | 0.038 | 0.027 |
| C-801-28 | Forehearth #12 | 0.31 | 0.0019 | 0.024 | 0.017 |
| C-801-29 | Forehearth #13 | 0.5 | 0.003 | 0.038 | 0.027 |
| C-801-30 | Lehr Shop #11 | 0.58 | 0.0035 | 0.044 | 0.032 |
| C-801-31 | Lehr Shop #12 | 0.58 | 0.0035 | 0.044 | 0.032 |
| C-801-32 | Lehr Shop #13 | 0.58 | 0.0035 | 0.044 | 0.032 |
| C-801-43 | Major Raw Materials | 0.00 | 0.00 | 0.012 | 0.00 |
| C-801-44 | Major Raw Materials | 0.00 | 0.00 | 0.012 | 0.00 |

Potential to Emit (PE)

The Potential to Emit values are shown below.

| PE (lb/year) | | | | | |
|--------------|----------------------|-----------------|-----------------|------------------|-------|
| Permit Unit | Description | NO _x | SO _x | PM ₁₀ | VOC |
| C-801-1 | Furnace #1 | 630,720 | 126,144 | 70,956 | 7,884 |
| C-801-3 | Major Raw Materials | 0 | 0 | 843 | 0 |
| C-801-5 | Raw Material Storage | 0 | 0 | 526 | 0 |
| C-801-11 | Mold Swab | 0 | 0 | 27,408 | 0 |
| C-801-12 | Hot End Coating | 0 | 0 | 6,667 | 0 |
| C-801-26 | Distributor #1 | 8,176 | 238 | 621 | 450 |
| C-801-27 | Forehearth #11 | 3,551 | 103 | 270 | 195 |
| C-801-28 | Forehearth #12 | 2,230 | 65 | 169 | 123 |
| C-801-29 | Forehearth #13 | 3,551 | 103 | 270 | 195 |
| C-801-30 | Lehr Shop #11 | 4,129 | 120 | 314 | 227 |
| C-801-31 | Lehr Shop #12 | 4,129 | 120 | 314 | 227 |
| C-801-32 | Lehr Shop #13 | 4,129 | 120 | 314 | 227 |
| C-801-43 | Major Raw Materials | 0 | 0 | 23 | 0 |
| C-801-44 | Major Raw Materials | 0 | 0 | 23 | 0 |

NEI

NEI is calculated as follows:

$$NEI = PE - BAE$$

| NEI (ton/year) | | | | | |
|----------------|----------------------|-----------------|-----------------|------------------|--------|
| Permit Unit | Description | NO _x | SO _x | PM ₁₀ | VOC |
| C-801-1 | Furnace #1 | 84.16 | 39.567 | 29.578 | 3.772 |
| C-801-3 | Major Raw Materials | 0 | 0 | 0.1615 | 0 |
| C-801-5 | Raw Material Storage | 0 | 0 | 0.163 | 0 |
| C-801-11 | Mold Swab | 0 | 0 | 8.104 | 0 |
| C-801-12 | Hot End Coating | 0 | 0 | 0.72 | 0 |
| C-801-26 | Distributor #1 | 2.988 | 0.1121 | 0.2235 | 0.162 |
| C-801-27 | Forehearth #11 | 1.2755 | 0.0485 | 0.097 | 0.0705 |
| C-801-28 | Forehearth #12 | 0.805 | 0.0306 | 0.0605 | 0.0445 |
| C-801-29 | Forehearth #13 | 1.2755 | 0.0485 | 0.097 | 0.0705 |
| C-801-30 | Lehr Shop #11 | 1.4845 | 0.0565 | 0.113 | 0.0815 |
| C-801-31 | Lehr Shop #12 | 1.4845 | 0.0565 | 0.113 | 0.0815 |
| C-801-32 | Lehr Shop #13 | 1.4845 | 0.0565 | 0.113 | 0.0815 |
| C-801-43 | Major Raw Materials | 0 | 0 | 0 | 0 |
| C-801-44 | Major Raw Materials | 0 | 0 | 0 | 0 |
| Total | | 94.96 | 39.98 | 39.5 | 4.4 |

The NEI for this project will be greater than the SB288 Major Modification thresholds for NO_x and PM₁₀. Therefore, this project does not qualify for a "Less-Than-Significant Emissions Increase" exclusion and is thus determined to be a SB288 Major Modification for NO_x and PM₁₀.

| Major Modification Thresholds (Existing Major Source) | | | |
|--|--------------------------|--------------------------------|--------------------------------|
| Pollutant | NEI (lb/year) | Threshold (lb/year) | Major Modification? |
| NO _x | 189,920 | 50,000 | Yes |
| SO _x | 79,960 | 80,000 | No |
| PM ₁₀ | 79,000 | 30,000 | Yes |
| VOC | 8,800 | 50,000 | No |

The emissions unit within this project does have a NEI which is greater than Major Modification thresholds for NO_x and PM₁₀. Therefore, the project is not a less than significant increase and the project does constitute a SB 288 Major Modification for NO_x and PM₁₀.

8. Federal Major Modification

District Rule 2201, Section 3.17 states that a federal Major Modification is the same as Major Modification as defined in 40 CFR 51.165 and part D of Title I of the CAA.

SB 288 Major Modifications are not federal major modifications if they meet the criteria of a Less-Than-Significant Emissions exclusion. A Less-Than-Significant Emissions Increase exclusion is for an emissions increase for the project, or a Net Emissions Increase for the project (as defined in 40 CFR 51.165 (a)(2)(ii)(B) through (D), and (F)), that is not significant for a given regulated NSR pollutant, and therefore is not a federal major modification for that pollutant.

- To determine the post-project projected actual emissions from existing units, the provisions of 40 CFR 51.165 (a)(1)(xxviii) shall be used.
- To determine the pre-project baseline actual emissions, the provisions of 40 CFR 51.165 (a)(1)(xxxv)(A) through (D) shall be used.
- If the project is determined not to be a federal major modification pursuant to the provisions of 40 CFR 51.165 (a)(2)(ii)(B), but there is a reasonable possibility that the project may result in a significant emissions increase, the owner or operator shall comply with all of the provisions of 40 CFR 51.165 (a)(6) and (a)(7).
- Emissions increases calculated pursuant to this section are significant if they exceed the significance thresholds specified in the table below.

| Significant Threshold (lb/year) | |
|--|----------------------------|
| Pollutant | Threshold (lb/year) |
| VOC | 0 |
| NO _x | 0 |
| PM ₁₀ | 30,000 |
| SO _x | 80,000 |

The Net Emissions Increases (NEI) for purposes of determination of a "Less-Than-Significant Emissions Increase" exclusion will be calculated below to determine if this project qualifies for such an exclusion.

Net Emission Increase (NEI)

Per 40 CFR 51.165 (a)(1)(xxviii) and 40 CFR 51.165 (a)(2)(ii)(C) for all existing units,

$$NEI = PAE - BAE$$

where,

BAE = Baseline Actual Emissions which are the actual emissions created by the project during the baseline period. The BAE are calculated pursuant to 40 CFR 51.165 (a)(1)(xxxv)(A) through (D).

PAE = Projected Actual Emissions which are the post-project projected actual emissions of the existing units in this project pursuant to 40 CFR 51.165 (a)(1)(xxviii).

As the modification in this project will debottleneck the facility's glass container production, all emission units that will be debottlenecked will be included in the Federal Major Modification calculation.

Baseline Actual Emissions (BAE)

The BAE values as provided by the applicant are shown below.

| BAE (tons/year) (2008/2009 Annual Average) | | | | | |
|---|----------------------|-----------------------|-----------------------|------------------------|-------------|
| Permit Unit | Description | NO_x | SO_x | PM₁₀ | VOC |
| C-801-1 | Furnace #1 | 231.2 | 23.5 | 5.9 | 0.17 |
| C-801-3 | Major Raw Materials | 0.00 | 0.00 | 0.26 | 0.00 |
| C-801-5 | Raw Material Storage | 0.00 | 0.00 | 0.10 | 0.00 |
| C-801-11 | Mold Swab | 0.00 | 0.00 | 5.6 | 0.00 |
| C-801-12 | Hot End Coating | 0.00 | 0.00 | 2.6 | 0.00 |
| C-801-26 | Distributor #1 | 1.1 | 0.0069 | 0.087 | 0.063 |
| C-801-27 | Forehearth #11 | 0.50 | 0.0030 | 0.038 | 0.027 |
| C-801-28 | Forehearth #12 | 0.31 | 0.0019 | 0.024 | 0.017 |
| C-801-29 | Forehearth #13 | 0.50 | 0.0030 | 0.038 | 0.027 |
| C-801-30 | Lehr Shop #11 | 0.58 | 0.0035 | 0.044 | 0.032 |
| C-801-31 | Lehr Shop #12 | 0.58 | 0.0035 | 0.044 | 0.032 |
| C-801-32 | Lehr Shop #13 | 0.58 | 0.0035 | 0.044 | 0.032 |
| C-801-43 | Major Raw Materials | 0.00 | 0.00 | 0.012 | 0.00 |
| C-801-44 | Major Raw Materials | 0.00 | 0.00 | 0.012 | 0.00 |
| Total | | 235.40 | 23.53 | 14.82 | 0.40 |

| Year | Furnace 1 Production Rate (tons/year) |
|-------------|--|
| 2008 | 121,438 |
| 2009 | 130,910 |
| Average | 126,174 |

Projected Actual Emissions (PAE)

PAE Including Emissions Due to Increased Product Demand

Saint-Gobain estimates that production for the next five years at Furnace 1 would be no more than the 2009 level of production, which was 130,910 tons/year.

The PAE values including emissions due to projected increased product demand are shown below.

| PAE Including Emissions Due to Increased Product Demand (ton/year) | | | | | |
|---|----------------------|-----------------------|-----------------------|------------------------|-------------|
| Permit Unit | Description | NO_x | SO_x | PM₁₀ | VOC |
| C-801-1 | Furnace #1 | 240.8 | 24.5 | 6.2 | 0.17 |
| C-801-3 | Major Raw Materials | 0 | 0 | 0.27 | 0 |
| C-801-5 | Raw Material Storage | 0 | 0 | 0.10 | 0 |
| C-801-11 | Mold Swab | 0 | 0 | 5.8 | 0 |
| C-801-12 | Hot End Coating | 0 | 0 | 2.7 | 0 |
| C-801-26 | Distributor #1 | 1.2 | 0.0072 | 0.091 | 0.066 |
| C-801-27 | Forehearth #11 | 0.52 | 0.0031 | 0.039 | 0.028 |
| C-801-28 | Forehearth #12 | 0.33 | 0.0020 | 0.025 | 0.018 |
| C-801-29 | Forehearth #13 | 0.52 | 0.0031 | 0.039 | 0.028 |
| C-801-30 | Lehr Shop #11 | 0.60 | 0.0036 | 0.046 | 0.033 |
| C-801-31 | Lehr Shop #12 | 0.60 | 0.0036 | 0.046 | 0.033 |
| C-801-32 | Lehr Shop #13 | 0.60 | 0.0036 | 0.046 | 0.033 |
| C-801-43 | Major Raw Materials | 0 | 0 | 0.012 | 0 |
| C-801-44 | Major Raw Materials | 0 | 0 | 0.012 | 0 |
| Total | | 245.17 | 24.51 | 15.43 | 0.41 |

PAE Excluding Emissions Due to Increased Product Demand

The following calculates the scaling factor due to the larger fan installation.

Increased pull parameters

4 bottles/minute
1000 grams/bottle
12 hours/day (daylight hours only)
30.5 days/month (average)
5 months/year (May to October)

Potential increased pull during warm weather months (May to October)

4 bottles/minute x 1000 grams/bottle x 60 minutes/hour x lb/453.6 g = 529 lb/hr
529 lb/hr x 12 hr/day = 6,349 lb/day
6,349 lb/day x ton/2000 lb = 3.2 tons/day
3.2 tons/day x 30.5 days/month x 5 months/year = 484.1 tons/yr

2008/2009 Average Furnace #1 actual production = 126,174 tons/year (per applicant)

Scaling factor = 484.1 tons/year / 126,174 tons/year = 0.38%

The PAE excluding emissions due to projected increase product demand is calculated by scaling the BAE by a factor which is calculated from the increased glass pull due to the larger mold cooling fan.

$$PAE = BAE \times (1 + 0.38\%)$$

The PAE values excluding emissions due to projected increase product demand are shown below.

| PAE Excluding Emissions Due to Increased Product Demand (ton/year) | | | | | |
|---|----------------------|-----------------------|-----------------------|------------------------|-------------|
| Permit Unit | Description | NO_x | SO_x | PM₁₀ | VOC |
| C-801-1 | Furnace #1 | 232.1 | 23.6 | 5.9 | 0.17 |
| C-801-3 | Major Raw Materials | 0 | 0 | 0.26 | 0 |
| C-801-5 | Raw Material Storage | 0 | 0 | 0.10 | 0 |
| C-801-11 | Mold Swab | 0 | 0 | 5.6 | 0 |
| C-801-12 | Hot End Coating | 0 | 0 | 2.6 | 0 |
| C-801-26 | Distributor #1 | 1.1 | 0.0069 | 0.087 | 0.063 |
| C-801-27 | Forehearth #11 | 0.5 | 0.0030 | 0.038 | 0.027 |
| C-801-28 | Forehearth #12 | 0.31 | 0.0019 | 0.024 | 0.017 |
| C-801-29 | Forehearth #13 | 0.50 | 0.0030 | 0.038 | 0.027 |
| C-801-30 | Lehr Shop #11 | 0.58 | 0.0035 | 0.044 | 0.032 |
| C-801-31 | Lehr Shop #12 | 0.58 | 0.0035 | 0.044 | 0.032 |
| C-801-32 | Lehr Shop #13 | 0.58 | 0.0035 | 0.044 | 0.032 |
| C-801-43 | Major Raw Materials | 0 | 0 | 0.012 | 0 |
| C-801-44 | Major Raw Materials | 0 | 0 | 0.012 | 0 |
| Total | | 236.30 | 23.62 | 14.88 | 0.40 |

Unused Baseline Capacity Emissions

In calculating the emission increase (PAE – BAE) the portion of the emissions after the project that the unit could have accommodated before the project (during the same period used to determine BAE) and that are unrelated to the particular project (including emissions increases due to product demand growth) are to be excluded. In other words, the difference in emissions between what the unit could have actually accommodated (legally and physically) before the project and the BAE are to be subtracted from any calculated increase, if the ability to utilize the previously unused capacity is not related to the current project. For the calculation below, this quantity is termed “unused baseline capacity emissions”.

For this project, the projected increase in actual emissions would occur as a result of installing a larger fan on the mold cooling line. These emissions would result from the proposed project as the larger fan would allow summer production to increase closer to typical winter production levels. The applicant has also provided the increase in emissions due to a projected growth in product demand. Therefore, the unused baseline capacity emissions are shown below.

Unused Baseline Capacity = Projected Actual Emissions Including Emissions Due to Increase Product Demand – Projected Actual Emissions Excluding Emissions Due to Increase Product Demand

| Unused Baseline Capacity (ton/year) | | | | | |
|--|----------------------|-----------------------|-----------------------|------------------------|-------------|
| Permit Unit | Description | NO_x | SO_x | PM₁₀ | VOC |
| C-801-1 | Furnace #1 | 8.7 | 0.9 | 0.3 | 0 |
| C-801-3 | Major Raw Materials | 0 | 0 | 0.01 | 0 |
| C-801-5 | Raw Material Storage | 0 | 0 | 0 | 0 |
| C-801-11 | Mold Swab | 0 | 0 | 0.2 | 0 |
| C-801-12 | Hot End Coating | 0 | 0 | 0.1 | 0 |
| C-801-26 | Distributor #1 | 0.1 | 0 | 0 | 0 |
| C-801-27 | Forehearth #11 | 0.02 | 0 | 0 | 0 |
| C-801-28 | Forehearth #12 | 0.02 | 0 | 0 | 0 |
| C-801-29 | Forehearth #13 | 0.02 | 0 | 0 | 0 |
| C-801-30 | Lehr Shop #11 | 0.02 | 0 | 0 | 0 |
| C-801-31 | Lehr Shop #12 | 0.02 | 0 | 0 | 0 |
| C-801-32 | Lehr Shop #13 | 0.02 | 0 | 0 | 0 |
| C-801-43 | Major Raw Materials | 0 | 0 | 0 | 0 |
| C-801-44 | Major Raw Materials | 0 | 0 | 0 | 0 |
| Total | | 8.87 | 0.89 | 0.55 | 0.01 |

Net Emissions Increase (NEI)

NEI is calculated as follows:

NEI = PAE (Including Emissions Due to Increased Product Demand) – BAE – Unused Baseline Capacity Emissions

| NEI (ton/year) | | | | | |
|-----------------------|----------------------|-----------------------|-----------------------|------------------------|------------|
| Permit Unit | Description | NO_x | SO_x | PM₁₀ | VOC |
| C-801-1 | Furnace #1 | 0.9 | 0.1 | 0 | 0 |
| C-801-3 | Major Raw Materials | 0 | 0 | 0 | 0 |
| C-801-5 | Raw Material Storage | 0 | 0 | 0 | 0 |
| C-801-11 | Mold Swab | 0 | 0 | 0 | 0 |
| C-801-12 | Hot End Coating | 0 | 0 | 0 | 0 |
| C-801-26 | Distributor #1 | 0 | 0 | 0 | 0 |
| C-801-27 | Forehearth #11 | 0 | 0 | 0 | 0 |
| C-801-28 | Forehearth #12 | 0 | 0 | 0 | 0 |
| C-801-29 | Forehearth #13 | 0 | 0 | 0 | 0 |
| C-801-30 | Lehr Shop #11 | 0 | 0 | 0 | 0 |
| C-801-31 | Lehr Shop #12 | 0 | 0 | 0 | 0 |
| C-801-32 | Lehr Shop #13 | 0 | 0 | 0 | 0 |
| C-801-43 | Major Raw Materials | 0 | 0 | 0 | 0 |
| C-801-44 | Major Raw Materials | 0 | 0 | 0 | 0 |
| Total | | 0.9 | 0.1 | 0 | 0 |

The NEI for this project will be greater than the federal Major Modification threshold for NOx. Therefore, this project does not qualify for a “Less-Than-Significant Emissions Increase” exclusion and is thus determined to be a Federal Major Modification for NOx.

Per District Rule 2201 Section 4.1.3, any new or modified emissions unit, in a stationary source project, which results in an SB 288 Major Modification or a Federal Major Modification, as defined in this rule requires BACT. For the purpose of determining which emissions units are subject to BACT for a project which results in a Federal Major Modification, EPA has stated where an emissions unit has not undergone a physical or operational change, BACT does not apply (see Attachment B). In addition, EPA considers a process unit and its associated control equipment to be integral parts of a single emission unit. In this project, the only emissions unit that is undergoing a physical or operational change is the mold swabbing operation (permit C-801-11). The mold swabbing operation vents to a common stack with the other equipment at the facility but does not vent into the furnace or any other equipment at the facility. Therefore, the other process units at the facility are not control equipment or integral parts of the mold swabbing operation and the mold swabbing operation is a single emission unit. Therefore, only the mold swabbing operation is subject to BACT in this project.

VIII. COMPLIANCE

Rule 2201 New and Modified Stationary Source Review

A. Best Available Control Technology (BACT)

1. BACT Applicability

BACT requirements are triggered on a pollutant-by-pollutant basis and on an emissions unit-by-emissions unit basis for the following*:

- a. Any new emissions unit with a potential to emit exceeding two pounds per day,
- b. The relocation from one Stationary Source to another of an existing emissions unit with a potential to emit exceeding two pounds per day,
- c. Modifications to an existing emissions unit with a valid Permit to Operate resulting in an AIPE exceeding two pounds per day, and/or
- d. Any new or modified emissions unit, in a stationary source project, which results in a Major Modification.

*Except for CO emissions from a new or modified emissions unit at a Stationary Source with an SSPE2 of less than 200,000 pounds per year of CO.

a. New emissions units – PE > 2 lb/day

As discussed in Section I above, there are no new emissions units associated with this project; therefore BACT for new units with PE > 2 lb/day purposes is not triggered.

b. Relocation of emissions units – PE > 2 lb/day

There are no emissions units being relocated from one stationary source to another; therefore BACT is not triggered.

c. Modification of emissions units – AIPE > 2 lb/day

$$\text{AIPE} = \text{PE2} - \text{HAPE}$$

Where,

AIPE = Adjusted Increase in Permitted Emissions, (lb/day)

PE2 = Post Project Potential to Emit, (lb/day)

HAPE = Historically Adjusted Potential to Emit, (lb/day)

$$\text{HAPE} = \text{PE1} \times (\text{EF2} \div \text{EF1})$$

Where,

PE1 = The emissions unit's Potential to Emit prior to modification or relocation, (lb/day)

EF2 = The emissions unit's permitted emission factor for the pollutant after modification or relocation. If EF2 is greater than EF1 then EF2/EF1 shall be set to 1

EF1 = The emissions unit's permitted emission factor for the pollutant before the modification or relocation

$$\text{AIPE} = \text{PE2} - (\text{PE1} * (\text{EF2} \div \text{EF1}))$$

$$\begin{aligned} \text{PM}_{10} \text{ AIPE} &= 77.7 \text{ lb PM}_{10}/\text{day} - (77.7 \text{ lb PM}_{10}/\text{day} * (0.074 \text{ lb/ton} \div 0.074 \text{ lb/ton})) \\ &= 0.0 \text{ lb PM}_{10}/\text{day} \end{aligned}$$

| Modified Emissions Unit BACT Applicability | | |
|---|----------------------|-----------------------|
| Pollutant | AIPE (lb/day) | BACT Required? |
| PM ₁₀ | 0.0 | No |

d. Major Modification

As discussed in Section VII.C.8 previously, this project does constitute a Major Modification; therefore BACT is triggered. BACT is triggered for PM₁₀ for the mold swabbing operation.

2. BACT Guideline

BACT Guideline 1.5.11, applies to the mold swabbing operation. [Container Glass Production – Mold Swabbing Operation] (See Attachment C)

3. Top Down BACT Analysis

Per District Policy APR 1305, Section IX, "A top-down BACT analysis shall be performed as a part of the Application Review for each application subject to the BACT requirements pursuant to the District's NSR Rule for source categories or classes covered in the BACT Clearinghouse, relevant information under each of the following steps may be simply cited from the Clearinghouse without further analysis."

Pursuant to the attached Top-Down BACT Analysis (see Attachment C), BACT for the mold swabbing operation has been satisfied with the following requirements:

PM₁₀: Best management practices and judicious use of mold swabbing material (≤ 0.106 lb of material per ton of glass produced with 70% volatilization) with PM₁₀ emissions of 0.074 lb/ton of glass formed

B. Offsets

1. Offset Applicability

Pursuant to Section 4.5.3, offset requirements shall be triggered on a pollutant by pollutant basis and shall be required if the Post Project Stationary Source Potential to Emit (SSPE2) equals to or exceeds the offset threshold levels in Table 4-1 of Rule 2201.

The following table compares the post-project facility-wide annual emissions in order to determine if offsets will be required for this project.

| Offset Determination | | | | | |
|-----------------------------|-----------------|-----------------|------------------|-----------|----------|
| | NO _x | SO _x | PM ₁₀ | CO | VOC |
| Post Project SSPE (SSPE2) | > 20,000 | > 140,000 | > 140,000 | > 200,000 | > 20,000 |
| Offset Threshold | 20,000 | 54,750 | 29,200 | 200,000 | 20,000 |
| Offsets Triggered? | Yes | Yes | Yes | Yes | Yes |

2. Quantity of Offsets Required

As seen above, the facility is an existing Major Source for all pollutants and the SSPE2 is greater than the offset thresholds; therefore offset calculations will be required for this project.

This project involves PM₁₀ emissions only; therefore offset calculations for PM₁₀ emissions will be required for this project.

Per Sections 4.7.1 and 4.7.3, the quantity of offsets in pounds per year for PM₁₀ is calculated as follows for sources with an SSPE1 greater than the offset threshold levels before implementing the project being evaluated.

Offsets Required (lb/year) = $(\Sigma[PE2 - BE] + ICCE) \times DOR$, for all new or modified emissions units in the project,

Where,

PE2 = Post Project Potential to Emit, (lb/year)

BE = Baseline Emissions, (lb/year)

ICCE = Increase in Cargo Carrier Emissions, (lb/year)

DOR = Distance Offset Ratio, determined pursuant to Section 4.8

BE = Pre-project Potential to Emit for:

- Any unit located at a non-Major Source,
- Any Highly-Utilized Emissions Unit, located at a Major Source,
- Any Fully-Offset Emissions Unit, located at a Major Source, or
- Any Clean Emissions Unit, Located at a Major Source.

otherwise,

BE = Historic Actual Emissions (HAE)

As calculated in Section VII.C.6 above, the Baseline Emissions (BE) from this unit are equal to the Pre-Project Potential to Emit (PE1) since the unit is a Clean Emissions Unit.

Also, there is only one emissions unit associated with this project and there are no increases in cargo carrier emissions; therefore offsets can be determined as follows:

Offsets Required (lb/year) = $([PE2 - BE] + ICCE) \times DOR$

PE2 (PM₁₀) = 27,408 lb/year

BE (PM₁₀) = 27,408 lb/year

ICCE = 0 lb/year

Offsets Required (lb/year) = $([27,408 - 27,408] + 0) \times DOR$
= 0 lb PM₁₀/year

As demonstrated in the calculation above, the amount of offsets is zero; therefore, offsets will not be required for this project.

C. Public Notification

1. Applicability

Public noticing is required for:

- a. Any new Major Source, which is a new facility that is also a Major Source,
- b. Major Modifications,
- c. Any new emissions unit with a Potential to Emit greater than 100 pounds during any one day for any one pollutant,
- d. Any project which results in the offset thresholds being surpassed, and/or
- e. Any project with an SSPE of greater than 20,000 lb/year for any pollutant.

a. New Major Source

New Major Sources are new facilities, which are also Major Sources. Since this is not a new facility, public noticing is not required for this project for New Major Source purposes.

b. Major Modification

As demonstrated in VII.C.7, this project is a SB 288 Major Modification for NO_x and PM₁₀ and a Federal Major Modification for NO_x; therefore, public noticing for Major Modification purposes is required.

c. PE > 100 lb/day

Applications which include a new emissions unit with a Potential to Emit greater than 100 pounds during any one day for any pollutant will trigger public noticing requirements. There are no new emissions units associated with this project; therefore public noticing is not required for this project for Potential to Emit Purposes.

d. Offset Threshold

The following table compares the SSPE1 with the SSPE2 in order to determine if any offset thresholds have been surpassed with this project.

| Offset Threshold | | | | |
|-------------------------|--------------------|--------------------|---------------------|----------------------------|
| Pollutant | SSPE1 (lb/year) | SSPE2 (lb/year) | Offset Threshold | Public Notice Required? |
| NO _x | > 20,000 | > 20,000 | 20,000 lb/year | No |
| SO _x | > 54,750 | > 54,750 | 54,750 lb/year | No |
| PM ₁₀ | > 29,200 | > 29,200 | 29,200 lb/year | No |
| CO | > 200,000 | > 200,000 | 200,000 lb/year | No |
| VOC | > 20,000 | > 20,000 | 20,000 lb/year | No |

As detailed above, there were no thresholds surpassed with this project; therefore public noticing is not required for offset purposes.

e. SSIPE > 20,000 lb/year

Public notification is required for any permitting action that results in a Stationary Source Increase in Permitted Emissions (SSIPE) of more than 20,000 lb/year of any affected pollutant. According to District policy, the SSIPE is calculated as the Post Project Stationary Source Potential to Emit (SSPE2) minus the Pre-Project Stationary Source Potential to Emit (SSPE1), i.e. $SSIPE = SSPE2 - SSPE1$. The values for SSPE2 and SSPE1 are calculated according to Rule 2201, Sections 4.9 and 4.10, respectively. The SSIPE is compared to the SSIPE Public Notice thresholds in the following table:

| Stationary Source Increase in Permitted Emissions [SSIPE] – Public Notice | | | | | |
|--|------------------------------|------------------------------|------------------------|--------------------------------------|--------------------------------|
| Pollutant | Project PE2 (lb/year) | Project PE1 (lb/year) | SSIPE (lb/year) | SSIPE Public Notice Threshold | Public Notice Required? |
| NO _x | 0 | 0 | 0 | 20,000 lb/year | No |
| SO _x | 0 | 0 | 0 | 20,000 lb/year | No |
| PM ₁₀ | 27,408 | 27,408 | 0 | 20,000 lb/year | No |
| CO | 0 | 0 | 0 | 20,000 lb/year | No |
| VOC | 0 | 0 | 0 | 20,000 lb/year | No |

As demonstrated above, the SSIPEs for all pollutants were less than 20,000 lb/year; therefore public noticing for SSIPE purposes is not required.

2. Public Notice Action

As discussed above, public noticing is required for this project for triggering SB 288 for NO_x and PM₁₀ emissions and Federal Major Modification for NO_x emissions. Therefore, public notice documents will be submitted to the U.S. Environmental Protection Agency (USEPA) California Air Resources Board (CARB) and a public notice will be published in a local newspaper of general circulation prior to the issuance of the ATC for this equipment.

D. Daily Emission Limits

Daily emissions limitations (DELs) and other enforceable conditions are required by Section 3.15 to restrict a unit's maximum daily emissions, to a level at or below the emissions associated with the maximum design capacity. Per Sections 3.15.1 and 3.15.2, the DEL must be contained in the latest ATC and contained in or enforced by the latest PTO and enforceable, in a practicable manner, on a daily basis.

Proposed Rule 2201 (DEL) Conditions:

- The permittee shall use best management practices and minimize the use of mold swabbing material (less than or = to 0.211 lb of material per ton of glass pulled) with PM₁₀ emissions of 0.074 lb/ton of glass pulled in order to minimize PM₁₀ emissions from this unit. [District Rule 2201]
- Glass throughput for this mold swabbing operation shall not exceed 1,050 U.S. short tons per day. [District Rule 2201]

E. Compliance Assurance

1. Source Testing

Pursuant to District Policy APR 1705, source testing is not required to demonstrate compliance with Rule 2201.

2. Monitoring

No monitoring is required to demonstrate compliance with Rule 2201.

3. Recordkeeping

Recordkeeping is required to demonstrate compliance with the offset, public notification, and daily emission limit requirements of Rule 2201.

- The permittee shall maintain records of the daily quantity of swabbing compound used in this mold swabbing operation. [District Rules 2201 and 2520, 9.4.2]
- The permittee shall maintain records of the daily and annual container glass throughput for this mold swabbing operation. [District Rules 2201 and 2520, 9.4.2]
- All records required to be maintained by this permit shall be retained on-site for a period of at least five years and made available for District inspection upon request. [District Rule 2201]

4. Reporting

No reporting is required to demonstrate compliance with Rule 2201.

F. Ambient Air Quality Analysis

Section 4.14.1 of this Rule requires that an ambient air quality analysis (AAQA) be conducted for the purpose of determining whether a new or modified Stationary Source will cause or make worse a violation of an air quality standard. This modification resulted in no increase in PM₁₀ emissions. An AAQA was previously performed on this unit under project C-1053187 and was shown to not cause or contribute significantly to a violation of the State and National AAQS.

G. Compliance Certification

Section 4.15.2 of this Rule requires the owner of a new Major Source or a source undergoing a Federal Major Modification to demonstrate to the satisfaction of the District that all other Major Sources owned by such person and operating in California are in compliance or are on a schedule for compliance with all applicable emission limitations and standards. As discussed in Sections VIII-Rule 2201-C.1.a and VIII-Rule 2201-C.1.b, this source is undergoing a Federal Major Modification, therefore this requirement is applicable. Included in Attachment D is Saint-Gobain Container Inc.'s compliance certification.

H. Alternative Siting Analysis

Alternative siting analysis is required for any project, which constitutes a New Major Source or a Federal Major Modification.

The operation of a container glass manufacturing operation requires a large number support equipment, services and structures such as raw material storage bins, glass melting furnaces, warehouses, and administration buildings.

Since the current project involves no change in the amount of container glass processed at the facility and no change to any other facets of the operation, the existing site will result in the least possible impact from the project. Alternative sites would involve the relocation and/or construction of various support structures and facilities on a much greater scale, and would therefore result in a much greater impact.

Rule 2520 Federally Mandated Operating Permit

This facility is subject to this Rule, and has received their Title V Operating Permit. Section 3.29 defines a significant permit modification as a "permit amendment that does not qualify as a minor permit modification or administrative amendment."

Section 3.20.5 states that a minor permit modification is a permit modification that does not meet the definition of modification as given in Section 111 or Section 112 of the Federal Clean Air Act. Since this project is a Title I modification (i.e. Federal Major Modification), the proposed project is considered to be a modification under the Federal Clean Air Act. As a result, the proposed project constitutes a Significant Modification to the Title V Permit pursuant to Section 3.29.

As discussed above, the facility has applied for a Certificate of Conformity (COC) (see Attachment E); therefore, the facility must apply to modify their Title V permit with an administrative amendment, prior to operating with the proposed modifications. Continued compliance with this rule is expected. The facility shall not implement the changes requested until the final permit is issued.

Rule 4001 New Source Performance Standards

40 CFR 60, Subpart CC - Standards of Performance for Glass Manufacturing Plants

There are no requirements of 40 CFR 60 required by Rule 4001 for mold swabbing operations.

Rule 4002 National Emission Standards for Hazardous Air Pollutants

40 CFR 61 Subpart N - National Emissions Standard for Inorganic Arsenic Emissions from Glass Manufacturing Plants

There are no requirements of 40 CFR 61 required by Rule 4002 for mold swabbing operations.

Rule 4101 Visible Emissions

Per Section 5.0, no person shall discharge into the atmosphere emissions of any air contaminant aggregating more than 3 minutes in any hour which is as dark as or darker than Ringelmann 1 (or 20% opacity). Based on past inspections of the facility continued compliance is expected.

Rule 4102 Nuisance

Section 4.0 prohibits discharge of air contaminants which could cause injury, detriment, nuisance or annoyance to the public. The emissions from the proposed operations are not expected to impose any comfort, repose, health, or safety problems to the public provided the equipment is properly maintained and operated.

California Health & Safety Code 41700 (Health Risk Assessment)

District Policy APR 1905 – Risk Management Policy for Permitting New and Modified Sources specifies that for an increase in emissions associated with a proposed new source or modification, the District perform an analysis to determine the possible impact to the nearest resident or worksite.

An HRA is not required for a project with a total facility prioritization score of less than or equal to one. According to the Technical Services Memo for this project (Attachment F), the total prioritization score for this project was less than or equal to one as there are no HAPs associated with this process. Therefore, no future analysis is required to determine the impact from this project and compliance with the District's Risk Management Policy is expected.

Rule 4201 Particulate Matter Concentration

Section 3.1 prohibits discharge of dust, fumes, or total particulate matter into the atmosphere from any single source operation in excess of 0.1 grain per dry standard cubic foot. Particulate matter (PM) emissions from the mold swabbing are not expected to exceed 0.1 gr/dscf. Continued compliance is expected.

Rule 4202 Particulate Matter - Emission Rate

The purpose of this rule is to limit particulate matter emissions by establishing allowable emission rates. To meet the requirements of this rule the maximum allowable emission rate specified in the rule must be met. This is determined as follows:

$$E = 3.59 \times P^{0.62}, \text{ when } P \leq 30 \text{ ton/hr}$$

or

$$E = 17.31 \times P^{0.16}, \text{ when } P > 30 \text{ ton/hr}$$

Where:

E = Maximum allowable emissions in lb-PM/hr

P = Process weight in ton/hr

As discussed previously in Section IV the mold swabbing operation has a post project throughput of 1,050 tons/day, which is equivalent to 43.75 tons/hr (1,050 tons/day ÷ 24 hrs/day). Therefore:

$$E = 17.31 \times P^{0.16}$$

$$E = 17.31 \times (43.75)^{0.16}$$

$$E = 31.7 \text{ lb-PM/hr}$$

Assuming $PM_{10} = 50\%$ PM, the allowable PM_{10} emissions rate = $0.5 \times 31.7 \text{ lb-PM/hr} = 15.9 \text{ lb-PM}_{10}/\text{hr}$. As calculated in Section VII.C.2, the mold swabbing operation has a post project Potential to Emit of $3.2 \text{ lb-PM}_{10}/\text{hr}$. Therefore, continued compliance is expected.

California Health & Safety Code 42301.6 (School Notice)

The District has verified that this site is not located within 1,000 feet of a school. Therefore, pursuant to California Health and Safety Code 42301.6, a school notice is not required.

California Environmental Quality Act (CEQA)

The California Environmental Quality Act (CEQA) requires each public agency to adopt objectives, criteria, and specific procedures consistent with CEQA Statutes and the CEQA Guidelines for administering its responsibilities under CEQA, including the orderly evaluation of projects and preparation of environmental documents. The San Joaquin Valley Unified Air Pollution Control District (District) adopted its *Environmental Review Guidelines* (ERG) in 2001. The basic purposes of CEQA are to:

- Inform governmental decision-makers and the public about the potential, significant environmental effects of proposed activities.
- Identify the ways that environmental damage can be avoided or significantly reduced.
- Prevent significant, avoidable damage to the environment by requiring changes in projects through the use of alternatives or mitigation measures when the governmental agency finds the changes to be feasible.
- Disclose to the public the reasons why a governmental agency approved the project in the manner the agency chose if significant environmental effects are involved.

Greenhouse Gas (GHG) Significance Determination

The District's engineering evaluation (this document) demonstrates that the project would not result in an increase in project specific greenhouse gas emissions. This project involves particulate matter emissions only. The District therefore concludes that the project would have a less than cumulatively significant impact on global climate change.

District CEQA Findings

The District is the Lead Agency for this project because there is no other agency with broader statutory authority over this project. The District performed an Engineering Evaluation (this document) for the proposed project and determined that the activity will occur at an existing facility and the project involves negligible expansion of the existing use. Furthermore, the District determined that the activity will not have a significant effect on the environment. The District finds that the activity is categorically exempt from the provisions of CEQA pursuant to CEQA Guideline § 15031 (Existing Facilities), and finds that the project is exempt per the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment (CEQA Guidelines §15061(b)(3)).

X. RECOMMENDATION

Compliance with all applicable rules and regulations is expected. Issue Authority to Construct C-801-11-6 subject to the permit conditions on the attached draft Authority to Construct in Attachment G.

XI. BILLING INFORMATION

| Billing Schedule | | | |
|-------------------------|---------------------|------------------------|-------------------|
| Permit Number | Fee Schedule | Fee Description | Fee Amount |
| C-801-11-6 | 3020-06 | Miscellaneous | \$105.00 |

Attachments:

- Attachment A – Current Permit ATC C-801-11-3
- Attachment B – EPA Memorandum
- Attachment C – District BACT Guideline 1.5.11 and Top Down BACT Analysis
- Attachment D – Compliance Certification
- Attachment E – Certificate of Conformity
- Attachment F – Health Risk Assessment
- Attachment G – Draft ATC C-801-11-6

ATTACHMENT A

Current Permit ATC C-801-11-3



San Joaquin Valley
Air Pollution Control District

FILE

AUTHORITY TO CONSTRUCT

PERMIT NO: C-801-11-3

ISSUANCE DATE: 06/16/2006

LEGAL OWNER OR OPERATOR: SAINT-GOBAIN CONTAINERS, INC
MAILING ADDRESS: ATTN: ENVIRONMENTAL MANAGER
PO BOX 4200
MUNCIE, IN 47302-4200

LOCATION: 24441 AVENUE 12 & ROAD 24 1/2
MADERA, CA 93637

EQUIPMENT DESCRIPTION:

MODIFICATION OF MOLD SWABBING OPERATION INCLUDING SIX PRODUCTION LINES WITH SIX INDIVIDUAL SECTION (IS) FORMING MACHINES (THREE FOR EACH FURNACE), EACH WITH A 10 SECTION LINE: INCREASE GLASS THROUGHPUT, DECREASE TO FIVE PRODUCTION LINES (THREE FOR FURNACE #1 AND TWO FOR FURNACE #2), AND REPLACE THREE OF THE EXISTING SIX INDIVIDUAL SECTION (IS) FORMING MACHINES MACHINES (FOR FURNACE #2) WITH TWO INDIVIDUAL SECTION MACHINES, ONE WITH A 16 SECTION LINE AND ONE WITH A 20 SECTION LINE

CONDITIONS

1. The facility shall submit an application to modify the Title V permit in accordance with the timeframes and procedures of District Rule 2520. [District Rule 2520] Federally Enforceable Through Title V Permit
2. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
3. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District Rule 4102]
4. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101] Federally Enforceable Through Title V Permit
5. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit
6. Particulate matter emissions shall not exceed the maximum allowable emission rate (lb/hr), as determined using the following formula: $E = 17.31 \times P^{0.16}$, where E equals the maximum allowable emission rate (lb/hr) and P equals the process weight rate (tons/hr) and is greater than 30 tons/hr. [District Rule 4202, 4.0] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (559) 230-5950 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Sayed Sakkedini, Executive Director / APCO

DAVID WARNER, Director of Permit Services

C-801-11-3 Jun 16 2006 4:53PM - PAMPAIAD : Joint Inspection Required with PAMPAIAD

Conditions for C-801-11-3 (continued)

7. The permittee shall use best management practices and minimize the use of mold swabbing material (less than or = to 0.211 lb of material per ton of glass pulled) with PM10 emissions of 0.074 lb/ton of glass pulled in order to minimize PM10 emissions from this unit. [District Rule 2201] Federally Enforceable Through Title V Permit
8. Glass throughput for this mold swabbing operation shall not exceed 1,050 U.S. short tons per day. [District Rule 2201] Federally Enforceable Through Title V Permit
9. Glass throughput for this mold swabbing operation shall not exceed 370,380 U.S. short tons per year. [District Rule 2201] Federally Enforceable Through Title V Permit
10. Certified personnel, pursuant to the specifications in section 3 (Qualifications and Testing) of EPA Method 9, shall inspect the roof vent stacks weekly for visible emissions, while this equipment is in operation. The inspection shall be performed, using a modified EPA Method 9, as described in the District Compliance policy, as revised 2/17/98, for Visible Emissions Evaluations. If the modified Method 9 procedure indicates exceedance of the facility-wide 20% opacity limit, the unmodified EPA Method 9 procedure, except for data reduction (section 2.5), shall be performed within 24 hours. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
11. The permittee shall maintain the following records with regards to visible emission inspections: 1) inspection test method, 2) date and time of inspection, 3) stack or emission point identification, 4) observed results and conclusions, 5) type of corrective action taken, if any to reduce visible emissions and 6) name of person(s) performing the inspection. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
12. The permittee shall maintain records of the daily quantity of swabbing compound used in this mold swabbing operation. [District Rules 2201 and 2520, 9.4.2] Federally Enforceable Through Title V Permit
13. The permittee shall maintain records of the daily and annual container glass throughput for this mold swabbing operation. [District Rules 2201 and 2520, 9.4.2] Federally Enforceable Through Title V Permit
14. All records required to be maintained by this permit shall be retained on-site for a period of at least five years and made available for District inspection upon request. [District Rule 2201] Federally Enforceable Through Title V Permit
15. District Rule 4201 (as amended December 17, 1992) has been determined not to be applicable to this permit unit. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
16. Compliance with the conditions in the permit requirements for this unit shall be deemed compliance with District Rule 4202 (as amended December 17, 1992). A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

ATTACHMENT B

EPA Memorandum

February 8, 2000

(AR-18J)

Lloyd Eagan, Director
Bureau of Air Management
Wisconsin Department of Natural Resources P.O. Box 7921
101 South Webster Street
Madison, Wisconsin 53707-7921

Dear Ms. Eagan :

This letter is in regard to your November 12, 1999, letter concerning applicability of Prevention of Significant Deterioration (PSD) to debottlenecked sources. Below, we address the issues you raise, based on how we believe each question would be resolved under the federal PSD rules in Title 40 Code of Federal Regulations (CFR) Section 52.21. This does not represent how you must interpret the PSD regulations that the United States Environmental Protection Agency (USEPA) has approved into Wisconsin's state implementation plan, nor does it represent final agency action. Instead, this letter provides guidance for you to consider in your role as the PSD permitting authority.

In your letter, you describe three scenarios, each of which involves a modification to a process line that results in the debottlenecking of an on-site power boiler. You came to the conclusion that, in each of the scenarios, the modification would be considered major and subject to PSD review. EPA first agrees that it is appropriate to consider the increased emissions from the entire project (process line increases plus power boiler increases) in determining whether the increase is significant. See 40 CFR §52.21(b)(3)(I)(a) (defining "net emissions increase" to include "any increase . . . from a particular physical change or change in method of operation at a stationary source"). Further, we agree that the proper way of calculating the amount of the emissions increase from these units is to compare each unit's future potential emissions to its past actual emissions. See §§52.21(b)(21)(ii), (iv). With regard to your first conclusion, we concur that, barring additional information, each of the scenarios would be considered a major modification and subject to PSD review under the federal rules because, under each scenario, the net emission increase from the project (process line and power boiler increases) is significant. However, this simple analysis does not account for the fact, relevant particularly in Scenario #3, that if a source estimates that the resultant increase in actual emissions from its construction project will be less than significant, it may avoid PSD by committing to enforceable limitations on its emissions to ensure

that the potential emissions remain below the significance levels. See §52.21(b)(4).

As to your second conclusion, you request USEPA's concurrence on the application of BACT only to the process equipment and not to the power boiler (as described in the third scenario). Again, although we are pleased to give our view of how the Federal PSD rules would apply, we recognize that you have primary responsibility for determining how your SIP-approved PSD program may apply to specific activities, especially where that program varies from the Federal program. In brief summary, where an emissions unit has not undergone a physical or operational change, BACT does not apply.

See 40 CFR §52.21(j)(3) (stating that BACT applies to units that experience a net increase "as a result of a physical change or change in the method of operation in the unit" (emphasis added)). The USEPA's past policy confirms this approach. In a memorandum dated July 28, 1983, from Director, Stationary Source Compliance Division, Office of Air Quality Planning and Standards, to Michael M. Johnston, Chief, Air Operations Section - Region X, titled "PSD Applicability Pulp and Paper Mill" (enclosed), we addressed the issue of the application of BACT. The memorandum states that

since the recovery boiler could not have operated at a level higher than that provided by the existing digester capacity, any increase in actual emissions at the recovery boiler which will result from the increased capacity provided by the larger digester must be considered for the purposes of PSD applicability... Since the recovery boiler itself will not be undergoing a physical change or change in the method of operation, it will not have to apply Best Available Control Technology (BACT). However, all emissions increases must undergo air quality analysis and will consume applicable air quality increments.

In order to understand how this general policy would apply to specific cases, it is essential to establish whether individual units are being physically or operationally changed, and it also vital to ensure that the emission unit is properly defined. For instance, in the enclosed December 24, 1997, memorandum from Judith A. Katz, Acting Director, Air Protection Division - Region III and Robert J. Simolski, Chief Air and Toxics Section, Office of Regional Counsel Region III to Greg B. Foote, Air Division, Office of General Counsel, titled "BACT Analysis for Westvaco Corporation Paper Mill in Luke, Maryland," USEPA addressed the question of whether or not a power boiler combusting digester gas should be considered a single emissions unit. This memorandum addresses a facility that was replacing three of its twelve digesters with slightly larger digesters. The future potential emissions to the past actual emissions associated with the replacement resulted in a significant net emission increase for sulphur dioxide (SO₂). The emissions increase occurred at the recovery furnaces and the power boilers. The memorandum concluded that

while the SO₂ emissions are formed indirectly by combustion of the digester gases, EPA Region III considers a process unit and its associated control equipment to be integral parts of a single

emission unit... Therefore, Region III has determined that BACT must be applied to the power boiler to control SO₂ emissions occurring as a result of the replacement of the digesters.

On March 18, 1998, Bruce C. Buckheit, Director, Air Enforcement Division, concurred with the above conclusion.

Of course, the specific facts surrounding a facility's modification are critical in making a BACT applicability determination. Because your incoming letter did not make clear the nature of the hypothetical facility and whether there may be other factors (including whether the source has existing permit conditions restricting their operations or emissions) that you may need to consider in reaching this conclusion, we do not reach any conclusion about where BACT must apply. Rather, as discussed above, you should carefully consider which units are being physically or operationally changed and should be careful to look at entire emissions units in doing so.

Further, we must stress that the memoranda we have referenced are in response to particular situations at particular facilities, based on the history and facts as presented to USEPA. We caution the careful use of this letter as a reply to a general PSD permit programmatic concern, and request that the WDNR contact us when the applicability issues discussed in your hypothetical are realized in the context of a specific source.

If you have any further questions, please feel free to contact me, or have your staff contact Constantine Blathras at (312) 886-0671.

Sincerely yours,

/s/

Robert B. Miller, Chief
Permits and Grants Section

Enclosures

State of Wisconsin \DEPARTMENT OF NATURAL RESOURCES

Tommy G. Thompson, Governor
George E. Meyer, Secretary

101 S. Webster St.
Box 7921
Madison, Wisconsin 53707-7921
Telephone 608-266-2621
FAX 608-267-3579
TDD 608-267-6897

November 12, 1999

Mr. Robert Miller, Chief
Permits and Grants Section, Air Programs Branch
USEPA Region V AT-18J
77 W Jackson Blvd.
Chicago, IL 60604

Subject: Applicability of PSD in Regard to Debottleneck Sources

Dear Mr. Miller:

The Wisconsin Department of Natural Resources (WDNR) has been presented with three scenarios in regard to process modifications that result in the debottlenecking of an on-site power boiler. These scenarios, presented by Wisconsin Manufactures and Commerce (WMC) on behalf of their members, are primarily concerned with the applicability of the Prevention of Significant Deterioration (PSD) program, as its applications are applied to the power boiler. WDNR is prepared to present its conclusion on these scenarios, however, we would appreciate concurrence from USEPA prior to providing our determination to WMC. Although the scenarios are presented as hypothetical situations, I assure you that they are very real and are common to several facilities within Wisconsin.

The three scenarios are basically identical with the varying factor being the emission rates of the emission units involved in the project. The core situation is this:

An existing process line at a major stationary source utilizes steam provided by an on-site power boiler. A physical change has been proposed to be made to that process line that will result in a net emission increase from the process line. The change will require an increase in the amount of steam that is provided to the process line by the power boiler. No physical change to the power boiler is necessary. The process line in this discussion clearly bottlenecks the power boiler's capabilities.

Scenario 1:

The net emission increase from the process line will exceed PSD significant thresholds. The net emission increase from the power boiler on a future potential to past actual emission basis also exceeds PSD significant thresholds. However, the increase in emissions on a predicted future actual to past actual emission basis from the power boiler do not exceed the PSD significant thresholds.

Scenario 2:

The net emission increase from the process line will exceed PSD significant thresholds. The net emission increase from the power boiler on a future potential to past actual emission basis also exceeds the PSD significant thresholds, as does the increase in emissions on a predicted future actual to past actual basis.

Scenario 3:

The net emission increase from the process line will not exceed PSD significant thresholds. The net emission increase from the power boiler on a future potential to past actual emission basis exceeds the PSD significant thresholds, however the increase in emissions on a predicted future actual to past actual emission basis does not.

In addressing the above scenarios, WDNR has relied upon USEP A rule making and USEP A decisions as they apply to debottlenecking.

40 CFR 52.21(b)(2) defines major modifications as "any physical change or change in the method of operation of a major stationary source that would result in a significant net emission increase of any pollutant subject to regulation under the Act". 40 CFR 52.21(b)(3) defines a net emission increase as "the amount by which the sum of the following exceeds zero: Any increase in actual emissions from a particular physical change or change in the method of operation at a stationary source; and any other increases and decreases in actual emissions at the source that are contemporaneous with the particular change and are otherwise creditable". Because these definitions require an examination of "any increases in actual emissions resulting from a particular physical change", all increases in actual emissions at the source resulting from proposed physical change to the process must be included in determining the net emission increase of the project. Thus, increases in actual emissions from the power boiler, due to the relief on the bottleneck provided by the process, must be included in the net emission increase determination.

40 CFR 52.21(b)(2)(i) defines actual emissions as "the actual rate of emissions of a pollutant from an emissions unit, as determined in accordance with (ii) through (iv) below:

(ii) In general, actual emissions as of a particular date shall equal the average rate, in tons per year, at which the unit actually emitted the pollutant during a two-year period which precedes the particular date and which is representative of normal operation of the source. The Administrator shall allow the use of a different time period upon a determination that it is more representative of normal source operation. Actual emissions shall be calculated using the unit's actual operating hours, production rates, and types of materials processed, stored, or combusted during the selected time period

(iii) The Administrator may presume that source-specific allowable emissions for the unit are equivalent to the actual emissions of the unit.

(iv) For any emissions unit (other than an electric utility steam generating unit) which has not begun normal operations on the particular date, actual emissions shall equal the potential to emit of the unit on that date.

Because the emissions units presented in the above scenarios are assumed to have begun normal operations under current conditions, actual emissions prior to the proposed project are determined using the procedures within (ii) above. However, since the process and the power boiler have not begun normal operations under the proposed conditions, actual emissions after modification are equal to the potential to emit of the units, per (iv) above. Thus, the potential actual emissions to past actual emissions determinations offered in these scenarios is irrelevant.

The above discussion leads WDNR to the conclusion that each of the three scenarios would be considered a major modification and subject to PSD review since the net emission increase from the project (process line increase plus power boiler increases) in each of the three scenarios is considered significant. Does USEP A concur with this conclusion?

40 CFR 52.21(j)(3) states that "a major modification shall apply best available control technology (BACT) for each pollutant subject to regulation under the Act for which it would result in a significant net

emission increase at the source. This requirement applies to each proposed emissions unit at which a net emissions increase in the pollutant would occur as a result of a physical change or change in the method of operation in the unit". The preamble to the August 7, 1980 rule making on the PSD program discusses the application of BACT at Item L, contained on page 52681 of the rule making. Item L states that BACT is required for "modifications only when a net emissions increase occurs at the changed unit(s) and a significant net emissions increase occurs at the plant; BACT applies only to the units actually modified". This requirement, along with its explanatory language, leads WDNR to the conclusion that since only the process equipment is actually being modified and that the power boiler will not be undergoing any physical or operational changes, BACT must be applied to the process equipment only, and is not required to be applied to the power boiler. Can USEPA offer its concurrence in this conclusion?

Although WDNR does have SIP approval of its PSD program, I would appreciate USEPA input on these scenarios. Wisconsin's PSD regulations are very similar to requirements of 40 CFR Part 52 and the decisions WDNR makes in regard to the PSD program are made taking past USEPA interpretations into consideration. This instance was no exception, as several decisions which USEPA and WDNR have made on similar cases have been reviewed in arriving at the WDNR conclusions stated above. Thus, WDNR wishes to obtain USEPA input on its conclusions presented here prior to providing them to WMC. Also, if possible WDNR would appreciate concurrence from USEPA's Compliance and Enforcement program, in addition to the Permit Program's perspective.

Thank you in advance for your willingness to consider this matter. Should you or your staff have any questions regarding these issues, please contact Jeffrey Hanson of my staff at (608) 266-6876.

Sincerely,

Lloyd L. Eagan, Director
Bureau of Air Management

Cc: Patrick Stevens, WMC, 501 East Washington Avenue, P.O. Box 352, Madison, WI 53703-2944

ATTACHMENT C

District BACT Guideline 1.5.11 and Top Down BACT Analysis

[Per » B A C T » Bact Guideline.asp?category Level1=1&category Level2=5&category Level3=11&last Update=6 » 16 :](#)

[Back](#)

[Details Page](#)

**Best Available Control Technology (BACT) Guideline 1.5.11
Last Update: 6/16/2006**

Container Glass Production - Mold Swabbing Operation

| Pollutant | Achieved in Practice or in the SIP | Technologically Feasible | Alternate Basic Equipment |
|------------------|---|---------------------------------|----------------------------------|
| PM10 | Using best management practices and the judicious use of mold swabbing material (< or = 0.106 lb of material per ton of glass produced with 70% volatilization) with PM10 emissions of 0.074 lb/ton of glass formed | | |

BACT is the most stringent control technique for the emissions unit and class of source. Control techniques that are not achieved in practice or contained in a state implementation plan must be cost effective as well as feasible. Economic analysis to demonstrate cost effectiveness is required for all determinations that are not achieved in practice or contained in an EPA approved State Implementation Plan.

This is a Summary Page for this Class of Source - Permit Specific BACT Determinations on Details Page.

Top Down BACT Analysis

BACT Analysis for Mold Swabbing operation in permit C-801-11-6:

For the mold swabbing operation in permit C-801-11-6, BACT is required for PM10.

Step 1 - Identify All Possible Control Technologies

BACT guideline 1.5.11 identifies the following control technologies:

| Pollutant | Achieved in Practice or contained in SIP | Technologically Feasible | Alternate Basic Equipment |
|-----------|---|--------------------------|---------------------------|
| PM10 | Using best management practices and the judicious use of mold swabbing material (< or = 0.106 lb of material per ton of glass produced with 70% volatilization) with PM ₁₀ emissions of 0.074 lb/ton of glass formed | | |

Step 2 - Eliminate Technologically Infeasible Options

There are no technologically infeasible options.

Step 3 - Rank Remaining Control Technologies by Control Effectiveness

| Rank | Control Technology | Achieved in Practice |
|------|---|----------------------|
| 1 | Using best management practices and the judicious use of mold swabbing material (< or = 0.106 lb of material per ton of glass produced with 70% volatilization) with PM ₁₀ emissions of 0.074 lb/ton of glass formed | Y |

There are no remaining control technologies.

Step 4 - Cost Effectiveness Analysis

The applicant is proposing the most effective control technology applicable for PM10; therefore, a cost effectiveness analysis is not required.

Step 5 - Select BACT

PM10: Using best management practices and the judicious use of mold swabbing material (< or = 0.106 lb of material per ton of glass produced with 70% volatilization) with PM₁₀ emissions of 0.074 lb/ton of glass formed is selected as BACT.

ATTACHMENT D
Compliance Certification

Received ST

OCT 12 2010

Permits Srvc
SJVAPCD


SAINT-GOBAIN
CONTAINERS

CERTIFIED MAIL # 7008 1830 0003 4674 6830
Return Receipt Requested

October 05, 2010

Stanley Tom
San Joaquin Valley Air Pollution Control District
1990 E. Gettysburg Avenue
Fresno, CA 93726

**Re: Mold Swabbing Permit Application - Statewide Compliance Certification
Saint-Gobain Containers, Inc. (Madera, CA)**

Dear Mr. Tom:

Pursuant to SJVAPCD Rule 2201 Section 4.15.2, Saint-Gobain Containers, Inc. (SGCI) submits this Statewide Compliance Certification regarding other owned, operated, or controlled major stationary sources in California.

SGCI is applying for an Authority to Construct (ATC) to modify the existing permit for its Mold Swabbing Operation. There are two major sources owned or operated by SGCI (or under common control with SGCI) in California: (1) SGCI in Madera, CA (the facility that is the subject of this application), and (2) CertainTeed in Chowchilla, CA (a facility under common control with the Madera plant since it shares a parent company – Saint-Gobain Group, but which is under separate site management)

As of the date designated with the signature below, SGCI asserts the following:

All major Stationary Sources owned or operated by SGCI (or by any entity controlling, controlled by, or under common control with SGCI) in California, which are subject to emission limitations, are in compliance or on a schedule for compliance with all applicable emission limitations and standards.

This certification is based upon a review by the employees of SGCI who have responsibility for compliance with environmental requirements in California. This certification is based on data available as of the date of its execution.

Thank you for your consideration. Please contact Jayne Browning at (765) 741-7112 or Steve Branoff of ENVIRON at (510) 420-2540 regarding this matter.

Sincerely,



R. Todd Rosebrock
Plant Manager

10/5/10
Date

ATTACHMENT E
Certificate of Conformity

ATTACHMENT F
Health Risk Assessment

San Joaquin Valley Air Pollution Control District Risk Management Review

To: Stanley Tom, AQE – Permit Services
 From: Jaime Horio, AQS – Technical Services
 Date: October 15, 2010
 Facility Name: Saint-Gobain Containers
 Location: 24441 Avenue 12 & Road 24 ½
 Madera, CA
 Application #(s): C-801-11-6
 Project #: C-1103119

A. RMR SUMMARY

| RMR Summary | | | |
|---|--|---------------------------|----------------------------|
| Categories | Molding Operation (Unit 11-6) | Project Totals | Facility Totals |
| Prioritization Score | 0.0 ¹ | 0.0 ¹ | >1.0 |
| Acute Hazard Index | NA | NA | 0.0 |
| Chronic Hazard Index | NA | NA | 0.0 |
| Maximum Individual Cancer Risk (10⁻⁶) | NA | NA | 0.41 |
| T-BACT Required? | No | | |
| Special Permit Conditions? | No | | |

1 There are no HAPs associated with this process, therefore no further analysis is required.

Proposed Permit Conditions

To ensure that human health risks will not exceed District allowable levels; the following permit conditions must be included for:

Unit # 11-6

No special conditions are required.

B. RMR REPORT

I. Project Description

Technical Services received a request on October 7, 2010, to perform an Ambient Air Quality Analysis (AAQA) and a Risk Management Review for a modification to a mold cooling operation. The modification included changing the size of the cooling fan.

II. Analysis

Technical Services reviewed the Material Safety Data Sheets (MSDS) for the materials used in the molding operation and found no Hazardous Air Pollutants, therefore no further analysis is required.

In addition, this modification resulted in no increase in PM10 emissions, and an AAQA was previously performed on this unit under project C-1053187, and was shown to not cause or contribute significantly to a violation of the State and National AAQS.

III. Conclusion

The prioritization score is less than 1.0. **In accordance with the District's Risk Management Policy, the project is approved without Toxic Best Available Control Technology (T-BACT).**

These conclusions are based on the data provided by the applicant and the project engineer. Therefore, this analysis is valid only as long as the proposed data and parameters do not change.

The emissions from the proposed equipment will not cause or contribute significantly to a violation of the State and National AAQS.

Attachments:

- A. RMR request from the project engineer
- B. Additional information from the applicant/project engineer
- C. Facility Summary

ATTACHMENT G

Draft ATC C-801-11-6

San Joaquin Valley
Air Pollution Control District

AUTHORITY TO CONSTRUCT

ISSUANCE DATE: DRAFT

PERMIT NO: C-801-11-6

LEGAL OWNER OR OPERATOR: SAINT-GOBAIN CONTAINERS, INC
MAILING ADDRESS: ATTN: ENVIRONMENTAL MANAGER/V. KRULIC
PO BOX 4200
MUNCIE, IN 47307-4200

LOCATION: 24441 AVENUE 12 & ROAD 24 1/2
MADERA, CA 93637

EQUIPMENT DESCRIPTION:
MODIFICATION OF MOLD SWABBING OPERATION INCLUDING FIVE INDIVIDUAL SECTION MACHINES: REPLACE THE EXISTING MOLD COOLING FAN WITH A NEW LARGER MOLD COOLING FAN

CONDITIONS

1. {1830} This Authority to Construct serves as a written certificate of conformity with the procedural requirements of 40 CFR 70.7 and 70.8 and with the compliance requirements of 40 CFR 70.6(c). [District NSR Rule] Federally Enforceable Through Title V Permit
2. {1831} Prior to operating with modifications authorized by this Authority to Construct, the facility shall submit an application to modify the Title V permit with an administrative amendment in accordance with District Rule 2520 Section 5.3.4. [District Rule 2520, 5.3.4] Federally Enforceable Through Title V Permit
3. Authority to Construct (ATC) C-801-11-3 shall be implemented concurrently, or prior to the modification and startup of the equipment authorized by this Authority to Construct. [District Rule 2201]
4. {98} No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
5. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District Rule 4102]
6. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101] Federally Enforceable Through Title V Permit
7. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201] Federally Enforceable Through Title V Permit

CONDITIONS CONTINUE ON NEXT PAGE

YOU MUST NOTIFY THE DISTRICT COMPLIANCE DIVISION AT (559) 230-5950 WHEN CONSTRUCTION IS COMPLETED AND PRIOR TO OPERATING THE EQUIPMENT OR MODIFICATIONS AUTHORIZED BY THIS AUTHORITY TO CONSTRUCT. This is NOT a PERMIT TO OPERATE. Approval or denial of a PERMIT TO OPERATE will be made after an inspection to verify that the equipment has been constructed in accordance with the approved plans, specifications and conditions of this Authority to Construct, and to determine if the equipment can be operated in compliance with all Rules and Regulations of the San Joaquin Valley Unified Air Pollution Control District. Unless construction has commenced pursuant to Rule 2050, this Authority to Construct shall expire and application shall be cancelled two years from the date of issuance. The applicant is responsible for complying with all laws, ordinances and regulations of all other governmental agencies which may pertain to the above equipment.

Seyed Sadredin, Executive Director, APCO

DAVID WARNER, Director of Permit Services

C-801-11-6; Dec 11 2010 1:39PM - TOMS : Joint Inspection NOT Required

8. Particulate matter emissions shall not exceed the maximum allowable emission rate (lb/hr), as determined using the following formula: $E = 17.31 \times P^{0.16}$, where E equals the maximum allowable emission rate (lb/hr) and P equals the process weight rate (tons/hr) and is greater than 30 tons/hr. [District Rule 4202, 4.0] Federally Enforceable Through Title V Permit
9. The permittee shall use best management practices and minimize the use of mold swabbing material (less than or = to 0.211 lb of material per ton of glass pulled) with PM10 emissions of 0.074 lb/ton of glass pulled in order to minimize PM10 emissions from this unit. [District Rule 2201] Federally Enforceable Through Title V Permit
10. Glass throughput for this mold swabbing operation shall not exceed 1,050 U.S. short tons per day. [District Rule 2201] Federally Enforceable Through Title V Permit
11. Glass throughput for this mold swabbing operation shall not exceed 370,380 U.S. short tons per year. [District Rule 2201] Federally Enforceable Through Title V Permit
12. Certified personnel, pursuant to the specifications in section 3 (Qualifications and Testing) of EPA Method 9, shall inspect the roof vent stacks weekly for visible emissions, while this equipment is in operation. The inspection shall be performed, using a modified EPA Method 9, as described in the District Compliance policy, as revised 2/10/05, for Visible Emissions Evaluations. If the modified Method 9 procedure indicates exceedance of the facility-wide 20% opacity limit, the unmodified EPA Method 9 procedure, except for data reduction (section 2.5), shall be performed within 24 hours. [District Rule 2520, 9.3.2] Federally Enforceable Through Title V Permit
13. The permittee shall maintain the following records with regards to visible emission inspections: 1) inspection test method, 2) date and time of inspection, 3) stack or emission point identification, 4) observed results and conclusions, 5) type of corrective action taken, if any to reduce visible emissions and 6) name of person(s) performing the inspection. [District Rule 2520, 9.4.2] Federally Enforceable Through Title V Permit
14. The permittee shall maintain records of the daily quantity of swabbing compound used in this mold swabbing operation. [District Rules 2201 and 2520, 9.4.2] Federally Enforceable Through Title V Permit
15. The permittee shall maintain records of the daily and annual container glass throughput for this mold swabbing operation. [District Rules 2201 and 2520, 9.4.2] Federally Enforceable Through Title V Permit
16. All records required to be maintained by this permit shall be retained on-site for a period of at least five years and made available for District inspection upon request. [District Rule 2201] Federally Enforceable Through Title V Permit
17. District Rule 4201 (as amended December 17, 1992) has been determined not to be applicable to this permit unit. A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit
18. Compliance with the conditions in the permit requirements for this unit shall be deemed compliance with District Rule 4202 (as amended December 17, 1992). A permit shield is granted from this requirement. [District Rule 2520, 13.2] Federally Enforceable Through Title V Permit

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