

I. INTRODUCTION

This source has applied for a Clean Air Act Permit Program (CAAPP) operating permit for its existing operation. The CAAPP is the program established in Illinois for the operating permits for significant stationary sources required by the federal Clean Air Act, as amended in 1990. The conditions in a CAAPP permit are enforceable by both the Illinois Environmental Protection Agency (Illinois EPA) and the USEPA.

Palex Container Systems (formerly Acme Barrel Company) is located at 2300 West 13th Street, Chicago in Cook County. The source reconditions and recycles industrial shipping containers. Coatings are used to provide a durable, protective finish that resist weathering, abrasion, impacts, and in the case of interior linings, provide chemical resistance to the contents of the container. The drums are cleaned to remove residue either in drum furnaces or by using an alkaline solution. The method chosen depends on the residue material and type of drum. The drums are then shot blasted to complete the cleaning process and then are coated. The source has ten coating booths, five for interior coatings, and five for exterior coatings. After the coating operation is complete, the finished drums have cover gaskets glued onto the covers.

II. EMISSION UNITS

Significant emission units at this source are as follows:

Emission Unit	Description	Date Constructed	Emission Control Equipment
SB-1	Interior Coating Line for drums first coat (Coating Booth SB-1)	Before 1973	Filter F-SB-1
SB-2	Interior Coating Line for drums first coat (Coating Booth SB-2)	Before 1973	Filter F-SB-2
SB-3	Interior Coating Line for drums second coat (Coating Booth SB-3)	Before 1973	Filter F-SB-3
SB-4	Interior Coating Line for drums clear coat (Coating Booth SB-4)	Before 1973	Filter F-SB-4
SB-5	Exterior Coating Line for open head drums (Coating Booth SB-5)	Before 1973	Filter F-SB-5
SB-6	Interior Coating Line for lids (Coating Booth SB-6)	Before 1973	Filter F-SB-6
SB-7	Exterior Coating Line for lids (Coating Booth SB-7)	Before 1973	Filter F-SB-7
SB-T	Exterior Coating line for tight head drums (Coating Booth SB-T)	Before 1973	Filter F-SB-T

Emission Unit	Description	Date Constructed	Emission Control Equipment
CB-R	Ring Dip Coating Line (Coating Booth CB-R)	Before 1973	None
SB-NS	Exterior Coating Line for open head drums (Coating Booth SB-NS)	Before 1973	Filter F-SB-NS
OV-D	Gas Fired Oven for drying water off inside and outside of drums (Drying Oven OV-D)	Before 1973	None
OV-E	Gas Fired Oven for drying coated metal parts in line with coating booths SB-5, SB-7 & SB-NS (Drying Oven OV-E)	Before 1973	None
OV-F	Gas Fired Oven for drying coated metal parts in line with coating booths SB-1 & SB-2 (Flash Off Oven OV-F)	Before 1973	None
OV-I	Gas Fired Oven for drying coated metal parts in line with coating booths SB-1, SB-2, SB-3, SB-4, & SB-6 (Drying Oven OV-I)	Before 1973	None
OV-R	Gas Fired Oven for drying coated metal parts in line with coating booth CB-R (Drying Oven OV-R)	Before 1973	None
OV-T	Gas Fired Oven for drying coated metal parts in line with coating booth SB-T (Drying Oven OV-T)	Before 1973	None
GA	Cover Gasket Gluing (Gluing Line GA)	Before 1973	None
OX-W	Natural Gas or #2 oil fired drum cleaning furnace (Drum Furnace OX-W)	Before 1973	Afterburner AB-W
OX-E	Natural Gas fired drum cleaning furnace (Drum Furnace OX-E)	Before 1973	Afterburner AB-E
OX-LP	Natural Gas fired lid/pail cleaning furnace (Lid/Pail Furnace OX-LP)	Before 1973	Afterburner AB-LP

Emission Unit	Description	Date Constructed	Emission Control Equipment
BL-50	Shot Blasting to remove scales (Shot Blaster L-50)	Before 1973	Baghouse BG-50
BL-5L	Shot Blasting to remove scales (Shot Blaster BL-5L)	Before 1973	Baghouse BG-5L
BL-PG	Shot Blasting to remove scales (Shot Blaster BL-PG)	Before 1973	Baghouse BG-5L
BL-PT	Shot Blasting to remove scales (Shot Blaster BL-PT)	Before 1973	Baghouse BG-PT
BL-30	Shot Blasting to remove scales (Shot Blaster BL-30)	Before 1973	Baghouse BG-30
SBL-3L	Shot Blasting to remove scales (Shot Blaster BL-3L)	Before 1973	Baghouse BG-3L
BL-5T	Shot Blasting to remove scales (Shot Blaster BL-5T)	Before 1973	Baghouse BG-5T
SW-S	Cleaning drum interiors for reconditioning (Alkaline Washer SW-S)	Before 1973	None
SW-P	Cleaning drum interiors for reconditioning (Alkaline Washer SW-P)	Before 1973	None
SW-NS	Cleaning drum interiors for reconditioning (Alkaline Washer SW-NS)	Before 1973	None
AB-1	Acid bath to remove rust (Acid Bath AB-1)	Before 1973	None
Boiler	Natural gas-fired boiler Maximum heat input capacity: 25.2 mmBtu/hr	Before 1973	None

III. EMISSIONS

This source is required to have a CAAPP permit since it is a major source of emissions.

For purposes of fees, the source is allowed the following emissions:

Permitted Emissions of Regulated Pollutants

Pollutant	Tons/Year
Nitrogen Oxides (NO _x)	6.6
Particulate Matter (PM)	4.39
Sulfur Dioxide (SO ₂)	6.06
Volatile Organic Material (VOM)	254.2
HAP, not included in VOM or PM	----
TOTAL	271.25

IV. APPLICABLE EMISSION STANDARDS

All emission sources in Illinois must comply with the Illinois Pollution Control Board's emission standards. The Board's emission standards represent the basic requirements for sources in Illinois.

All emission sources in Illinois must comply with the federal New Source Performance Standards (NSPS). The Illinois EPA is administering NSPS in Illinois on behalf of the United States EPA under a delegation agreement.

All emission sources in Illinois must comply with the federal National Emission Standards for Hazardous Air Pollutants (NESHAP). The Illinois EPA is administering NESHAP in Illinois on behalf of the United States EPA under a delegation agreement.

V. PROPOSED PERMIT

CAAPP

A CAAPP permit contains all conditions that apply to a source and a listing of the applicable state and federal air pollution control regulations that are the origin of the conditions. The permit also contains emission limits and appropriate compliance procedures. The appropriate compliance procedures may include inspections, work practices, monitoring, record keeping, and reporting to show compliance with these requirements. The Permittee must carry out these procedures on an on-going basis.

Title I

A combined Title I/CAAPP permit contains terms and conditions established by the Illinois EPA pursuant to authority found in Title I provisions, e.g., 40 CFR 52.21 - federal Prevention of Significant Deterioration (PSD) and 35 IAC Part 203 - Major Stationary Sources Construction and Modification. Notwithstanding the expiration date on the first page of the permit, the Title I conditions remain in effect pursuant to Title I provisions until the Illinois EPA deletes or revises them in accordance with Title I procedures.

Because this source is located in the Chicago ozone non-attainment area and emits volatile organic material (VOM), the permit includes conditions to implement the Emissions Reduction Market System (ERMS). The ERMS is a market-based program designed to reduce VOM emissions from stationary sources to contribute to reasonable further progress toward attainment, as further described in Section 6.0 of the permit. The permit contains the Illinois EPA's determination of the source's baseline emissions and allotment of trading units under the ERMS, and identifies units not subject to further reductions. The permit also provides that the source must begin to operate under the ERMS following the initial issuance of allotment trading units to the source. This will occur for the 2000 seasonal allotment period (rather than the 1999 season as originally intended by the ERMS) due in part to delays in the initial issuance of CAAPP Permits. These delays, which have occurred nationally, are attributable to a variety of causes including the unforeseen complexity of processing these permits and gaps in national guidance. Even though operation under the ERMS will not officially start until the 2000 seasonal allotment period, detailed recordkeeping and reporting of seasonal emissions was required beginning in 1998, which will document emissions reductions achieved by sources in 1999 in preparation for the ERMS.

VI. REQUEST FOR COMMENTS

It is the Illinois EPA's preliminary determination that this source's permit application meets the standards for issuance of a CAAPP permit. The Illinois EPA is therefore proposing to issue a CAAPP permit, subject to the conditions proposed in the draft permit.

Comments are requested on this proposed action by the Illinois EPA and the proposed conditions on the draft permit. If substantial public interest is shown in this matter, the Illinois EPA will consider holding a public hearing in accordance with 35 Ill. Adm. Code Part 164.

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