

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

ENGINEERING DIVISION

APPLICATION PROCESSING AND CALCULATIONS

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APPLICANT'S NAME: Steelscape Inc.

FACILITY PERMIT ID# 126498

CONTACT PERSON: Francisco Ramos, EHS Coordinator
(909)484-4659

MAILING ADDRESS: 11200 Arrow Route
Rancho Cucamonga, CA 91730

EQUIPMENT ADDRESS: 11200 Arrow Route
Rancho Cucamonga, CA 91730

Title V Permit Revision:
Application No. 529303

**PERMIT TO CONSTRUCT
SECTION "H"**

Equipment Description:

| PROCESS 4: SHEET METAL COIL PROCESSING LINE | | | | | |
|--|-----------|--------------|---------------------------------|-----------|-------------------------------|
| SYSTEM #1: Sheet Metal Coil Pretreatment | | | | | |
| Equipment | Device ID | Connected To | Source Type/ Monitoring Unit | Emissions | Equipment Specific Conditions |
| MIXER, SODIUM HYDROXIDE, WIDTH: 4 FT 8 IN; HEIGHT: 6 FT 11 IN; LENGTH: 5 FT 4 IN A/N: <u>468597529302</u> | D6 | | | | |
| CLEANER, ALKALINE, SPRAY CLEANING STATION #1 A/N: <u>468597529302</u> | D9 | | | | |
| CLEANER, ALKALINE, SPRAY CLEANING STATION #2 A/N: <u>468597529302</u> | D10 | | | | |
| CLEANER, ALKALINE, SPRAY CLEANING STATION #3 A/N: <u>468597529302</u> | D11 | | | | |
| COATER, CHROMATE CONVERSION COATING A/N: <u>468597529302</u> | D12 | | | | E71.1 |

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| OVEN, DRYING, NATURAL GAS, 3.5 MM BTU/HR A/N: 468597529302 | D13 | | NOX: PROCESS SOURCE | CO: 2000 PPMV NATURAL GAS (5) [RULE 407, 4-2-1982]; NOX: 130 LBS/MMSCF NATURAL GAS (1) [RULE 2012, 5-6-2005]; PM: (9) [RULE 404, 2-7-1986]; PM: 0.1 GRAINS/SCF NATURAL GAS (5) [RULE 409, 8-7-1981] | D323.1 |
|--|-----------|--------------|---------------------------------|---|-------------------------------|
| PROCESS 4: SHEET METAL COIL PROCESSING LINE | | | | | |
| SYSTEM #2: Sheet Metal Coil Coating | | | | | |
| S2.1 | | | | | |
| Equipment | Device ID | Connected To | Source Type/ Monitoring Unit | Emissions | Equipment Specific Conditions |
| COATER, ROLL, PRIME A/N: 468597529302 | D7 | C57 | | VOC: (9) [RULE 1125, 1-13-1995; RULE 1125, 3-7-2008; RULE 1171, 11-7-2003; RULE 1171, 5-1-2009]; VOC: 0.14 KG/L OF COATING SOLIDS APPLIED (8) [40CFR 60 Subpart TT, 10-4-1991] | H23.1, H116.1 |
| COATER, ROLL, FINISH A/N: 468597 | D8 | C57 | | VOC: (9) [RULE 1125, 1-13-1995; RULE 1171, 11-7-2003; RULE 1171, 7-14-2006]; VOC: 0.14 KG/L OF COATING SOLIDS APPLIED (8) [40CFR 60 Subpart TT, 10-4-1991] | B27.1, H23.1, H116.1 |
| COATER, ROLL, FINISH, GFG, MODEL 10.5S3(RT)/S2(AR)13, 60 INCH SHEET WIDTH. A/N: 468597529302 | D59 | C57 | | VOC: (9) [RULE 1125, 1-13-1995; RULE 1125, 3-7-2008; RULE 1171, 11-7-2003; RULE 1171, 5-1-2009]; VOC: 0.14 KG/L OF COATING SOLIDS APPLIED (8) [40CFR 60 Subpart TT, 10-4-1991] | H23.1, H116.1 |
| OVEN, DRYING, PRIMER, NATURAL GAS, FOUR 3.75 MMBTU/HR ZONE INCINERATORS, 15 MMBTU/HR A/N: 468597529302 | D14 | C57 | NOX: LARGE SOURCE | CO: 2000 PPMV NATURAL GAS (5) [RULE 407, 4-2-1982]; PM: 0.1 GRAINS/SCF NATURAL GAS (5) [RULE 409, 8-7-1981] | D12.7, H116.1 |
| OVEN, DRYING, FINISH, NATURAL GAS, THREE 3.75 MM BTU/HR AND TWO 3.5 MM BTU/HR ZONE INCINERATORS, 18.25 MMBTU/HR A/N: 468597529302 | D15 | C57 | NOX: LARGE SOURCE | CO: 2000 PPMV NATURAL GAS (5) [RULE 407, 4-2-1982]; PM: 0.1 GRAINS/SCF NATURAL GAS (5) [RULE 409, 8-7-1981] | D12.7, H116.1 |

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| AFTERBURNER, ADWEST RETOX 28.0 RTO95, NATURAL GAS, RENEGERATIVE, DUAL CERAMIC HEAT EXCHANGER MEDIA, 7.862 MMBTU/HR WITH A/N: <u>468597529302</u> BOILER, WASTE HEAT, SUPERIOR, MODEL 5-WH-2506-F-150M, WITH ONE 30-HP ELECTRIC FAN BLOWER | C57 | D7, D8, D14, D15, D59 | NOX: PROCESS UNIT | CO: 2000 PPMV NATURAL GAS (5) [RULE 407, 4-2-1982]; NOX: 29 PPMV NATURAL GAS (3) [RULE 2012, 5-6-2005]; PM: (9) [RULE 404, 2-7-1986]; PM: 0.1 GRAINS/SCF (5) [RULE 409, 8-7-1981] | A72.1, A72.2, A416.1, D12.7, D29.1, D29.2, E193.2, H116.1, K67.5 |
|---|-----|-----------------------|-------------------------|---|--|

**PROCESS 4: SHEET METAL COIL PROCESSING LINE
SYSTEM #3: STORAGE TANK**

| Equipment | Device ID | Connected To | Source Type/ Monitoring Unit | Emissions | Equipment Specific Conditions |
|--|-----------|--------------|---------------------------------|-----------|-------------------------------|
| STORAGE TANK, CHROMIC ACID SOLUTION A/N: <u>468597529302</u> | D23 | | | | E71.1 |
| STORAGE TANK, CHROMIC ACID SOLUTION A/N: <u>468597529302</u> | D24 | | | | E71.1 |
| STORAGE TANK, HEATED, ALKALINE CLEANING SOLUTION A/N: <u>468597529302</u> | D25 | | | | |
| STORAGE TANK, HEATED, ALKALINE CLEANING SOLUTION A/N: <u>468597529302</u> | D26 | | | | |
| STORAGE TANK, HEATED, ALKALINE CLEANING SOLUTION A/N: <u>468597529302</u> | D27 | | | | |

Conditions:

S2.1 The operator shall limit emissions from this system as follows

| Contaminant | Emissions Limit |
|-------------|--|
| VOC | Less than or equal to 339 LBS IN ANY ONE DAY |

A72.1 The operator shall maintain this equipment to achieve a minimum destruction efficiency of 95 percent for VOC during the normal operation of the equipment it vents.

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A72.2 The operator shall maintain this equipment to achieve a minimum overall control efficiency of 95 percent for VOC during the normal operation of the equipment it vents.

A416.1 Notwithstanding Section E administrative condition No. 7b, for compliance with NOx emission limit of 29 ppmv, NOx emissions from this device shall not be corrected for oxygen and shall be at actual stack conditions.

~~B27.1 The operator shall not use materials containing any compounds identified in the SCAQMD Rule 1401, as amended 07-dec-1990.~~

D12.7 The operator shall install and maintain a(n) stack flow monitor to accurately indicate the flue gas flow from the oxidizer stack to provide continuous and cumulative actual flow rate from the ovens and afterburner. Such flow monitor shall be maintained and calibrated in accordance with the system maintenance procedures and schedules specified on the latest flow monitor's QA/QC plan that is approved by the District.

NOx emissions from the afterburner shall be calculated using the NOx RECLAIM concentration limit of 29 ppmv and the stack flow rate at stack conditions (no correction for oxygen) by using Rule 2012 Appendix A, Chapter 4, equation 28c. The NOx emissions calculated for the afterburner under Device No. C57 have already included the NOx emissions from the ovens under D7, D8, D14 & D15. The operator is not required to calculate the individual NOx emissions from each oven. When valid exhaust flow rate of an afterburner is not obtained from the stack flow monitor, substituted data for the exhaust flow rate for the afterburner shall be determined by using procedures in the certification letter for the continuous exhaust flow monitor and the missing data procedures applicable to flow as set forth in Rule 2012 Appendix A, Chapter 3, Section K (2).

D29.1 The operator shall conduct source test(s) for the pollutant(s) identified below.

| Pollutant(s) to be tested | Required Test Method(s) | Averaging Time | Test Location |
|---------------------------|--------------------------|----------------------------------|-------------------------------|
| VOC | Approved District method | District-approved averaging time | Simultaneous inlet and outlet |
| NOx | Approved District method | District-approved averaging time | outlet |
| CO | Approved District method | District-approved averaging time | outlet |

The source tests shall be conducted while the oxidizer is operating at a temperature of not less than the minimum operating temperature specified in this permit. If the operating temperature during the source tests is greater than the minimum operating temperature specified in this permit, the minimum operating temperature may be increased to reflect the operating temperature during the source tests.

The test(s) of VOC and CO emissions shall be conducted at least once during the life of the permit.

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The test(s) shall be conducted no later than May 5, 2016 unless otherwise approved in writing by the District

The test(s) of NO_x emissions shall be conducted to determine the actual NO_x concentration at the stack level and to validate the certification for the continuous exhaust flow monitor as set forth in Rule 2012(j).

The test(s) of VOC emissions shall be conducted to demonstrate compliance with a minimum overall VOC control efficiency of 95 percent during the normal operation of the equipment it vents.

A source test protocol shall be submitted to the District (addressed to South Coast Air Quality Management District, PO Box 4941, Diamond Bar, CA 91765) and shall be approved in writing by the District before the test commences.

The test protocol shall include the completed District Forms ST-1 and ST-2 specifying the proposed operating conditions of the equipment during the test, the identity of the testing laboratory, a statement from the testing laboratory certifying it meets the criteria in District Rule 304(k), and a description of the sampling and analytical procedures to be used.

A written notice of the source test(s) shall be submitted to the District (addressed to South Coast Air Quality Management District, PO Box 4941, Diamond Bar, CA 91765) at least 14 days prior to source testing date so that an observer from the District may be present.

Two complete copies of the source test reports shall be submitted to the District (addressed to South Coast Air Quality Management District, PO Box 4941, Diamond Bar, CA 91765) within 45 days after the source testing date. The source test report shall include, but not limited to all testing data required by this condition.

The results of all tests (including preliminary tests) that are conducted on this equipment for informational purposes shall be submitted to the District (addressed to South Coast Air Quality Management District, PO Box 4941, Diamond Bar, CA 91765) within 45 days after the testing date.

A testing laboratory certified by the California Air Resources Board in the required test methods for criteria pollutants to be measured, and in compliance with the District Rule 304 (no conflict of interest) shall conduct the test.

Sampling facilities shall comply with the District guidelines for construction of sampling and testing facilities, pursuant to Rule 217.

The source test reports of VOC emissions shall consist of, but may not be limited to: VOC in ppmv and pounds per hour, VOC destruction and collection

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efficiencies, usage of all VOC-containing materials during the test, oxygen content, moisture content, flow rate, and temperature.

The source test reports of NOx and CO emissions shall include, but not limited to: emission data expressed in terms of ppmv at stack condition and corrected to 3 percent oxygen (dry basis, for CO only), in lbs/hr, and in lbs/MM cubic feet, all exhaust flow rate expressed in terms of dry standard cubic feet per minute (DSCFM) and dry actual cubic feet per minute (DACFM), all moisture concentration expressed in terms of percent corrected to 3 percent oxygen.

D29.2 The operator shall conduct source test(s) for the pollutant(s) identified below.

| Pollutant(s) to be tested | Required Test Method(s) | Averaging Time | Test Location |
|---------------------------|--------------------------|----------------------------------|---------------|
| VOC | Approved District method | District-approved averaging time | inlet |

The test shall be conducted to certify the coating rooms satisfy the requirements for a Permanent Total Enclosure.

The test shall be conducted within 180 days after the installation of D59.

D323.1 The operator shall conduct an inspection for visible emissions from all stacks and other emission points of this equipment whenever there is a public complaint of visible emissions, whenever visible emissions are observed, and on an annual basis, at least, unless the equipment did not operate during the entire annual period. The routine annual inspection shall be conducted while the equipment is in operation and during daylight hours.

If any visible emissions (not including condensed water vapor) are detected that last more than three minutes in any one hour, the operator shall verify and certify within 24 hours that the equipment causing the emission and any associated air pollution control equipment are operating normally according to their design and standard procedures and under the same conditions under which compliance was achieved in the past, and either:

- 1). Take corrective action(s) that eliminates the visible emissions within 24 hours and report the visible emissions as a potential deviation in accordance with the reporting requirements in Section K of this permit; or
- 2). Have a CARB-certified smoke reader determine compliance with the opacity standard, using EPA Method 9 or the procedures in the CARB manual "Visible Emission Evaluation", within three business days and report any deviations to AQMD.

The operator shall keep the records in accordance with the recordkeeping requirements in Section K of this permit and the following records:

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- 1). Stack or emission point identification;
- 2). Description of any corrective actions taken to abate visible emissions;
- 3). Date and time visible emission was abated; and
- 4). All visible emission observation records by operator or a certified smoke reader.

E71.1 The operator shall not use this equipment if it is heated or air sparged.

E193.1 The operator shall operate and maintain this equipment according to the following requirements:

This permit shall expire if the construction of this equipment is not completed by 12-31-2012 unless an extension of time has been approved in writing by a District representative.

The operator shall notify a District representative when construction has been completed.

E193.2 The operator shall operate and maintain this equipment according to the following requirements:

The combustion chamber temperature shall be maintained at a minimum of 1,600 degrees Fahrenheit whenever the equipment it serves is in operation.

The operator shall operate and maintain a temperature measuring and recording system to continuously measure and record the combustion chamber temperature pursuant to the operation and maintenance requirements specified in 40 CFR Part 64.7. Such system shall have an accuracy of within 1% of the temperature being monitored and shall be inspected, maintained, and calibrated on an annual basis in accordance with the manufacturer's specifications.

For the purpose of this condition, a deviation shall be defined as when the combustion chamber temperature of less than 1,600 degrees Fahrenheit occurs during the normal operation of the equipment it serves. The operator shall review the records of the combustion chamber temperature on a daily basis to determine if a deviation occurs or shall install an alarm system to alert the operator when a deviation occurs.

Whenever a deviation occurs, the operator shall inspect this equipment to identify the cause of such a deviation, take immediate corrective actions to maintain the combustion chamber temperature at or above 1,600 degrees Fahrenheit, and keep records of the duration and cause (including unknown cause, if applicable) of the deviation and the corrective actions taken.

All deviations shall be reported to the AQMD pursuant to the requirements specified in 40 CFR Part 64.9 and Condition Nos. 22 and 23 in Section K of this permit. The report shall include the total operating time of this equipment and the total accumulated duration of all deviations for each semi-annual reporting period specified in Condition No. 23 in Section K of this permit.

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The operator shall submit an application with an Quality Improvement Plan (QIP) in accordance with 40 CFR Part 64.8 to the AQMD if an accumulation of deviations exceeds 5 percent duration of this equipment's total operating time for any semi-annual reporting period specified in Condition No. 23 in Section K of this permit. The required QIP shall be submitted to the AQMD within 90 calendar days after the due date for the semi-annual monitoring report.

H23.1 This equipment is subject to the applicable requirements of the following rules or regulations:

| Contaminant | Rule | Rule/Subpart |
|-------------|---------------|--------------|
| VOC | District Rule | 109 |

H116.1 The operator shall maintain the equipment as Permanent Total Enclosure (PTEs) in order to comply with the requirement of EPA Method 204 whenever the equipment is in operation.

K67.5 The operator shall keep records, in a manner approved by the District, for the following parameter(s) or item(s):

All records of the stack flow data shall be maintained in a manner as described in the latest flow monitor's QA/QC plan that is approved by the District. The operator shall keep a copy of the latest approved QA/QC plan and a copy of the District approved letter for such plan on site.

The operator shall maintain all records that are necessary to demonstrate compliance with all applicable requirements specified in Rule 2012. All records required by this permit shall be kept in a format which is acceptable to the District, maintain on site for a minimum of five years and made them available to any District representative upon request.

Background

Steelscape Inc. has submitted this application, 529302, to replace the finish coater under device D8 with a new S wrap finish coater. This new coater (D59) will be considered a Functionally Identical Replacement with no change in emissions. The new coater will have an automated system to meter the amount of coating applied which will reduce excess coating and produce a more uniform product. System 2 has a VOC limit of 339 lbs in any one day. The system is vented to air pollution control device C57 and the coaters are operated in a Permanent Total Enclosure (PTE). A source test has been conducted on April 27, 2011 to verify PTE and destruction efficiency. The coating rooms were certified as PTE and the overall control efficiency was determined to be 99.9%. The replacement of D8 with a new coater, D59, will not impact the ventilation system since no modification to the existing coating room will occur. To ensure the PTE will remain intact, PTE verification will be required under condition D29.2 after the installation of D59. There will be no change in the operation of the coil coating line.

This equipment has been in operation since 1969 and had an original permit E03541 with no VOC limitation. The original company (Supracote) filed a modification (a/n 270411) to the line

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on 7/9/92 which would have increased the line speed therefore causing an emission increase. To prevent an increase, the coil coating line was capped to 339 lbs VOC/day. Rule 1401 did not apply under Rule 1401(g)(1)(B), amended Dec. 7, 1990 since the modification did not trigger an emission increase, emissions from the operation of this equipment were capped and could not exceed this cap in the future. When the permit to operate was issued, the District initiated the RECLAIM program and applied condition B27.1, "The operator shall not use materials containing any compounds identified in the SCAQMD Rule 1401, as amended 07-dec-1990." to D7 & D8. The application of B27.1 was done in error and should be removed. The coating operations are conducted within a PTE and the volatile emissions vented to an afterburner with a control efficiency in excess of 95%. The roll coaters have essentially a 100% transfer efficiency so no particulates are expected to be emitted. The current Functional Identical Replacement with the current emissions cap is exempt from Rule 1401, amended Sept. 10, 2010 under Rule 1401(g)(1)(C). The coil coating line will not see an emission increase. It is operated under a VOC emissions cap, within a PTE and is vented to an afterburner.

The proposed construction will not result in any changes of emissions, either criteria pollutants or toxic air contaminants. Therefore, the proposed project is considered a minor permit revision to the Title V renewal permit issued on May 6, 2007.

Records indicate that over the past five years, Steelscape has received three Notices to Comply. NC C98946 was issued on 10/28/2008 requiring Steelscape to 1) calculate the fuel for the Large and Process units as corrected to standard conditions, 2) use F-Factor formula for large units, 3) Calculate D30 using Timer equation, 4) use eq. 17b & 17c for C57, and 5) apply for re-certification of Flow monitoring CEMS. The facility had complied with these requests as of 3/05/09.

NC D20279 was issued on 11/03/2010 which required Steelscape to apply MDP and CPMS monitoring for D14, D15 and C57 per Rule 2012, Appendix A, Chapter 3(K). Follow-up showed Steelscape had complied with these requirements as of 11/17/2010.

NC D20291 was issued on 10/21/2011 which required Steelscape to submit the Rule 219 electronic reports using all available record identifiers, 2) Correct the NOx calculations for the Rule 219 office equipment for fuel. Steelscape had submitted the requested information and are in compliance with this notice to comply.

There are no other open notices of violation, notices to comply or complaints on records against this facility as of 12/13/2011.

Process Description:

Steelscape Inc. conducts a metal coil coating operation. Continuous sheets of metal coil are first cleaned, pretreated, and dried in the sheet metal coil pretreatment line. The dried metal sheets are sent to the sheet metal coil coating line where the coils are primed in a prime roll coater, D7, then dried in the primer drying oven, D14. The coil is coated with a finish coat in the finish coater, D8 and dried in the finishing oven, D15. All the VOC emissions are vented to the control device, C57. All operations are performed within a PTE. The new finish coater is designed to apply a precisely metered amount of coating to both sides of the metal coil simultaneously.

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Emissions Calculations:

System 2 is limited to 339 lbs VOC per day. It is vented to an APC with a greater than 95% destruction efficiency. The coating and drying operations are performed within a PTE (100% capture).

Operating Schedule: 24 hours/day, 7 days/week, 52 weeks/year

Daily:

R2 = 339 lbs VOC/day Controlled

R1 = $X \text{ lbs/day VOC} = (339 \text{ lbs VOC/day}) / (1 - 0.95)$

= 6,780 lbs VOC/day uncontrolled

Hourly:

R1 = $(6,780 \text{ lbs VOC/day}) / (24 \text{ hours/day})$

= 282.5 lbs VOC/hr

R2 = $(339 \text{ lbs VOC/day}) / (24 \text{ hours/day})$

= 14.13 lbs VOC/hr

Rule Review

Specific compliance with the following rules is expected.

Rule 212 (c)(1): This section requires a public notice for all new or modified permit units that emit air contaminants located within 1,000 feet from the outer boundary of a school.

No public notice is required under this section since no school is located within 1,000 ft from the above site.

Rule 212 (c)(2): This section requires a public notice for all new or modified facilities that have on-site emission increases exceeding any of the daily maximums as specified by Rule 212(g).

The proposed project will not result in an emission increase for the entire facility. A Rule 212(c)(2) notice will not be triggered since no emission increase will occur.

Rule 212(c)(3): This section requires a public notice for all new or modified permit unit with increases in emissions of toxic air contaminants listed in Table I of Rule 1401 resulting in MICR greater than 1E-6 per permit unit or greater than 10E-6 per facility.

The proposed project will not result in an increased toxic emission that may exceed a MICR of one in a million or a HIC/HIA of 1.0. Public notice is not required under this section of the rule.

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Rule 212(g): This section requires a public notice for all new or modified sources that result in emission increases exceeding any of the daily maximums as specified by Rule 212(g).

There will be no emission increase due to the modification of this process, therefore the daily maximum as specified in Rule 212(g) shall not be exceeded. The following summarizes the emission increase:

| | Maximum Daily Emissions | | | | | |
|--------------------|-------------------------|-----------------------|------------------------|-----------------------|------------|-----------|
| | <u>ROG</u> | <u>NO_x</u> | <u>PM₁₀</u> | <u>SO₂</u> | <u>CO</u> | <u>Pb</u> |
| Emission increase | 0 | 0 | 0 | 0 | 0 | 0 |
| MAX Limit (lb/day) | 30 | 40 | 30 | 60 | 220 | 3 |
| Compliance Status | Yes | Yes | Yes | Yes | Yes | Yes |

A public notice is not required since no emission increase above the thresholds occurred.

Rule 401: Under proper operating conditions and maintenance, compliance with this rule is expected.

Rule 402: Under proper operating conditions and maintenance, compliance with this rule is expected.

Rule 1125: Coil Coating. The applicant complies with the requirements of this rule under the provision of 1125(c)(2)(A) by venting all the VOC emissions from the coating line to an APC which has an overall destruction efficiency of greater than 95%. Compliance with this rule is expected.

Rule 1171: The clean-up operations for this equipment are expected to be in compliance with this rule.

REG XIII: New Source Review.
 BACT: The emissions from this coil coating line are limited to 339 lbs VOC per day. The operations are conducted within a PTE and the emissions are vented to an air pollution control system which has a control efficiency in excess of 95%. A source test has been conducted on April 27, 2011 to verify PTE and destruction efficiency. The coating rooms were certified as Permanent Total Enclosures and the overall control efficiency was determined to be 99.9%. Compliance with BACT is achieved.

1303(b) States that a new permit unit must meet each of the four requirements:

- 1,2) Modeling & Emission Offsets:
 Model and Emission Offsets are exempt under 1304(a)(1) for a functionally identical replacement.
- 3) Facility Compliance:
 The facility is in compliance with all District Rules and Regulations.
- 4) Major Polluting Facilities:

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The modification to this process is not considered a major modification to a major polluting facility.

Rule 1401: Toxics

This modification is considered a Functionally Identical Replacement and is exempt from the requirements under subdivision (d) pursuant to 1401(g)(1)(C).

40CFR60 Subpart TT – Standards of Performance for Metal Coil Surface Coating:

Steelscape uses an air pollution control system to reduce the VOC emissions from the operation of their coil coating line and are subject to 60.462(a)(2), 0.14 kg VOC/ lt of coating solids applied for each calendar month.

For the month of October 2011, the coating line emitted a total of 457.22 lbs VOC (207.83 kg VOC) with total solids applied of 13,686 gal (51,869.94 lt of solids).

$$207.83 \text{ kg VOC} / (51,869.94 \text{ lt solids}) = 0.0040 \text{ kg VOC/lt solids applied}$$

Steelscape complies with the emission rate of 0.14 kg VOC/lt solids applied. Compliance with this Regulation is expected.

REG. XX: This modification has no impact on NOx. Compliance with this Regulation is expected.

REGULATION XXX:

This facility is in the RECLAIM program. The proposed project is considered as a “minor permit revision” for non-RECLAIM pollutants or hazardous air pollutants (HAPs), and a “minor permit revision” for RECLAIM pollutants to the RECLAIM/Title V permit for this facility.

Non-RECLAIM Pollutants or HAPs

Rule 3000(b)(6) defines a “minor permit revision” as any Title V permit revision where the cumulative emission increases of non-RECLAIM pollutants or hazardous air pollutants (HAPs) from these permit revisions during the term of the permit are not greater than any of the following emission threshold levels:

| Air Contaminant | Daily Maximum (lbs/day) |
|-----------------|-------------------------|
| HAP | 30 |
| VOC | 30 |
| NOx* | 40 |
| PM10 | 30 |
| SOx* | 60 |
| CO | 220 |

* Not applicable if this is a RECLAIM pollutant

To determine if a project is considered as a “minor permit revision” for non-RECLAIM pollutants or HAPs, emission increases for non-RECLAIM pollutants or HAPs resulting from all permit revisions that are made after the issuance of the Title V renewal permit shall be accumulated and compared to the above threshold levels. This proposed project is the 2nd permit revision to the Title V renewal permit issued to this facility on May 6, 2007. The following table

SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

ENGINEERING DIVISION

APPLICATION PROCESSING AND CALCULATIONS

| | |
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| see below | 12/11/11 |
| PRCSD BY | CHCKD BY |
| REL | |

summarizes the cumulative emission increases resulting from all permit revisions since the Title V renewal permit was issued:

| Revision | HAP | VOC | NOx* | PM10 | SOx | CO |
|--|-----|-----|------|------|-----|-----|
| Previous Permit Revision Total Cumulative to date. Title V permit renewed May 6, 2007 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2 nd Permit Revision; <u>A/N 529303</u> Facility permit revision to; <u>A/N 529302</u> replace D8, finish coater with D59 a functionally identical replacement. | 0 | 0 | 0 | 0 | 0 | 0 |
| Cumulative Total | 0 | 0 | 0 | 0 | 0 | 0 |
| Maximum Daily | 30 | 30 | 40* | 30 | 60 | 220 |

* RECLAIM pollutant, not subject to emission accumulation requirements

Since the cumulative emission increases resulting from all permit revisions are not greater than any of the emission threshold levels, this proposed project is considered as a “minor permit revision” for non-RECLAIM pollutants or HAPs.

RECOMMENDATION

The proposed project is expected to comply with all applicable District Rules and Regulations. Since the proposed project is considered as a “minor permit revision” for non-RECLAIM pollutants and a “minor permit revision”, for RECLAIM pollutant, it is exempt from the public participation requirements under Rule 3006 (b). A proposed permit incorporating this permit revision will be submitted to EPA for a 45-day review pursuant to Rule 3003(j). If EPA does not raise any objections within the review period, a revised Title V permit will be issued to this facility.

CONCLUSION:

This equipment will operate in compliance with all District Rule and Regulations. A Permit to Construct is recommended for application number 529302 subject to preceding conditions.