UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

SEP 2 9 2016

REPLY TO THE ATTENTION OF

Mr. Ray Pilapil
Permit Section Manager
Bureau of Air
Illinois Environmental Protection Agency
1021 North Grand Avenue East
Springfield, Illinois 62794-9276

Dear Mr. Pilapil:

The U.S. Environmental Protection Agency has reviewed the draft Federally Enforceable State Operating Permit (FESOP) (Facility I.D. No. 031288AKE, Permit No. 10100010) for Georgia Nut Company, located at 7500 Linder Avenue, Skokie, Cook County, Illinois. To ensure that the source meets Federal Clean Air Act requirements, that the permit will provide necessary information so that the basis of the permit decision is transparent and readily accessible to the public, and that the permit record provides adequate support for the decision, EPA has the following comments:

1.) Condition (1a)(i) of the draft permit states that the FESOP is issued to limit the emissions of volatile organic materials (VOM) from the construction of emission units and other modifications at the source (the affected emission units), which occurred without first obtaining construction permit(s) between November 15, 1992 and June 15, 2005 (the period during which the Chicago area was classified as several nonattainment for ozone). The purpose of the limits is to exclude the source from the requirements of 35 Ill. Adm. Code Part 203, Major Stationary Source Construction and Modification.

   We note that the permit record does not include an evaluation of lowest achievable emission rate (LAER)-equivalent emission reductions for the affected emission units, and the permit does not require such emission reductions. EPA's Injunctive Relief Memorandum[1] states that, "In order to effectuate the purpose of the [New Source Review (NSR)] programs, EPA generally should, at a minimum, require the installation and operation of control technology or process changes that result in emission reductions equivalent to the best available control technology in [Prevention of Significant Deterioration] cases and ... LAER in nonattainment cases when resolving NSR enforcement actions. When the case involves a source that failed to obtain any type of permit or limit at the time of construction, the source should not be allowed to avoid the installation and operation of pollution control equipment or process changes by obtaining

[1] EPA "Guidance on the Appropriate Injunctive Relief for Violations of Major New Source Review Requirements". November 17, 1998. 2-3.

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a "synthetic" minor limit (usually a permit) after the fact unless compelling circumstances exist. ... If a violation involves a source with actual emissions that never exceeded the [nonattainment NSR] major source threshold, the source should be required to achieve [LAER]-equivalent emission reductions."

Our understanding, based on conversations with Illinois Environmental Protection Agency's (Illinois EPA) construction permitting group, is that Illinois EPA has traditionally followed the Injunctive Relief Memorandum to require LAER-equivalent or best available control technology (BACT)-equivalent emission reductions in situations similar to this. For example, in the construction permit for East Balt Commissary LLC (Application No. 1311044; Facility ID No. 031600FYB), Illinois EPA required LAER-equivalent VOM emission reductions for an oven line expansion that was not permitted as a major modification under MSSCAM at the time of construction. The project was a major modification because the increase in VOM emissions was significant, i.e., more than 25 tons/year, as the Chicago area was a severe nonattainment area for ozone at the time of modification.

We request that Illinois EPA evaluate and require LAER-equivalent emission reductions for the affected emission units, and revise the permit accordingly. Alternatively, Illinois EPA may provide justification in the permit record for not requiring the installation of LAER-equivalent emission reductions for the affected emission units, such that the basis of the decision is transparent and that the permit record provides adequate support for the decision.

2.) Pursuant to 35 Ill. Adm. Code 218.301, condition 6 of the permit limits the discharge of organic material into the atmosphere from any emission unit to no more than 3.6 kg/hr (8 lbs/hr). Permit condition 6 is unclear whether the emission limit applies to the combined emissions of the eight coating centers, each coating center separately, each of the 165 coating machines, or some other combination.

It is noteworthy that the combined emissions of the eight coating centers, when operated at the maximum permitted VOM emission rate of 0.7 tons VOM/week (per Condition 13a), would exceed this hourly VOM limit. An emission rate of 0.7 tons of VOM/week equates to, conservatively, 8.3 lbs/hr of VOM emitted continuously during a one-week period. In practice, actual short-term hourly VOM emissions in such a scenario would be greater, to the extent that the coating centers may not operate 24 hr/day and 7 days/week. The reported actual annual emissions of the facility for 2013 through 2015 indicate that the source regularly emits VOM at a rate that approaches the maximum permitted limits. Therefore, the coating centers have significant potential to exceed 8 lbs/hr of VOM under normal operating conditions.

We request that Illinois EPA clarify in the permit how the definition of "emission unit" is applied to the eight coating centers for the purposes of 35 Ill. Adm. Code 218.301. If the eight coating centers are considered a single emission unit, we request that Illinois EPA further evaluate how the coating centers' compliance with 35 Ill. Adm. Code 218.301 will be assured and revise the permit, as appropriate.

3.) Table 2 of the Project Summary contains the potential to emit (PTE) for the source, as limited by the permit. However, the PTE emissions contained in Table 2 differ from the maximum emissions listed in the permit in Attachment A – Emission Summary. We request that Illinois EPA clarify why these emission values are different, or make corrections, as necessary.

4.) Section VI of the Project Summary document indicates that this is a renewal permit. However, elsewhere in the Project Summary it is referred to as an initial FESOP. We request that Illinois EPA clarify whether this is an initial or renewal FESOP.

We appreciate the opportunity to provide comments on this permit. If you have any questions, please feel free to contact Paymon Danesh, of my staff, at (312) 886-6219.

Sincerely,

Genevieve Damico

Genevieve Damico
Chief
Air Permits Section