

# South Coast Air Quality Management District

## Statement of Basis

### Proposed Title V Renewal Permit

<b>Facility Name:</b>	Deluxe Laboratories, Inc.
<b>Facility ID:</b>	009668
<b>SIC Code:</b>	7819
<b>Equipment Location:</b>	1377 Serrano Avenue Hollywood, CA 90027
<b>Application #(s):</b>	535941
<b>Application Submittal Date(s):</b>	04/13/2012
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#### 1. Introduction and Scope of Permit

Title V is a national operating permit program for air pollution sources. Facilities subject to Title V must obtain a Title V permit and comply with specific Title V procedures to modify the permit. This permit replaces the facility's other existing permits. Title V does not necessarily include any new requirements for reducing emissions. It does, however, include new permitting, noticing, recordkeeping, and reporting requirements.

Pursuant to Title V of the federal Clean Air Act and AQMD Rule 3004(f), a Title V permit shall expire five years from the date of issuance unless such permit has been renewed. Accordingly, each facility is required to submit a Title V renewal application and requested the AQMD to renew their Title V permit. The proposed permit incorporates updates to the facility information provided in the facility's Title V renewal application and all rules and regulations that are currently applicable to the facility.

The AQMD implements Title V through Regulation XXX – Title V Permits, adopted by the AQMD Governing Board in order to comply with EPA's requirement that local air permitting authorities develop a Title V program. Regulation XXX was developed with the participation of the public and affected facilities through a series of public workshops, working group meetings, public hearings and other meetings.

The Title V major source threshold for a particular pollutant depends on the attainment status of the pollutant. NO<sub>2</sub>, SO<sub>2</sub>, CO, and lead are in attainment with federal standards. The status for PM-10 is serious nonattainment. The status for ozone is currently extreme nonattainment.

A Title V renewal permit is proposed to be issued to cover the operations of Deluxe Laboratories, Inc., located at 1377 Serrano Avenue, Hollywood, CA 90027. This facility is subject to Title V requirements because it is a major source.

## **2. Facility Description**

This is an existing Title V facility applying for a Title V permit renewal that is engaged in the business of motion picture film processing and production. The facility operates film cleaning machines, film printing machines, mixing tanks, an emergency internal combustion engine (ICE), and other supporting equipment. Perchloroethylene (Perc) emissions from the printing machines and some of the cleaning machines are vented to an air pollution control equipment carbon adsorption system.

## **3. Construction and Permitting History**

The facility has been in constant operation with a Title V permit at this location since 2001. Numerous permits to construct and or permits to operate have been issued to the facility since October 2001. A Title V permit renewal was issued to the facility on October 1, 2006.

## **4. Regulatory Applicability Determinations**

Applicable legal requirements for which this facility is required to comply are required to be identified in the Title V permit (for example, Section D, E, and H of the proposed Title V permit). Applicability determinations (i.e., determinations made by the District with respect to what legal requirements apply to a specific piece of equipment, process, or operation) can be found in the Engineering Evaluations. The facility is subject to the applicable requirements of 40CFR63 Subpart T- Halogenated Solvent Cleaning. Five film cleaning machines use Perc and as a result are subject to the requirements of this NESHAP. The facility complies with the NESHAP requirements by venting the Perc emissions from the cleaning machines to an air pollution control equipment carbon adsorption system. The requirements of this NESHAP are reflected in the Title V permit. In addition, the facility operates an emergency diesel fired ICE that is subject to the requirements of 40CFR63 Subpart ZZZZ-National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines. The facility is an area source for this NESHAP, and the requirements of this NESHAP are reflected in the permit.

## **5. Monitoring and Operational Requirements**

Applicable monitoring and operational requirements for which the facility is required to comply are identified in the Title V permit (for example, Section D, F, and J and Appendix B of the proposed Title V permit). Discussion of any applicable operational requirements can be found in the Engineering Evaluations. All periodic monitoring requirements were developed using strict adherence to the following applicable guidance documents: SCAQMD Periodic Monitoring Guidelines for Title V Facilities (November 1997); CAPCOA/CARB/EPA Region IX Periodic Monitoring Recommendations for Generally Applicable Requirements in SIP (June 1999); and CAPCOA/CARB/EPA Region IX Recommended Periodic Monitoring for Generally Applicable Grain Loading Standards in the SIP: Combustion Sources (July 2001).

Perc emissions from the wet-gate film printing machines and the five film cleaning machines are vented to an air pollution control system carbon adsorber. The uncontrolled Perc emissions to the carbon adsorber system is greater than the major source threshold for a single HAP of 10 tons per year. As a result, the carbon adsorber system is subject to the Compliance Assurance Monitoring (CAM) requirements of 40 CFR Part 64. Permit conditions have been added to satisfy the CAM requirements. Such permit conditions were developed using the design criteria and other pertinent requirements identified in 40 CFR 64- Compliance Assurance Monitoring and Technical Guidance Document and in the August 1998 Revised Draft CAM.

## 6. Permit Features

### Permit Shield

A permit shield is an optional part of a Title V permit that gives the facility an explicit protection from requirements that do not apply to the facility. A permit shield is a provision in a permit that states that compliance with the conditions of the permit shall be deemed compliance with all identified regulatory requirements. To incorporate a permit shield into the Title V permit involves submission of applications for change of conditions for each equipment affected by the permit shield. Permit shields are addressed in Rule 3004 (c). This facility has not applied for a permit shield.

### Streamlining Requirements

Some emission units may be subject to multiple requirements which are closely related or redundant. The conditions may be streamlined to simplify the permit conditions and compliance. Emission limits, work practice standards, and monitoring, recordkeeping, and reporting requirements may be streamlined. Compliance with a streamlined condition will be deemed compliance with the underlying requirements whether or not the emission unit is actually in compliance with the specific underlying requirement. This facility has not applied for any streamlined conditions.

## 7. Summary of Emissions and Health Risks

### **Criteria Pollutant Emissions (tons/year) Annual Reported Emissions for Reporting Period 2011**

Pollutant	Emissions (tons/year)
NOx	2.1
CO	1.764
VOC	0.384
PM	4.528
SOx	0.012

### **Toxic Air Contaminants Emissions (TAC) Annual Reported Emissions for Reporting Period 2011**

The Following TACs Were Reported	Emissions (lbs/yr)
1,4 Dioxane	2.13

The Following TACs Were Reported	Emissions (lbs/yr)
Ammonia	756
Benzene	0.336
Ethyle Benzene	0.399
Formaldehyde	0.714
Methylene Chloride	1.418
Naphthalene	0.012
PAHs	0.004
Perchloroethylene	1886
Toluene	1.537
Xylenes	1.142

### **Health Risk from Toxic Air Contaminants**

The facility is subject to review by the Air Toxics Information and Assessment Act (AB2588). The Final Facility Health Risk was approved in 2000 with the following risk factors.

Cancer Risk	2.1 in one million
Acute Hazard Index	0.01
Chronic Hazard Index	0.02

### **8. Compliance History**

As noted, the facility has been in constant operation with a Title V permit since 2001. The facility has been subject to both self-reporting requirements and AQMD inspections. The facility has had no citizen complaints filed in the last two years. However, the facility was issued a Notice to Comply on 4/6/2010 requiring the applicant to demonstrate compliance with Rule 1146.2 for boilers and heaters rated at less than 2 MMbtu/hr. In addition, the facility was issued a Notice of Violation on 4/6/2012 for failure to submit a Title V renewal application at least 180 days prior to date of expiration. The facility has since demonstrated compliance with Rule 1146.2 and submitted a Title V renewal application. The facility is currently operating in compliance with all applicable rules and permit conditions.

### **9. Compliance Certification**

By virtue of the Title V permit application and issuance of this Title V renewal permit, the reporting frequency for compliance certification for the facility shall be annual.