Mike Reed
Elpaco Coatings Corporation
P.O. Box 1769
Elkhart, Indiana 46515

Re: **039-14360**
First Significant Permit Modification to
Part 70 No.: T 039-8940-00248

Dear Mr. Reed:

Elpaco Coatings Corporation was issued was issued a Part 70 operating permit T 039-8940-00248 on January 19, 2000 for a paint production source. Pursuant to the provisions of 326 IAC 2-7-12 a significant permit modification to this permit is hereby approved as described in the attached Technical Support Document.

This Significant Permit Modification is for the operation of the following emission units and pollution control devices:

One (1) mill, identified as SW, exhausting through the general ventilation stacks (GV) and fugitively, capacity: 245.09 pounds of raw material per hour.

The Significant Permit Modification is also for the correction of the source status and a revision in the way permit limits are written (VOC limits now include cleanup solvents) due to a re-calculation of the emissions from the following emissions units and pollution control devices:

(a) One (1) paint production process, identified as EU-01, constructed in 1954, exhausting to the general ventilation stacks (GV) and fugitively, with a maximum capacity of 1,308.09 pounds of raw materials per hour, total, consisting of the following:

(1) One (1) pebble mill.

(2) One (1) steel ball mill.

(3) Two (2) sand mills.

(4) Three (3) dispersers.

(5) Fifteen (15) paint mixers (nine (9) stationary and six (6) portable).

(b) Four (4) mixing/blending tanks, identified as MT7, MT8, MT9 and MT10, installed in 1998, exhausting to the general ventilation stacks (GV) and fugitively, capacity: 475.99 pounds of raw material per hour, total.

(c) Six (6) mixing tanks, identified as MT1, MT2, MT3, MT4, MT5 and MT6, installed in 1992, exhausting to the general ventilation stacks (GV) and fugitively, capacity: 367.91 pounds of raw material per hour, total.

All other conditions of the permit shall remain unchanged and in effect. Please attach a copy of this modification and the following revised permit pages to the front of the original permit. The Minor Source Modification (MSM 039-14183-00248) gave the source permission to construct the one (1) mill, identified as SW.

This decision is subject to the Indiana Administrative Orders and Procedures Act - IC 4-21.5-3-5. If you have any questions on this matter, please contact CarrieAnn Ortolani, c/o OAQ, 100 North Senate Avenue, P.O. Box 6015, Indianapolis, Indiana, 46206-6015, at 631-691-3395 or in Indiana at 1-800-451-6027 (ext 631-691-3395).

Sincerely,
Original signed by

Paul Dubenetzky, Chief
Permits Branch
Office of Air Quality

Attachments (Updated permit pages and Technical Support Document for this modification)
CAO/MES
cc: File - Elkhart County
Northern Regional Office
Air Compliance Section Inspector - Paul Karkiewicz
Compliance Data Section - Karen Nowak
Administrative and Development - Janet Mobley
Technical Support and Modeling - Michele Boner

PART 70 OPERATING PERMIT
OFFICE OF AIR QUALITY

Elpaco Coatings Corporation
28867 Old US 33 West
Elkhart, Indiana 46516

(herein known as the Permittee) is hereby authorized to operate subject to the conditions contained herein, the source described in Section A (Source Summary) of this permit.

This permit is issued in accordance with 326 IAC 2 and 40 CFR Part 70 Appendix A and contains the conditions and provisions specified in 326 IAC 2-7 as required by 42 U.S.C. 7401, et. seq. (Clean Air Act as amended by the 1990 Clean Air Act Amendments), 40 CFR Part 70.6, IC 13-15 and IC 13-17.

Operation Permit No.: T 039-8940-00248	
Issued by: Janet G. McCabe, Assistant Commissioner Office of Air Quality	Issuance Date: January 19, 2000 Expiration Date: January 19, 2005

First Administrative Amendment 039-11967-00248, issued on April 12, 2000
Second Administrative Amendment 039-11995-00248, issued on August 4, 2000
First Minor Source Modification 039-14183-00248

First Significant Permit Modification No.: 039-14360-00248	Conditions Changed: A.1, A.2, A.3, D.1.1, D.1.6, D.1.7, and D.2.2 Quarterly Report Forms are also changed.
Issued by: Original signed by Paul Dubenetzky, Branch Chief Office of Air Quality	Issuance Date: July 17, 2001

SECTION A SOURCE SUMMARY

This permit is based on information requested by the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ). The information describing the source contained in conditions A.1 through A.3 is descriptive information and does not constitute enforceable conditions. However, the Permittee should be aware that a physical change or a change in the method of operation that may render this descriptive information obsolete or inaccurate may trigger requirements for the Permittee to obtain additional permits or seek modification of this permit pursuant to 326 IAC 2, or change other applicable requirements presented in the permit application.

A.1 General Information [326 IAC 2-7-4(c)] [326 IAC 2-7-5(15)]

The Permittee owns and operates a stationary paint production source.

Responsible Official:	Mike Reed
Source Address:	28867 Old US 33 West, Elkhart, Indiana 46516
Mailing Address:	P.O. Box 1769, Elkhart, Indiana 46515
Phone Number:	219-295-3991
SIC Code:	2851
County Location:	Elkhart
County Status:	Attainment for all criteria pollutants
Source Status:	Part 70 Permit Program Minor Source, under PSD Rules; Major Source, Section 112 of the Clean Air Act

A.2 Emission Units and Pollution Control Equipment Summary [326 IAC 2-7-4(c)(3)] [326 IAC 2-7-5(15)]

This stationary source consists of the following emission units and pollution control devices:

(a) One (1) paint production process, identified as EU-01, constructed in 1954, exhausting to the general ventilation stacks (GV) and fugitively, with a maximum capacity of 1,308.09 pounds of raw materials per hour, total, consisting of the following:

(1) One (1) pebble mill.

(2) One (1) steel ball mill.

(3) Two (2) sand mills.

(4) Three (3) dispersers.

(5) Fifteen (15) paint mixers (nine (9) stationary and six (6) portable).

(b) Four (4) mixing/blending tanks, identified as MT7, MT8, MT9 and MT10, installed in 1998, exhausting to the general ventilation stacks (GV) and fugitively, capacity: 475.99 pounds of raw material per hour, total.

(c) Six (6) mixing tanks, identified as MT1, MT2, MT3, MT4, MT5 and MT6, installed in 1992, exhausting to the general ventilation stacks (GV) and fugitively, capacity: 367.91 pounds of raw material per hour, total.

(d) One (1) mill, identified as SW, exhausting through the general ventilation stacks (GV) and fugitively, capacity: 245.09 pounds of raw material per hour.

A.3 Specifically Regulated Insignificant Activities [326 IAC 2-7-1(21)] [326 IAC 2-7-4(c)] [326 IAC 2-7-5(15)]

This stationary source also includes the following insignificant activities which are specifically regulated, as defined in 326 IAC 2-7-1(21):

(a) Natural gas-fired combustion sources with heat input equal to or less than ten (10) million British thermal units per hour:

(1) One (1) hot water boiler, installed in 1993, capacity: 0.65 million British thermal units per hour; (326 IAC 6-2-4)

(2) One (1) steam boiler, installed in 1992, capacity: 0.45 million British thermal units per hour; (326 IAC 6-2-4)

(b) A laboratory as defined in 326 IAC 2-7-1(21)(C) (326 IAC 6-3).

(c) Other categories with emissions below insignificant thresholds:

(1) Dry material handling (326 IAC 6-3).

A.4 Part 70 Permit Applicability [326 IAC 2-7-2]

This stationary source is required to have a Part 70 permit by 326 IAC 2-7-2 (Applicability) because:

(a) It is a major source, as defined in 326 IAC 2-7-1(22);

(b) It is a source in a source category designated by the United States Environmental Protection Agency (U.S. EPA) under 40 CFR 70.3 (Part 70 - Applicability).

SECTION D.1 FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-7-5(15)]

(a) One (1) paint production process, identified as EU-01, constructed in 1954, exhausting to the general ventilation stacks (GV) and fugitively, with a maximum capacity of 1,308.09 pounds of raw materials per hour, total, consisting of the following:

(1) One (1) pebble mill.

(2) One (1) steel ball mill.

(3) Two (2) sand mills.

(4) Three (3) dispersers.

(5) Fifteen (15) paint mixers (nine (9) stationary and six (6) portable).

(b) Four (4) mixing/blending tanks, identified as MT7, MT8, MT9 and MT10, installed in 1998, exhausting to the general ventilation stacks (GV) and fugitively, capacity: 475.99 pounds of raw material per hour, total.

(c) Six (6) mixing tanks, identified as MT1, MT2, MT3, MT4, MT5 and MT6, installed in 1992, exhausting to the general ventilation stacks (GV) and fugitively, capacity: 367.91 pounds of raw material per hour, total.

(d) One (1) mill, identified as SW, exhausting through the general ventilation stacks (GV) and fugitively, capacity: 245.09 pounds of raw material per hour.

(The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

Emission Limitations and Standards [326 IAC 2-7-5(1)]

D.1.1 Volatile Organic Compounds (VOC) and Hazardous Air Pollutants (HAPs) [326 IAC 2-4.1-1][326 IAC 8-1-6]

(a) The raw material input to the six (6) mixing tanks constructed in 1992 shall not exceed 1,664 tons per consecutive twelve (12) month period. Each ton of cleanup solvent used at the six (6) mixing tanks, MT1 through MT6, shall be considered equivalent to 66.7 tons of raw materials input to the paint production process. This will limit the potential to emit VOC from the six (6) mixing tanks (MT1, MT2, MT3, MT4, MT5 and MT6) to less than 25 tons per year, using the emission factor from AP-42 and FIRES of 30 pounds of VOC per ton produced. Therefore, the requirements of 326 IAC 8-1-6 are not applicable to these facilities.

(b) The raw material input to the four (4) mixing/blending tanks constructed in 1998 shall not exceed 1,664 tons per consecutive twelve (12) month period. Each ton of cleanup solvent used at the four (4) mixing/blending tanks, MT7 through MT10, shall be considered equivalent to 66.7 tons of raw materials input to the paint production process. This will limit the potential to emit VOC from the four (4) mixing/blending tanks (MT7, MT8, MT9 and MT10) to less than 25 tons per year and the potential to emit each individual HAP to less than 10 tons per year, using the emission factor from AP-42 and FIRES of 30 pounds of VOC per ton produced and a maximum individual HAP content of thirty-six percent (36.0%) in coatings produced. Therefore, the requirements of 326 IAC 2-4.1-1 and 326 IAC 8-1-6 are not applicable to these facilities.

(c) The requirement from CP 039-8959-00248, issued on January 28, 1998, Condition 8, that VOC input usage in mixing/blending tanks M7 through MT10 shall be limited to 2,200,621.4 pounds per year (lb/yr), rolled on a monthly basis, which will result in VOC emissions of 22 tons per year, based on a monthly basis is not applicable because the limitation in the

previous permit was not based on the current emission factors. The source will continue to limit VOC emissions to less than 25 tons per year from the four (4) mixing/blending tanks constructed in 1998 as indicated in paragraph (b) of this condition.

(d) Any change or modification that increases the raw material input to the one (1) mill, identified as SW, to 1,664 tons per year or more, with each ton of cleanup solvent used at the one (1) mill, identified as SW, considered equal to 66.7 tons of raw materials input to the paint production process at the one (1) mill, shall increase the potential to emit VOC to 25 tons per year or more and shall require prior IDEM, OAQ approval.

D.1.2 Particulate Matter (PM) [326 IAC 6-3-2(c)]

(a) The PM from the paint production process shall not exceed the pound per hour emission rate established as E in the following formula:

Interpolation and extrapolation of the data for the process weight rate up to sixty thousand (60,000) pounds per hour shall be accomplished by use of the equation:

$E = 4.10\ P^{0.67}$ where E = rate of emission in pounds per hour; and P = process weight rate in tons per hour

(b) The requirement from CP 039-8959-00248, issued on January 28, 1998, Operation Condition 9, that pursuant to 326 IAC 6-3 (Process Operations), the pigment handling shall have an allowable PM emissions 0.93 pounds per hour, based on the following equation: $E = 4.10P^{0.67}$, where E is the PM allowable emission in pound per hour and P is the process weight rate in ton per hour, is not applicable because the limitations in the previous permit are only for the pigment handling at the four (4) mixing/blending tanks constructed in 1998, and the allowable PM emission rate must reflect the total source capacity for pigment handling.

D.1.3 Preventive Maintenance Plan [326 IAC 2-7-5(13)]

A Preventive Maintenance Plan, in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for these facilities.

Compliance Determination Requirements

D.1.4 Testing Requirements [326 IAC 2-7-6(1),(6)][326 IAC 2-1.1-11]

The Permittee is not required to test these facilities by this permit. However, IDEM may require compliance testing when necessary to determine if the facility is in compliance. If testing is required by IDEM, compliance with the PM limit specified by Condition D.1.2(a) shall be determined by a performance test conducted in accordance with Section C - Performance Testing.

Compliance Monitoring Requirements [326 IAC 2-7-6(1)] [326 IAC 2-7-5(1)]

D.1.5 Monitoring

(a) Weekly observations shall be made of the particulate from the paint production stacks (GV) while the paint production process is in operation. The Compliance Response Plan shall be followed whenever a condition exists which should result in a response step. Failure to take response steps in accordance with Section C - Compliance Monitoring Plan - Failure to Take Response Steps, shall be considered a violation of this permit.

(b) Monthly inspections shall be performed of the emissions from the stacks, windows and doors and the presence of particulate on the rooftops and the nearby ground. The Compliance Response Plan for this unit shall contain troubleshooting contingency and response steps for when a noticeable change in particulate emission, or evidence of particulate emission is observed. The Compliance Response Plan shall be followed

whenever a condition exists which should result in a response step. Failure to take response steps in accordance with Section C - Compliance Monitoring Plan - Failure to Take Response Steps, shall be considered a violation of this permit.

(c) Additional inspections and preventive measures shall be performed as prescribed in the Preventive Maintenance Plan.

Record Keeping and Reporting Requirements [326 IAC 2-7-5(3)] [326 IAC 2-7-19]

D.1.6 Record Keeping Requirements

(a) To document compliance with Condition D.1.1, the Permittee shall maintain records in accordance with (1) through (7) below. Records maintained for (1) through (7) shall be taken monthly and shall be complete and sufficient to establish compliance with Condition D.1.1.

(1) The amount and VOC content of each coating produced and solvent used. Records shall include purchase orders, invoices, and material safety data sheets (MSDS) necessary to verify the type and amount used. Solvent usage records shall differentiate between those added to coatings and those used as cleanup solvents;

(2) The raw material input to the four (4) mixing/blending tanks, identified as MT7 through MT10, constructed in 1998 and the weight of cleanup solvents used at those tanks;

(3) The raw material input to the six (6) mixing tanks constructed in 1992, identified as MT1 through MT6, constructed in 1992 and the weight of cleanup solvents used at those tanks;

(4) The raw material input to the one (1) mill, identified as SW, and the weight of cleanup solvents used at that mill;

(5) The weight of VOCs and HAPs emitted at the four (4) mixing/blending tanks (MT7, MT8, MT9 and MT10) for each compliance period;

(6) The weight of VOCs emitted at the six (6) mixing tanks (MT1, MT2, MT3, MT4, MT5 and MT6) for each compliance period; and

(7) The weight of VOCs and HAPs emitted at the one (1) mill, identified as SW, for each compliance period.

(b) To document compliance with Condition D.1.5, the Permittee shall maintain a log of weekly particulate observations and monthly inspections, and those additional inspections prescribed by the Preventive Maintenance Plan.

(c) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

D.1.7 Reporting Requirements

A quarterly summary of the information to document compliance with Conditions D.1.1(a) and D.1.1(b) shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit, using the reporting forms located at the end of this permit, or their equivalent, within thirty (30) days after the end of the quarter being reported.

SECTION D.2 FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-7-5(15)] - Insignificant Activities

(a) Natural gas-fired combustion sources with heat input equal to or less than ten (10) million British thermal units per hour:

(1) One (1) hot water boiler, installed in 1993, capacity: 0.65 million British thermal units per hour; (326 IAC 6-2-4)

(2) One (1) steam boiler, installed in 1992, capacity: 0.45 million British thermal units per hour; (326 IAC 6-2-4)

(b) A laboratory as defined in 326 IAC 2-7-1(21)(C) (326 IAC 6-3).

(c) Other categories with emissions below insignificant thresholds:

(1) Dry material handling (326 IAC 6-3).

(The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

Emission Limitations and Standards [326 IAC 2-7-5(1)]

D.2.1 Particulate Matter (PM) [326 IAC 6-2-4]

Pursuant to 326 IAC 6-2-4(a), for Q less than 10 million British thermal units per hour, Pt shall not exceed 0.6. Therefore, the PM emissions from the two (2) insignificant natural gas fired boilers, shall in no case exceed 0.6 pound of particulate matter per million British thermal units heat input.

The limitation is computed using the following equation:

$$Pt = 1.09/Q^{0.26}$$

where:

Pt = Pounds of particulate matter emitted per million British thermal units (lb/MMBtu) heat input

Q = Total source maximum operating capacity rating in million British thermal units per hour (MMBtu/hr) heat input. The maximum operating capacity rating is defined as the maximum capacity at which the facility is operated or the nameplate capacity, whichever is specified in the facility's permit application, except when some lower capacity is contained in the facility's operation permit; in which case, the capacity specified in the operation permit shall be used.

D.2.2 Particulate Matter (PM) [326 IAC 6-3]

Pursuant to 326 IAC 6-3 (Process Operations), the allowable PM emission rate from the dry material handling and the laboratory shall not exceed allowable PM emission rate based on the following equation:

Interpolation and extrapolation of the data for the process weight rate up to 60,000 pounds per hour shall be accomplished by use of the equation:

$$E = 4.10\ P^{0.67}$$

where E = rate of emission in pounds per hour; and
P = process weight rate in tons per hour

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE DATA SECTION

Part 70 Quarterly Report

Source Name: Elpaco Coatings Corporation
Source Address: 28867 Old US 33 West, Elkhart, Indiana 46516
Mailing Address: P.O. Box 1769, Elkhart, Indiana 46515
Part 70 Permit No.: T 039-8940-00248
Facility: Six (6) mixing tanks constructed in 1992 (MT1, MT2, MT3, MT4, MT5 and MT6)
Parameter: Raw material input
Limit: 1,664 tons per consecutive twelve (12) month period, total, where each ton of cleanup solvent used at the six (6) mixing tanks is considered equivalent to 66.7 tons of raw materials used for paint production input to the tanks.

YEAR: _____

Month	Raw materials or equivalent	Raw materials or equivalent	Raw materials or equivalent
	This Month	Previous 11 Months	12 Month Total

9 No deviation occurred in this month.

9 Deviation/s occurred in this month.

Deviation has been reported on:

Submitted by:

Title/Position:

Signature:

Date:

Phone:

Attach a signed certification to complete this report.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR QUALITY
COMPLIANCE DATA SECTION

Part 70 Quarterly Report

Source Name: Elpaco Coatings Corporation
Source Address: 28867 Old US 33 West, Elkhart, Indiana 46516
Mailing Address: P.O. Box 1769, Elkhart, Indiana 46515
Part 70 Permit No.: T 039-8940-00248
Facility: Four (4) mixing/blending tanks constructed in 1998 (MT7, MT8, MT9 and MT10)
Parameter: Raw material input
Limit: 1,664 tons per consecutive twelve (12) month period, total, where each ton of cleanup solvent used at the four (4) mixing/blending tanks is considered equivalent to 66.7 tons of raw materials used for paint production input to the tanks.

YEAR: _____

Month	Raw materials or equivalent	Raw materials or equivalent	Raw materials or equivalent
	This Month	Previous 11 Months	12 Month Total

9 No deviation occurred in this month.

9 Deviation/s occurred in this month.

Deviation has been reported on: _____

Submitted by: _____

Title/Position: _____

Signature: _____

Date: _____

Phone: _____

Attach a signed certification to complete this report.

Indiana Department of Environmental Management
Office of Air Quality

Addendum to the Technical Support Document for a Significant Permit Modification to a Part 70 Operating Permit

Source Name:	**Elpaco Coatings Corporation**
Source Location:	**28867 Old US 33 West, Elkhart, Indiana 46516**
County:	**Elkhart**
SIC Code:	**2851**
Operation Permit No.:	**T 039-8940-00248**
Operation Permit Issuance Date:	**January 19, 2000**
Significant Permit Modification No.:	**039-14360-00248**
Permit Reviewer:	**CarrieAnn Ortolani**

On June 2, 2001, the Office of Air Quality (OAQ) had a notice published in the Elkhart Truth, Elkhart, Indiana, stating that Elpaco Coatings Corporation had applied for a Significant Permit Modification to a Part 70 Operating Permit to construct a mill at the existing paint production source. The notice also stated that OAQ proposed to issue a Significant Permit Modification and provided information on how the public could review the proposed Significant Permit Modification and other documentation. Finally, the notice informed interested parties that there was a period of thirty (30) days to provide comments on whether or not this Significant Permit Modification to a Part 70 Operating Permit should be issued as proposed.

On June 19, 2001, John Romberger of D and B Environmental Services submitted comments on the proposed Significant Permit Modification to a Part 70 Operating Permit. The comments are as follows (The permit language, if changed, has deleted language as ~~strikeouts~~ and new language **bolded.**):

Comment 1:

The name of the responsible official should be Mike Reed.

Response 1:

Section A.1 is revised as follows:

A.1 General Information [326 IAC 2-7-4(c)] [326 IAC 2-7-5(15)]

The Permittee owns and operates a stationary paint production source.

Responsible Official:	~~Max Wyatt~~ **Mike Reed**
Source Address:	28867 Old US 33 West, Elkhart, Indiana 46516
Mailing Address:	P.O. Box 1769, Elkhart, Indiana 46515
Phone Number:	219-295-3991
SIC Code:	2851
County Location:	Elkhart
County Status:	Attainment for all criteria pollutants
Source Status:	Part 70 Permit Program Minor Source, under PSD Rules; Major Source, Section 112 of the Clean Air Act

Comment 2:

The general ventilation stack (GV) is actually two (2) stacks and only vent approximately 10% (according to Elpaco) of the emissions. All other emissions exhaust fugitive or out open doors and windows.

Response 2:

The facility descriptions in Section A.2 and the facility description box in Section D.1, and Condition D.1.5, are revised as follows:

A.2 Emission Units and Pollution Control Equipment Summary [326 IAC 2-7-4(c)(3)] [326 IAC 2-7-5(15)]

This stationary source consists of the following emission units and pollution control devices:

(a) One (1) paint production process, identified as EU-01, constructed in 1954, exhausting to the general ventilation stack**s** (GV) **and fugitively**, with a maximum capacity of 1,308.09 pounds of raw materials per hour, total, consisting of the following:

(1) One (1) pebble mill.

(2) One (1) steel ball mill.

(3) Two (2) sand mills.

(4) Three (3) dispersers.

(5) Fifteen (15) paint mixers (nine (9) stationary and six (6) portable).

(b) Four (4) mixing/blending tanks, identified as MT7, MT8, MT9 and MT10, installed in 1998, exhausting to the general ventilation stack**s** (GV) **and fugitively**, capacity: 475.99 pounds of raw material per hour, total.

(c) Six (6) mixing tanks, identified as MT1, MT2, MT3, MT4, MT5 and MT6, installed in 1992, exhausting to the general ventilation stack**s** (GV) **and fugitively**, capacity: 367.91 pounds of raw material per hour, total.

(d) One (1) mill, identified as SW, exhausting through the general ventilation stack**s** (GV) **and fugitively**, capacity: 245.09 pounds of raw material per hour.

D.1.5 Monitoring

(a) Weekly observations shall be made of the particulate from the paint production stack**s** (GV) while the paint production process is in operation. The Compliance Response Plan shall be followed whenever a condition exists which should result in a response step. Failure to take response steps in accordance with Section C - Compliance Monitoring Plan - Failure to Take Response Steps, shall be considered a violation of this permit.

(b) Monthly inspections shall be performed of the emissions from the stack**s, windows and doors** and the presence of particulate on the rooftops and the nearby ground. The Compliance Response Plan for this unit shall contain troubleshooting contingency and

response steps for when a noticeable change in particulate emission, or evidence of particulate emission is observed. The Compliance Response Plan shall be followed whenever a condition exists which should result in a response step. Failure to take response steps in accordance with Section C - Compliance Monitoring Plan - Failure to Take Response Steps, shall be considered a violation of this permit.

(c) Additional inspections and preventive measures shall be performed as prescribed in the Preventive Maintenance Plan.

Indiana Department of Environmental Management
Office of Air Quality

Technical Support Document (TSD) for a Part 70 Significant Permit Modification

Source Background and Description

Source Name:	**Elpaco Coatings Corporation**
Source Location:	**28867 Old US 33 West, Elkhart, Indiana 46516**
County:	**Elkhart**
SIC Code:	**2851**
Operation Permit No.:	**T 039-8940-00248**
Operation Permit Issuance Date:	**January 19, 2000**
Significant Permit Modification No.:	**039-14360-00248**
Permit Reviewer:	**CarrieAnn Ortolani**

The Office of Air Quality (OAQ) has reviewed a modification application from Elpaco Coatings Corporation relating to the operation of the following emission units and pollution control devices:

One (1) mill, identified as SW, exhausting through the general ventilation stack (GV), capacity: 245.09 pounds of raw material per hour.

The source believes that the information submitted in the Part 70 Permit application was not correct and has applied for a re-evaluation of the emissions from the following emissions units and pollution control devices:

(a) One (1) paint production process, identified as EU-01, constructed in 1954, exhausting to the general ventilation stack (GV), with a maximum capacity of 1,308.09 pounds of raw material per hour, total, consisting of the following:

(1) One (1) pebble mill.

(2) One (1) steel ball mill.

(3) Two (2) sand mills.

(4) Three (3) dispersers.

(5) Fifteen (15) paint mixers (nine (9) stationary and six (6) portable).

(b) Four (4) mixing/blending tanks, identified as MT7, MT8, MT9 and MT10, installed in 1998, exhausting to the general ventilation stack (GV), capacity: 475.99 pounds of raw material per hour, total.

(c) Six (6) mixing tanks, identified as MT1, MT2, MT3, MT4, MT5 and MT6, installed in 1992, exhausting to the general ventilation stack (GV), capacity: 367.91 pounds of raw material per hour, total.

History

On March 26, 2001, Elpaco Coatings Corporation submitted information regarding the capacity and potential to emit of the existing source. Elpaco Coatings Corporation requested that the potential to emit of the source be re-evaluated based on corrected capacities of the facilities at the existing source. On April 19, 2000, Elpaco Coatings Corporation submitted an application to the OAQ requesting to add an additional mill, identified as SW, to their existing plant. On May 2, 2001, Elpaco Coatings Corporation submitted additional information requesting to increase the capacity of mix tanks MT-2 and MT-7 as part of this modification. The applicant will continue to comply with the existing permit limitations for those tanks. Those requests are being combined into the application from March 26, 2001, and were addressed in the minor source modification (MSM 039-14183-00248) and this significant permit modification. Elpaco Coatings Corporation was issued a Part 70 permit (T 039-8940-00248) on January 19, 2000. Administrative Amendments 039-11967 and 039-11995 were issued on April 12, 2000 and August 4, 2000, respectively.

Enforcement Issue

There are no enforcement actions pending.

Recommendation

The staff recommends to the Commissioner that the Part 70 Minor Source Modification be approved. This recommendation is based on the following facts and conditions:

Unless otherwise stated, information used in this review was derived from the application and additional information submitted by the applicant.

An application for the purposes of this review was received on April 19, 2000. Additional information was received on July 25, July 28, August 31, September 18, and September 22, 2000; and March 26 and May 2, 2001.

Justification for Modification

Pursuant to 326 IAC 2-7-12(d), this proposed Significant Permit Modification to the Part 70 Operating Permit, T 039-8940-00248, issued on January 19, 2000, is required to incorporate the first Minor Source Modification (MSM 039-14183-00248) into the Part 70 Operating Permit. This permit modification will allow for the operation of the facility covered in the Minor Source Modification. Pursuant to 326 IAC 2-7-12(d)(1), "Significant modification procedures shall be used for applications requesting Part 70 permit modifications that do not qualify as minor permit modifications or as administrative amendments. Every significant change in existing monitoring Part 70 permit terms or conditions and every relaxation of reporting or record keeping permit terms or conditions shall be considered significant..." This modification changes existing limits and record keeping requirements. Therefore, a Significant Permit Modification is required.

Proposed Changes

The one (1) mill, identified as SW, is the only new emission unit at this source. All changes in the descriptions of the existing emission units are corrections to the way the emission units are described in the permit. The permit language is changed to read as follows (deleted language appears as ~~strikeouts~~, new language appears in **bold**):

A.1 General Information [326 IAC 2-7-4(c)] [326 IAC 2-7-5(15)]

The Permittee owns and operates a stationary paint production source.

Responsible Official:	Max Wyatt
Source Address:	28867 Old US 33 West, Elkhart, Indiana 46516
Mailing Address:	P.O. Box 1769, Elkhart, Indiana 46515
Phone Number:	219-295-3991
SIC Code:	2851
County Location:	Elkhart
County Status:	Attainment for all criteria pollutants
Source Status:	Part 70 Permit Program ~~Major~~ **Minor** Source, under PSD Rules; Major Source, Section 112 of the Clean Air Act

A.2 Emission Units and Pollution Control Equipment Summary [326 IAC 2-7-4(c)(3)] [326 IAC 2-7-5(15)]

This stationary source consists of the following emission units and pollution control devices:

(a) One (1) paint production process, identified as EU-01, constructed in 1954, exhausting to the general ventilation stack (GV), with a maximum capacity of ~~7,656~~ **1,308.09** pounds of raw materials per hour, **total,** consisting of the following:

~~(a)~~ **(1)** One (1) pebble mill.

~~(b)~~ **(2)** One (1) steel ball mill.

~~(c)~~ **(3)** Two (2) sand mills.

~~(d)~~ **(4)** Three (3) dispersers.

~~(e)~~ **(5)** ~~Nine (9) paint mixers.~~ **Fifteen (15) paint mixers (nine (9) stationary and six (6) portable).**

~~(f)~~ **(b)** ~~One (1) mixing/blending tank, identified as MT7, installed in 1998, capacity: 2,000 gallons.~~ **Four (4) mixing/blending tanks, identified as MT7, MT8, MT9 and MT10, installed in 1998, exhausting to the general ventilation stack (GV), capacity: 475.99 pounds of raw material per hour, total.**

~~(g) Two (2) mixing/blending tanks, identified as MT8 and MT9, installed in 1998, capacity: 750 gallons, each.~~

~~(h) One (1) mixing/blending tank, identified as MT10, installed in 1998, capacity: 660 gallons.~~

~~(i)~~ **(c)** ~~Four (4) mixing tanks, identified as MT1, MT2, MT3, and MT4, installed in 1992, capacity: 660 gallons, each.~~ **Six (6) mixing tanks, identified as MT1, MT2, MT3, MT4, MT5 and MT6, installed in 1992, exhausting to the general ventilation stack (GV), capacity: 367.91 pounds of raw material per hour, total.**

~~(j) Two (2) mixing tanks, identified as MT5 and MT6, installed in 1992, capacity: 440 gallons, each.~~

(d) One (1) mill, identified as SW, exhausting through the general ventilation stack (GV), capacity: 245.09 pounds of raw material per hour.

A.3 Specifically Regulated Insignificant Activities [326 IAC 2-7-1(21)] [326 IAC 2-7-4(c)] [326 IAC 2-7-5(15)]

This stationary source also includes the following insignificant activities which are specifically regulated, as defined in 326 IAC 2-7-1(21):

(a) Natural gas-fired combustion sources with heat input equal to or less than ten (10) million British thermal units per hour:

(1) One (1) hot water boiler, installed in 1993, capacity: 0.65 million British thermal units per hour; (326 IAC 6-2-4)

(2) One (1) steam boiler, installed in 1992, capacity: 0.45 million British thermal units per hour; (326 IAC 6-2-4)

(b) A laboratory as defined in 326 IAC 2-7-1(21)(C) (326 IAC 6-3).

~~(b)~~ **(c)** Other categories with emissions below insignificant thresholds:

(1) Dry material handling (326 IAC 6-3).

SECTION D.1 FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-7-5(15)]

(a) One (1) paint production process, identified as EU-01, constructed in 1954, exhausting to the general ventilation stack (GV), with a maximum capacity of ~~7,656~~ **1,308.09** pounds of raw materials per hour, **total,** consisting of the following:

~~(a)~~ **(1)** One (1) pebble mill.

~~(b)~~ **(2)** One (1) steel ball mill.

~~(c)~~ **(3)** Two (2) sand mills.

~~(d)~~ **(4)** Three (3) dispersers.

~~(e)~~ **(5)** ~~Nine (9) paint mixers.~~ **Fifteen (15) paint mixers (nine (9) stationary and six (6) portable).**

~~(f)~~ **(b)** ~~One (1) mixing/blending tank, identified as MT7, installed in 1998, capacity: 2,000 gallons.~~ **Four (4) mixing/blending tanks, identified as MT7, MT8, MT9 and MT10, installed in 1998, exhausting to the general ventilation stack (GV), capacity: 475.99 pounds of raw material per hour, total.**

~~(g) Two (2) mixing/blending tanks, identified as MT8 and MT9, installed in 1998, capacity: 750 gallons, each.~~

~~(h) One (1) mixing/blending tank, identified as MT10, installed in 1998, capacity: 660 gallons.~~

~~(i)~~ **(c)** ~~Four (4) mixing tanks, identified as MT1, MT2, MT3, and MT4, installed in 1992, capacity: 660 gallons, each.~~ **Six (6) mixing tanks, identified as MT1, MT2, MT3, MT4, MT5 and MT6, installed in 1992, exhausting to the general ventilation stack (GV), capacity: 367.91 pounds of raw material per hour, total.**

~~(j) Two (2) mixing tanks, identified as MT5 and MT6, installed in 1992, capacity: 440 gallons, each.~~

(d) One (1) mill, identified as SW, exhausting through the general ventilation stack (GV), capacity: 245.09 pounds of raw material per hour.

(The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

Emission Limitations and Standards [326 IAC 2-7-5(1)]

D.1.1 Volatile Organic Compounds (VOC), **and** Hazardous Air Pollutants (HAPs) ~~and Particulate Matter (PM and PM_{10})~~ ~~[326 IAC 2-2] [40 CFR 52.21]~~ [326 IAC 2-4.1-1] [326 IAC 8-1-6]

(a) The raw material input to the six (6) mixing tanks constructed in 1992 shall not exceed 1,664 tons per consecutive twelve (12) month period. **Each ton of cleanup solvent used at the six (6) mixing tanks, MT1 through MT6, shall be considered equivalent to 66.7 tons of raw materials input to the paint production process.** This will limit the potential to emit VOC from the six (6) mixing tanks (MT1, MT2, MT3, MT4, MT5 and MT6) to less than 25 tons per year ~~and the potential to emit PM_{10} to less than 15 tons per year~~, using the emission factor~~s~~ from AP-42 and FIRES of 30 pounds of VOC per ton produced ~~and 20 pounds of PM and PM_{10} per ton of pigment handled~~. Therefore, the requirements of ~~326 IAC 2-2, 40 CFR 52.21, and~~ 326 IAC 8-1-6 are not applicable to these facilities.

(b) The raw material input to the four (4) mixing/blending tanks constructed in 1998 shall not exceed 1,664 tons per consecutive twelve (12) month period. **Each ton of cleanup solvent used at the four (4) mixing/blending tanks, MT7 through MT10, shall be considered equivalent to 66.7 tons of raw materials input to the paint production process.** This will limit the potential to emit VOC from the four (4) mixing/blending tanks (MT7, MT8, MT9 and MT10) to less than 25 tons per year, ~~the potential to emit PM to less than 25 tons per year, the potential to emit PM_{10} to less than 15 tons per year~~, and the potential to emit each individual HAP to less than 10 tons per year, using the emission factor~~s~~ from AP-42 and FIRES of 30 pounds of VOC per ton produced and **a maximum individual HAP content of thirty-six percent (36.0%) in coatings produced** ~~20 pounds of PM and PM_{10} per ton of pigment handled~~. Therefore, the requirements of 326 IAC 2-4.1-1, ~~326 IAC 2-2, 40 CFR 52.21,~~ and 326 IAC 8-1-6 are not applicable to these facilities.

(c) The requirement from CP 039-8959-00248, issued on January 28, 1998, Condition 8, that VOC input usage in mixing/blending tanks M7 through MT10 shall be limited to 2,200,621.4 pounds per year (lb/yr), rolled on a monthly basis, which will result in VOC emissions of 22 tons per year, based on a monthly basis is not applicable because the limitation in the previous permit was not based on the current emission factors. The source will continue to limit VOC emissions to less than 25 tons per year from the four (4) mixing/blending tanks constructed in 1998 as indicated in paragraph (b) of this condition.

(d) Any change or modification that increases the raw material input to the one (1) mill, identified as SW, to 1,664 tons per year or more, with each ton of cleanup solvent used at the one (1) mill, identified as SW, considered equal to 66.7 tons of raw materials input to the paint production process at the one (1) mill, shall increase the potential to emit VOC to 25 tons per year or more and shall require prior IDEM, OAQ approval.

D.1.6 Record Keeping Requirements

(a) To document compliance with Condition D.1.1, the Permittee shall maintain records in accordance with (1) through ~~(5)~~ **(7)** below. Records maintained for (1) through ~~(5)~~ **(7)** shall be taken monthly and shall be complete and sufficient to establish compliance with Condition D.1.1.

(1) The amount and VOC content of each coating produced and solvent used. Records shall include purchase orders, invoices, and material safety data sheets (MSDS) necessary to verify the type and amount used. Solvent usage records shall differentiate between those added to coatings and those used as cleanup solvents;

(2) The raw material input to the four (4) mixing/blending tanks**, identified as MT7 through MT10,** constructed in 1998 **and the weight of cleanup solvents used at those tanks**;

(3) The raw material input to the six (6) mixing tanks constructed in 1992**, identified as MT1 through MT6,** constructed in 1992 **and the weight of cleanup solvents used at those tanks**;

(4) The raw material input to the one (1) mill, identified as SW, and the weight of cleanup solvents used at that mill;

~~(4)~~ **(5)** The weight of VOCs, ~~PM, PM_{10}~~ and HAPs emitted at the four (4) mixing/blending tanks (MT7, MT8, MT9 and MT10) for each compliance period; ~~and~~

~~(5)~~ **(6)** The weight of VOCs, ~~PM, PM_{10} and HAPs~~ emitted at the six (6) mixing tanks (MT1, MT2, MT3, MT4, MT5 and MT6) for each compliance period; **and**

(7) The weight of VOCs and HAPs emitted at the one (1) mill, identified as SW, for each compliance period.

(b) To document compliance with Condition D.1.5, the Permittee shall maintain a log of weekly particulate observations and monthly inspections, and those additional inspections prescribed by the Preventive Maintenance Plan.

(c) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

D.1.7 Reporting Requirements

A quarterly summary of the information to document compliance with Condition**s** D.1.1**(a) and D.1.1(b)** shall be submitted to the address listed in Section C - General Reporting Requirements, of this permit, using the reporting forms located at the end of this permit, or their equivalent, within thirty (30) days after the end of the quarter being reported.

SECTION D.2 FACILITY OPERATION CONDITIONS

Facility Description [326 IAC 2-7-5(15)] - Insignificant Activities

(a) Natural gas-fired combustion sources with heat input equal to or less than ten (10) million British thermal units per hour:

(1) One (1) hot water boiler, installed in 1993, capacity: 0.65 million British thermal units per hour; (326 IAC 6-2-4)

(2) One (1) steam boiler, installed in 1992, capacity: 0.45 million British thermal units per hour; (326 IAC 6-2-4)

(b) A laboratory as defined in 326 IAC 2-7-1(21)(C) (326 IAC 6-3).

~~(b)~~ **(c)** Other categories with emissions below insignificant thresholds:

(1) Dry material handling (326 IAC 6-3).

(The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

D.2.2 Particulate Matter (PM) [326 IAC 6-3]

Pursuant to 326 IAC 6-3 (Process Operations), the allowable PM emission rate from the dry material handling **and the laboratory** shall not exceed allowable PM emission rate based on the following equation:

Interpolation and extrapolation of the data for the process weight rate up to 60,000 pounds per hour shall be accomplished by use of the equation:

$E = 4.10\ P^{0.67}$ where E = rate of emission in pounds per hour; and
P = process weight rate in tons per hour

On January 1, 2001, the name of the Office of Air Management (OAM) was changed to the Office of Air Quality (OAQ). All references to the Office of Air Management or OAM in this permit should be read as Office of Air Quality or OAQ. The references to Office of Air Management or OAM on the changed permit pages have been changed to Office of Air Quality or OAQ in this permit modification.

The report forms have been revised as follows:

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR ~~MANAGEMENT~~ QUALITY
COMPLIANCE DATA SECTION

Part 70 Quarterly Report

Source Name: Elpaco Coatings Corporation
Source Address: 28867 Old US 33 West, Elkhart, Indiana 46516
Mailing Address: P.O. Box 1769, Elkhart, Indiana 46515
Part 70 Permit No.: T 039-8940-00248
Facility: Six (6) mixing tanks constructed in 1992 (MT1, MT2, MT3, MT4, MT5 and MT6)
Parameter: Raw material input
Limit: 1,664 tons per consecutive twelve (12) month period, total**, where each ton of cleanup solvent used at the six (6) mixing tanks is considered equivalent to 66.7 tons of raw materials used for paint production input to the tanks.**

YEAR: _____

Month	~~Column 1~~ **Raw materials or equivalent**	~~Column 2~~ **Raw materials or equivalent**	~~Column 1 + Column 2~~ **Raw materials or equivalent**
	This Month	Previous 11 Months	12 Month Total
~~Month 1~~			
~~Month 2~~			
~~Month 3~~			

9 No deviation occurred in this month.

9 Deviation/s occurred in this month.

Deviation has been reported on: _____

Submitted by: _____

Title/Position: _____

Signature: _____

Date: _____

Phone: _____

Attach a signed certification to complete this report.

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR ~~MANAGEMENT~~ QUALITY
COMPLIANCE DATA SECTION

Part 70 Quarterly Report

Source Name: Elpaco Coatings Corporation
Source Address: 28867 Old US 33 West, Elkhart, Indiana 46516
Mailing Address: P.O. Box 1769, Elkhart, Indiana 46515
Part 70 Permit No.: T 039-8940-00248
Facility: Four (4) mixing/blending tanks constructed in 1998 (MT7, MT8, MT9 and MT10)
Parameter: Raw material input
Limit: 1,664 tons per consecutive twelve (12) month period, total**, where each ton of cleanup solvent used at the four (4) mixing/blending tanks is considered equivalent to 66.7 tons of raw materials used for paint production input to the tanks.**

YEAR: _____

Month	~~Column 1~~ **Raw materials or equivalent**	~~Column 2~~ **Raw materials or equivalent**	~~Column 1 + Column 2~~ **Raw materials or equivalent**
	This Month	Previous 11 Months	12 Month Total
~~Month 1~~			
~~Month 2~~			
~~Month 3~~			

9 No deviation occurred in this month.
9 Deviation/s occurred in this month.

Deviation has been reported on: _____

Submitted by: _____

Title/Position: _____

Signature: _____

Date: _____

Phone: _____

Attach a signed certification to complete this report.

Conclusion

The operation of this proposed modification shall be subject to the conditions of the attached proposed Part 70 Significant Permit Modification No. 039-14360-00248.