



Jeb Bush  
Governor

# Department of Environmental Protection

Twin Towers Office Building  
2600 Blair Stone Road  
Tallahassee, Florida 32399-2400

Colleen M. Castille  
Secretary

June 3, 2005

Mr. John Lewis, Acting Plant Manager  
Merillat Corporation, LLC  
1300 S.W. 38<sup>th</sup> Avenue  
Ocala, FL 34474

Re: Air Construction Permit No. 0830137-003-AC  
Merillat Ocala Plant  
Addition of 4<sup>th</sup> Line

RECEIVED  
JUN 08 2005  
Central Dist. - DL

Dear Mr. Lewis:

The Department has reviewed your application requesting authorization to add a 4<sup>th</sup> finishing line at the existing wood furniture finishing plant, which is located in Marion County at 1300 S.W. 38<sup>th</sup> Avenue, Ocala, Florida. Enclosed are the following documents: "Technical Evaluation and Preliminary Determination", "Draft Permit", "Written Notice of Intent to Issue Air Permit", and "Public Notice of Intent to Issue Air Permit".

The "Technical Evaluation and Preliminary Determination" summarizes the Permitting Authority's technical review of the application and provides the rationale for making the preliminary determination to issue a Draft Permit. The proposed "Draft Permit" includes the specific conditions that regulate the emissions units covered by the proposed project. The "Written Notice of Intent to Issue Air Permit" provides important information regarding: the Permitting Authority's intent to issue an air permit for the proposed project; the requirements for publishing a Public Notice of the Permitting Authority's intent to issue an air permit; the procedures for submitting comments on the Draft Permit; the process for filing a petition for an administrative hearing; and the availability of mediation. The "Public Notice of Intent to Issue Air Permit" is the actual notice that you must have published in the legal advertisement section of a newspaper of general circulation in the area affected by this project.

If you have any questions, please contact the Project Engineer, Jeff Koerner, at 850/921-9536.

Sincerely,

Trina Vielhauer, Chief  
Bureau of Air Regulation

Enclosures

"More Protection, Less Process"

Printed on recycled paper.

**WRITTEN NOTICE OF INTENT TO ISSUE AIR PERMIT**

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*In the Matter of an  
Application for Air Permit by:*

Merillat Corporation, LLC  
1300 S.W. 38<sup>th</sup> Avenue  
Ocala, FL 34474

Air Permit No. 0830137-003-AC  
Facility ID No. 0830137  
Merillat Ocala Plant  
Addition of 4<sup>th</sup> Line  
Marion County, Ocala, Florida

*Authorized Representative:*  
Mr. John Lewis, Acting Plant Manager

**Facility Location:** Merillat Corporation, LLC operates an existing wood furniture manufacturing plant located in Marion County at 1300 S.W. 38<sup>th</sup> Avenue, Ocala, Florida.

**Project:** The applicant proposes to add a 4<sup>th</sup> finishing line consisting of an overhead hanging conveyor system and a series of high-volume low-pressure (HVLP) spray equipment or equivalent, spray booths, flash-off areas, curing ovens, cool-down areas, associated ductwork, fans, and roof exhaust stacks. Operators will manually apply coatings such as stains, glazes, toners, sealers, and topcoats to wood components. Application of the coatings will result in emissions of volatile organic compounds. Emissions will be controlled by the use of reduced solvent coatings in accordance with federal requirements regulating this industry. The finished materials will be assembled into kitchen and bath cabinets. Details of the project are provided in the application and the enclosed "Technical Evaluation and Preliminary Determination".

**Permitting Authority:** Applications for air construction permits are subject to review in accordance with the provisions of Chapter 403, Florida Statutes (F.S.) and Chapters 62-4, 62-210, and 62-212 of the Florida Administrative Code (F.A.C.). The proposed project is not exempt from air permitting requirements and an air permit is required to perform the proposed work. The Bureau of Air Regulation is the Permitting Authority responsible for making a permit determination for this project. The Permitting Authority's physical address is: 111 South Magnolia Drive, Suite #4, Tallahassee, Florida. The Permitting Authority's mailing address is: 2600 Blair Stone Road, MS #5505, Tallahassee, Florida 32399-2400. The Permitting Authority's telephone number is 850/488-0114.

**Project File:** A complete project file is available for public inspection during the normal business hours of 8:00 a.m. to 5:00 p.m., Monday through Friday (except legal holidays), at address indicated above for the Permitting Authority. The complete project file includes the Draft Permit, the Technical Evaluation and Preliminary Determination, the application, and the information submitted by the applicant, exclusive of confidential records under Section 403.111, F.S. Interested persons may contact the Permitting Authority's project review engineer for additional information at the address or phone number listed above. A copy of the complete project file is also available at the Air Resource Section of the Department's Central District Office at 3319 Maguire Boulevard, Suite 232, Orlando, Florida 32803-3767. The telephone number is 407/894-7555.

**Notice of Intent to Issue Permit:** The Permitting Authority gives notice of its intent to issue an air permit to the applicant for the project described above. The applicant has provided reasonable assurance that operation of proposed equipment will not adversely impact air quality and that the project will comply with all appropriate provisions of Chapters 62-4, 62-204, 62-210, 62-212, 62-296, and 62-297, F.A.C. The Permitting Authority will issue a Final Permit in accordance with the conditions of the proposed Draft Permit unless a timely petition for an administrative hearing is filed under Sections 120.569 and 120.57, F.S. or unless public comment received in accordance with this notice results in a different decision or a significant change of terms or conditions.

**Public Notice:** Pursuant to Section 403.815, F.S. and Rules 62-110.106 and 62-210.350, F.A.C., you (the applicant) are required to publish at your own expense the enclosed "Public Notice of Intent to Issue Air Permit" (Public Notice). The Public Notice shall be published one time only as soon as possible in the legal advertisement section of a newspaper of general circulation in the area affected by this project. The newspaper used must meet 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 Permitting Authority at above address or phone number. Pursuant to Rule 62-110.106(5), F.A.C., the applicant shall provide proof of publication to the Permitting Authority at the above address within seven (7) days of publication. Failure to publish the notice and provide proof of publication may result in the denial of the permit pursuant to Rule 62-110.106(11), F.A.C.

WRITTEN NOTICE OF INTENT TO ISSUE AIR PERMIT

**Comments:** The Permitting Authority will accept written comments concerning the proposed Draft Permit for a period of fourteen (14) days from the date of publication of the Public Notice. Written comments must be provided to the Permitting Authority at the above address. Any written comments filed will be made available for public inspection. If written comments received result in a significant change to the Draft Permit, the Permitting Authority shall revise the Draft Permit and require, if applicable, another Public Notice.

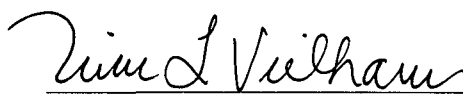
**Petitions:** A person whose substantial interests are affected by the proposed permitting decision may petition for an administrative hearing in accordance with Sections 120.569 and 120.57, F.S. The petition must contain the information set forth below and must be filed with (received by) the Department's Agency Clerk in the Office of General Counsel of the Department of Environmental Protection, 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000. Petitions filed by the applicant or any of the parties listed below must be filed within fourteen (14) days of receipt of this Written Notice of Intent to Issue Air Permit. Petitions filed by any persons other than those entitled to written notice under Section 120.60(3), F.S., must be filed within fourteen (14) days of publication of the attached Public Notice or within fourteen (14) days of receipt of this Written Notice of Intent to Issue Air Permit, whichever occurs first. Under Section 120.60(3), F.S., however, any person who asked the Permitting Authority for notice of agency action may file a petition within fourteen (14) 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, F.A.C.

A petition that disputes the material facts on which the Permitting Authority'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 each 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 state; (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 the 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 Permitting Authority'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, F.A.C.

Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means that the Permitting Authority's final action may be different from the position taken by it in this Written Notice of Intent to Issue Air Permit. Persons whose substantial interests will be affected by any such final decision of the Permitting Authority on the application have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above.

**Mediation:** Mediation is not available in this proceeding.

Executed in Tallahassee, Florida.



Trina Vielhauer, Chief  
Bureau of Air Regulation

**CERTIFICATE OF SERVICE**

The undersigned duly designated deputy agency clerk hereby certifies that this "Written Notice of Intent to Issue Air Permit" package (including the Public Notice, the Technical Evaluation and Preliminary Determination, and the Draft Permit) was sent by certified mail (\*) and copies were mailed by U.S. Mail before the close of business on 6/6/05 to the persons listed below.

- Mr. John Lewis, Merillat Ocala Plant\*
- Ms. Donna Tackett, Merillat Ocala Plant
- Mr. Jim O. Merillat Corporate Headquarters
- Mr. Joel Cohn, Malcolm Pirnie, Inc.
- Mr. David Cibik, Malcolm Pirnie, Inc.
- ~~Mr. Len Kozlov, CD~~

Clerk Stamp

**FILING AND ACKNOWLEDGMENT FILED**, on this date, pursuant to Section 120.52(7), Florida Statutes, with the designated agency clerk, receipt of which is hereby acknowledged.

Mary B. Stoney  
(Clerk)

6/6/05  
(Date)

## PUBLIC NOTICE OF INTENT TO ISSUE AIR PERMIT

Florida Department of Environmental Protection  
Draft Air Permit No. 0830137-003-AC  
Merillat Corporation, LLC – Ocala Plant  
Marion County, Florida

**Applicant:** The applicant for this project is the Merillat Corporation, LLC. The applicant's authorized representative is Mr. John Lewis, Acting Plant Manager. The mailing address is Merillat Corporation, LLC, 1300 S.W. 38<sup>th</sup> Avenue, Ocala, FL 34474.

**Facility Location:** Merillat Corporation, LLC operates an existing wood furniture manufacturing plant located in Marion County at 1300 S.W. 38<sup>th</sup> Avenue, Ocala, Florida.

**Project:** The applicant proposes to add a 4<sup>th</sup> finishing line consisting of an overhead hanging conveyor system and a series of high-volume low-pressure (HVLP) spray equipment or equivalent, spray booths, flash-off areas, curing ovens, cool-down areas, associated ductwork, fans, and roof exhaust stacks. Operators will manually apply coatings such as stains, glazes, toners, sealers, and topcoats to wood components. Application of the coatings will result in emissions of volatile organic compounds. Emissions will be controlled by the use of reduced solvent coatings in accordance with federal requirements regulating this industry. The finished materials will be assembled into kitchen and bath cabinets.

**Permitting Authority:** Applications for air construction permits are subject to review in accordance with the provisions of Chapter 403, Florida Statutes (F.S.) and Chapters 62-4, 62-210, and 62-212 of the Florida Administrative Code (F.A.C.). The proposed project is not exempt from air permitting requirements and an air permit is required to perform the proposed work. The Bureau of Air Regulation is the Permitting Authority responsible for making a permit determination for this project. The Permitting Authority's physical address is: 111 South Magnolia Drive, Suite #4, Tallahassee, Florida. The Permitting Authority's mailing address is: 2600 Blair Stone Road, MS #5505, Tallahassee, Florida 32399-2400. The Permitting Authority's telephone number is 850/488-0114.

**Project File:** A complete project file is available for public inspection during the normal business hours of 8:00 a.m. to 5:00 p.m., Monday through Friday (except legal holidays), at address indicated above for the Permitting Authority. The complete project file includes the Draft Permit, the Technical Evaluation and Preliminary Determination, the application, and the information submitted by the applicant, exclusive of confidential records under Section 403.111, F.S. Interested persons may contact the Permitting Authority's project review engineer for additional information at the address or phone number listed above. A copy of the complete project file is also available at the Air Resources Section of the Department's Central District Office at 3319 Maguire Boulevard, Suite 232, Orlando, Florida 32803-3767. The telephone number is 407/894-7555.

**Notice of Intent to Issue Air Permit:** The Permitting Authority gives notice of its intent to issue an air permit to the applicant for the project described above. The applicant has provided reasonable assurance that operation of proposed equipment will not adversely impact air quality and that the project will comply with all appropriate provisions of Chapters 62-4, 62-204, 62-210, 62-212, 62-296, and 62-297, F.A.C. The Permitting Authority will issue a Final Permit in accordance with the conditions of the proposed Draft Permit unless a timely petition for an administrative hearing is filed under Sections 120.569 and 120.57, F.S. or unless public comment received in accordance with this notice results in a different decision or a significant change of terms or conditions.

**Comments:** The Permitting Authority will accept written comments concerning the proposed Draft Permit for a period of fourteen (14) days from the date of publication of this Public Notice. Written comments must be provided to the Permitting Authority at the above address. Any written comments filed will be made available for public inspection. If written comments received result in a significant change to the Draft Permit, the Permitting Authority shall revise the Draft Permit and require, if applicable, another Public Notice.

**Petitions:** A person whose substantial interests are affected by the proposed permitting decision may petition for an administrative hearing in accordance with Sections 120.569 and 120.57, F.S. The petition must contain the information set forth below and must be filed with (received by) the Department's Agency Clerk in the Office of General Counsel of the Department of Environmental Protection at 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000. Petitions filed by any persons other than those entitled to written notice under Section 120.60(3), F.S. must be filed within fourteen (14) days of publication of this Public Notice or receipt of a written notice, whichever occurs first. Under Section 120.60(3), F.S., however, any person who asked the

**(Public Notice to be Published in the Newspaper)**

## PUBLIC NOTICE OF INTENT TO ISSUE AIR PERMIT

Permitting Authority for notice of agency action may file a petition within fourteen (14) 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, F.A.C.

A petition that disputes the material facts on which the Permitting Authority'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 rights will be affected by the agency determination; (c) A statement of how and when the 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 state; (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 the 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 Permitting Authority'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, F.A.C.

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**Mediation:** Mediation is not available for this proceeding.

**(Public Notice to be Published in the Newspaper)**

**TECHNICAL EVALUATION  
&  
PRELIMINARY DETERMINATION**

Merillat Ocala Plant  
Addition of 4<sup>th</sup> Finishing Line  
Project No. 0830137-003-AC

**APPLICANT**

ARMS Facility ID No. 0830137  
Merillat Corporation, LLC  
1300 S.W. 38th Avenue  
Ocala, Florida 34474  
Marion County

**PERMITTING  
AUTHORITY**

Florida Department of Environmental Protection  
Division of Air Resource Management  
Bureau of Air Regulation  
Air Permitting South Program



June 2, 2005

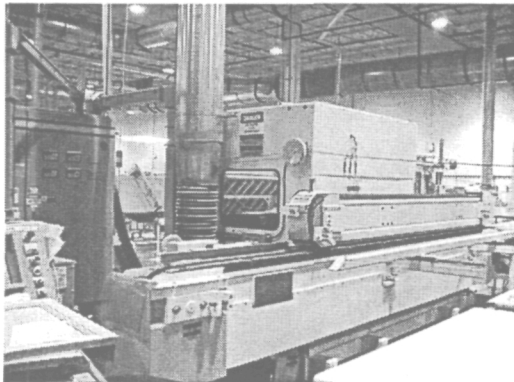
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1. GENERAL PROJECT INFORMATION

Facility Information

The Merillat Corporation operates an existing bath and kitchen cabinet manufacturing plant (SIC No. 2434) in Marion County located at 1300 SW 38<sup>th</sup> Avenue in Ocala, Florida. The UTM coordinates of the site are Zone 17, 384.5 km East and 3227.8 km North. This site is in an area that is in attainment (or designated as unclassifiable) for all air pollutants subject to a National Ambient Air Quality Standard (NAAQS).

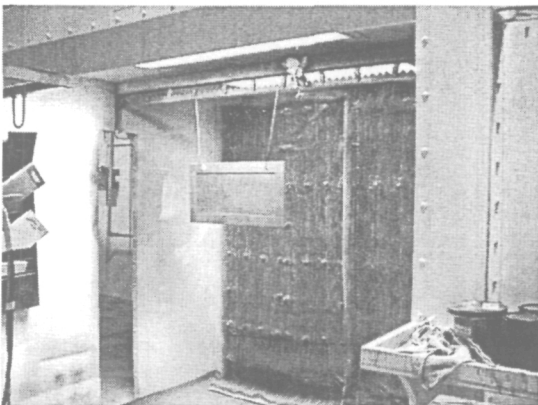
The existing facility includes woodworking and finishing operations for the manufacturing of bath and kitchen cabinets. The cabinet components are constructed in the woodworking areas then moved, via hanging chain conveyor systems, through three finishing lines. The components are then assembled, packaged, and loaded for immediate shipping. See photos below.



Wood Sander with PM Capture



Hanging Chain Finishing Conveyor Line



Spray Booth



Packing and Shipping Area

The woodworking area receives raw wood materials that are cut to size, planed, routed, sanded and assembled into the cabinet components prior to coating. Particulate emissions from the woodworking areas are captured via a dust collection system including hoods, ductwork, and fans. Fabric filters with a removal efficiency of at least 99% are used to control particulate emissions before venting to the atmosphere or inside the building. Controlled particulate emissions from the facility are estimate to be 1.2 tons per year.

Coatings are manually applied by operators in spray booths using high-volume low-pressure (HVLV) spray equipment. NESHAP Subpart JJ also allows equivalent equipment such as air-assisted or airless spray equipment. Spray booths consist of three walls, a roof, and one open side for operator entry. Wood components are transferred between process areas by an overhead hanging conveyor system. A small rectangular opening in each end wall of each spray booth allows parts to enter and exit the booth on the conveyor line. Roof-mounted



electric fans exhaust air from the process areas through roof stacks. Other areas along the conveyor line include hand operations such as stain wiping and sanding.

There are three identical existing lines (Lines 1-3) used to finish cabinets. Each line is used to apply toners, stains, sealers, and topcoats resulting in emissions of volatile organic compounds (VOCs) and hazardous air pollutants (HAPs). VOC and HAP emissions generated from the surface coating operations are captured and vented to the atmosphere using a system of hoods, ductwork, fans, and stacks. Each existing finishing line consists of the following process areas and equipment:

- A pair of back-to-back spray booths for each application of toners, stains, sealers and topcoats (8 spray booths per line; one 7625 acfm exhaust fan per spray booth);
- A flash-off area following each pair of sealer and topcoat spray booths (2 flash-off areas per line; two 3000 acfm exhaust fans per flash-off area);
- A gas-fired curing oven following each pair of toner, stain, sealer, and topcoat spray booths (4 ovens per line; one 1000 acfm exhaust fan per toner oven; two 2000 acfm exhaust fans per stain, sealer, or topcoat oven); and
- A cool-down area following each sealer and topcoat oven (2 cool-down areas per line; one 6000 acfm exhaust fan per cool-down area).
- A conveyor line designed for a maximum speed of approximately 16 feet per minute.

In addition to the three existing finishing lines, there are off-line areas consisting of the following equipment:

- A stain wipe area (two 9000 acfm exhaust fans);
- A glaze area consisting of a spray booth, flash area and curing oven (two 2000 acfm exhaust fans per spray booth, one 2000 acfm exhaust fan per flash area or curing oven, and one 3000 acfm exhaust fan per glaze wipe area.); and
- An off-line accessory spray booth and curing oven to finish specialty components (one 10,500 acfm exhaust fan and one 1000 acfm exhaust fan).

The existing plant presently produces approximately 2,400 to 2,500 cabinets per day. The original plans indicated a maximum production rate of 2600 cabinets per day. The permit limits emissions of volatile organic compounds (VOC) and hazardous organic air pollutants (HAP) to no more than 249 tons per year. The finishing operations currently limit maximum production at the plant. The use of available lower solvent coatings would allow more production from the three existing lines without necessarily increasing emissions. The woodworking operations are sufficient to support much higher cabinet production.

The Merillat Ocala Plant was designed based on “lean production” methods. Orders are entered into a computerized database to schedule and stage the cabinet production operations including raw materials, woodworking, finishing, component assembly, and shipping. Lean production techniques result in less space needed for storing raw materials and finished products as well as overstock items. It also means that the plant can be more responsive to individual orders and special requests. Finishing can be completed and ready for shipment in approximately 6 hours. Orders are typically shipped within 5 days of being entered into the system.

### **Processing Schedule**

- 10/12/04 Application received.
- 11/08/04 Department requested additional information.
- 01/24/05 Department received additional information.
- 02/22/05 Department requested additional information.
- 04/19/05 Department received additional information; application complete.

### Regulatory Categories

The facility is subject to the following regulatory categories.

*Title III:* The facility is a major source of hazardous air pollutants (HAP).

*Title IV:* The facility operates no units subject to the acid rain provisions of the Clean Air Act.

*Title V:* The facility is a Title V major source of air pollution in accordance with Chapter 213, F.A.C.

*PSD:* Prior to this project, the existing facility was considered a PSD-minor facility in accordance with Rule 62-212.400, F.A.C. Upon issuance of this permit, the facility is now classified as a PSD-major source of air pollution. Future projects must be reviewed for PSD applicability in accordance with the significant emissions rates specified in Rule 62-212.400, F.A.C.

*NESHAP:* The wood furniture finishing operations are subject to the National Emissions Standards for Hazardous Air Pollutants in Subpart JJ of 40 CFR 63, which is adopted by reference in Rule 62-204.800, F.A.C. Emissions averaging is used to demonstrate compliance by calculating the average volatile organic HAP coating concentrations for the range of products used over a month of operation.

### Project Description

Due to an increase in market demand, the applicant requests authorization to install a fourth finishing line consisting of the following process areas and equipment.

- A pair of back-to-back spray booths for the application of sap primer, toners, stains, sealers and topcoats (10 total booths);
- A flash-off area following each pair of sealer and topcoat spray booths;
- A gas-fired curing oven following each pair of sap primer, toner, stain, sealer, and topcoat spray booths (5 ovens per line);
- A cool-down area following each sealer and topcoat oven (2 cool-down areas per line); and
- A conveyor line designed for a maximum speed of approximately 30 feet per minute.

In addition, the applicant proposes to add the following equipment to the existing off-line area.

- A glaze topcoat spray booth, flash area, curing oven, and cool-down area to complete the Glaze Line; and
- A second off-line accessory spray booth and curing oven to finish specialty components.

The conveyor line speed for the Glaze Line is expected to be approximately 15 feet per minute. Glaze is a specialty coating applied only on a limited amount of orders. Finishing would begin on one of the other four lines with the application of toner and stain. The cabinet would then be pulled from that line and finished on the Glaze Line. The final design is not yet complete. Exhaust flows are expected to be similar for each process area. Figure 1 shows a process flow chart for the finishing operations.

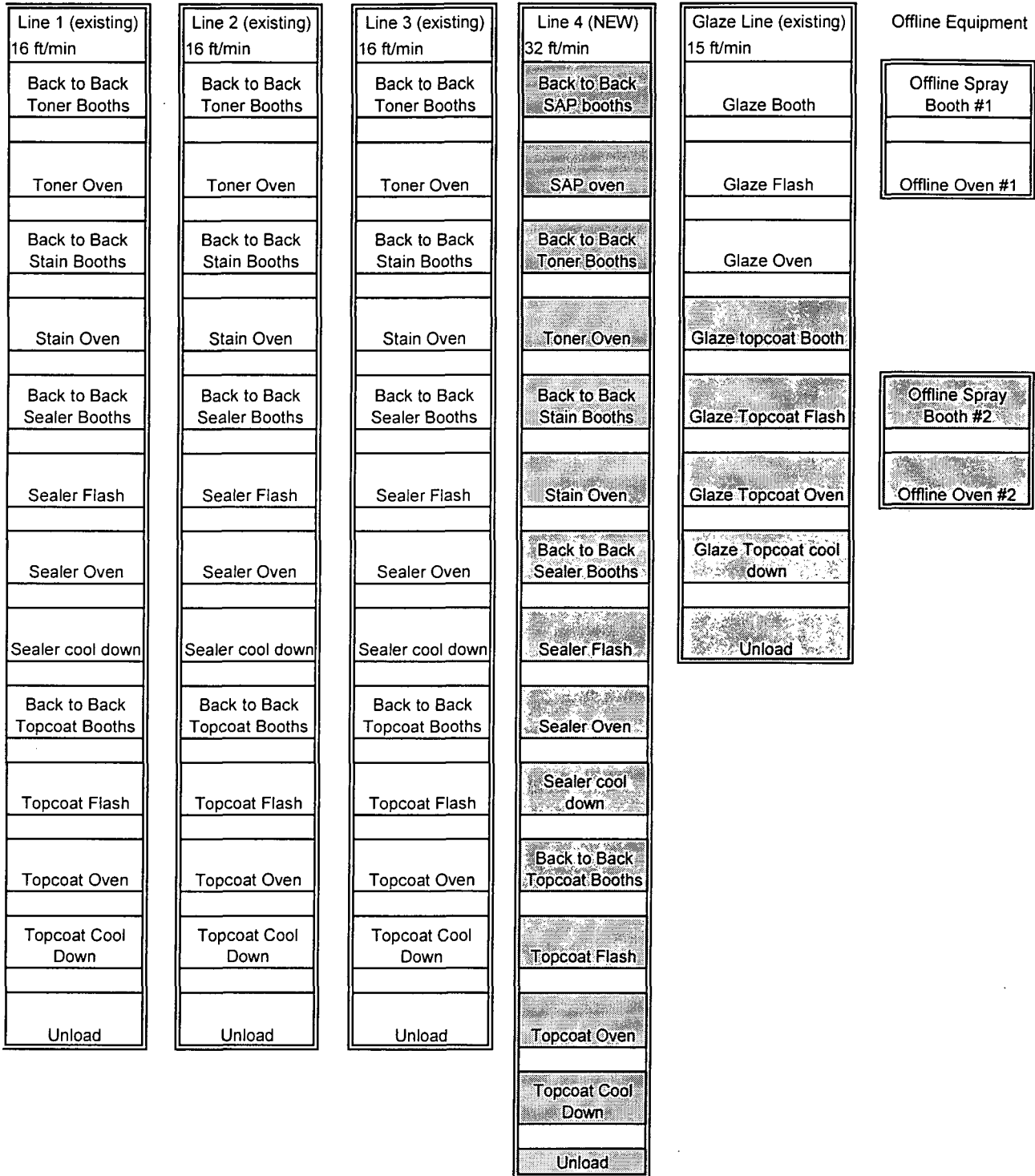
Operation of the new equipment will result in increases of VOC and organic HAP emissions. The permit currently limits VOC/HAP emissions to no more than 249 tons per year. Actual VOC emissions from the plant are approaching 200 tons per year. The addition of the 4<sup>th</sup> line will add another 166 tons per year of potential VOC/HAP emissions. With potential VOC/HAP emissions of 415 tons per year, the plant will become a PSD major facility. Subsequent projects must be reviewed for PSD applicability based on the PSD significant emissions rates in Table 62-212.400-2, which specifies 40 tons per year for VOC emissions. The applicant concludes that the proposed project is a minor modification to a PSD-minor facility.

Figure 1. Finishing Line Process Flow Chart

Merillat Ocala Plant - Finishing Line Process Flow Chart

"Light Grey" items are Existing Equipment

"Dark Grey" items are New Equipment



**2. APPLICABLE REGULATIONS**

**State Regulations**

This project is subject to the applicable environmental laws specified in Section 403 of the Florida Statutes (F.S.). The Florida Statutes authorize the Department of Environmental Protection to establish rules and regulations regarding air quality as part of the Florida Administrative Code (F.A.C.). This project is subject to the applicable rules and regulations defined in the following Chapters of the Florida Administrative Code.

<u>Chapter</u>	<u>Description</u>
62-4	Permitting Requirements
62-204	Ambient Air Quality Requirements, PSD Increments, and Federal Regulations Adopted by Reference
62-210	Required Permits, Public Notice, Reports, Circumvention, Excess Emissions, and Forms
62-212	Preconstruction Review, PSD Requirements, and BACT Determinations Rule 62-212.300. General Preconstruction Review Requirements Rule 62-212.400. Prevention of Significant Deterioration (PSD Review Only)
62-213	Operation Permits for Major Sources of Air Pollution
62-296	Emission Limiting Standards
62-297	Test Methods and Procedures, Continuous Monitoring Specifications, and Alternate Sampling Procedures

The applicability of PSD preconstruction review (Rule 62-212.400, F.A.C.) is discussed at the end of this section.

**Federal Regulations**

The Environmental Protection Agency establishes air quality regulations in Title 40 of the Code of Federal Regulations (CFR). Part 60 identifies New Source Performance Standards (NSPS) for a variety of industrial activities. Part 61 specifies the National Emissions Standards for Hazardous Air Pollutant (NESHAP) based on specific pollutants. Part 63 identifies National Emissions Standards for Hazardous Air Pollutant (NESHAP) based on the Maximum Achievable Control Technology (MACT) for given source categories. These regulations are adopted by reference in Florida Rule 62-204.800, F.A.C. Specifically, the wood furniture finishing operations are subject to the provisions of NESHAP Subpart JJ in 40 CFR 63. The applicable requirements are currently included in the Title V air operation permit for the three existing finishing lines.

**General PSD Applicability**

The Department regulates major air pollution sources in accordance with Florida’s Prevention of Significant Deterioration (PSD) program, as defined in Rule 62-212.400, F.A.C. PSD preconstruction review is required in areas that are currently in attainment with the state and federal Ambient Air Quality Standards (AAQS) for each regulated pollutant or areas designated as “unclassifiable” for such pollutants. A facility or project is considered “major” with respect to PSD if it emits or has the potential to emit:

- ≥ 250 tons per year of any regulated pollutant, or
- ≥ 100 tons per year of any regulated pollutant and belonging to one of 28 PSD Major Facility Categories, or
- ≥ 5 tons per year of lead.

Once a facility or project is considered “major” with regard to PSD, each regulated pollutant is reviewed for PSD applicability based on emissions thresholds known as the Significant Emission Rates specified in Table 62-212.400-2, F.A.C. Pollutant emissions from the project exceeding these rates are considered “significant” and subject to PSD preconstruction review. This means that the applicant must employ the Best Available Control Technology (BACT) to minimize emissions of each PSD-significant pollutant as well as evaluate the air quality impacts. Although a facility may be “major” with respect to PSD for only one regulated pollutant, the project may be subject to PSD preconstruction review for several significant pollutants.

### PSD Applicability for Project

The existing furniture manufacturing plant does not belong to any of the 28 PSD major facility categories listed in Table 62-212.400-1. Therefore, the PSD-major facility threshold for VOC emissions is 250 tons per year. The existing plant is considered a PSD-minor facility based on a federally enforceable condition limiting VOC emissions from the existing finishing lines to no more than 249 tons per year. The plant has not operated in excess of this limit and is currently in compliance with the condition. Based on the previously permitted equipment and the proposed project, there are three possible PSD applicability issues. These are discussed below.

1. *Does the existing permit specify any restriction taken to avoid PSD preconstruction review for a previous project? Will the proposed project relax this restriction?*

The original air construction permit (No. 0830137-001-AC) included a federally enforceable condition to limit VOC emissions from the existing finishing lines to no more than 249 tons per year. The limit was specifically taken to avoid PSD preconstruction review. Therefore, the VOC limit is subject to the following requirement in Rule 62-212.400(2)(g), F.A.C.

“Relaxations of Restrictions on Pollutant Emitting Capacity. If a previously permitted facility or modification becomes a facility or modification which would be subject to the preconstruction review requirements of this rule if it were a proposed new facility or modification solely by virtue of a relaxation in any federally enforceable limitation on the capacity of the facility or modification to emit a pollutant (such as a restriction on hours of operation), which limitation was established after August 7, 1980, then at the time of such relaxation the preconstruction review requirements of this rule shall apply to the facility or modification as though construction had not yet commenced on it.”

The applicant does not propose to relax the existing VOC limit placed on Lines 1-3 and will continue to demonstrate compliance separately with this limit.

2. *Is the proposed project a PSD-major modification ( $\geq 250$  tons per year) when evaluated on its own potential emissions?*

The proposed project will add 166 tons per year of potential VOC emissions. This level is below the PSD-major facility threshold of 250 tons per year for VOC emissions. Therefore, evaluated on its own potential, the proposed project is not a PSD-major modification at a PSD-minor facility.

3. *Did the applicant phase the original project and the second project to avoid PSD applicability?*

The applicant originally submitted an application in May of 1999 to construct a wood furniture manufacturing plant. Based on the application and preliminary design, the Department's Central District Office issued a minor source air construction permit in August of 1999. The permit authorized a series of application spray booths, flash-off areas, brush and wipe sanding stations, and curing ovens. The applicant recently provided sufficient information to show that the scope of the original plant was to produce 2600 cabinets per day with three finishing lines. Construction began on Lines 1 and 2 in early 2000. The plant began production in November of 2000. Construction of Line 3 was completed in 2003. The plant currently produces approximately 2400 to 2500 cabinets per day.

The applicant maintains that the new project is necessary to meet the following growing market demands over the current production of approximately 2500 cabinets per day: a 5-10% increase in the existing customer base; a 20-25% increase from new customers; and a projected overall increase in demand for cabinets in the Southeast and Florida in particular. Based on the timing and intent as provided by the applicant, the two projects are separate and distinct. Plans for each project were developed around individual circumstances and market drivers. The projects were not phased specifically to avoid PSD preconstruction review.

The project does not trigger PSD preconstruction review. However, issuance of the permit will make the plant a

PSD-major facility. Future projects will be reviewed for PSD applicability based on the PSD significant emissions rates in Table 62-212.400-2, which specifies 40 tons per year for VOC emissions.

### 3. PERMIT CONDITIONS

The wood furniture finishing operations are primarily subject to the National Emissions Standards for Hazardous Air Pollutants in Subpart JJ of 40 CFR 63, which is adopted by reference in Rule 62-204.800, F.A.C. The applicable requirements of this rule are incorporated into the current Title V air operation permit for the existing finishing operations. Emissions averaging is used to demonstrate compliance by calculating the average volatile organic HAP coating concentrations for the range of products used over a month of operation. The new equipment will be subject to the same requirements. The draft air construction permit will summarize the NESHAP Subpart JJ provisions in an appendix.

VOC/HAP emissions from new Line 4 will be limited to 166 tons during any consecutive 12 months. Currently, Lines 1-3 are subject to a VOC/HAP limit of 249 during any consecutive 12 months. It will be necessary to determine compliance with these limits separately; otherwise, the project would create a relaxation of the original limit on Lines 1-3, which was taken to avoid PSD preconstruction review.

The draft air construction permit will include the material balance concept specified in the original permit (No. 0830137-001-AC) to determine VOC/HAP emissions. Basically, records are maintained on the VOC/HAP content of each material on site and the amount that each material is used during a given month. At the end of each month, the VOC/HAP emissions are estimated based on the conservative assumption that all VOC/HAP in the materials is emitted to the atmosphere. A 12-month rolling total is calculated to show compliance with each limit. Many of the records described are already kept due to the requirements of NESHAP Subpart JJ. The facility maintains an automated database to track and report emissions.

To simplify the separate record keeping requirements for Lines 1-3 and Line 4, it was determined to base emissions on cabinet production because the plant closely tracks this information. A "cabinet" is defined by the average cabinet size, which is considered to be a front plus a door, which makes the average cabinet approximately 30 inches by 30 inches. This is considered a cabinet because the top, sides, and insides are not generally finished. Over the 12-month averaging period for each limit, this method will provide accurate estimates.

Cabinets that are glazed, repaired, or that include a specialty component are removed from Lines 1-4 and finished at one of the off-line areas. To attribute emissions to either Lines 1-3 or Line 4, it was determined that cabinets finished in the offline areas and associated emissions will be associated with the line that first began finishing the cabinet or part, either Lines (1-3) or Line 4. This should provide a reasonable estimate because orders are initially assigned to each finishing line by the shipment location and tracked accordingly as a complete set.

The draft air construction permit will incorporate the underlying conditions of the original air construction permit and supersede that permit. This will allow the conditions to clearly identify the separate record keeping requirements.

### 4. PRELIMINARY DETERMINATION

The Department makes a preliminary determination that the proposed project will comply with all applicable state and federal air pollution regulations as conditioned by the draft permit. This determination is based on a technical review of the complete application, reasonable assurances provided by the applicant, and the conditions specified in the draft permit. No air quality modeling analysis is required because the project does not result in a significant increase in emissions. Jeff Koerner is the project engineer responsible for reviewing the application and drafting the permit. Additional details of this analysis may be obtained by contacting the project engineer at the Department's Bureau of Air Regulation at Mail Station #5505, 2600 Blair Stone Road, Tallahassee, Florida 32399-2400.