

Bay Area Air Quality Management District

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Permit Evaluation and Statement of Basis for RENEWAL of

MAJOR FACILITY REVIEW PERMIT

for

Acme Fiberglass, Inc.

Facility # A0575

Facility Address:

29240 Pacific Street
Hayward, CA 94544

Mailing Address:

29240 Pacific Street
Hayward, CA 94544

2004

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Title V Statement of Basis

A. Background

This facility is subject to the Operating Permit requirements of Title V of the federal Clean Air Act, Part 70 of Volume 40 of the Code of Federal Regulations (CFR), and BAAQMD Regulation 2, Rule 6, Major Facility Review because it is a major facility as defined by BAAQMD Regulation 2-6-212. It is a major facility because it has the “potential to emit,” as defined by BAAQMD Regulation 2-6-218, more than 10 tons per year of a hazardous air pollutant, styrene.

Major Facility Operating permits (Title V permits) must meet specifications contained in 40 CFR Part 70. The permits must contain all applicable requirements (as defined in 40 CFR § 70.2), monitoring requirements, recordkeeping requirements, and reporting requirements. The permit holders must submit reports of all monitoring at least every six months and compliance certifications at least every year.

In the Bay Area, state and District requirements are also applicable requirements and are included in the permit. These requirements can be federally enforceable or non-federally enforceable. All applicable requirements are contained in Sections I through VI of the permit.

Each facility in the Bay Area is assigned a facility number that consists of a letter and a 4-digit number. This facility number is also considered to be the identifier for the permit.

This facility received its initial Title V permit on July 1, 1997. This application is for a permit renewal. Although the current permit expired on July 1, 2002, it continues in force until the District takes final action on the permit renewal. The standard sections of the permit have changed since July 1, 1997. The proposed permit shows all changes to the permit in strikeout/underline format.

B. Facility Description

Acme Fiberglass, Inc. manufactures products, such as, tubs, miscellaneous parts, etc., which are made from reinforced plastic composites. Emissions of the facility are primarily volatile organic compounds (VOC). Styrene, which is both a VOC and a hazardous air pollutant, is the main pollutant.

Reinforced plastic composites consist of a mixture of fibrous reinforcement that provides strength and a plastic matrix that binds and protects the reinforcement. Composites are formed (laid up) in molds as laminates (layers of matrix and reinforcement) or cast in molds as homogeneous mixtures. Fiberglass is used as reinforcement material. Reinforcement may be incorporated into or within products in three forms: as randomly oriented chopped fibers, woven cloth, or fiber bundles (roving). Plastic matrix is formed from the curing (chemical reaction) of the liquid resin mixture, which contains a blend of resins (unconnected plastic subunits), monomers (connecting links between the subunits), and various agents that promote curing and affect the properties of the resin mix. Fillers may also be added to a resin mix to improve the fire

rating or other physical characteristics. During the curing process, the resins polymerize (connect through monomer cross-linkage) to form a tough solid plastic.

The facility has four permitted sources for their reinforced plastic composite operation: Three are spray operations and fourth is a polyester styrene storage tank. Two sources are chopper/viper guns that simultaneously apply matrix and reinforcement to form composites (lay up) in molds.

C. Permit Content

The legal and factual basis for the permit follows. The permit sections are described in the order that they are presented in the permit. The changes to the permit are described also.

I. Standard Conditions

This section contains administrative requirements and conditions that apply to all facilities. If the Title IV (Acid Rain) requirements for certain fossil-fuel fired electrical generating facilities or the accidental release (40 CFR § 68) programs apply, the section will contain a standard condition pertaining to these programs. Many of these conditions derive from 40 CFR § 70.6, Permit Content, which dictates certain standard conditions that must be placed in the permit. The language that the District has developed for many of these requirements has been adopted into the BAAQMD Manual of Procedures, Volume II, Part 3, Section 4, and therefore must appear in the permit.

The standard conditions also contain references to BAAQMD Regulation 1 and Regulation 2. These are the District's General Provisions and Permitting rules.

Changes to Permit

The adoption dates of the general and permitting rules have been updated. Sections I.B.5, I.B.10, I.F and I.H have been updated.

Sections I.B.11 and I.E.1 have been added because the requirements for certifications and submittal of records/information are required Title V program elements.

Condition I.J has been added to clarify that the capacity limits shown in Table II-A are enforceable limits.

II. Equipment

This section of the permit lists all permitted or significant sources. Each source is identified by a S and a number (e.g., S24).

Permitted sources are those sources that require a BAAQMD operating permit pursuant to BAAQMD Rule 2-1-302.

Significant sources are those sources that have a potential to emit of more than 2 tons of a "regulated air pollutant," as defined in BAAQMD Rule 2-6-222, per year or 400 pounds of a "hazardous air pollutant," as defined in BAAQMD Rule 2-6-210, per year. There are no unpermitted significant sources at this facility.

The equipment section is considered to be part of the facility description. It contains information that is necessary for applicability determinations, such as fuel types, contents or sizes of tanks, etc. This information is part of the factual basis of the permit.

Each of the permitted sources has previously been issued a permit to operate pursuant to the requirements of BAAQMD Regulation 2, Permits. These permits are issued in accordance with state law and the District's regulations. The capacities in this table are the maximum allowable capacities for each source, pursuant to Standard Condition I.J and Regulation 2-1-403.

There are no differences between the equipment list in the permit and the equipment list in the original Title V permit application.

III. Generally Applicable Requirements

This section of the permit lists requirements that generally apply to all sources at a facility including insignificant sources and portable equipment that may not require a District permit. If a generally applicable requirement applies specifically to a source that is permitted or significant, the standard will also appear in Section IV and the monitoring for that requirement will appear in Section VII of the permit. Parts of this section apply to all facilities (e.g., particulate, architectural coating, odorous substance, and sandblasting standards). In addition, standards that apply to insignificant or unpermitted sources at a facility (e.g., refrigeration units that use more than 50 pounds of an ozone-depleting compound), are placed in this section.

Unpermitted sources are exempt from normal District permits pursuant to an exemption in BAAQMD Regulation 2, Rule 1. They may, however, be specifically described in a Title V permit if they are considered a significant source pursuant to the definition in BAAQMD Rule 2-6-239.

Changes to Permit:

Language has been added to Section III to clarify that this section contains requirements that may apply to temporary sources. This allows contractors that have "portable" permits that require them to comply with all applicable requirements to work at the facility on a temporary source, even if the permit does not specifically list the temporary source. Examples are temporary sand-blasting or soil-vapor extraction.

Section III has been modified to say that SIP standards are now found on EPA's website and are not included as part of the permit.

The note regarding SIP information from the Rule Development Section has been deleted since the SIP standards are now found on EPA's website.

The adoption dates of the rules have been updated.

Table III has been updated by adding the following rules and standards to conform to current practice:

- BAAQMD Regulation 2, Rule 1, General Requirements
- BAAQMD 2-1-429, Federal Emissions Statement

- SIP Regulation 2, Rule 1, General Requirements
- BAAQMD Regulation 8, Rule 40 Aeration of Contaminated Soil and Removal of Underground Storage Tanks
- BAAQMD Regulation 8, Rule 47, Air Stripping and Soil Vapor Extraction Operations
- SIP Regulation 8, Rule 51, Adhesive and Sealant Products
- California Health and Safety Code Section 44300 et seq., Air Toxics “Hot Spots” Information and Assessment Act of 1987
- 40 CFR Part 61, Subpart M, National Emission Standards for Hazardous Air Pollutants – National Emission Standard for Asbestos

IV. Source-Specific Applicable Requirements

This section of the permit lists the applicable requirements that apply to permitted or significant sources. These applicable requirements are contained in tables that pertain to one or more sources that have the same requirements. The order of the requirements is:

- District Rules
- SIP Rules (if any) listed following the corresponding District Rules. SIP rules are District rules that have been approved by EPA into the California State Implementation Plan. SIP rules are “federally enforceable” and a “Y” (yes) indication will appear in the “Federally Enforceable” column. If the SIP rule is the current District rule, separate citation of the SIP rule is not necessary and the “Federally Enforceable” column will have a “Y” for “yes”. If the SIP rule is not the current District rule, the SIP rule or the necessary portions of the SIP rule are cited separately after the District rule. The SIP portions will be federally enforceable; the non-SIP versions will not be federally enforceable, unless EPA has approved them through another program.
- Other District requirements, such as the Manual of Procedures, as appropriate.
- Federal requirements (other than SIP provisions)
- BAAQMD permit conditions. The text of BAAQMD permit conditions is found in Section VI of the permit.
- Federal permit conditions. The text of Federal permit conditions, if any, is found in Section VI of the permit.

Section IV of the permit contains citations to all of the applicable requirements. The text of the requirements is found in the regulations, which are readily available on the District’s or EPA’s websites, or in the permit conditions, which are found in Section VI of the permit. All monitoring requirements are included in Section IV. Section VII is a cross-reference between the limits and monitoring requirements. A discussion of monitoring is included in Section C.VII of this permit evaluation/statement of basis.

Complex Applicability Determinations

The facility is not subject to Compliance Assurance Monitoring (CAM, 40 CFR 68) because there are no abatement devices.

Applicability of BAAQMD Regulation 6

The sources (S-1, S-2 and S-3) are not considered particulate emission sources. According to the Draft Guide to the Estimation and Permitting of Particulate Emissions from the Manufacture of Reinforced Plastic Composites prepared for the Composite Fabricators Association by

Environmental Compliance & Risk Management (dated August 2001), only opening molding via atomized spray application of resin or gelcoat is considered likely to emit significant particulate matter (PM). In addition, the draft guide indicates that if chopper guns are used to disperse glass fibers within the resin stream, any free glass particles, which form, are likely to be too large to remain suspended long enough to be emitted as PM. Per the draft guide, there is no significant emission of PM estimated. The District's Permit Handbook for Polyester Resin Operations also indicates that PM is not a criteria pollutant that is emitted from this type of operation. In addition, sources S-1 through S-3 were determined not to be subject to Regulation 6.

Applicability of 40CFR Part 63, Subpart WWWW - NESHAPS

The facility is subject to the requirements of 40 CFR Part 63, Subpart WWWW – NESHAPs: Reinforced Plastic Composites Production. This rule became effective on April 21, 2003. This rule regulates production and ancillary processes used to manufacture products with thermoset resins and gel coats. Reinforced plastic composites production facilities emit hazardous air pollutants, such as styrene, etc., which has adverse health effects. The NESHAP will also implement section 112(d) of the Clean Air Act (CAA) by requiring all major sources in this category to meet HAP emission standards.

Changes to permit:

Section IV has been modified to say that SIP standards are now found on EPA's website and are not included as part of the permit.

V. Schedule of Compliance

A schedule of compliance is required in all Title V permits pursuant to BAAQMD Regulation 2-6-409.10 which provides that a major facility review permit shall contain the following information and provisions:

“409.10 A schedule of compliance containing the following elements:

- 10.1 A statement that the facility shall continue to comply with all applicable requirements with which it is currently in compliance;
- 10.2 A statement that the facility shall meet all applicable requirements on a timely basis as requirements become effective during the permit term; and
- 10.3 If the facility is out of compliance with an applicable requirement at the time of issuance, revision, or reopening, the schedule of compliance shall contain a plan by which the facility will achieve compliance. The plan shall contain deadlines for each item in the plan. The schedule of compliance shall also contain a requirement for submission of progress reports by the facility at least every six months. The progress reports shall contain the dates by which each item in the plan was achieved and an explanation of why any dates in the schedule of compliance were not or will not be met, and any preventive or corrective measures adopted.”

Since the District has not determined that the facility is out of compliance with an applicable requirement, the schedule of compliance for this permit only contains elements 2-6-409.10.1 and 2-6-409.10.2.

The BAAQMD Compliance and Enforcement Division has conducted a review of compliance over the past year. The facility had one Notice of Violation for failure to submit a semi-annual monitoring report on time. The facility is now in compliance. The compliance report is contained in Appendix A of this permit evaluation and statement of basis.

Changes to Permit

The section now reads “The permit holder shall comply with applicable requirements that become effective during the term of the permit on a timely basis.” The phrase “on a timely basis” was added to follow the federal regulation more closely.

VI. Permit Conditions

During the Title V permit development, the District has reviewed the existing permit conditions, deleted the obsolete conditions, and as appropriate, revised the conditions for clarity and enforceability. Each permit condition is identified with a unique numerical identifier, up to five digits.

Where necessary to meet Title V requirements, additional monitoring, recordkeeping, or reporting has been added to the permit.

All changes to existing permit conditions are clearly shown in “strike-out/underline” format in the proposed permit. When the permit is issued, all “strike-out” language will be deleted; all “underline” language will be retained.

The existing permit conditions are generally derived from previously issued District Authorities to Construct (A/C) or Permits to Operate (P/O). It is also possible for permit conditions to be imposed or revised as part of the annual review of the facility by the District pursuant to California Health and Safety Code (H&SC) § 42301(e), through a variance pursuant to H&SC § 42350 *et seq.*, an order of abatement pursuant to H&SC § 42450 *et seq.*, or as an administrative revision initiated by District staff. After issuance of the Title V permit, permit conditions will be revised using the procedures in Regulation 2, Rule 6, Major Facility Review.

Conditions that are obsolete or that have no regulatory basis have been deleted from this permit.

The regulatory basis has been referenced following each condition. The regulatory basis may be a rule or regulation. The District is also using the following codes for regulatory basis:

- BACT: This code is used for a condition imposed by the APCO to ensure compliance with the Best Available Control Technology in Regulation 2-2-301.
- Cumulative Increase: This code is used for a condition imposed by the APCO that limits a source’s operation to the operation described in the permit application pursuant to BAAQMD Regulation 2-1-403.
- Offsets: This code is used for a condition imposed by the APCO to ensure compliance with the use of offsets for the permitting of a source or with the banking of emissions from a source pursuant to Regulation 2, Rules 2 and 4.
- PSD: This code is used for a condition imposed by the APCO to ensure compliance with a Prevention of Significant Deterioration permit pursuant to Regulation 2, Rule 2.
- TRMP: This code is used for a condition imposed by the APCO to ensure compliance with limits that arise from the District’s Toxic Risk Management Policy.

No additional periodic monitoring was added. All monitoring is adequately addressed in existing Federal and District regulations and permit conditions.

VII. Applicable Limits and Compliance Monitoring Requirements

This section of the permit is a summary of numerical limits and related monitoring requirements for each source. The summary includes a citation for each monitoring requirement, frequency of monitoring, and type of monitoring. The applicable requirements for monitoring are completely contained in Sections IV, Source-Specific Applicable Requirements, and VI, Permit Conditions, of the permit.

The District has reviewed all monitoring and has determined the existing monitoring is adequate for the requirements of BAAQMD Regulation 8, Rule 50, and BAAQMD Condition #12452.

Since the last issuance of the Title V permit for this facility, 40 CFR 63 Subpart WWW has been finalized and promulgated effective April 21, 2003. The Subpart is incorporated in the Title V permit. It is presumed that the monitoring imposed by recent NESHAPS is sufficient.

Other changes to permit:

The headings at the top of the tables have been updated. "Pollutant" has been changed to "Type of Limit" since every limit is not a pollutant limit. "Emission Limit Citation" has been changed to "Citation of Limit" since not every limit is an emission limit. "Emission Limit" has been changed to "Limit" since not every limit is an emission limit.

VIII. Test Methods

This section of the permit lists test methods that are associated with standards in District or other rules. It is included only for reference. In most cases, the test methods in the rules are source test methods that can be used to determine compliance but are not required on an ongoing basis. They are not applicable requirements.

If a rule or permit condition requires ongoing testing, the requirement will also appear in Section VI of the permit.

Changes to Permit

The test method to determine vapor suppressant effectiveness was added

IX. Permit Shield:

The District rules allow two types of permit shields. The permit shield types are defined as follows: (1) A provision in a major facility review permit that identifies and justifies specific federally enforceable regulations and standards which the APCO has confirmed are not applicable to a source or group of sources, or (2) A provision in a major facility review permit that identifies and justifies specific federally enforceable applicable requirements for monitoring, recordkeeping and/or reporting which are subsumed because other applicable requirements for monitoring, recordkeeping, and reporting in the permit will assure compliance with all emission limits.

The second type of permit shield is allowed by EPA's White Paper 2 for Improved Implementation of the Part 70 Operating Permits Program. The District uses the second type of

permit shield for all streamlining of monitoring, recordkeeping, and reporting requirements in Title V permits. The District's program does not allow other types of streamlining in Title V permits.

This facility has no permit shield.

X. Glossary

Changes to permit:

The glossary was updated.

XI. Appendix A - State Implementation Plan

Changes to permit:

Section XI has been modified to say that SIP standards are now found on EPA's website and are not included as part of the permit.

D. Alternate Operating Scenarios:

No alternate operating scenario has been requested for this facility.

E. Compliance Status:

The owner submitted annual compliance certification and certified that all equipment was operating in compliance on June 30, 2003.

The BAAQMD Compliance and Enforcement Division has conducted a review of compliance over the past year. The facility had one Notice of Violation for failure to submit a semi-annual monitoring report on time. The facility is now in compliance. The compliance report is contained in Appendix A of this permit evaluation and statement of basis.

F. Differences between the Application and the Proposed Permit:

Source and abatement device lists have not been revised since the application was first submitted.

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APPENDIX A
BAAQMD COMPLIANCE REPORT

APPENDIX B
GLOSSARY

ACT

Federal Clean Air Act

BAAQMD

Bay Area Air Quality Management District

Basis

The underlying authority that allows the District to impose requirements.

CAA

The federal Clean Air Act

CEQA

California Environmental Quality Act

CFR

The Code of Federal Regulations. 40 CFR contains the implementing regulations for federal environmental statutes such as the Clean Air Act. Parts 50-99 of 40 CFR contain the requirements for air pollution programs.

Cumulative Increase

The sum of permitted emissions from each new or modified source since a specified date pursuant to BAAQMD Rule 2-1-403, Permit Conditions (as amended by the District Board on 7/17/91) and SIP Rule 2-1-403, Permit Conditions (as approved by EPA on 6/23/95). Cumulative increase is used to determine whether threshold-based requirements are triggered.

District

The Bay Area Air Quality Management District

EPA

The federal Environmental Protection Agency.

Federally Enforceable, FE

All limitations and conditions which are enforceable by the Administrator of the EPA including those requirements developed pursuant to 40 CFR Part 51, subpart I (NSR), Part 52.21 (PSD), Part 60 (NSPS), Part 61 (NESHAPs), Part 63 (MACT), and Part 72 (Permits Regulation, Acid Rain), including limitations and conditions contained in operating permits issued under an EPA-approved program that has been incorporated into the SIP.

FP

Filterable Particulate as measured by BAAQMD Method ST-15, Particulate.

Gel Coat

A polyester resin surface coating that provides a cosmetic enhancement and improves resistance to degradation from exposure to the environment.

HAP

Hazardous Air Pollutant. Any pollutant listed pursuant to Section 112(b) of the Act. Also refers to the program mandated by Title I, Section 112, of the Act and implemented by 40 CFR Part 63.

Major Facility

A facility with potential emissions of: (1) at least 100 tons per year of regulated air pollutants, (2) at least 10 tons per year of any single hazardous air pollutant, and/or (3) at least 25 tons per year of any combination of hazardous air pollutants, or such lesser quantity of hazardous air pollutants as determined by the EPA administrator.

MFR

Major Facility Review. The District's term for the federal operating permit program mandated by Title V of the Federal Clean Air Act and implemented by District Regulation 2, Rule 6.

NAAQS

National Ambient Air Quality Standards

NESHAPS

National Emission Standards for Hazardous Air Pollutants. See in 40 CFR Parts 61 and 63.

NO_x

Oxides of nitrogen.

NSPS

Standards of Performance for New Stationary Sources. Federal standards for emissions from new stationary sources. Mandated by Title I, Section 111 of the Federal Clean Air Act, and implemented by 40 CFR Part 60 and District Regulation 10.

NSR

New Source Review. A federal program for pre-construction review and permitting of new and modified sources of pollutants for which criteria have been established in accordance with Section 108 of the Federal Clean Air Act. Mandated by Title I of the Federal Clean Air Act and implemented by 40 CFR Parts 51 and 52 and District Regulation 2, Rule 2. (Note: There are additional NSR requirements mandated by the California Clean Air Act.)

Offset Requirement

A New Source Review requirement to provide federally enforceable emission offsets for the emissions from a new or modified source. Applies to emissions of POC, NO_x, PM₁₀, and SO₂.

POC

Precursor Organic Compounds

PM

Particulate Matter

PM₁₀

Particulate matter with aerodynamic equivalent diameter of less than or equal to 10 microns

PSD

Prevention of Significant Deterioration. A federal program for permitting new and modified sources of those air pollutants for which the District is classified "attainment" of the National Air Ambient Quality Standards. Mandated by Title I of the Act and implemented by both 40 CFR Part 52 and District Regulation 2, Rule 2.

SIP

State Implementation Plan. State and District programs and regulations approved by EPA and developed in order to attain the National Air Ambient Quality Standards. Mandated by Title I of the Act.

SO₂

Sulfur dioxide

Title V

Title V of the federal Clean Air Act. Requires a federally enforceable operating permit program for major and certain other facilities.

TRMP

Toxic Risk Management Plan

TSP

Total Suspended Particulate

VOC

Volatile Organic Compounds