

Jeb Bush 2600 Blair Stone Road
Governor Tallahassee, Florida 32399-2400

Colleen M. Castille Secretary

January 28, 2005

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. John Perry Vice President of Operations Nailite International, Inc. 1111 NW 165th Street Miami, Florida 33169

Re: DEP File No. 0250407-008-AC

Construction Permit Modification - Permanent Operation of Line 1

Final Line 1 and Line 2 Emission Controls and Limits

Dear Mr. Perry:

Enclosed is one copy of the Department's Intent to Issue an air construction permit modification to Nailite for the installation of a new panel line and an existing panel line at its new location at 1111 NW 165th Street, Miami, Dade County. The modification will extend the expiration date of the present permit and alleviate the requirement to shutdown the old line. The draft air construction permit modification, the Technical Evaluation and Preliminary Determination, and the <u>Public Notice of Intent to Issue Air Construction Permit Modification</u> are attached.

Department of

Environmental Protection

The <u>Public Notice</u> must be published one time only, as soon as possible, in the legal advertisement section of a newspaper of general circulation in the area affected, pursuant to the requirements Chapter 50, Florida Statutes. Proof of publication, i.e., newspaper affidavit, must be provided to the Department's Bureau of Air Regulation office within seven days of publication. Failure to publish the notice and provide proof of publication may result in the denial of the permit.

Please submit any written comments you wish to have considered concerning the Department's proposed action to A. A. Linero, Administrator, South Permitting Section at the above letterhead address. If you have any other questions, please contact Ms. Cindy Mulkey at 850-921-8968 or Mr. Linero at 850/921-9523.

Sincerely,

Trina Vielhauer, Chief Bureau of Air Regulation

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TLV/cm

Enclosures

"More Protection, Less Process"

Printed on recycled paper.

In the Matter of an Application for Permit Modification by:

John Perry, Vice President of Operations Nailite International, Inc. 1111 NW 165th Street Miami, Florida 33169 DEP File No. 0250407-008 Panel Spray Lines 1 and 2 Final Emission Controls Miami-Dade County

INTENT TO ISSUE AIR CONSTRUCTION PERMIT MODIFICATION

The Department of Environmental Protection (Department) gives notice of its intent to issue an air construction permit modification (copy of draft permit modification) for a previously approved permit for the reasons stated below.

The applicant, Nailite International, Inc., applied on June 15 (complete November 1), 2004 to the Department for modification of the previously issued air construction permit that provided for installation of a new paint line at, and relocation of an existing line to 1111 NW 165th Street, Miami, Dade County. Nailite requested authorization for permanent operation of Line 1; to use results from emissions testing (conducted March 2004) to establish capture and destruction efficiency requirements; to modify certain emission limitations for volatile organic compounds (VOCs); and to re-designate two qualifying emissions units as insignificant.

The Department has permitting jurisdiction under the provisions of Chapter 403, Florida Statutes (F.S.), and Florida Administrative Code (F.A.C.) Chapters 62-4, 62-210, and 62-212. The above actions are not exempt from permitting procedures. The Department has determined that an air construction permit modification is required.

The Department intends to issue this air construction permit modification based on the belief that reasonable assurances have been provided to indicate that operation of these emission units will not adversely impact air quality, and the emission units will comply with all appropriate provisions of Chapters 62-4, 62-204, 62-210, 62-212, 62-296, and 62-297, F.A.C.

Pursuant to Section 403.815, F.S., and Rule 62-110.106(7)(a)1., F.A.C., you (the applicant) are required to publish at your own expense the enclosed Public Notice of Intent to Issue Air Construction Permit Modification. The notice shall be published one time only in the legal advertisement section of a newspaper of general circulation in the area affected. Rule 62-110.106(7)(b), F.A.C., requires that the applicant cause the notice to be published as soon as possible after notification by the Department of its intended action. For the purpose of these rules, "publication in a newspaper of general circulation in the area affected" means publication in a newspaper meeting the requirements of Sections 50.011 and 50.031, F.S., in the county where the activity is to take place. If you are uncertain that a newspaper meets these requirements, please contact the Department at the address or telephone number listed below. The applicant shall provide proof of publication to the Department's Bureau of Air Regulation, at 2600 Blair Stone Road, Mail Station #5505, Tallahassee, Florida 32399-2400 (Telephone: 850/488-0114; Fax 850/922-6979). You must provide proof of publication within seven days of publication, pursuant to Rule 62-110.106(5), F.A.C. No permitting action for which published notice is required shall be granted until proof of publication of notice is made by furnishing a uniform affidavit in substantially the form prescribed in section 50.051, F.S. to the office of the Department issuing the permit. Failure to publish the notice and provide proof of publication may result in the denial of the permit pursuant to Rules 62-110.106(9) & (11), F.A.C.

The Department will issue the final permit modification with the attached conditions unless a response received in accordance with the following procedures results in a different decision or significant change of terms or conditions.

The Department will accept written comments concerning the proposed permit modification issuance action for a period of fourteen (14) days from the date of publication of the <u>Public Notice</u>. Written comments and requests for public meetings should be provided to the Department's Bureau of Air Regulation at 2600 Blair Stone Road, Mail Station #5505, Tallahassee, FL 32399-2400. Any written comments filed shall be made available for public inspection. If written comments received result in a significant change in the proposed agency action, the Department shall revise the proposed permit and require, if applicable, another Public Notice.

Nailite International, Inc. Permit No. 0250407-008-AC

The Department will issue the permit modification with the attached conditions unless a timely petition for an administrative hearing is filed pursuant to sections 120.569 and 120.57 F.S., before the deadline for filing a petition. The procedures for petitioning for a hearing are set forth below.

A person whose substantial interests are affected by the proposed permitting decision may petition for an administrative proceeding (hearing) under sections 120.569 and 120.57 of the Florida Statutes. The petition must contain the information set forth below and must be filed (received) in the Office of General Counsel of the Department at 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida, 32399-3000. Petitions filed by the permit applicant or any of the parties listed below must be filed within fourteen days of receipt of this notice of intent. Petitions filed by any persons other than those entitled to written notice under section 120.60(3) of the Florida Statutes must be filed within fourteen days of publication of the public notice or within fourteen days of receipt of this notice of intent, whichever occurs first. Under section 120.60(3), however, any person who asked the Department for notice of agency action may file a petition within fourteen days of receipt of that notice, regardless of the date of publication. A petitioner shall mail a copy of the petition to the applicant at the address indicated above at the time of filing. The failure of any person to file a petition within the appropriate time period shall constitute a waiver of that person's right to request an administrative determination (hearing) under sections 120.569 and 120.57 F.S., or to intervene in this proceeding and participate as a party to it. Any subsequent intervention will be only at the approval of the presiding officer upon the filing of a motion in compliance with Rule 28-106.205 of the Florida Administrative Code.

A petition that disputes the material facts on which the Department's action is based must contain the following information: (a) The name and address of each agency affected and each agency's file or identification number, if known; (b) The name, address, and telephone number of the petitioner, the name, address, and telephone number of the petitioner's representative, if any, which shall be the address for service purposes during the course of the proceeding; and an explanation of how the petitioner's substantial interests will be affected by the agency determination; (c) A statement of how and when petitioner received notice of the agency action or proposed action; (d) A statement of all disputed issues of material fact. If there are none, the petition must so indicate; (e) A concise statement of the ultimate facts alleged, including the specific facts the petitioner contends warrant reversal or modification of the agency's proposed action; (f) A statement of the specific rules or statutes the petitioner contends require reversal or modification of the agency's proposed action; and (g) A statement of the relief sought by the petitioner, stating precisely the action petitioner wishes the agency to take with respect to the agency's proposed action.

A petition that does not dispute the material facts upon which the Department's action is based shall state that no such facts are in dispute and otherwise shall contain the same information as set forth above, as required by Rule 28-106.301.

Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means that the Department's final action may be different from the position taken by it in this notice. Persons whose substantial interests will be affected by any such final decision of the Department on the application have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above. Mediation is not available in this proceeding.

In addition to the above, a person subject to regulation has a right to apply for a variance from or waiver of the requirements of particular rules, on certain conditions, under Section 120.542 F.S. The relief provided by this state statute applies only to state rules, not statutes, and not to any federal regulatory requirements. Applying for a variance or waiver does not substitute or extend the time for filing a petition for an administrative hearing or exercising any other right that a person may have in relation to the action proposed in this notice of intent.

The application for a variance or waiver is made by filing a petition with the Office of General Counsel of the Department, 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000. The petition must specify the following information: (a) The name, address, and telephone number of the petitioner; (b) The name, address, and telephone number of the attorney or qualified representative of the petitioner, if any; (c) Each rule or portion of a rule from which a variance or waiver is requested; (d) The citation to the statute underlying (implemented by) the rule identified in (c) above; (e) The type of action requested; (f) The specific facts that would justify a variance or waiver for the petitioner; (g) The reason why the variance or waiver would serve the purposes of the underlying statute (implemented by the rule); and (h) A statement whether the variance or waiver is

Nailite International, Inc. Permit No. 0250407-008-AC

permanent or temporary and, if temporary, a statement of the dates showing the duration of the variance or waiver requested.

The Department will grant a variance or waiver when the petition demonstrates both that the application of the rule would create a substantial hardship or violate principles of fairness, as each of those terms is defined in Section 120.542(2) F.S., and that the purpose of the underlying statute will be or has been achieved by other means by the petitioner.

Persons subject to regulation pursuant to any federally delegated or approved air program should be aware that Florida is specifically not authorized to issue variances or waivers from any requirements of any such federally delegated or approved program. The requirements of the program remain fully enforceable by the Administrator of the EPA and by any person under the Clean Air Act unless and until the Administrator separately approves any variance or waiver in accordance with the procedures of the federal program.

Executed in Tallahassee, Florida.

Trina Vielhauer, Chief Bureau of Air Regulation

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CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this Intent to Issue Air Construction Permit Modification (including the Public Notice, Technical Evaluation, and the Draft Permit Modification) was sent by certified mail (*) and copies were mailed by U.S. Mail before the close of business on to the person(s) listed:

Howard Wasserman *
John Perry *
Scott McCann, P.E., Golder Associates
Renee Weaver, Golder Associates
Bruce Offord, SED
Patrick Wong, Miami-Dade DERM
Gregg Worley, EPA

Clerk Stamp

FILING AND ACKNOWLEDGMENT FILED, on this date, pursuant to \$120.52, Florida Statutes, with the designated Department Clerk, receipt of which is hereby acknowledged.

(Clerk)

PUBLIC NOTICE OF INTENT TO ISSUE AIR CONSTRUCTION PERMIT MODIFICATION

FLORIDADEPARTMENT OF ENVIRONMENTAL PROTECTION

Nailite International, Inc. Miami-Dade County

DEP File No.: 0250407-008-AC

The Department of Environmental Protection (Department) gives notice of its intent to issue an Air Construction Permit Modification to Nailite International, Inc. for the previously-approved installation of a new paint line at and relocation of an existing line to Nailite's new location. The final collection and destruction requirements for a previously issued case-by-case Maximum Achievable Control Technology (MACT) were determined for Line 2. The applicant location and mailing address is Nailite International, Inc., 1111 NW 165th Street, Miami, Florida 33169.

Nailite manufactures molded plastic panels from polypropylene pellets and coats them in a series of paint booths. The previously issued permit specified the capture of volatile organic compounds (VOC) from the Line 2 and their destruction in a Regenerative Thermal Oxidizer (RTO). Relocation and operation of the previously uncontrolled Line 1 was temporarily authorized provided it was connected to the new RTO. The Department required improvements to vapor collection systems and efficiency testing for both lines prior to final authorization of the permanent operation of Line 1.

In late 2003 and early 2004, Nailite enclosed open areas in Lines 1 and Line 2 to capture the flashed off solvent, and convey the air/solvent mixture to the RTO. Nailite also conducted performance testing to determine the capture and destruction efficiencies of the collection and destruction system. This information was used to set final permit conditions for both lines including final emission requirements for the MACT determination conducted in 2000. The control requirements for the old Line 1 are 70 and 97 percent collection and destruction efficiency respectively. The case-by-case MACT requirements for the new Line 2 are 90 and 97 percent respectively.

This permit replaces an applicable VOC limit of 6 pound per gallon of paint with a 249 tons per year (TPY) limit on total VOC emissions from the facility. The annual limit in conjunction with the collection and control by the RTO system is much more restrictive because it represents much fewer emissions on a pounds per gallon basis.

The Department will accept written comments concerning the proposed permit issuance action for a period of thirty (30) days from the date of publication of this Public Notice of Intent to Issue Modified Air Construction Permit. Written comments should be provided to the Department's Bureau of Air Regulation at 2600 Blair Stone Road, Mail Station #5505, Tallahassee, FL 32399-2400. Any written comments filed shall be made available for public inspection. If written comments received result in a significant change in the proposed agency action, the Department shall revise the proposed permit modification and require, if applicable, another Public Notice.

The Department will issue the permit modification with the attached conditions unless a timely petition for an administrative hearing is filed pursuant to sections 120.569 and 120.57 F.S., before the deadline for filing a petition. The procedures for petitioning for a hearing are set forth below. Mediation is not available in this proceeding.

A person whose substantial interests are affected by the proposed permitting decision may petition for an administrative proceeding (hearing) under sections 120.569 and 120.57 of the Florida Statutes. The petition must contain the information set forth below and must be filed (received) in the Office of General Counsel of the Department at 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee,

Florida, 32399-3000. Petitions filed by the permit applicant or any of the parties listed below must be filed within fourteen days of receipt of this notice of intent. Petitions filed by any persons other than those entitled to written notice under section 120.60(3) of the Florida Statutes must be filed within fourteen days of publication of the public notice or within fourteen days of receipt of this notice of intent, whichever occurs first. Under section 120.60(3), however, any person who asked the Department for notice of agency action may file a petition within fourteen days of receipt of that notice, regardless of the date of publication. A petitioner shall mail a copy of the petition to the applicant at the address indicated above at the time of filing. The failure of any person to file a petition within the appropriate time period shall constitute a waiver of that person's right to request an administrative determination (hearing) under sections 120.569 and 120.57 F.S., or to intervene in this proceeding and participate as a party to it. Any subsequent intervention will be only at the approval of the presiding officer upon the filing of a motion in compliance with Rule 28-106.205 of the Florida Administrative Code.

A petition that disputes the material facts on which the Department's action is based must contain the following information: (a) The name and address of each agency affected and each agency's file or identification number, if known; (b) The name, address, and telephone number of the petitioner, the name, address, and telephone number of the petitioner's representative, if any, which shall be the address for service purposes during the course of the proceeding; and an explanation of how the petitioner's substantial interests will be affected by the agency determination; (c) A statement of how and when petitioner received notice of the agency action or proposed action; (d) A statement of all disputed issues of material fact. If there are none, the petition must so indicate; (e) A concise statement of the ultimate facts alleged, including the specific facts the petitioner contends warrant reversal or modification of the agency's proposed action; (f) A statement of the specific rules or statutes the petitioner contends require reversal or modification of the agency's proposed action; and (g) A statement of the relief sought by the petitioner, stating precisely the action petitioner wishes the agency to take with respect to the agency's proposed action.

A petition that does not dispute the material facts upon which the Department's action is based shall state that no such facts are in dispute and otherwise shall contain the same information as set forth above, as required by Rule 28-106.301 of the Florida Administrative Code.

Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means that the Department's final action may be different from the position taken by it in this notice. Persons whose substantial interests will be affected by any such final decision of the Department on the application have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above. A complete project file is available for public inspection during normal business hours, 8:00 a.m. to 5:00 p.m., Monday through Friday, except legal holidays, at:

Dept. of Environmental Protection Bureau of Air Regulation 111 S. Magnolia Drive, Suite 4 Tallahassee, Florida 32301 Telephone: 850/488-0114

Fax: 850/922-6979

Miami-Dade County Department of Environmental Resources Mgmt. 33 S.W. 2nd Avenue, Suite 900 Miami, Florida 33130-1540 Telephone: 305/372-6925

Fax: 305/372-6954

Dept. of Environmental Protection Southeast District Office 400 North Congress Avenue West Palm Beach, FL 33416-5425 Telephone: 561/681-6600

Fax: 561/681-6755

The complete project file includes the application, technical evaluations, draft permit modification, and the information submitted by the responsible official, exclusive of confidential records under Section 403.111, F.S. Interested persons may contact the Administrator, South Permitting at 111 South Magnolia Drive, Suite 4, Tallahassee, FL 32301 or call 850/488-0114 for additional information.

TECHNICAL EVALUATION AND PRELIMINARY DETERMINATION

NAILITE INTERNATIONAL, INC. MIAMI, DADE COUNTY

Vinyl Siding Manufacturing and Coating Facility.
Control Efficiencies Lines 1 and 2.
Permanent Operation of Line 1

DEP File No. 0250407-008-AC

Department of Environmental Protection Division of Air Resource Management Bureau of Air Regulation

January 28, 2005

I. APPLICANT NAME AND ADDRESS

Nailite International, Inc. 111 NW 165th Street Miami, Florida 33169

II. FACILITY INFORMATION

Authorized Representative: John Perry, Vice President of Operations

Application Review Schedule

Date of Receipt of Application
Date Application Complete

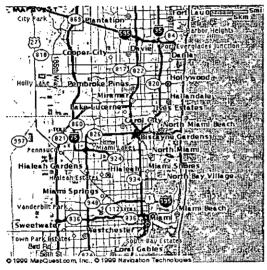
June 22, 2004 November 1, 2004

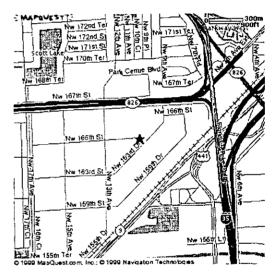
Intent Issued

January 26, 2005

A. FACILITY LOCATION

This facility is located at 1111 NW 165th Street in Miami, Dade County. The UTM coordinates of the site are Zone 17, 578.4 km East and 2867.2 km North.





Regional Map Showing Miami Area

Nailite International Facility Location

B. FACILITY CLASSIFICATION CODES (SIC)

Industry Group No.	30	Plastic Products
Industry No.	3089	All Other Plastic Products Manufacturing

C. FACILITY CATEGORY/APPLICABILITY

The existing facility is a Major or Title V Source of air pollution because emissions of VOC exceed 100 TPY or because emissions of a hazardous air pollutant (HAP – e.g. toluene) exceed 10 TPY. Emission Unit 004 (Line No. 2) was constructed in 2000 and subject to a case-by-case Maximum Achievable Control Technology Determination in accordance with 40 CFR 63, Subpart B, Requirements for Control Technology Determinations for Major Sources in Accordance with Clean Air Act Sections 112(g) and 112(j), adopted as Rule 62-204.800(10)(d)2, F.A.C.

Emission Units 001 and 004 (Lines 1 and 2) are subject to 40 CFR 63, Subpart PPPP for Surface Coating of Plastic Parts. Because the units at this facility were constructed or began construction before December 4, 2002, this facility is considered an existing source and Lines 1 and 2 have until April 19, 2007 to meet the more stringent Federal MACT standard. In the meantime, line 2 must continue to comply with the case-by-case MACT determination.

Because Nailite is a major source of VOC and located in Dade County, the facility was subject to the Reasonably Available Control Technology (RACT) provisions of 62-296.570, F.A.C. In December of 1994, Nailite proposed a VOC emission limit of 6.0 lb VOC/gal of applied coating as the RACT standard for line 1. This value was included in subsequent operation permits including Title V, but was not incorporated into an industry-specific rule.

Prior to construction of Line 2, this was also a Major Facility with respect to Rule 62-212.400, F.A.C., Prevention of Significant Deterioration (PSD), because emissions of volatile organic compounds (VOC) exceeded 250 tons per year (TPY). A case-by-case determination of best available control technology (BACT) was conducted and issued with the MACT determination as a single MACT/BACT.

Following collection and destruction of vapors from previously uncontrolled Line 1, the facility was no longer a Major Facility with respect to PSD. This is reflected in a permit issued to Nailite in December 2002. This facility is now a synthetic minor facility with respect to PSD.

The emission units affected by this permit shall comply with all applicable provisions of the Florida Administrative Code (including applicable portions of the Code of Federal Regulations incorporated therein) and, specifically, the following Chapters and Rules:

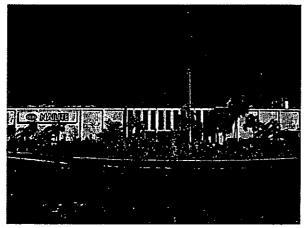
Chapter 62-4	Permits.
Rule 62-204.800	Federal Regulations Adopted by Reference (40CFR63 in Particular)
Rule 62-210.300	Permits Required
Rule 62-210.350	Public Notice and Comments
Rule 62-210.370	Reports
Rule 62-210.550	Stack Height Policy
Rule 62-210.650	Circumvention
Rule 62-210.700	Excess Emissions
Rule 62-210.900	Forms and Instructions
Rule 62-212.300	General Preconstruction Review Requirements
Rule 62-213	Operation Permits for Major Sources of Air Pollution
Rule 62-296.320	General Pollutant Emission Limiting Standards
Rule 62-296.570	Reasonably Available Control Technology (RACT) – VOC and NO _X
Rule 62-297.310	General Test Requirements
Rule 62-297.401	Compliance Test Methods

III. ORIGINAL PROJECT

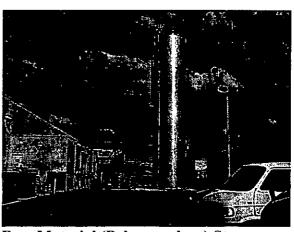
The Florida Department of Environmental Protection (Department) issued a permit to Nailite in September 2000 to construct a spray coating line (Line No. 2). BACT/MACT was determined to be VOC/HAP emission control by a regenerative thermal oxidizer (RTO) air pollution control system <u>designed</u> with an overall capture and destruction efficiency of 90 percent. Final BACT and MACT control requirements were to be established by subsequent testing of the system built to the design specifications cited.

Nailite connected Line 1 to the same RTO. Final non-BACT/MACT control efficiencies were also to be established by subsequent testing. Following is a brief project description.

Nailite manufactures vinyl siding and shingles used for architectural and construction applications. The products are manufactured, coated, and packaged at the facility for shipping off site. The major equipment at the plant includes the two spray coating lines each with three spray booths and a curing oven, nine injection molding machines, and two storage silos. Air pollution controls consist of nearly total capture of vapors and an RTO for controlling VOC/HAP emissions. The following pictures show the external features of the operation.



Nailite Vinyl Panel Manufacturing Facility

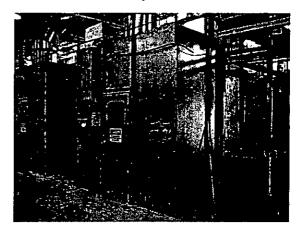


Raw Material (Polypropylene) Storage

The following pictures depict some of the internal features of the facility



Injection Molding Machine



Paint Spray Booth

IV. CURRENT PROJECT

Nailite has requested authorization for permanent operation of and to modify RACT emission requirements for Line 1, to use results from emissions testing (conducted March 2004) to establish capture and destruction efficiency requirements, and to re-designate two qualifying emissions units as insignificant.

A. CONTINUED OPERATION OF LINE NO.1

Nailite has requested an air construction permit to allow permanent operation of Line 1 and to set collection and destruction efficiencies for Lines 1 and Line 2.

The following table shows historical emissions reported by Nailite for Line 1. Emissions were uncontrolled prior to installation of the RTO and were clearly indicative of a Major Facility with respect to PSD and a Major Source with respect to VOC and HAPs.

YEAR/Line	VOC Emissions TPY	HAPS Emissions (TPY)	Hours of Operation
1985 Line 1	228		2080
1994 Line 1	352		3936
1995 Line 1	315		3936
1996 Line 1	215		2892
1997 Line 1	221		3239
1998 Line 1	273		3758
1999 Line 1	366	334	3952
2000 Line 1	518	471	5568
2001 Line 1&2	313	290	5480
2002 Line 1&2	148	113	7280
2003 Line 1&2	143	118	7280
2004 (Jan-Aug)	96	88	

Source: DEP's database: ARMS and Applicant information dated October 15, 2004.

B. CAPTURE AND DESTRUCTION EFFICIENCY REQUIREMENTS

Nailite has requested an air construction permit modification to set final capture and destruction efficiency requirements for the RTO system as required by the initial construction permit. Spray line No. 2 was to be designed and constructed with an overall capture and destruction efficiency of at least 90 percent. However, testing of the line following initial construction resulted in a capture efficiency of only 81.5 percent. In order to increase VOC capture efficiency of the system, Nailite underwent a series of improvements totaling approximately \$400,000 that were required by a Compliance Plan that was incorporated into their Title V Operation Permit issued August 2003. Following is a list of changes required by the Compliance Plan:

- 1) Enclose the following existing open areas in Paint Line 1 to capture the flashed off solvent, and send the air/solvent mixture to the RTO:
 - a) The conveyor system between the booths.
 - b) The conveyor system between the final paint booth and the entrance of the curing oven.
 - c) Infrared curing oven.
 - d) The conveyor cleaning system.

Nailite International, Inc.
Panel Finishing Spray Lines No.1 and No.2

DEP File No. 0250407-008-AC January 21, 2005

- 2) Enclose the following existing open areas in Paint Line 2 to capture the flashed off solvent, and send the air/solvent mixture to the RTO:
 - a) The conveyor system between the booths.
 - b) The conveyor system between the final paint booth and the entrance of the curing oven.
 - c) The conveyor cleaning system.

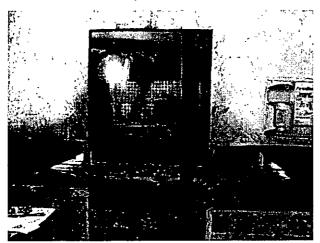
Nailite was required to make the necessary modifications to improve collection of VOC vapors from Paint Lines 1 and 2. After making system modifications, Nailite was required to conduct performance testing to determine the capture and destruction efficiencies of the RTO System and submit the applicable test results to the DERM and DEP.

Following are the changes actually made by Nailite.

- 1) All open sections of the conveyor on Paint Lines No. 1 and No. 2 were enclosed to eliminate any "flashing-off" of emissions in exposed areas of the paint process lines.
- 2) All new enclosed areas were exhausted to the RTO.
- 3) Manned booths were added to Paint Lines No.1 and No. 2 to capture emissions created during the hand spraying (highlighting) operation that was previously done in the open air without any capture.
- 4) The radiant-heat oven associated with Paint Line No.1 was replaced with a new gas oven that captures emissions and exhaust to the RTO.
- 5) Old ductwork associated with Paint Line No. 1 was replaced with more efficiently designed ductwork.

Additionally, in an attempt to reduce volatile organic compound (VOC) emissions on the frontend of the painting process, Nailite has recently incorporated the use of high-solids (low solvent) paints. It is anticipated that high-solids paints will eventually be utilized for one hundred percent (100%) of the painting operations.

The following figures show some of the improvements needed and made to Line 1. Previously only some of the booths were enclosed and vapors flashed off between the booths were not collected.



Line 1, Spray Booth 3 - Before



Line 1, Booths 1 and 2, Flash-off Area - After

All booths on Line 2 were already enclosed. The following figures show an example of the enclosure of the flash-off area between two of the booths.



Line 2, Spray Booths 1 and 2 - Before

Line 2, Spray Booths 1 2 and 3, - After

The additional vapor collection combined with the existing high quality duct work shown below amounts to nearly total enclosure of the VOC sources. The ductwork shown conveys the vapors to the RTO system for final destruction. Testing of the complete collection and destruction was conducted in March of 2004. The testing company's sampling trailer is also shown below.





Extensive Duct Work System to RTO

Mobile Air Emissions Testing Unit

As expected, facility improvements did result in improved capture efficiency of line No. 2. Capture and destruction efficiency testing was performed in March of 2004 yielding a capture efficiency increase to 91.4 percent from 81.5 percent as previously tested. The destruction efficiency of the RTO was measured at 99.18 percent.

The capture efficiency of Line No. 1 averaged 72.72 percent during the most recent testing conducted in March. A summary of test results are shown below.

Date	Capture Efficiency Line No. 1	Capture Efficiency Line No, 2	RTO Destruction Efficiency
January 2003	84.8	81.5	99.54
March 2004	72.72	91.4	99.18

The phenomenon of low capture efficiency as exhibited by spray line No. 1 is not consistent with a near total enclosure. The applicant and their consultants theorize that the newly installed gas oven that replaced the old radiant oven on paint line No. 1 oxidizes some of the collected VOC prior to reaching the RTO.

Air is pulled into the oven and passes across the gas-fired burner, where it is heated to the temperature set point. This air is then forced onto the panels, aiding in the paint curing process. After the heated air is pushed onto the panels, the fan, located in the middle and top of the oven, pulls the majority of the air back into the oven, where it again passes over the burner. During each cycle, a portion of the return air is not re-circulated. This air is sent to the RTO.¹

Line No. 2 differs from Line No. 1 in that fresh ambient air passes over electric heating elements. This heated air is pushed onto the painted panels. The air is then circulated to the opposite end of the oven, where the majority of it enters the ductwork leading to the RTO. Therefore, the majority of flashed-off solvent would be sent to the RTO.²

Department employees visited the facility in May and December of 2004. In contrast to visits prior to the improvements, few odors were detected and overall there was every indication of good capture. The test results indicate high efficiency destruction. The theory proposed for the apparent low capture on Line 1 appears like a reasonable explanation. Nailite may elect to submit a request for an Alternative Sampling Procedure (ASP) to demonstrate the theorized greater collection efficiency of Line 1.

C. FINAL CAPTURE AND DESTRUCTION EFFICIENCY VALUES

The Department has determined that Nailite has submitted adequate information allowing the Department to:

- 1. Set the final emission limits for the case-by-case MACT previously conducted on line 2.
- 2. Set the reasonable final emission limits on Line 1 that will allow operation of the facility as a non-Major Facility with respect to the PSD rules (synthetic minor).

The values proposed by Nailite based on the test program and with a margin of safety are as follow:

Proposed Capture and Destruction Efficiencies

Line No.	Capture Efficiency	RTO Destruction Efficiency
Spray Line No. 1	70%	95%
Spray Line No. 2 (MACT)	90%	95%

The proposed values for Line 1 are acceptable. Based on the testing and requirements to adhere to MACT on Line 2, the Department believes that a value of 97 percent RTO destruction efficiency is more appropriate than the one proposed by Nailite.

D. STATUS OF RACT REQUIREMENT

Rule 62-296.570, F.A.C, RACT Requirements for Major VOC and NO_x emitting Facilities, establishes NO_x and VOC emission limits for various source types. Nailite and other industries in Southeast Florida were required to submit proposals in 1993 for categories of major sources for which RACT industry-specific limits had not yet been set in Rules 62.296.501-516, F.A.C.

Some of the submittals and determinations were reflected in a revision to Rule 62-296.570, F.A.C. These include for example determinations for cement plants, resin coating, carbonaceous fuel burning, oil-fired diesel generators, certain categories of power plants, etc.

On January 3, 1995 Nailite submitted a proposal for RACT of 6.0 lb VOC/gallon of applied coating pursuant to the requirement in 62-296.570, F.A.C. that was incorporated into subsequent permits but not incorporated into any rule category. The limit was requested without further control such as collection and destruction by an RTO system.

Nailite requests deletion of the 6 lb VOC/gallon of coating requirement. This limit is to be replaced with a 249 tons per year (TPY) limit on total VOC emissions from the facility and with the collection and destruction efficiencies specified by the Department. The new limit is much more restrictive because the collection and control by the RTO system represents much fewer emissions on a pounds per gallon basis.

This request will be incorporated into this construction permit and will replace their previous RACT proposal which was never put into rule. This current request is not a specific RACT proposal per se however it more than meets the intent of the original RACT rules for Southeast Florida. This request is also consistent with the facility's classification as a non-major (synthetic minor) facility with respect to PSD.

E. UNIT RECLASSIFICATION

Nailite has requested that the injection molding machines and associated oil tanks (EU 002), and the storage silos (EÚ 003) be re-designated as insignificant emissions units. According to the facility the injection molding machines are closed units. The molding operations include the injection of a high viscous liquid colorant into the pellet blend, plasticizing of the blend, and molding to the desired form. According to the Material Safety Data Sheets (MSDS), the colorant and polypropylene pellets do not contain VOCs or HAPs. Therefore, this unit is assumed to have negligible emissions and would qualify for the generic emission unit exemption in Rule 62-210.300(3)(b)1.b, F.A.C. The oil tanks are integrated into the machines and serve to provide machine lubrication. In addition to the generic emission unit exemption, Nailite also proposed that the tanks qualify for a categorical exemption under Petroleum Lubrication Systems, established in Rule 62-210.300(3)(a)30, F.A.C.

The polypropylene storage silos are currently equipped with a vacuum pump/filter system to protect process equipment such as pipes from particulate buildup. The intent of the particulate control is not to control particulate matter from emitting into the atmosphere because the pellet system is a closed system with no points of emissions (with the exception of the baghouse, which

is considered negligible). Nailite proposes that the silos qualify for the generic emission unit exemption in Rule 62-210.300(3)(b)1.b, F.A.C.3

The Department agrees that the injection molding machines and storage silos qualify for the generic emission unit exemption and that the oil tanks qualify for the categorical exemption above as stated by Nailite.

V. CONCLUSION

Nailite has completed the required testing as specified in earlier construction permits. For Line No. 2, MACT for VOC/HAP emissions is determined to be the use of an RTO designed to capture and control these emissions from the new spray booths and curing oven. The control system shall demonstrate no less than 90 percent capture efficiency and no less than 97-percent destruction efficiency.

Emission units 002 and 003, injection molding machines and storage silos respectively, will be re-classified as insignificant emissions units.

Total Emissions of VOCs from the facility will be limited to 249 TPY by maintaining capture and destruction efficiencies of the RTO system required by the Department. This more restrictive limit will replace the existing 6 lb VOC/gallon of coating RACT requirement on Line 1.

The facility is now a non-major source with respect to the PSD rules. The Department has reasonable assurance that the facility will not cause or contribute to any violations of the ambient air standards and increments.

The Department will issue the attached draft permit that will replace the previous ones issued for construction of Line 2 and relocation of Line 1. Conditions to insure compliance with the non-major designation (synthetic minor) for PSD are included.

REFERENCES

CRB Request to revise permit 0250407-005-AC, Attachment B, June 15, 2004

² CRB Request to revise permit 0250407-005-AC, Attachment B, June 15, 2004

Golder Associates Letter to FDEP, Response To Verbal Request For Additional Information, of October 15, 2004.

PERMITTEE

Nailite International, Inc. 1111 N.W. 165th Street Miami, Florida 33169

Permit No. 0250407-008-AC

Project

Panel Spray Lines 1 and 2

SIC No.

3089

Expires:

May 30, 2005

Authorized Representative:

Mr. John Perry, Vice President of Operations

PROJECT AND LOCATION

The original construction permit authorized the applicant to construct a new plastics panel spray coating line (Line No. 2), and relocate the old spray line (Line No. 1) from its former location to be connected with the regenerative thermal oxidizer air pollution control system installed for the new line. This re-issuance of the final permit establishes collection and destruction efficiency values, and removes the operational deadline for panel spray line No. 1. This permit also modifies emission limitations for volatile organic compounds (VOCs), and modifies certain conditions in construction permits 0250407-005-AC, and 0250407-007-AC issued on December 31, 2002 and September 5, 2003 respectively.

The project is located at 1111 N.W. 165th Street, Miami, Dade County. The UTM coordinates are Zone 17; 578.4 km E; 2867.2 km N. The Everglades National Park is approximately 35 km west-southwest of the site.

STATEMENT OF BASIS

This permit is issued under the provisions of Chapter 403 of the Florida Statutes (F.S.), and the Florida Administrative Code (F.A.C.) Chapters, 62-4, 62-204, 62-210, 62-212, 62-296, and 62-297. The above named permittee is authorized to construct the emissions units in accordance with the conditions of this permit and as described in the application, approved drawings, plans, and other documents on file with the Department of Environmental Protection (Department).

APPENDICES

The attached appendices are a part of this permit.

Appendix GC General Permit Conditions

> Michael G. Cooke, Director Division of Air Resource Management

AIR CONSTRUCTION PERMIT 0250407-008-AC SECTION I. FACILITY INFORMATION

SECTION I. FACILITY INFORMATION

FACILITY DESCRIPTION

Nailite manufactures and coats plastic shingles molded from polypropylene pellets. The former Nailite facility, consisting of Line No. 1 (EU-001), was located at 1251 NW 165th Street in Miami, Dade County. The new plastic panel spray line, Line No. 2 (EU-002), is located at 1111 NW 165th Street, approximately 500 feet east of the former facility. Under the original construction permit, 0250407-002-AC (PSD-FL-289) issued on September 26, 2000, Line No. 1 was relocated to the new address for operation alongside the new Line No. 2.

Line No.1 consists of three paint spray booths and a gas fired oven. The new No.2 Line consists of three spray booths and an electric curing oven. Air pollution controls consist of a state-of-the-art Regenerative Thermal Oxidizer (RTO) for controlling Volatile Organic Carbons/Hazardous Air Pollutant (VOC/HAP) emissions. There are also nine injection molding machines with associated lubricating oil tanks, and 2 storage silos equipped with vacuum pump/filter systems.

The original maximum production capacity of 300,000 gallons of paints and solvents per line per year shall remain unchanged. Any increase above 300,000 gallons per line per year will require a modification of this permit per Rule 62-4.080 and Chapters 62-210 and 62-212 of the Florida Administrative Code.

The facility consists of the following emissions units.

EU No.	EMISSIONS UNIT DESCRIPTION
001	Spray Line No. 1 consists of 3 spray booths, 2 touch-up booths, and a gas-fired curing oven
	9 Injection Molding Machines/Oil Tanks ¹
003	2 Storage Silos equipped with vacuum pump/filter systems ²
004	Spray Line No. 2 consists of 3 spray booths, and an electric curing oven

¹ Emissions unit 002 is exempt from permitting (exempt emissions unit) pursuant to Rules 62-210.300(3)(a)30, F.A.C (Oil Tanks) and 62-210.300(3)(b)1.b, F.A.C. (Injection Molding Machines), provided that the colorant and polypropylene pellets do not contain VOCs or HAPs. The owner or operator should maintain records of Material Safety Data Sheets (MSDS) to verify that this emissions unit remains exempt. This emissions unit is subject to the facility-wide specific conditions of Section II of this permit. Estimated maximum potential VOC emissions from the injection molding machines are negligible.

REGULATORY CLASSIFICATION ;

This facility is a Major or Title V HAP source because emissions of at least one hazardous air pollutant exceeds 10 tons per year and emissions of total HAPs exceed 25 tons per year.

Because controlled emissions of VOCs will not exceed 250 tons per year (TPY) this facility is a synthetic minor facility with respect to the Department's Prevention of Significant Deterioration (PSD) rules. The facility is not within an industry included in the list of 28 Major Facility Categories per Table 62-212.400-1, F.A.C., therefore, the major source threshold of 250 TPY must be reached before PSD applies.

Emission unit 004 (spray line No. 2) is subject to a case-by-case Maximum Achievable Control Technology (MACT) Determination in accordance with Rule 62-204.800(10)(d)2, F.A.C. On April 19, 2004, the EPA published the final MACT Subpart PPPP for the Surface Coating of Plastic Parts Industry. Existing affected sources must be in compliance with this final MACT rule no later than April 19, 2007. Because the units at this facility were constructed or began construction before December 4, 2002, this

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² Emissions unit 003 is exempt from permitting (exempt emissions unit) pursuant to Rules 62-210.300(3)(b)1.b, F.A.C., provided that the point of emissions remains exclusively through the baghouse. This emissions unit is subject to the facility-wide specific conditions of section II of this permit. Estimated maximum potential VOC emissions from the injection molding machines are negligible.

AIR CONSTRUCTION PERMIT 0250407-008-AC SECTION I. FACILITY INFORMATION

facility is considered an existing source and the facility (spray lines 1 and 2) has until April 19, 2007 to meet the more stringent Federal MACT standard.

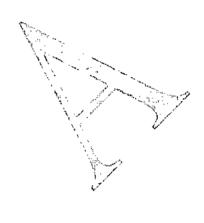
REVIEWING AND PROCESS SCHEDULE

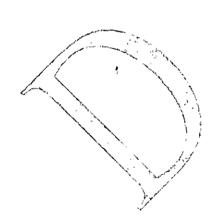
6-22-04	Date of Receipt of Application
11-01-04	Date Application Complete
X-XX-05	Notice of Intent Published in Newspaper

RELEVANT DOCUMENTS

The documents listed below constitute the basis for the permit and are on file with the Department.

- Permit Application
- Department's request for additional information of August 2, 2004
- Applicant's additional information November 1, 2004
- Department's Technical Evaluation and Maximum Achievable Control Technology (MACT) January 24, 2005
- Department's Notice of Intent to Issue January 28, 2005





The following specific conditions apply to all emissions units at this facility addressed by this permit.

ADMINISTRATIVE

- 1. Regulating Agencies: All documents related to applications for permits to operate, reports, tests, minor modifications and notifications shall be submitted to the Air Division of the Dade County Department of Environmental Resources Management (DERM), Suite 900, 33 Southwest Second Avenue, Miami, Florida 33130-1540 (phone number: 305/372-6925). All applications for permits to construct or modify an emission unit subject to Prevention of Significant Deterioration or Nonattainment (NA) Review requirements should be submitted to the Bureau of Air Regulation (BAR), Florida Department of Environmental Protection at Mail Station #5505, 2600 Blair Stone Road, Tallahassee, Florida 32399-2400 (phone number 850/488-0114).
- 2. <u>General Conditions</u>: The owner and operator are subject to and shall operate under the attached General Permit Conditions G.1 through G.15 listed in Appendix GC of this permit. General Permit Conditions are binding and enforceable pursuant to Chapter 403 of the Florida Statutes. [Rule 62-4.160, F.A.C.]
- 3. <u>Terminology</u>: The terms used in this permit have specific meanings as defined in the corresponding chapters of the Florida Administrative Code.
- 4. Applicable Regulations, Forms and Application Procedures: Unless otherwise indicated in this permit, the construction and operation of the subject emissions unit shall be in accordance with the capacities and specifications stated in the application. The facility is subject to all applicable provisions of Chapter 403, F.S. and Florida Administrative Code Chapters 62-4, 62-110, 62-204, 62-212, 62-213, 62-296, 62-297 and the Code of Federal Regulations Title 40, Part 60, adopted by reference in the Florida Administrative Code (F.A.C.) regulations. The permittee shall use the applicable forms listed in Rule 62-210.900, F.A.C. and follow the application procedures in Chapter 62-4, F.A.C. Issuance of this permit does not relieve the facility owner or operator from compliance with any applicable federal, state, or local permitting or regulations. [Rules 62-204.800, 62-210.300 and 62-210.900, F.A.C.]
- 5. New or Additional Conditions: Pursuant to Rule 62-4:080, F.A.C., for good cause shown and after notice and an administrative hearing, if requested, the Department may require the permittee to conform to new or additional conditions. The Department shall allow the permittee a reasonable time to conform to the new or additional conditions, and on application of the permittee, the Department may grant additional time. [Rule 62-4.080, F.A.C.]
- 6. Expiration: This air construction permit shall expire on May 30, 2005. The permittee, for good cause, may request that this construction permit be extended. Such a request shall be submitted to the Department's Bureau of Air Regulation prior to 60 days before the expiration of the permit. [Rules 62-210.300(1), 62-4.070(4), 62-4.080, and 62-4.210 and 62-212.400(2)(g), F.A.C.]
- 7. <u>Modifications</u>: No emissions unit or facility subject to this permit shall be constructed or modified without obtaining an air construction permit from the Department. Such permit must be obtained prior to the beginning of construction or modification. [Rules 62-210.300(1) and 62-212.300(1)(a), F.A.C.]
- 8. <u>Title V Operation Permit Required</u>: This permit authorizes construction and/or installation of the permitted emissions unit and initial operation to determine compliance with Department rules. A Title V operation permit is required for regular operation of the permitted emissions unit. The owner or operator shall apply for and receive a Title V operation permit prior to expiration of this permit. To apply for a Title V operation permit, the applicant shall submit the appropriate application form, compliance test results, and such additional information as the Department may by law require. The application shall be submitted to the Department's appropriate District office. [Rules 62-4.030, 62-4.050, 62-4.220, and Chapter 62-213, F.A.C.]

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Panel Finishing Spray Lines No.1 and No.2

Final Limits

EMISSIONS LIMITING STANDARDS

- 9. General Visible Emissions Standard: Except for emissions units that are subject to a particulate matter or opacity limit set forth or established by rule and reflected by conditions in this permit, no person shall cause, let, permit, suffer, or allow to be discharged into the atmosphere the emissions of air pollutants from any activity, the density if which is equal to or greater than that designated as Number 1 on the Ringelmann Chart (20% opacity). The test method for visible emissions shall be EPA Method 9, incorporated and adopted by reference in Chapter 62-297, F.A.C. Test procedures shall meet all applicable requirements of Chapter 62-297, F.A.C. [Rule 62-296.320(4)(b)1, F.A.C.]
- 10. Unconfined Emissions of Particulate Matter: [Rules 62-296.320(4)(c) and 62-212.400, F.A.C.]
 - (a) No person shall cause, let, permit, suffer or allow the emissions of unconfined particulate matter from any activity, including vehicular movement; transportation of materials; construction, alteration, demolition or wrecking; or industrially related activities such as loading, unloading, storing or handling; without taking reasonable precautions to prevent such emissions.
 - (b) Any permit issued to a facility with emissions of unconfined particulate matter shall specify the reasonable precautions to be taken by that facility to control the emissions of unconfined particulate matter.
 - (c) Reasonable precautions include the following:
 - Paving and maintenance of roads, parking areas and yards.
 - Application of water or chemicals to control emissions from such activities as demolition of buildings, grading roads, construction, and land clearing.
 - Application of asphalt, water, oil, chemicals or other dust suppressants to unpaved roads, yards, open stock piles and similar activities.
 - Removal of particulate matter from roads and other paved areas under the control of the owner
 or operator of the facility to prevent re-entrainment, and from buildings or work areas to
 prevent particulate from becoming airborne.
 - Landscaping or planting of vegetation.
 - Use of hoods, fans, filters, and similar equipment to contain, capture and/or vent particulate matter.
 - Confining abrasive blasting where possible.
 - Enclosure or covering of conveyor systems.
 - (d) In determining what constitutes reasonable precautions for a particular source, the Department shall consider the cost of the control technique or work practice, the environmental impacts of the technique or practice, and the degree of reduction of emissions expected from a particular technique or practice.
- 11. General Pollutant Emission Limiting Standards: [Rule 62-296.320(1)(a)&(2), F.A.C.]
 - (a) No person shall store, pump, handle, process, load, unload or use in any process or installation, volatile organic compounds or organic solvents without applying known and existing vapor emission control devices or systems deemed necessary and ordered by the Department.
 - (b) No person shall cause, suffer, allow or permit the discharge of air pollutants which cause or contribute to an objectionable odor. (Not federally enforceable)

[Note: An objectionable odor is defined in Rule 62-210.200(203), F.A.C., as any odor present in the outdoor atmosphere which by itself or in combination with other odors, is or may be harmful or injurious to human health or welfare, which unreasonably interferes with the comfortable use and enjoyment of life or property, or which creates a nuisance.]

Nailite International, Inc.
Panel Finishing Spray Lines No.1 and No.2

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OPERATIONAL REQUIREMENTS

12. Plant Operation - Problems: If temporarily unable to comply with any of the conditions of the permit due to breakdown of equipment or destruction by hazard of fire, wind or by other cause, the permittee shall immediately notify the Department's appropriate district office and the appropriate local program office. The notification shall include pertinent information as to the cause of the problem, and what steps are being taken to correct the problem and to prevent its recurrence, and where applicable, the owner's intent toward reconstruction of destroyed facilities. Such notification does not release the permittee from any liability for failure to comply with Department rules. [Rule 62-4.130, F.A.C.]

[Note: A quarterly written report is hereby requested by the Department for every quarter that the facility is in operation. If no malfunctions occurred during a quarter, a written report stating that no malfunctions occurred shall be submitted. Reports shall be submitted within 30 days following the calendar quarter.]

- 13. <u>Circumvention</u>: No person shall circumvent any air pollution control device or allow the emission of air pollutants without the applicable air pollution control device operating properly. [Rule 62-210.650, F.A.C.]
- 14. Excess Emissions: For purposes of this permit, all limits established pursuant to the State Implementation Plan, including those limits established as BACT, include emissions during periods of startup and shutdown, and are not subject to the provisions of Rule 62-210.700(1), F.A.C. This provision cannot be used to vary any NESHAP requirements from any subpart of 40 CFR 63 [Rule 62-210.700(5), F.A.C.]

Excess emissions which are caused entirely or in part by poor maintenance, poor operation, or any other equipment or process failure which may reasonably be prevented during start-up, shutdown or malfunction shall be prohibited pursuant to Rule 62-210.700(4), F.A.C. [Rules 62-4.070(3) and 62-210.700(5), F.A.C.]

For purposes of this permit, all emissions limits include emissions during periods of startup, shutdown, and malfunction and are not subject to the provisions of Rule 62-210.700(1), F.A.C. Excess emissions resulting from malfunction of any emissions units shall be permitted providing (1) best operational practices to minimize emissions are adhered to and (2) the duration of excess emissions shall be minimized, but in no case exceed two hours in any 24 hour period unless specifically authorized by the Department for longer duration. [Rule 62-210.700(1), F.A.C.]

COMPLIANCE MONITORING AND TESTING REQUIREMENTS

15. Required Number of Test Runs: For mass emission limitations, a compliance test shall consist of three complete and separate determinations of the total air pollutant emission rate through the test section of the stack or duct and three complete and separate determinations of any applicable process variables corresponding to the three distinct time periods during which the stack emission rate was measured; provided, however, that three complete and separate determinations shall not be required if the process variables are not subject to variation during a compliance test, or if three determinations are not necessary in order to calculate the unit's emission rate. The three required test runs shall be completed within one consecutive five-day period. In the event that a sample is lost or one of the three runs must be discontinued because of circumstances beyond the control of the owner or operator, and a valid third run cannot be obtained within the five-day period allowed for the test, the Secretary or his or her designee may accept the results of two complete runs as proof of compliance, provided that the arithmetic mean of the two complete runs is at least 20% below the allowable emission limiting standard. [Rule 62-297.310(1), F.A.C.]

- 16. Operating Rate During Testing: Unless otherwise stated in the applicable emission limiting standard rule, testing of emissions shall be conducted with the emissions unit operation at permitted capacity. Permitted capacity is defined as 90 to 100 percent of the maximum operation rate allowed by the permit. If it is impractical to test at permitted capacity, an emissions unit may be tested at less than the minimum permitted capacity; in this case, subsequent emissions unit operation is limited to 110 percent of the test load until a new test is conducted. Once the unit is so limited, operation at higher capacities is allowed for no more than 15 consecutive days for the purpose of additional compliance testing to regain the authority to operate at the permitted capacity. [Rule 62-297.310(2), F.A.C.]
- 17. <u>Calculation of Emission Rate</u>: The indicated emission rate or concentration shall be the arithmetic average of the emission rate or concentration determined by each of the three separate test runs unless otherwise specified in a particular test method or applicable rule. [Rule 62-297.310(3), F.A.C.]
- 18. <u>Test Procedures</u> shall meet all applicable requirements of Rule 62-297.310(4), F.A.C. [Rule 62-297.310(4), F.A.C.]
- 19. Determination of Process Variables: [Rule 62-297.310(5), F.A.C.]
 - a) Required Equipment. The owner or operator of an emissions unit for which compliance tests are required shall install, operate, and maintain equipment or instruments necessary to determine process variables, such as process weight input or heat input, when such data are needed in conjunction with emissions data to determine the compliance of the emissions unit with applicable emission limiting standards.
 - b) Accuracy of Equipment. Equipment or instruments used to directly or indirectly determine process variables, including devices such as belt scales, weight hoppers, flow meters, and tank scales, shall be calibrated and adjusted to indicate the true value of the parameter being measured with sufficient accuracy to allow the applicable process variable to be determined within 10% of its true value.
- 20. Required Stack Sampling Facilities: Sampling facilities include sampling ports, work platforms, access to work platforms, electrical power, and sampling equipment support. All stack sampling facilities must meet any Occupational Safety and Health Administration (OSHA) Safety and Health Standards described in 29 CFR Part 1910, Subparts D and E. Sampling facilities shall also conform to the requirements of Rule 62-297.310(6), F.A.C. [Rule 62-297.310(6), F.A.C.]
- 21. <u>Test Notification</u>: The permittee shall notify the appropriate Department District Office and the appropriate local program at least 15 days prior to the date on which each formal compliance test is to begin. Notification shall include the date, time, and place of each such test, and the test contact person who will be responsible for coordinating and having such test conducted for the owner or operator. [Rule 62-297.310(7)(a)9., F.A.C.]
- 22. Special Compliance Tests: When the Department, after investigation, has good reason (such as complaints, increased visible emissions or questionable maintenance of control equipment) to believe that any applicable emission standard contained in a Department rule or in a permit issued pursuant to those rules is being violated, it shall require the owner or operator of the facility to conduct compliance tests which identify the nature and quantity of pollutant emissions from the emissions units and to provide a report on the results of said tests to the Department. [Rule 62-297.310(7)(b), F.A.C.]

REPORTING AND RECORD KEEPING REQUIREMENTS

- 23. <u>Duration of Record Keeping</u>: Upon request, the permittee shall furnish all records and plans required under Department rules. During enforcement actions, the retention period for all records will be extended automatically unless otherwise stipulated by the Department. The permittee shall hold at the facility or other location designated by this permit records of all monitoring information (including all calibration and maintenance records and all original strip chart recordings for continuous monitoring instrumentation) required by the permit, copies of all reports required by this permit, and records of all data used to complete the application for this permit. These materials shall be retained at least five years from the date of the sample, measurement, report, or application unless otherwise specified by Department rule. [Rules 62-4.160(14)(a)&(b) and 62-213.440(1)(b)2.b., F.A.C.]
- 24. Test Reports: The owner or operator of an emissions unit for which a compliance test is required shall file a report with the Department on the results of each such test. The required test report shall be filed with the Department as soon as practical but no later than 45 days after the last sampling run of each test is completed. The test report shall provide sufficient detail on the emissions unit tested and the test procedures used to allow the Department to determine if the test was properly conducted and the test results properly computed. As a minimum, the test report, other than for an EPA Method 9 test, shall provide the applicable information listed in Rule 62-297.310(8)(c), F.A.C. [Rule 62-297.310(8), F.A.C.]
- 25. Excess Emissions Report: If excess emissions occur, the owner or operator shall notify the appropriate Department District Office and the appropriate local program within one working day of: the nature, extent, and duration of the excess emissions; the cause of the excess emissions; and the actions taken to correct the problem. In addition, the Department may request a written summary report of the incident. Pursuant to the NESHAP requirements, excess emissions shall also be reported in accordance with 40 CFR 63, Subpart A. [Rule 62-4.130, F.A.C.]
- 26. Excess Emissions Report Malfunctions: In case of excess emissions resulting from malfunctions, each owner or operator shall notify the appropriate Department District Office and the appropriate local program in accordance with Rule 62-4.130, F.A.C. A full written report on the malfunctions shall be submitted in a quarterly report if requested by the Department. [Rule 62-210.700(6), F.A.C.]
- 27. Annual Operating Report for Air Pollutant Emitting Facility: The Annual Operating Report for an Air Pollutant Emitting Facility shall be completed each year using DEP Form 62-210.900(5) and shall be submitted to the appropriate department District Office and the appropriate local program by March 1 of the following year. [Rule 62-210.370(3), F.A.C.]

AIR CONSTRUCTION PERMIT 0250407-008-AC SECTION III. EMISSIONS UNITS SPECIFIC CONDITIONS

The following specific conditions apply to the following emissions units:

EU No.	EMISSIONS UNIT DESCRIPTION
001	Coating Line No. 1 consists of 3 spray booths, 2 touch-up booths, and a gas-fired curing oven
002	9. Injection Molding Machines/Oil Tanks
003	2 Storage Silos equipped with vacuum pump/filter systems ²
004	Coating Line No. 2 consists of 3 spray booths, and an electric curing oven

[Note: This facility is subject to MACT for HAP as indicated in the MACT Determination attached as part of this permit.]

EMISSIONS LIMITING AND PERFORMANCE STANDARDS

- 1. Hours of Operation: This permit supersedes the applicable conditions of the existing air operation permit for the facility. Hours of operation are not restricted because capacity is restricted by other enforceable limits. Emissions Units 001, 002, 003, and 004 may each operate for up to 8,760 hours/year. The facility is required to keep daily records of the operating hours. [Rules 62-210.200, F.A.C., Definitions -- Potential to Emit (PTE) and 62-213.440(1)(b)1.b., F.A.C.]
- 2. Process Rate Limitation: The maximum amount of coating applied shall not exceed 300,000 gallons per line during any consecutive 12 month period. Emission Unit 001 and Emission Unit 004 shall only operate while appropriately connected to the RTO so that emissions are effectively controlled. [Rules 62-4.070(3), 62-212.400(2)(g), 62-204.800(10)(d)2., and 62-210.200 (PTE), F.A.C., and MACT]
- 3. Control System Performance: The average combustion temperature within the thermal incinerator, for any 3-hour rolling average when the emissions unit is in operation, shall not fall below 1700 degrees F and shall be maintained by using supplementary natural gas. Operation below the specified minimum temperature resulting from malfunction of the RTO or supplementary gas system shall be permitted providing: (1) best operational practices to minimize emissions are adhered to and (2) the duration of excess emissions shall be minimized, but in no case exceed two 3-hr averages in any 24 hour period unless specifically authorized by the Department for longer duration [Rule 62-4.070(3)]
- 4. Unit 001 and Unit 004 Enclosures:
 - a) The direction of air flow through all natural draft openings shall be into the enclosure.
 - b) All access doors and windows that were closed during performance testing including capture and destruction efficiency testing shall remain closed during routine operation.

[Rule 62-4.070(3)]

- 5. Control Technology Requirements: The owner or operator shall install and operate a regenerative thermal oxidizer for the control of VOC/HAPS as specified in the application and subsequent documents submitted in support thereof. [Rule 62-4.070(3) and 62-212.400(2)(g), F.A.C.;case-by-case MACT for line 2.]
 - a) The RTO shall operate with at least 97 percent destruction efficiency.
 - b) Capture efficiency of Unit 001 shall be no less than 70 percent.
 - c) Capture efficiency of Unit 004 shall be no less than 90 percent.
- 6. Emission Limits for VOC:
 - a) For the facility, the maximum amount of VOC contained in all coatings, thinners and/or other additives, and cleaning materials used in the coating operation shall not exceed 1,000 tons per consecutive 12-month period.

Nailite International, Inc.
Panel Finishing Spray Lines No.1 and No.2

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AIR CONSTRUCTION PERMIT 0250407-008-AC SECTION III. EMISSIONS UNITS SPECIFIC CONDITIONS

[Note: The facility may apply for a permit modification to adjust the annual VOC usage limit by demonstrating better capture efficiencies based on test results using EPA Methods 204, and 204 A through 204D as described in 40 CFR 51 Appendix M.]

- b) For the facility, emissions of VOC after control from all materials including coating, thinners and/or other additives, and cleaning materials shall not exceed 249 tons during any consecutive 12 months and shall not exceed 30 tons during any single month.
- c) For purposes of this permit, all emissions limits include emissions during periods of startup, shutdown, and malfunction and are not subject to the provisions of Rule 62-210.700(1), F.A.C.

[Rules 62-4.070(3), 62-212.400(2)(g), 62-210.700(1) and (6), F.A.C., and MACT]

COMPLIANCE MONITORING AND TESTING REQUIREMENTS

- 7. <u>Destruction Efficiency of RTO</u>: The permittee shall demonstrate compliance with the minimum RTO destruction efficiency specified in Condition 5 of this section. The demonstration shall be made by comparing the total gaseous organic emissions mass flow rates at the inlet and the outlet to the RTO during three separate one-hour test runs as determined by EPA Method 25A. Appropriate EPA methods for determining gas volumetric flow rate, dry molecular weight, and stack gas moisture must be performed during each test run as described in Appendix A as well. A destruction efficiency test shall be performed annually on the RTO. [Rule 62-4.070(3)]
- 8. Capture Efficiencies of Line Enclosures: The permittee shall demonstrate compliance with the minimum VOC/HAP capture efficiencies of EU-001 and EU-004 by comparing raw VOC/HAP emissions to the captured emissions generated during each of three separate one-hour test periods. Raw emissions shall be based on material usage rates, and material content information from Material Safety Data Sheets supplied by the manufacturer. Captured emissions shall be based on measured flow rates and VOC/HAP concentrations in the RTO inlet duct as determined by EPA Methods specified in the destruction efficiency tests described above. A capture efficiency test shall be performed once every five years. For reference, these tests were conducted in 2004 and should be conducted again in 2009. Results from the capture efficiency test required by 40 CFR 63, Subpart PPPP may be used to demonstrate compliance with this condition. [Rule 62-4.070(3)]

REPORTING AND RECORD KEEPING REQUIREMENTS

- 9. <u>Test Reports</u>: Within 45 days following completion of performance testing, results of the tests shall be submitted along with a complete test report to the Department's Southeast District and the Miami-Dade County Environmental Resources Management Department (DERM). [Rule 62-4.070(3) F.A.C.]
- 10. <u>Malfunction Notifications</u>: Within one working day, the permittee shall notify the Department's District Office and DERM of any 3-hour period that an emissions unit is in operation in which the average combustion temperature within the thermal incinerator falls below the average temperature during the most recent destruction efficiency test that demonstrated the emissions unit was in compliance. [Rules 62-4.070(3) and 62-4.130, F.A.C.]
- 11. <u>VOC/HAP Content Records</u>: The permittee shall maintain records of the VOC/HAP content of each coating, thinner, cleaning agent, and other materials containing VOC/HAP used at the facility. Records shall consist of Manufacturer's Safety Data Sheets (MSDS) or EPA Method 24 results. If a material record shows a range for the VOC/HAP content, then the highest value shall be used to determine usage and emissions. [Rule 62-4.070(3), F.A.C.]
- 12. <u>Material Usage Records</u>: The permittee shall record the amounts (gallons) of each VOC/HAP containing material used, based on monthly inventory. [Rule 62-4.070(3), F.A.C.]

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- 13. Monthly Emissions Summary: No later than 5 days following each month, the permittee shall record the following information in a written log to demonstrate compliance with the emissions limits specified in this permit.
 - a) Gallons and pounds of each VOC/HAP containing material used during the month.
 - b) Weight percentage of VOC/HAP in each material used based on material records.
 - c) Pounds of each VOC/HAP used during the month and tons during the last consecutive 12 months.
 - d) The minimum required 3-hour average RTO combustion temperature as established by the most recent compliance test for destruction efficiency.
 - e) Pounds of VOC/HAP emissions destroyed by the RTO during the month and tons during the last consecutive 12 months. Emissions destroyed by the RTO shall be calculated by multiplying the total VOC/HAP used by the permitted capture efficiency for the coating line and permitted minimum destruction efficiency. For each 3-hour period of operation below the minimum RTO combustion temperature, the RTO destruction efficiency shall be assumed to be 0%. Example: Assume the following: Coating Line No. 1 operated for 360 hours/month, used 30 tons of VOC/month, and had two 3-hour periods when the RTO combustion temperature fell below the minimum requirement. Emissions destroyed by the RTO would be calculated as:

 $VOC_{destroyed} = (60,000 \text{ lb VOC/month}) (0.70) (0.97) (360 - 6 \text{ hr/month}) = 40061 \text{ lb VOC/month}$ (360 hours/month)

f) Pounds of VOC/HAP emissions after control during the last month and tons during the last consecutive 12 months. VOC/HAP emissions after control shall be calculated by subtracting the amount of emissions destroyed by the RTO from the total VOC/HAP used as described above.

[Rules 62-4.070(3) and 62-212.400(2)(g), F.A.C.]

14. Records Duration: The permittee shall maintain all records, reports, and notifications for at least five years from the date of recording. [Rule 62-213.440(1)(b)2.b., F.A.C.]

ADDITIONAL REQUIREMENTS

4 1 1 2

15. NESHAP Applicability: On April 19, 2004, the EPA published the final MACT Subpart PPPP for the Surface Coating of Plastic Parts Industry. Existing affected sources must be in compliance with this final MACT rule no later than April 19, 2007. Because the units at this facility were constructed or began construction before December 4, 2002, this facility is considered an existing source and has until April 19, 2007 to comply with the Federal MACT standard. Nailite shall request and obtain a construction permit prior to implementing any changes pursuant to the MACT that affect the conditions of this permit.

[Rules 62-4.070(3), F.A.C.; 40 CFR 63, Subpart PPPP]

APPENDIX GC

GENERAL PERMIT CONDITIONS [Rule 62-4.160, F.A.C.]

- G.1 The terms, conditions, requirements, limitations, and restrictions set forth in this permit are "Permit Conditions" and are binding and enforceable pursuant to Sections 403.161, 403.727, or 403.859 through 403.861, Florida Statutes. The permittee is placed on notice that the Department will review this permit periodically and may initiate enforcement action for any violation of these conditions.
- G.2 This permit is valid only for the specific processes and operations applied for and indicated in the approved drawings or exhibits. Any unauthorized deviation from the approved drawings or exhibits, specifications, or conditions of this permit may constitute grounds for revocation and enforcement action by the Department.
- G.3 As provided in Subsections 403.087(6) and 403.722(5), Florida Statutes, the issuance of this permit does not convey and vested rights or any exclusive privileges. Neither does it authorize any injury to public or private property or any invasion of personal rights, nor any infringement of federal, state or local laws or regulations. This permit is not a waiver or approval of any other Department permit that may be required for other aspects of the total project which are not addressed in the permit.
- G.4 This permit conveys no title to land or water, does not constitute State recognition or acknowledgment of title, and does not constitute authority for the use of submerged lands unless herein provided and the necessary title or leasehold interests have been obtained from the State. Only the Trustees of the Internal Improvement Trust Fund may express State opinion as to title.
- G.5 This permit does not relieve the permittee from liability for harm or injury to human health or welfare, animal, or plant life, or property caused by the construction or operation of this permitted source, or from penalties therefore; nor does it allow the permittee to cause pollution in contravention of Florida Statutes and Department rules, unless specifically authorized by an order from the Department.
- G.6 The permittee shall properly operate and maintain the facility and systems of treatment and control (and related appurtenances) that are installed or used by the permittee to achieve compliance with the conditions of this permit, as required by Department rules. This provision includes the operation of backup or auxiliary facilities or similar systems when necessary to achieve compliance with the conditions of the permit and when required by Department rules.
- G.7 The permittee, by accepting this permit, specifically agrees to allow authorized Department personnel, upon presentation of credentials or other documents as may be required by law and at a reasonable time, access to the premises, where the permitted activity is located or conducted to:
 - (a) Have access to and copy and records that must be kept under the conditions of the permit;
 - (b) Inspect the facility, equipment, practices, or operations regulated or required under this permit, and,
 - (c) Sample or monitor any substances or parameters at any location reasonably necessary to assure compliance with this permit or Department rules.

Reasonable time may depend on the nature of the concern being investigated.

- G.8 If, for any reason, the permittee does not comply with or will be unable to comply with any condition or limitation specified in this permit, the permittee shall immediately provide the Department with the following information:
 - (a) A description of and cause of non-compliance; and
 - (b) The period of noncompliance, including dates and times; or, if not corrected, the anticipated time the non-compliance is expected to continue, and steps being taken to reduce, eliminate, and prevent recurrence of the non-compliance.

The permittee shall be responsible for any and all damages which may result and may be subject to enforcement action by the Department for penalties or for revocation of this permit.

- G.9 In accepting this permit, the permittee understands and agrees that all records, notes, monitoring data and other information relating to the construction or operation of this permitted source which are submitted to the Department may be used by the Department as evidence in any enforcement case involving the permitted source arising under the Florida Statutes or Department rules, except where such use is prescribed by Sections 403.73 and 403.111, Florida Statutes. Such evidence shall only be used to the extend it is consistent with the Florida Rules of Civil Procedure and appropriate evidentiary rules.
- G.10 The permittee agrees to comply with changes in Department rules and Florida Statutes after a reasonable time for compliance, provided, however, the permittee does not waive any other rights granted by Florida Statutes or Department rules.
- G.11 This permit is transferable only upon Department approval in accordance with Florida Administrative Code Rules 62-4.120 and 62-730.300, F.A.C., as applicable. The permittee shall be liable for any non-compliance of the permitted activity until the transfer is approved by the Department.
- G.12 This permit or a copy thereof shall be kept at the work site of the permitted activity.
- G.13 This permit also constitutes:
 - (a) Determination of Best Available Control Technology ();
 - (b) Determination of Prevention of Significant Deterioration (); and
 - (c) Compliance with New Source Performance Standards ().
- G.14 The permittee shall comply with the following:
 - (a) Upon request, the permittee shall furnish all records and plans required under Department rules. During enforcement actions, the retention period for all records will be extended automatically unless otherwise stipulated by the Department.
 - (b) The permittee shall hold at the facility or other location designated by this permit records of all monitoring information (including all calibration and maintenance records and all original strip chart recordings for continuous monitoring instrumentation) required by the permit, copies of all reports required by this permit, and records of all data used to complete the application or this permit. These materials shall be retained at least three years from the date of the sample, measurement, report, or application unless otherwise specified by Department rule.
 - (c) Records of monitoring information shall include:
 - 1. The date, exact place, and time of sampling or measurements;
 - 2. The person responsible for performing the sampling or measurements;
 - 3. The dates analyses were performed;
 - 4. The person responsible for performing the analyses;
 - 5. The analytical techniques or methods used; and
 - 6. The results of such analyses.
- G:15 When requested by the Department, the permittee shall within a reasonable time furnish any information required by law which is needed to determine compliance with the permit. If the permittee becomes aware that relevant facts were not submitted or were incorrect in the permit application or in any report to the Department, such facts or information shall be corrected promptly.