

South Coast Air Quality Management District

Statement of Basis

Proposed Title V Renewal Permit

Facility Name:	HITCO Carbon Composites, Inc.
Facility ID:	800066
SIC Code:	3089
Equipment Location:	1600 W. 135 th Street Gardena, CA 90249
Application #(s):	538657
Application Submittal Date(s):	5/31/2012
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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. NO₂, SO₂, 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 HITCO Carbon Composites, Inc. located at 1600 W. 135th Street, Gardena, CA 90249. This facility is subject to Title V requirements because it is a major source.

2. Facility Description

This is an existing facility applying for a Title V permit renewal that is engaged in aerospace composite manufacturing. The facility operates spray booths, boilers, emergency internal combustion engines, storage tanks, hydraulic presses, furnaces, ovens, a scrubber, abrasive blasting equipment and associated air pollution control equipment baghouses, autoclaves, and other supporting equipment. Volatile Organic Compound (VOC) emissions from the operation of the furnaces and some of the ovens are controlled by air pollution control equipment afterburners.

3. Construction and Permitting History

The facility has been in constant operation with a Title V permit at this location since 2003. Numerous permits to construct and or permits to operate have been issued to the facility since January 2003. A Title V permit renewal was issued to the facility on January 20, 2008.

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. This facility is not subject to any NSPS requirements. The facility is an area source under 40CFR63 Subpart ZZZZ-National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines. The facility operates four existing emergency engines that are subject to the NESHAP. The requirements of the NESHAP such as changing the oil and filter, inspecting the air cleaner, inspection of all hoses and belts, installation of a non-resettable hour meter, maintaining the engine according to the manufacturer's specification, and reporting and recordkeeping requirements are specified in the permit.

Also, to ensure that the facility is exempt from 40CFR63 Subpart GG-National Emission Standards for Hazardous Air Pollutants: Aerospace Manufacturing and Rework Facilities, facility wide permit conditions are specified in the Title V permit limiting the quantity of a volatile hazardous air pollutant emissions (VHAP) from the facility to less than 10 tons per year and a combination of VHAPs to less than 25 tons per year.

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).

VOC emissions from the furnaces are vented to air pollution control equipment afterburners. The uncontrolled VOC emissions to each afterburner is greater than the major source threshold for VOC of 10 tons per year. As a result, the afterburners are 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.

PM10 emissions from an abrasive blasting room are controlled by a baghouse. However, since the pre-control potential to emit of PM10 from the abrasive blasting room is less than 70 tons per year, the Compliance Assurance Monitoring (CAM) requirements of 40 CFR Part 64 is not applicable to the baghouse.

In addition, the PM10 emissions from the hydrochloric acid tanks are controlled by a scrubber. However, since the pre-control potential to emit of PM10 from the tanks is less than 70 tons per year, the Compliance Assurance Monitoring (CAM) requirements of 40 CFR Part 64 is not applicable to the scrubber.

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	5.391
CO	1.899
VOC	4.944
PM	0.589
SOx	0.086

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

The Following TACs Were Reported	Emissions (lbs/yr)
1,1,2,2-Tetrachloroethane	0.001
1,1,2Tricethan	0.001
1,2,4Trimebenze	1.390
1,2-Dichloropropane {Propylene dichloride}	0.001
1,3-Butadiene	0.005
1,3-Dichloropropene	0.001
2-Methyl naphthalene [PAH, POM]	0.001
Acenaphthene	0.001
Acenaphthylene	0.001
Acetaldehyde	0.452
Acrolein	0.305
Ammonia	1306.734
B[GHI] Perylene	0.001
Benzene	0.542
Benzo[b]fluoranthene	0.001
Benzo[e]pyrene [PAH, POM]	0.001
Carbon tetrachloride	0.001
Chloroform	0.001
Chromium (VI)	0.001
Chrysene	0.001
Ethyl benzene	8.549
Ethylene dibromide	0.001
Ethylene dichloride	0.001
Ethylene glycol monobutyl ether	5.975
Ethylene glycol monopropyl ether	1.700
Fluoranthene	0.001

The Following TACs Were Reported	Emissions (lbs/yr)
Fluorene	0.001
Formaldehyde	41.474
Hexane	3.595
Hexamethylene-1,6-diisocyanate	0.177
Hydrochloric acid	151.348
Hydrogen fluoride	3.747
Methanol	0.925
Methyl ethyl ketone	584.662
Methyl isobutyl ketone {Hexone}	36.650
Methylene chloride	0.001
Methylene diphenyl diisocyanate {MDI} [POM]	30.042
Naphthalene	0.023
PAHs, total, with components not reported	0.007
Phenanthrene	0.001
Pyrene	0.001
Propylene glycol monomethyl ether	3.610
Propylene glycol monomethyl ether acetate	95.406
Styrene	0.001
Sulfuric Acid	34.504
Toluene	65.688
Vinyl chloride	0.001
Xylenes	57.251

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 1999 with the following risk factors.

Cancer Risk	6.4 in one million
Acute Hazard Index	0.34
Chronic Hazard Index	0.05

8. Compliance History

As noted, the facility has been in constant operation with a Title V permit since 2003. The facility has been subject to both self-reporting requirements and AQMD inspections. The facility has had no citizen complaints filed, or Notices of Violation issued in the last two years. However, the facility was issued a Notice to Comply on 2/1/2011 requiring the applicant to conduct weekly visible emissions observations using EPA Method 22, maintain written records of weekly EPA Method 22 visible emissions observations, install pressure and temperature gauges at all uncorrected in-plant natural gas fuel meters, and report all quarterly NOx process

unit natural gas use as standard cubic feet. The applicant complied with the NC and 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.