



Joseph E. Kernan
Governor

Lori F. Kaplan
Commissioner

May 24, 2004

100 North Senate Avenue
P.O. Box 6015
Indianapolis, Indiana 46206-6015
(317) 232-8603
(800) 451-6027
www.in.gov/idem

TO: Interested Parties / Applicant
RE: CANA, Inc / 039-18535-00005
FROM: Paul Dubenetzky
Chief, Permits Branch
Office of Air Quality

Notice of Decision: Approval - Effective Immediately

Please be advised that on behalf of the Commissioner of the Department of Environmental Management, I have issued a decision regarding the enclosed matter. Pursuant to IC 13-15-5-3, this permit is effective immediately, unless a petition for stay of effectiveness is filed and granted according to IC 13-15-6-3, and may be revoked or modified in accordance with the provisions of IC 13-15-7-1.

If you wish to challenge this decision, IC 4-21.5-3 and IC 13-15-6-1 require that you file a petition for administrative review. This petition may include a request for stay of effectiveness and must be submitted to the Office of Environmental Adjudication, 100 North Senate Avenue, Government Center North, Room 1049, Indianapolis, IN 46204, **within eighteen (18) calendar days of the mailing of this notice**. The filing of a petition for administrative review is complete on the earliest of the following dates that apply to the filing:

- (1) the date the document is delivered to the Office of Environmental Adjudication (OEA);
- (2) the date of the postmark on the envelope containing the document, if the document is mailed to OEA by U.S. mail; or
- (3) The date on which the document is deposited with a private carrier, as shown by receipt issued by the carrier, if the document is sent to the OEA by private carrier.

The petition must include facts demonstrating that you are either the applicant, a person aggrieved or adversely affected by the decision or otherwise entitled to review by law. Please identify the permit, decision, or other order for which you seek review by permit number, name of the applicant, location, date of this notice and all of the following:

- (1) the name and address of the person making the request;
- (2) the interest of the person making the request;
- (3) identification of any persons represented by the person making the request;
- (4) the reasons, with particularity, for the request;
- (5) the issues, with particularity, proposed for considerations at any hearing; and
- (6) identification of the terms and conditions which, in the judgment of the person making the request, would be appropriate in the case in question to satisfy the requirements of the law governing documents of the type issued by the Commissioner.

If you have technical questions regarding the enclosed documents, please contact the Office of Air Quality, Permits Branch at (317) 233-0178. Callers from within Indiana may call toll-free at 1-800-451-6027, ext. 3-0178.

Enclosures
FNPER.dot 9/16/03



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May 24, 2004

Mr. Daniel Granger
CANA, Inc.
29240 Philips Street
Elkhart, Indiana 46514

Re: 039-18535-00005
First Significant Source Modification to
Part 70 Permit No.: T039-6494-00005

Dear Mr. Granger:

CANA Inc. was issued a Part 70 Operating Permit T039-6494-00005 on February 26, 1999 for a wood cabinet manufacturing plant. An application to modify the source was received on December 23, 2003. Pursuant to 326 IAC 2-7-10.5, the following emission units are approved for construction at the source:

- (c) One (1) spray coating line, identified as EU2, constructed in 2004, consisting of the following:
 - (1) One (1) stain and sealer booth, identified as S-7a, equipped with HVLP spray guns, using dry filters for overspray control, and exhausting to stack S-7a.
 - (2) One (1) stain booth, identified as S-8a, equipped with HVLP spray guns, using dry filters for overspray control, and exhausting to stack S-8a.
 - (3) One (1) sealer booth, identified as S-9a, equipped with HVLP spray guns, using dry filters for overspray control, and exhausting to stack S-9a.
 - (4) One (1) topcoat booth, identified as S-11a, equipped with HVLP spray guns, using dry filters for overspray control, and exhausting to stack S-11a.

The following construction conditions are applicable to the proposed project:

1. General Construction Conditions
The data and information supplied with the application shall be considered part of this source modification approval. Prior to any proposed change in construction which may affect the potential to emit (PTE) of the proposed project, the change must be approved by the Office of Air Quality (OAQ).
2. This approval to construct does not relieve the permittee of the responsibility to comply with the provisions of the Indiana Environmental Management Law (IC 13-11 through 13-20; 13-22 through 13-25; and 13-30), the Air Pollution Control Law (IC 13-17) and the rules promulgated thereunder, as well as other applicable local, state, and federal requirements.
3. Effective Date of the Permit
Pursuant to IC 13-15-5-3, this approval becomes effective upon its issuance.
4. Pursuant to 326 IAC 2-1.1-9 and 326 IAC 2-7-10.5(i), the Commissioner may revoke this approval if construction is not commenced within eighteen (18) months after receipt of this approval or if construction is suspended for a continuous period of one (1) year or more.

5. All requirements and conditions of this construction approval shall remain in effect unless modified in a manner consistent with procedures established pursuant to 326 IAC 2.
6. Pursuant to 326 IAC 2-7-10.5(l) the emission units constructed under this approval shall not be placed into operation prior to revision of the source's Part 70 Operating Permit to incorporate the required operation conditions.

This significant source modification authorizes construction of the new emission units. Operating conditions shall be incorporated into the Part 70 operating permit as a significant permit modification in accordance with 326 IAC 2-7-10.5(l)(2) and 326 IAC 2-7-12. Operation is not approved until the significant permit modification has been issued.

Pursuant to Contract No. A305-0-00-36, IDEM, OAQ has assigned the processing of this application to Eastern Research Group, Inc., (ERG). Therefore, questions should be directed to Yu-Lien Chu, ERG, Morrisville, North Carolina 27560, or call (919) 468-7871 to speak directly to Ms. Chu. Questions may also be directed to Duane Van Laningham at IDEM, OAQ, 100 North Senate Avenue, P.O. Box 6015, Indianapolis, Indiana, 46206-6015, or call (800) 451-6027, and ask for Duane Van Laningham, or extension 3-6878, or dial (317) 233-6878.

Sincerely,

Original Signed by Paul Dubenetzky

Paul Dubenetzky, Chief
Permits Branch
Office of Air Quality

Attachments

ERG/YC

cc: File - Elkhart County
U.S. EPA, Region V
Elkhart County Health Department
Northern Regional Office
Air Compliance Section Inspector - Paul Karkiewicz
Compliance Data Section
Administrative and Development - Sara Cloe
Technical Support and Modeling - Michele Boner
Title V Renewal Reviewer - ERG/AO



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PART 70 OPERATING PERMIT OFFICE OF AIR QUALITY

CANA, Inc.
29240 Philips Street
Elkhart, Indiana 46514

(herein known as the Permittee) is hereby authorized to construct and operate subject to the conditions contained herein, the emission units 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 and 326 IAC 2-1-3.2 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.

Operating Permit No.: T 039-6494-00005	
Original issued by: Janet G. McCabe, Assistant Commissioner Office of Air Quality	Issuance Date: February 26, 1999 Expiration Date: February 26, 2004

First Administrative Amendment No.: 039-11514-00005, issued November 23, 1999
Second Administrative Amendment No.: 039-12311-00005, issued June 30, 2000
Third Administrative Amendment No.: 039-12514-00005, issued September 19, 2000
First Significant Permit Modification No.: 039-13851-00005, issued June 4, 2001
First Reopening No.: 0139-13215-0005, issued November 26, 2001
Fourth Administrative Amendment No.: 039-15370-00005, issued April 9, 2002

First Significant Source Modification No.: 039-18535-00005	
Issued by: Original Signed by Paul Dubenetzky Paul Dubenetzky, Branch Chief Office of Air Quality	Issuance Date: May 24, 2004

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 wood cabinet making and surface coating operation.

Responsible Official:	Vice President
Source Address:	29240 Philips St., Elkhart, IN 46514
Mailing Address:	29240 Philips St., Elkhart, IN 46514
SIC Code:	2434
County Location:	Elkhart
Source Location Status:	Attainment for all criteria pollutants
Source Status:	Part 70 Permit Program Major Source, under PSD Major Source, Section 112 of the Clean Air Act Not in 1 of 28 Source Categories

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) Three (3) spray machines and four (4) spray booths, all identified as EU1, consisting of the following:
 - (1) One (1) stain machine with airless spray guns, exhausting to Stack ID #S-1.
 - (2) One (1) sealer machine with airless spray guns, exhausting to Stack ID #S-2.
 - (3) One (1) topcoat machine with airless spray guns, exhausting to Stack ID #S-3.
 - (4) Two (2) stain booth with HVLP spray guns. Particulate matter emissions shall be controlled by dry filters, then exhausting to Stack ID #S-4.
 - (5) One (1) sealer booth with airless spray guns. Particulate matter emissions shall be controlled by dry filters, then exhausting to Stack ID #S-5.
 - (6) One (1) topcoat booth with airless spray guns. Particulate matter emissions shall be controlled by dry filters, then exhausting to Stack ID #S-6.
- (b) One (1) topcoat booth (TB-10) with a capacity to coat 478 square feet of wood cabinetry an hour using airless spray guns, controlled by dry filters, and exhausting to stack S-10.
- (c) One (1) spray coating line, identified as EU2, constructed in 2004, consisting of the following:
 - (1) One (1) stain and sealer booth, identified as S-7a, equipped with HVLP spray guns, using dry filters for overspray control, and exhausting to stack S-7a.
 - (2) One (1) stain booth, identified as S-8a, equipped with HVLP spray guns, using dry filters for overspray control, and exhausting to stack S-8a.

- (3) One (1) sealer booth, identified as S-9a, equipped with HVLP spray guns, using dry filters for overspray control, and exhausting to stack S-9a.
- (4) One (1) topcoat booth, identified as S-11a, equipped with HVLP spray guns, using dry filters for overspray control, and exhausting to stack S-11a.
- (d) Woodworking operations with a baghouse to control particulate matter emissions.

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) Grinding and machining operations controlled with fabric filters, scrubbers, mist collectors, wet collectors and electrostatic precipitators with a design grain loading of less than or equal to 0.03 grains per actual cubic foot and a gas flow rate of less than or equal to 4000 actual cubic feet per minute, including the following: buffing; polishing; abrasive blasting; pneumatic conveying; and woodworking operations.
- (b) The following equipment related to manufacturing activities not resulting in the emission of HAPs: brazing equipment, cutting torches, soldering equipment, welding equipment.

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:

- (a) Three (3) spray machines and four (4) spray booths, all identified as EU1, consisting of the following:
 - (1) One (1) stain machine with airless spray guns, exhausting to Stack ID #S-1.
 - (2) One (1) sealer machine with airless spray guns, exhausting to Stack ID #S-2.
 - (3) One (1) topcoat machine with airless spray guns, exhausting to Stack ID #S-3.
 - (4) Two (2) stain booth with HVLP spray guns. Particulate matter emissions shall be controlled by dry filters, then exhausting to Stack ID #S-4.
 - (5) One (1) sealer booth with airless spray guns. Particulate matter emissions shall be controlled by dry filters, then exhausting to Stack ID #S-5.
 - (6) One (1) topcoat booth with airless spray guns. Particulate matter emissions shall be controlled by dry filters, then exhausting to Stack ID #S-6.
- (b) One (1) topcoat booth (TB-10) with a capacity to coat 478 square feet of wood cabinetry an hour using airless spray guns, controlled by dry filters, and exhausting to stack S-10.
- (c) One (1) spray coating line, identified as EU2, constructed in 2004, consisting of the following:
 - (1) One (1) stain and sealer booth, identified as S-7a, equipped with HVLP spray guns, using dry filters for overspray control, and exhausting to stack S-7a.
 - (2) One (1) stain booth, identified as S-8a, equipped with HVLP spray guns, using dry filters for overspray control, and exhausting to stack S-8a.
 - (3) One (1) sealer booth, identified as S-9a, equipped with HVLP spray guns, using dry filters for overspray control, and exhausting to stack S-9a.
 - (4) One (1) topcoat booth, identified as S-11a, equipped with HVLP spray guns, using dry filters for overspray control, and exhausting to stack S-11a.

(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) [326 IAC 8-2-12]

Pursuant to 326 IAC 8-2-12 (Wood Furniture and Cabinet Coating), the surface coating applied to wood furniture and cabinets shall utilize one of the following application methods:

- Airless Spray Application
- Air Assisted Airless Spray Application
- Electrostatic Spray Application
- Electrostatic Bell or Disc Application
- Heated Airless Spray Application
- Roller Coating
- Brush or Wipe Application
- Dip-and-Drain Application

High Volume Low Pressure (HVLP) Spray Application is an accepted alternative method of application for Air Assisted Airless Spray Application. HVLP spray is the technology used to apply coating to substrate by means of coating application equipment which operates between one-tenth (0.1) and ten (10) pounds per square inch gauge (psig) air pressure measured dynamically at the center of the air cap and at the air horns of the spray system.

D.1.2 PSD Minor Limit [326 IAC 2-2]

- (a) The total VOC usage for the coating operations in Line EU1 and the topcoat booth (TB-10), including coatings, dilution solvents, and cleaning solvents, shall be limited to less than 250 tons per twelve (12) consecutive month period with compliance determined at the end of each month. The VOC usage is defined as the VOC input minus any VOC in the waste solvent shipped out.
- (b) The total VOC usage for the four (4) spray booths in Line EU2, including coatings, dilution solvents, and cleaning solvents, shall be limited to less than 250 tons per twelve (12) consecutive month period with compliance determined at the end of each month. The VOC usage is defined as the VOC input minus any VOC in the waste solvent shipped out.

Therefore, the requirements of 326 IAC 2-2 (PSD) are not applicable.

D.1.3 Particulate Matter (PM) [40 CFR 52, Subpart P]

Pursuant to 40 CFR 52, Subpart P, the PM from each of the spray booths shall not exceed the pound per hour emission rate established as E in the following formula:

Interpolation 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:

$$E = 4.10 P^{0.67} \quad \text{where} \quad \begin{array}{l} E = \text{rate of emission in pounds per hour; and} \\ P = \text{process weight rate in tons per hour} \end{array}$$

or

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

$$E = 55.0 P^{0.11} - 40 \quad \text{where} \quad \begin{array}{l} E = \text{rate of emission in pounds per hour; and} \\ P = \text{process weight rate in tons per hour} \end{array}$$

D.1.4 General Provisions Relating to HAPs [326 IAC 20-1-1][40 CFR 63, Subpart A]

The provisions of 40 CFR 63 Subpart A - General Provisions, which are incorporated as 326 IAC20-1-1, apply to the facility described in this section except when otherwise specified in 40 CFR 63 Subpart JJ.

D.1.5 Wood Furniture NESHAP [40 CFR 63, Subpart JJ]

- (a) The wood furniture coating operation is subject to the National Emission Standards for Hazardous Air Pollutants (NESHAP), 326 IAC 20-14, (40 CFR 63, Subpart JJ), with a compliance date of December 7, 1998.
- (b) Pursuant to 40 CFR 63, Subpart JJ, the wood furniture coating operations shall comply with the following conditions:
 - (1) Limit the Volatile Hazardous Air Pollutants (VHAP) emissions from finishing operations as follows:
 - (A) Achieve a weighted average volatile hazardous air pollutant (VHAP) content across all coatings of one (1.0) pound VHAP per pound solids; or

- (B) Use compliant finishing materials in which all stains, washcoats, sealers, topcoats, basecoats and enamels have a maximum VHAP content of one (1.0) pound VHAP per pound solid, as applied. Thinners used for on-site formulation of washcoats, basecoats, and enamels have a three percent (3.0%) maximum VHAP content by weight. All other thinners have a ten percent (10.0%) maximum VHAP content by weight; or
 - (C) Use a control device to limit emissions to one 1.0 pound VHAP per pound solids; or
 - (D) Use a combination of (A), (B), and (C).
- (2) Limit VHAP emissions contact adhesives as follows:
- (A) For foam adhesives used in products that meet the upholstered seating flammability requirements, the VHAP content shall not exceed 1.8 pound VHAP per pound solids.
 - (B) For all other contact adhesives (except aerosols and contact adhesives applied to nonporous substrates) the VHAP content shall not exceed one (1.0) pound VHAP per pound solids.
 - (C) Use a control device to limit emissions to one (1.0) pound VHAP per pound solids.
- (3) The strippable spray booth material shall have a maximum VOC content of eight-tenths (0.8) pounds VOC per pound solids.

A copy of this rule is enclosed.

D.1.6 Work Practice Standards [40 CFR 63.803]

The owner or operator of an affected source subject to this subpart shall prepare and maintain a written work practice implementation plan within sixty (60) calendar days after the compliance date. The work practice implementation plan must define environmentally desirable work practices for each wood furniture manufacturing operation and at a minimum address each of the following work practice standards as defined under 40 CFR 63.803:

- (a) Operator training course.
- (b) Leak inspection and maintenance plan.
- (c) Cleaning and washoff solvent accounting system.
- (d) Chemical composition of cleaning and washoff solvents.
- (e) Spray booth cleaning.
- (f) Storage requirements.
- (g) Conventional air spray guns shall only be used under the circumstances defined under 40 CFR 63.803(h).
- (h) Line Cleaning.
- (i) Gun Cleaning.
- (j) Washoff operations.
- (k) Formulation assessment plan for finishing operations.

D.1.7 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 this facility and any control devices.

Compliance Determination Requirements

D.1.8 Testing Requirements [326 IAC 2-7-6(1),(6)][40 CFR 63.803]

- (a) Pursuant to 40 CFR 63, Subpart JJ, if the Permittee elects to demonstrate compliance using 63.804(a)(3) or 63.804(c)(2) or 63.804(d)(3) or 63.804(e)(2), performance testing must be conducted in accordance with 40 CFR 63, Subpart JJ and 326 IAC 3-6.

- (b) IDEM may require compliance testing at any specific time when necessary to determine if the facility is in compliance. If testing is required by IDEM, compliance with the VOC and PM limits specified in Condition D.1.2, D.1.3, and D.1.5 shall be determined by a performance test conducted in accordance with

D.1.9 Volatile Organic Compounds (VOC) and Hazardous Air Pollutants (HAP) [326 IAC 8-1-4] [326 IAC 8-1-2]

Compliance with the VOC usage and HAP content limits contained in Conditions D.1.2 and D.1.5 shall be determined pursuant to 326 IAC 8-1-4(a)(3) and 326 IAC 8-1-2(a) using formulation data supplied by the coating manufacturer. IDEM, OAQ, reserves the authority to determine compliance using Method 24 in conjunction with the analytical procedures specified in 326 IAC 8-1-4.

D.1.10 Particulate [326 IAC 6-3-2(d)]

Pursuant to 326 IAC 6-3-2(d), the dry filters for particulate control shall be in place at all times when the spray booths are in operation. The permittee shall operate the control device in accordance with manufacturer's specifications.

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

D.1.11 Monitoring

- (a) Daily inspections shall be performed to verify the placement, integrity and particle loading of the filters. To monitor the performance of the dry filters, weekly observations shall be made of the overspray from the surface coating booth stacks while one or more of the booths are 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 coating emissions from the stack and the presence of overspray on the rooftops and the nearby ground when weather permits. The Compliance Response Plan for this unit shall contain troubleshooting contingency and response steps for when a noticeable change in overspray emission is observed. If no overspray emission is usually observed, evidence of any overspray emission will be considered a noticeable change. 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.1.12 Record Keeping Requirements

- (a) To document compliance with Condition D.1.2, the Permittee shall maintain records in accordance with (1) through (4) below. Records maintained for (1) through (4) shall be taken monthly and shall be complete and sufficient to establish compliance with the VOC usage limits established in Condition D.1.2.
 - (1) The VOC content of each coating material and solvent used;
 - (2) The amount of coating material and solvent less water used on monthly basis;
 - (A) Records shall include purchase orders, invoices, and material safety data sheets (MSDS) necessary to verify the type and amount used.
 - (B) Solvent usage records shall differentiate between those added to coatings and those used as cleanup solvents.

- (3) The total VOC usage for each month; and
 - (4) The weight of VOCs emitted for each compliance period.
- (b) To document compliance with Condition D.1.5, the Permittee shall maintain records in accordance with (1) through (5) below. Records maintained for (1) through (5) shall be complete and sufficient to establish compliance with the VHAP usage limits established in Condition D.1.5.
- (1) Certified Product Data Sheet for each finishing material, thinner, contact adhesive and strippable booth coating.
 - (2) The HAP content in pounds of VHAP per pounds of solids, as applied, for all finishing materials and contact adhesives used.
 - (3) The VOC content in pounds of VOC per pounds of solids, as applied, for each strippable coating used.
 - (4) The VHAP content in weight percent of each thinner used.
 - (5) When the averaging compliance method is used, copies of the averaging calculations for each month as well as the data on the quantity of coating and thinners used to calculate the average.
- (c) To document compliance with Condition D.1.6, the Permittee shall maintain records demonstrating actions have been taken to fulfill the Work Practice Implementation Plan.
- (d) To document compliance with Condition D.1.11, the Permittee shall maintain a log of weekly overspray observations, daily and monthly inspections, and those additional inspections prescribed by the Preventive Maintenance Plan.
- (e) All records shall be maintained in accordance with Section C - General Record Keeping Requirements, of this permit.

D.1.14 Reporting Requirements

- (a) A quarterly summary of the information to document compliance with Condition D.1.2 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. If deducting waste from the material used, a laboratory analysis of the representative VOC content of the solvent collected and drummed for disposal offsite shall be submitted with the initial quarterly report and in any subsequent quarters in which the VOC content of the collected solvent is changed. Volatile Organic Compounds (VOC) are defined in 326 IAC 1-2-90.
- (b) An Initial Compliance Report to document compliance with Condition D.1.5, and the Certification form, shall be submitted within sixty (60) days following the compliance date of December 7, 1998. The Initial Compliance Report must include data from the entire month that the compliance date falls. This report was submitted on February 4, 1999.
- (c) A semi-annual Continuous Compliance Report to document compliance with Condition D.1.5, and the Certification form, shall be submitted within thirty (30) days after the end of the six (6) months being reported.

The six (6) month periods shall cover the following months:

- (1) January 1 through June 30;
- (2) July 1 through December 31.

- (d) The reports required in (b) and (c) of this condition shall be submitted to:

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Quality
100 North Senate Avenue, P.O. Box 6015
Indianapolis, Indiana 46206-6015

and

United States Environmental Protection Agency, Region V
Air and Radiation Division, Air Enforcement Branch - Indiana (AE-17J)
77 West Jackson Boulevard
Chicago, Illinois 60604-3590

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

Part 70 Quarterly Report

Source Name: CANA, Inc.
Source Address: 29240 Philips Street, Elkhart, Indiana 46514
Mailing Address: 29240 Philips Street, Elkhart, Indiana 46514
Part 70 Permit No.: T 039-6494-00005
Facility: Three (3) spray machines and four (4) paint booths (EU1), and topcoat booth (TB-10)
Parameter: VOC Usage
Limit: Less than 250 tons per twelve (12) consecutive months with compliance determined at the end of each month

YEAR: _____

Month	Column 1	Column 2	Column 1 + Column 2
	This Month	Previous 11 Months	12 Month Total
Month 1			
Month 2			
Month 3			

- 9 No deviation occurred in this quarter.
- 9 Deviation/s occurred in this quarter.
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: CANA, Inc.
Source Address: 29240 Philips Street, Elkhart, Indiana 46514
Mailing Address: 29240 Philips Street, Elkhart, Indiana 46514
Part 70 Permit No.: T039-6494-00005
Facility: Spray booths S-7a, S-8a, S-9a, and S-11a (EU-2)
Parameter: VOC Usage
Limit: Less than 250 tons per twelve (12) consecutive months with compliance determined at the end of each month

YEAR: _____

Month	Column 1	Column 2	Column 1 + Column 2
	This Month	Previous 11 Months	12 Month Total
Month 1			
Month 2			
Month 3			

- 9 No deviation occurred in this quarter.
- 9 Deviation/s occurred in this quarter.
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 (TSD) for a
Part 70 Significant Source Modification and a
Part 70 Significant Permit Modification

Source Background and Description

Source Name:	CANA, Inc.
Source Location:	29240 Philips Street, Elkhart, Indiana 46514
County:	Elkhart
SIC Code:	2434
Operation Permit No.:	T039-6494-00005
Operation Permit Issuance Date:	February 26, 1999
Significant Source Modification No.:	039-18535-00005
Significant Permit Modification No.:	039-18661-00005
Permit Reviewer:	ERG/YC

On March 19, 2004, the Office of Air Quality (OAQ) had a notice published in the Elkhart Truth, Elkhart, Indiana, stating that CANA, Inc. had applied for a Part 70 Significant Source Modification and a Part 70 Significant Permit Modification to replace the existing four (4) spray booths with four (4) new booths. The notice also stated that OAQ proposed to issue a permit for this operation and provided information on how the public could review the proposed permit 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 permit should be issued as proposed.

On April 19, 2004, CANA, Inc. submitted comments on the proposed Part 70 Significant Source Modification and a Part 70 Significant Permit Modification. The summary of the comments is as follows. Bold language has been added, and the language with a line through it has been deleted. The Table of Contents has been updated as necessary.

Comment 1:

The source stated that it is unnecessary and over burdensome for the source to prepare “as supplied” and “as applied” VOC data sheets to determine the VOC and HAP contents for the coatings and solvents used. The source stated that they currently use the formulation data supplied by the coating manufacture to track the VOC and HAP content for each coating and solvent used and requested Condition D.1.9 be revised.

Response to Comment 1:

The formulation data provided by the coating manufacturer contains density, coating solid, and VOC/HAP content information. Combined with the coating and solvent usage information, it is sufficient for the source to compute the total VOC input and the averaged HAP content of the coating applied at this source. Therefore, compliance with the VOC usage limits in Condition D.1.2 and the HAP/VOC content limits in Condition D.1.5 could be demonstrated by keeping

records of the amount of coating/solvent used and using the formula data provided by the coating manufacturer. Therefore, Condition D.1.9 has been revised as follows:

D.1.9 Volatile Organic Compounds (VOC) and Hazardous Air Pollutants (HAP) [326 IAC 8-1-4] [326 IAC 8-1-2]

Compliance with the VOC usage and HAP content limits contained in Conditions D.1.2 and D.1.5 shall be determined pursuant to 326 IAC 8-1-4(a)(3) and 326 IAC 8-1-2(a) ~~by preparing or obtaining from the manufacturer the copies of the "as-supplied" and "as-applied" VOC data sheets using formulation data supplied by the coating manufacturer.~~ IDEM, OAQ, reserves the authority to determine compliance using Method 24 in conjunction with the analytical procedures specified in 326 IAC 8-1-4.

Comment 2:

The source stated that the source's Part 70 permit (T039-6494-00005, issued on February 26, 1999) allowed the source to show compliance "within 30 days of the end of each month." The revised permit states that compliance with the VOC input limits in Condition D.1.2 shall be determined "at the end of each month." The source requested that this condition remain unchanged.

Response to Comment 2:

The VOC usage limits in Condition D.1.2 were based on tons per twelve (12) consecutive month period. The phrase "compliance determined at the end of each month" only emphasizes the time period for the data collected is based on each calendar month. This condition does not require the source to complete the calculations by the end of each month. According to Condition C.21 (now C.20) - General Reporting Requirement, all the reports shall be submitted within 30 days of the end of the reporting period. Therefore, the source is required to complete the reports within 30 days of the end of each reporting period. Therefore, no change has been made as a result of this comment.

Comment 3:

The source stated that the rooftops become unsafe for employee access during periods of snow or icy weather. The source requested Condition D.1.11(b) - Monthly Inspection for Rooftops and Stacks, be modified by adding the phrase "weather permitting" at the end of the first sentence.

Response to Comment 3:

IDEM agrees that the rooftop and stack should be inspected only during the time periods when weather permits. Therefore, Condition D.1.11(b) has been revised as follows:

D.1.11 Monitoring

.....

- (b) Monthly inspections shall be performed of the coating emissions from the stack and the presence of overspray on the rooftops and the nearby ground **when weather permits**. The Compliance Response Plan for this unit shall contain troubleshooting contingency and response steps for when a noticeable change in overspray emission is observed. If no overspray emission is usually observed, evidence of any overspray emission will be considered a noticeable change. 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.

Comment 4:

The source indicated that the "Pages Affected" cited on the cover page of the proposed Significant Permit modification (SPM) #039-18661-00005 are incorrect.

Response to Comment 4:

IDEM, OAQ has checked the affected pages listed on the cover page of SPM #039-18661-00005 and found they were correct. Note that only the pages with language changes were listed as affected pages. IDEM, OAQ also added the pages affected by this addendum to the cover page of SPM #039-18661-00005.

Comment 5:

The source indicated that Condition C.1 in SPM #039-18661-00005 is no longer applicable to this source because this source will become a PSD major source after this modification.

Response to Comment 5:

Since the potential to emit VOC for the entire source will be greater than 250 tons/yr after this modification, the source will become a PSD major source. Therefore, Condition C.1 has been removed from SPM #039-18661-00005. All remaining conditions in Section C and the Table of Contents have been renumbered accordingly.

~~C.1 PSD Minor Source Status [326 IAC 2-2] [40 CFR 52.21]~~

- ~~(a) The total source potential to emit VOC is limited to less than 250 tons per year. Therefore, the requirements of 326 IAC 2-2 (Prevention of Significant Deterioration) and 40 CFR 52.21 will not apply.~~
- ~~(b) Any change or modification which may increase potential to emit to 250 tons per year from this source, shall cause this source to be considered a major source under PSD; 326 IAC 2-2 and 40 CFR 52.21, and shall require approval from IDEM, OAQ prior to making the change.~~

Comment 6:

The source indicated that Condition C.18 - Emission Statement in SPM #039-18661-00005 should be updated to reflect the recent changes in rule 326 IAC 2-6.

Response to Comment 6:

The source has potential to emit VOC greater than 250 tons/yr after this modification. Pursuant to the revised 326 IAC 2-6 (Emission Reporting), sources with potential to emit VOC greater than 250 tons/yr shall submit the annual emission statement by July 1. Therefore, Condition C.18 (now condition C.17) in SPM #039-18661-00005 has been changed as follows to reflect the requirements in the revised 326 IAC 2-6:

~~C.1817 Emission Statement [326 IAC 2-7-5(3)(C)(iii)][326 IAC 2-7-5(7)][326 IAC 2-7-19(c)][326 IAC 2-6]~~

- ~~(a) Pursuant to 326 IAC 2-6-3(a)(1), t~~**Pursuant to 326 IAC 2-6-3(a)(1), t**~~The Permittee shall submit by July 1 of each year an annual emission statement covering the previous calendar year. certified pursuant to the requirements of 326 IAC 2-6, that must be received by April 15 of each year and must comply with the minimum requirements. The emission statement shall contain, at a minimum, the information specified in 326 IAC 2-6-4 (c) and . The annual emission statement shall meet the following requirements:~~

- (1) Indicate **estimated** actual emissions of ~~criteria~~ **all** pollutants **listed in 326 IAC 2-6-4(a)** from the source, in compliance with ~~326 IAC 2-6 (Emission Reporting)~~;
 - (2) Indicate **estimated** actual emissions of ~~other~~ regulated pollutants (**as defined by 326 IAC 2-7-1 (32) ("Regulated pollutant, which is used only for purposes of Section 19 of this rule")**) from the source, for purposes of ~~Part 70~~ fee assessment.
- ~~(b) The annual emission statement covers the twelve (12) consecutive month time period starting December 1 and ending November 30. The annual emission statement must be submitted to:~~

Indiana Department of Environmental Management
Technical Support and Modeling Section, Office of Air Quality
100 North Senate Avenue, P. O. Box 6015
Indianapolis, Indiana 46206-6015

The emission statement does require the certification by the responsible official as defined by 326 IAC 2-1.1-1(1).

- ~~(e)~~(b) The ~~annual~~ emission statement required by this permit shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ, on or before the date it is due.

Indiana Department of Environmental Management Office of Air Quality

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

Source Background and Description

Source Name:	CANA, Inc.
Source Location:	29240 Philips Street, Elkhart, Indiana 46514
County:	Elkhart
SIC Code:	2434
Operation Permit No.:	T039-6494-00005
Operation Permit Issuance Date:	February 26, 1999
Significant Source Modification No.:	039-18535-00005
Significant Permit Modification No.:	039-18661-00005
Permit Reviewer:	ERG/YC

The Office of Air Quality (OAQ) has reviewed a modification application from CANA, Inc. relating to the construction and the operation of the following emission units and pollution control devices:

- (c) One (1) spray coating line, identified as EU2, constructed in 2004, consisting of the following:
 - (1) One (1) stain and sealer booth, identified as S-7a, equipped with HVLP spray guns, using dry filters for overspray control, and exhausting to stack S-7a.
 - (2) One (1) stain booth, identified as S-8a, equipped with HVLP spray guns, using dry filters for overspray control, and exhausting to stack S-8a.
 - (3) One (1) sealer booth, identified as S-9a, equipped with HVLP spray guns, using dry filters for overspray control, and exhausting to stack S-9a.
 - (4) One (1) topcoat booth, identified as S-11a, equipped with HVLP spray guns, using dry filters for overspray control, and exhausting to stack S-11a.

History

On December 23, 2003, CANA, Inc. submitted an application to the OAQ requesting to replace the existing spray booths S-7, S-8, S-9 and S-11 with four (4) new spray booths. The new spray booths are longer than the existing booths and will allow the source to increase the line speed and production. The source also proposed a VOC input limit of 250 tons/yr for the new spray booths. CANA, Inc. is an existing wood cabinet manufacturing plant and a Part 70 permit (T039-6494-00005) was issued to this source on February 26, 1999.

Enforcement Issue

There are no enforcement actions pending.

Stack Summary

Stack ID	Operation	Height (feet)	Diameter (feet)	Flow Rate (acfm)	Temperature (°F)
S-7a	Spray Booth	26	2.0	9,000	Ambient
S-8a	Spray Booth	26	2.0	9,000	Ambient
S-9a	Spray Booth	26	2.0	9,000	Ambient
S-11a	Spray Booth	26	2.0	9,000	Ambient

Recommendation

The staff recommends to the Commissioner that a Part 70 Significant Source Modification and a Part 70 Significant Permit 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 December 23, 2003. Additional information was received on January 29, 2004.

Emission Calculations

See Appendix A of this document for detailed emissions calculations (Pages 1 and 2).

Unrestricted Potential To Emit of Modification

Pursuant to 326 IAC 2-1.1-1(16), Potential to Emit is defined as “the maximum capacity of a stationary source to emit any air pollutant under its physical and operational design. Any physical or operational limitation on the capacity of a source to emit an air pollutant, including air pollution control equipment and restrictions on hours of operation or type or amount of material combusted, stored, or processed shall be treated as part of its design if the limitation is enforceable by the U. S. EPA.”

This table reflects the PTE before controls. Control equipment is not considered federally enforceable until it has been required in a federally enforceable permit.

Pollutant	Potential To Emit (tons/year)
PM	86.6
PM-10	86.6
SO ₂	--
VOC	375
CO	--
NO _x	--

HAP's	Potential To Emit (tons/year)
Xylene	24.3
Toluene	30.9
TOTAL	55.2

Justification for Modification

This modification is being performed through a Part 70 Significant Source Modification because: (1) the potential to emit PM, PM10, and VOC is each greater than 25 tons per year, pursuant to 326 IAC 2-7-10.5(f)(4); and (2) the potential to emit HAPs is greater than 10 tons/yr for a single

HAP and greater than 25 tons/yr for any combination of HAPs, pursuant 326 IAC 2-7-10.5(f)(6). The permit modification is being performed through a Part 70 Significant Permit Modification pursuant to 326 IAC 2-7-12(d) because this is a modification under a provision of Title I of CAA.

County Attainment Status

The source is located in Elkhart County.

Pollutant	Status
PM-10	Attainment
SO ₂	Attainment
NO ₂	Attainment
Ozone	Attainment
CO	Attainment
Lead	Attainment

- (a) Volatile organic compounds (VOC) are precursors for the formation of ozone. Therefore, VOC emissions are considered when evaluating the rule applicability relating to the ozone standards. Elkhart County has been designated as attainment or unclassifiable for ozone. Therefore, VOC emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2.
- (b) Elkhart County has been classified as attainment or unclassifiable for all other criteria pollutants. Therefore, these emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2.
- (c) Fugitive Emissions
 Since this type of operation is not in one of the 28 listed source categories under 326 IAC 2-2 and since there are no applicable New Source Performance Standards that were in effect on August 7, 1980, the fugitive PM emissions are not counted toward determination of PSD applicability.

Source Status

Existing Source PSD Definition (emissions after controls, based upon 8760 hours of operation per year at rated capacity and/or as otherwise limited):

Pollutant	Emissions (tons/year)
PM	Less than 100
PM-10	Less than 100
SO ₂	Less than 100
VOC	Less than 250
CO	Less than 100
NO _x	Less than 100

- (a) This existing source is not a major stationary source because none of the attainment regulated pollutants are emitted at a rate of 250 tons per year or more, and it is not in one of the 28 listed source categories.
- (b) These emissions are based upon the potential to emit of the existing units in the Technical Support Document (TSD) for the source's Title V permit (T039-6494-00005, issued February 26, 1999).

Potential to Emit of Modification After Issuance

The table below summarizes the potential to emit, reflecting all limits, of the significant emission units after controls. The control equipment is considered federally enforceable only after issuance of this Part 70 source modification.

Process/facility	Potential to Emit (tons/year)						
	PM	PM-10	SO ₂	VOC	CO	NO _x	HAPs
PTE of the new spray booths	Less than 17.3	Less than 17.3	-	Less than 250	-	-	55.2
*Total PTE of the Existing Units	Less than 100	Less than 100	Less than 100	Less than 250	Less than 100	Less than 100	Greater than 10 for a single HAP and greater than 25 for total HAPs
Total PTE of the Entire Source After This Modification	Less than 117	Less than 117	Less than 100	Less than 500	Less than 100	Less than 100	Greater than 10 for a single HAP and greater than 25 for total HAPs
PSD Significant Thresholds	250	250	250	250	250	250	NA

*Note: The PTE of the existing units is from the TSD for the source's Title V permit (T039-6494-00005, issued on February 26, 1999).

This modification to an existing PSD minor stationary source is not major because the potential to emit of this modification is less than the PSD significant thresholds. Therefore, pursuant to 326 IAC 2-2, the PSD requirements do not apply to this modification. However, this source will become a PSD major source after this modification since the potential to emit VOC from the entire source will be greater than 250 tons/yr.

Federal Rule Applicability

- (a) There are no New Source Performance Standards (NSPS)(326 IAC 12 and 40 CFR Part 60) applicable to this modification.
- (b) The source does not perform surface coating operations to metal furniture. Therefore, the New Source Performance Standards for Surface Coating of Metal Furniture (40 CFR Part 60.310 - 60.316, Subpart EE) are not applicable.
- (c) This existing wood furniture manufacturing plant has HAP emissions greater than 10 tons/yr for a single HAP and greater 25 tons/yr for any combination of HAPs. Therefore, this source is subject to the National Emission Standards for Wood Furniture Manufacturing Operations (326 IAC 20-14, 40 CFR 63.800 - 63.808, Subpart JJ). Since the new spray booths (booths S-7a, S-8a, S-9a, and S-11a) will be used for wood furniture coating operations, they are subject to the requirements of 40 CFR 63, Subpart JJ. The requirements of this NESHAP have been included in the source's Title V permit (T039-6494-00005, issued February 26, 1999).

Pursuant to T039-6494-00005, issued February 26, 1999, this source is an existing source and had actual HAP emission less than 50 tons/yr in 1996. Therefore, the compliance date for this source is December 7, 1998, pursuant to 40 CFR 63.800(e).

Pursuant to 43 CFR 63.802, the Permittee shall comply with the following emission limits for the proposed spray booths:

- (1) Limit the Volatile Hazardous Air Pollutants (VHAP) emissions from finishing operations as follows:
 - (A) Achieve a weighted average volatile hazardous air pollutant (VHAP) content across all coatings of one (1.0) pound VHAP per pound solids; or
 - (B) Use compliant finishing materials in which all stains, washcoats, sealers, topcoats, basecoats and enamels have a maximum VHAP content of one (1.0) pound VHAP per pound solid, as applied. Thinners used for on-site formulation of washcoats, basecoats, and enamels have a three percent (3.0%) maximum VHAP content by weight. All other thinners have a ten percent (10.0%) maximum VHAP content by weight; or
 - (C) Use a control device to limit emissions to one (1.0) pound VHAP per pound solids; or
 - (D) Use a combination of (A), (B), and (C).
- (2) Limit VHAP emissions contact adhesives as follows:
 - (A) For foam adhesives used in products that meet the upholstered seating flammability requirements, the VHAP content shall not exceed 1.8 pound VHAP per pound solids.
 - (B) For all other contact adhesives (except aerosols and contact adhesives applied to nonporous substrates) the VHAP content shall not exceed one (1.0) pound VHAP per pound solids.
 - (C) Use a control device to limit emissions to one (1.0) pound VHAP per pound solids.
- (3) The strippable spray booth material shall have a maximum VOC content of eight-tenths (0.8) pounds VOC per pound solids.

Pursuant to 40 CFR 63.803, the Permittee shall prepare and maintain a work practice implementation plan that defines environmentally desirable work practices for each wood furniture manufacturing operation and at a minimum address each of the following work practice standards:

- (1) Operator training course.
- (2) Leak inspection and maintenance plan.
- (3) Cleaning and washoff solvent accounting system.
- (4) Chemical composition of cleaning and washoff solvents.
- (5) Spray booth cleaning.
- (6) Storage requirements.
- (7) Conventional air spray guns shall only be used under the circumstances defined under 40 CFR 63.803(h).

- (8) Line cleaning.
 - (9) Gun cleaning.
 - (10) Washoff operations.
 - (11) Formulation assessment plan for finishing operations.
- (d) This modification does not involve a pollutant-specific emissions unit as defined in 40 CFR 64.1:
- (1) With the potential to emit before controls equal to or greater than the major source threshold;
 - (2) That is subject to an emission limitation or standard; and
 - (3) Uses a control device as defined in 40 CFR 64.1 to comply with that emission limitation or standard.

Therefore, the requirements of 40 CFR 64 (Compliance Assurance Monitoring) are not applicable to this modification.

State Rule Applicability - Spray Booths S-7a, S-8a, S-9a, and S-11a

326 IAC 2-2 (PSD)

This source was constructed after 1980 and modified in 2001 and 2004 (this modification). This source is not in one of the 28 source categories and has had actual emissions less than the PSD major thresholds since it was constructed. In addition, the VOC usage for all the existing spray booths was limited to less than 250 tons/yr in the source's Title V permit (T039-6494-0005, issued February 26, 1999). Therefore, this source is an existing PSD minor source.

The potential to emit VOC from this modification is greater than 250 tons/yr. In order to be a PSD minor modification, the source has proposed to limit the total VOC usage for spray booths S-7a, S-8a, S-9a, and S-11a, including coatings, dilution solvents, and cleaning solvents, to less than 250 tons per twelve (12) consecutive month period with compliance determined at the end of each month. Therefore, the requirements of 326 IAC 2-2 (PSD) are not applicable to this modification.

326 IAC 2-4.1 (New Source Toxic Control)

The potential to emit HAPs of this modification is greater than 10 tons per year for a single HAP and greater than 25 tons per year for any combination of HAPs. However, the proposed spray booths are subject to the requirements of 40 CFR 63, Subpart JJ. Therefore, the requirements of 326 IAC 2-4.1 (MACT) are not applicable to these booths.

326 IAC 5-1 (Opacity Limitations)

Pursuant to 326 IAC 5-1-2 (Opacity Limitations), except as provided in 326 IAC 5-1-3 (Temporary Alternative Opacity Limitations), opacity shall meet the following, unless otherwise stated in this permit:

- (a) Opacity shall not exceed an average of forty percent (40%) in any one (1) six (6) minute averaging period as determined in 326 IAC 5-1-4.
- (b) Opacity shall not exceed sixty percent (60%) for more than a cumulative total of fifteen (15) minutes (sixty (60) readings) as measured according to 40 CFR 60, Appendix A, Method 9 or fifteen (15) one (1) minute nonoverlapping integrated averages for a continuous opacity monitor) in a six (6) hour period.

326 IAC 8-2-12 (Wood Furniture and Cabinet Coating)

The potential to emit VOC from each of the spray booths S-7a, S-8a, S-9a, and S-11a is greater than 15 pounds per day. Pursuant to 326 IAC 8-2-12, the surface coating applied to wood furniture and cabinets shall utilize one of the following application methods,

- Airless Spray Application
- Air Assisted Airless Spray Application
- Electrostatic Spray Application
- Electrostatic Bell or Disc Application
- Heated Airless Spray Application
- Roller Coating
- Brush or Wipe Application
- Dip-and-Drain Application

High Volume Low Pressure (HVLP) Spray Application is an accepted alternative method of application for Air Assisted Airless Spray Application. HVLP spray is the technology used to apply coating to substrate by means of coating application equipment which operates between one-tenth (0.1) and ten (10) pounds per square inch gauge (psig) air pressure measured dynamically at the center of the air cap and at the air horns of the spray system.

326 IAC 8-1-6 (General Reduction Requirements for VOC Emissions)

The potential VOC emissions from each of spray booths S-7a, S-8a, S-9a, and S-11a are greater than 25 tons per year. However, since the requirements of 326 IAC 8-2-12 apply to these booths, the requirements of 326 IAC 8-1-6 are not applicable.

326 IAC 6-3-2 (Process Operations)

On June 12, 2002, revisions to 326 IAC 6-3 (Particulate Emission Limitations for Manufacturing Processes) became effective; this rule was previously referred to as 326 IAC 6-3 (Process Operations). As of the date this permit is being issued, these revisions have not been approved by EPA into the Indiana State Implementation Plan (SIP); therefore, the following requirement from the previous version of 326 IAC 6-3 (Process Operations), which has been approved into the SIP, remains an applicable requirement until the revisions to 326 IAC 6-3 are approved into the SIP and the condition is modified in a subsequent permit action.

Pursuant to 40 CFR 52, Subpart P, the particulate matter (PM) from each of spray booths S-7a, S-8a, S-9a, and S-11a shall be limited by the following:

Interpolation 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:

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

Under the rule revision, particulate from these spray booths shall be controlled by dry filters, or equivalent control devices, and the Permittee shall operate the control device in accordance with manufacturer's specifications. This source proposed to use dry filters to control overspray from these booths. Therefore, spray booths S-7a, S-8a, S-9a, and S-11a are in compliance with 326 IAC 6-3-2(d).

Compliance Requirements

Permits issued under 326 IAC 2-7 are required to ensure that sources can demonstrate compliance with applicable state and federal rules on a more or less continuous basis. All state and federal rules contain compliance provisions, however, these provisions do not always fulfill the requirement for a more or less continuous demonstration. When this occurs IDEM, OAQ, in conjunction with the source, must develop specific conditions to satisfy 326 IAC 2-7-5. As a

result, compliance requirements are divided into two sections: Compliance Determination Requirements and Compliance Monitoring Requirements.

Compliance Determination Requirements in Section D of the permit are those conditions that are found more or less directly within state and federal rules and the violation of which serves as grounds for enforcement action. If these conditions are not sufficient to demonstrate continuous compliance, they will be supplemented with Compliance Monitoring Requirements, also Section D of the permit. Unlike Compliance Determination Requirements, failure to meet Compliance Monitoring conditions would serve as a trigger for corrective actions and not grounds for enforcement action. However, a violation in relation to a compliance monitoring condition will arise through a source's failure to take the appropriate corrective actions within a specific time period.

The compliance monitoring requirements applicable to this modification are as follows:

1. The proposed spray booths (S-7a, S-8a, S-9a, and S-11a) have applicable compliance monitoring conditions as specified below:
 - (a) Daily inspections shall be performed to verify the placement, integrity and particle loading of the filters. To monitor the performance of the dry filters, weekly observations shall be made of the overspray from the surface coating booth stacks (stacks S-7a, S-8a, S-9a, and S-11a) while one or more of the booths are 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 Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.
 - (b) Monthly inspections shall be performed of the coating emissions from the stack and the presence of overspray 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 overspray emission occurs or evidence of overspray 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 Response Plan - Preparation, Implementation, Records, and Reports, shall be considered a deviation from this permit.
 - (c) Additional inspections and preventive measures shall be performed as prescribed in the Preventive Maintenance Plan.

These monitoring conditions are necessary because these spray booths must operate properly to ensure compliance with 40 CFR 52, Subpart P.

Proposed Changes

Language with a line through it has been deleted and language in bold has been added.

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

The Permittee owns and operates a wood cabinet making and surface coating operation.

Responsible Official : ~~Dan Granger~~ **Vice President**
Source Address: 29240 Philips St., Elkhart, IN 46514
Mailing Address: 29240 Philips St., Elkhart, IN 46514
SIC Code: 2434
County Location: Elkhart
Source Location County Status: Attainment for all criteria pollutants
Source Status: Part 70 Permit Program
Major Minor Source, under PSD
Major Source, Section 112 of the Clean Air Act
Not in 1 of 28 Source Categories

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) ~~Ten (10)~~ **Three (3) spray machines and four (4) spray booths**, all identified as EU1, consisting of the following:
- (1) One (1) stain machine with airless spray guns, exhausting to Stack ID #S-1.
 - (2) One (1) sealer machine with airless spray guns, exhausting to Stack ID #S-2.
 - (3) One (1) topcoat machine with airless spray guns, exhausting to Stack ID #S-3.
 - (4) Two (2) stain booth with HVLP spray guns. Particulate matter emissions shall be controlled by dry filters, then exhausting to Stack ID #S-4.
 - (5) One (1) sealer booth with airless spray guns. Particulate matter emissions shall be controlled by dry filters, then exhausting to Stack ID #S-5.
 - (6) One (1) topcoat booth with airless spray guns. Particulate matter emissions shall be controlled by dry filters, then exhausting to Stack ID #S-6.
 - ~~(7) One (1) stain booth with HVLP spray guns. Particulate matter emissions shall be controlled by dry filters, then exhausting to Stack ID #S-7.~~
 - ~~(8) One (1) sealer booth with airless spray guns. Particulate matter emissions shall be controlled by dry filters, then exhausting to Stack ID #S-8.~~
 - ~~(9) One (1) topcoat booth with airless spray guns. Particulate matter emissions shall be controlled by dry filters, then exhausting to Stack ID #S-9.~~
- (b) One (1) topcoat booth (TB-10) with a capacity to coat 478 square feet of wood cabinetry an hour using airless spray guns, controlled by dry filters, and exhausting to stack S-10.
- ~~(c) One (1) sealer booth (SB-11) with a capacity to coat 683 square feet of wood cabinetry an hour using airless spray guns, controlled by dry filters, and exhausting to stack S-11.~~
- (c) **One (1) spray coating line, identified as EU2, constructed in 2004, consisting of the following:**
- (1) **One (1) stain and sealer booth, identified as S-7a, equipped with HVLP spray guns, using dry filters for overspray control, and exhausting to stack S-7a.**

- (2) One (1) stain booth, identified as S-8a, equipped with HVLP spray guns, using dry filters for overspray control, and exhausting to stack S-8a.**
 - (3) One (1) sealer booth, identified as S-9a, equipped with HVLP spray guns, using dry filters for overspray control, and exhausting to stack S-9a.**
 - (4) One (1) topcoat booth, identified as S-11a, equipped with HVLP spray guns, using dry filters for overspray control, and exhausting to stack S-11a.**
- (d) Woodworking operations with a baghouse to control particulate matter emissions.

SECTION D.1 FACILITY OPERATION CONDITIONS

Facility Description:

- (a) ~~Ten (10)~~ **Three (3) spray machines and four (4) spray booths**, all identified as EU1, consisting of the following:
- (1) One (1) stain machine with airless spray guns, exhausting to Stack ID #S-1.
 - (2) One (1) sealer machine with airless spray guns, exhausting to Stack ID #S-2.
 - (3) One (1) topcoat machine with airless spray guns, exhausting to Stack ID #S-3.
 - (4) Two (2) stain booth with HVLP spray guns. Particulate matter emissions shall be controlled by dry filters, then exhausting to Stack ID #S-4.
 - (5) One (1) sealer booth with airless spray guns. Particulate matter emissions shall be controlled by dry filters, then exhausting to Stack ID #S-5.
 - (6) One (1) topcoat booth with airless spray guns. Particulate matter emissions shall be controlled by dry filters, then exhausting to Stack ID #S-6.
 - ~~(7) One (1) stain booth with HVLP spray guns. Particulate matter emissions shall be controlled by dry filters, then exhausting to Stack ID #S-7.~~
 - ~~(8) One (1) sealer booth with airless spray guns. Particulate matter emissions shall be controlled by dry filters, then exhausting to Stack ID #S-8.~~
 - ~~(9) One (1) topcoat booth with airless spray guns. Particulate matter emissions shall be controlled by dry filters, then exhausting to Stack ID #S-9.~~
- (b) One (1) topcoat booth (TB-10) with a capacity to coat 478 square feet of wood cabinetry an hour using airless spray guns, controlled by dry filters, and exhausting to stack S-10.
- ~~(c) One (1) sealer booth (SB-11) with a capacity to coat 683 square feet of wood cabinetry an hour using airless spray guns, controlled by dry filters, and exhausting to stack S-11.~~
- (c) **One (1) spray coating line, identified as EU2, constructed in 2004, consisting of the following:**
- (1) **One (1) stain and sealer booth, identified as S-7a, equipped with HVLP spray guns, using dry filters for overspray control, and exhausting to stack S-7a.**
 - (2) **One (1) stain booth, identified as S-8a, equipped with HVLP spray guns, using dry filters for overspray control, and exhausting to stack S-8a.**
 - (3) **One (1) sealer booth, identified as S-9a, equipped with HVLP spray guns, using dry filters for overspray control, and exhausting to stack S-9a.**
 - (4) **One (1) topcoat booth, identified as S-11a, equipped with HVLP spray guns, using dry filters for overspray control, and exhausting to stack S-11a.**

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

D.1.2 PSD Minor Limit [326 IAC 2-2] ~~[40 CFR 52.21]~~

- ~~(a) This entire source shall be limited to less than 250 tons of VOC, per twelve (12) consecutive month period. This emission limit is required to limit the potential to emit of~~

VOC to less than 250 tons per twelve (12) consecutive month period. Compliance with this limit makes 326 IAC 2-2 (Prevention of Significant Deterioration) and 40 CFR 52.21 not applicable.

- (b) ~~VOC input shall include coatings, dilution solvents, and cleaning solvents, minus any VOC solvent shipped out.~~
- (a) **The total VOC usage for the coating operations in Line EU1 and the topcoat booth (TB-10), including coatings, dilution solvents, and cleaning solvents, shall be limited to less than 250 tons per twelve (12) consecutive month period with compliance determined at the end of each month. The VOC usage is defined as the VOC input minus any VOC in the waste solvent shipped out.**
- (b) **The total VOC usage for the four (4) spray booths in Line EU2, including coatings, dilution solvents, and cleaning solvents, shall be limited to less than 250 tons per twelve (12) consecutive month period with compliance determined at the end of each month. The VOC usage is defined as the VOC input minus any VOC in the waste solvent shipped out.**

Therefore, the requirements of 326 IAC 2-2 (PSD) are not applicable.

D.1.3 Particulate Matter (PM) ~~[326 IAC 6-3-2(c)]~~ [40 CFR 52, Subpart P]

Pursuant to ~~326 IAC 6-3-2~~ **40 CFR 52, Subpart P**, the PM from each of the ~~ten (10)~~ paint booths (EU1), the topcoat booth (TB-10) and the sealant booth (SB-11) **spray booths** shall not exceed the pound per hour emission rate established as E in the following formula:

...

D.1.9 Volatile Organic Compounds (VOC) and Hazardous Air Pollutants (HAP) [326 IAC 8-1-4] [326 IAC 8-1-2]

Compliance with the VOC usage ~~content and~~ **and HAP content** limits contained in Conditions D.1.2 and D.1.5 shall be determined pursuant to 326 IAC 8-1-4(a)(3) and 326 IAC 8-1-2(a) ~~using formulation data supplied by the coating manufacturer~~ **by preparing or obtaining from the manufacturer the copies of the "as supplied" and "as applied" VOC data sheets.** IDEM, OAQ, reserves the authority to determine compliance using Method 24 in conjunction with the analytical procedures specified in 326 IAC 8-1-4.

~~D.1.10 VOC Emissions~~

~~Compliance with Condition D.1.2 and D.1.5 shall be demonstrated within 30 days of the end of each month based on the total volatile organic compound usage for the most recent month.~~

D.1.1110 Particulate Matter (PM) [326 IAC 6-3-2(d)]

Pursuant to 326 IAC 6-3-2(d), ~~t~~The dry filters for PM **particulate** control shall be in place at all times when the **spray booths** ~~ten (10)~~ paint booths (EU1), the topcoat booth (TB-10), and the sealant booth (SB-11) are in operation. **The permittee shall operate the control device in accordance with manufacturer's specifications.**

D.1.1211 Monitoring

D.1.1312 Record Keeping Requirements

- (a) To document compliance with Condition D.1.2, the Permittee shall maintain records in accordance with (1) through ~~(6)~~**(4)** below. Records maintained for (1) through ~~(6)~~**(4)** shall be taken monthly and shall be complete and sufficient to establish compliance with the VOC usage limits ~~and/or the VOC emission limit~~ established in Condition D.1.2.

- ~~(1) The amount and VOC content of each coating material 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) A log of the month of use;~~
- ~~(3) The volume weighted VOC content of the coatings used for each month;~~
- (1) The VOC content of each coating material and solvent used;**
- (2) The amount of coating material and solvent less water used on monthly basis;**
 - (A) Records shall include purchase orders, invoices, and material safety data sheets (MSDS) necessary to verify the type and amount used.**
 - (B) Solvent usage records shall differentiate between those added to coatings and those used as cleanup solvents.**
- ~~(4) The cleanup solvent usage for each month;~~
- ~~(53) The total VOC usage for each month; and~~
- ~~(64) The weight of VOCs emitted for each compliance period.~~
- ...
- (d) To document compliance with Condition ~~D.1.3~~ and D.1.11, the Permittee shall maintain a log of weekly overspray observations, daily and monthly inspections, and those additional inspections prescribed by the Preventive Maintenance Plan.

D.1.14 Reporting Requirements

- (a) A quarterly summary of the information to document compliance with Condition D.1.2 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. **If deducting waste from the material used, a** laboratory analysis of the representative VOC content of the solvent collected and drummed for disposal offsite shall be submitted with the initial quarterly report and in any subsequent quarters in which the VOC content of the collected solvent is changed. Volatile Organic Compounds (VOC) are defined in 326 IAC 1-2-90.
- (b) An Initial Compliance Report to document compliance with Condition D.1.5, and the Certification form, shall be submitted within sixty (60) days following the compliance date of December 7, 1998. The Initial Compliance Report must include data from the entire month that the compliance date falls. **This report was submitted on February 4, 1999.**

...

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

Part 70 Quarterly Report

Source Name: CANA, Inc.
 Source Address: 29240 Philips Street, Elkhart, Indiana 46514
 Mailing Address: 29240 Philips Street, Elkhart, Indiana 46514
 Part 70 Permit No.: T039-6494-00005
 Facility: ~~ten (10)~~ **Three (3) spray machines and four (4)** paint booths (EU#1), and topcoat booth (TB-10); ~~and sealant booth (SB-11)~~
 Parameter: **VOC Usage**
 Limit: Less than 250 tons per **twelve (12)** consecutive months **with compliance determined at the end of each month**

YEAR: _____

Month	Column 1	Column 2	Column 1 + Column 2
	This Month	Previous 11 Months	12 Month Total
Month 1			
Month 2			
Month 3			

- 9 No deviation occurred in this quarter.
- 9 Deviation/s occurred in this quarter.
 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: CANA, Inc.
Source Address: 29240 Philips Street, Elkhart, Indiana 46514
Mailing Address: 29240 Philips Street, Elkhart, Indiana 46514
Part 70 Permit No.: T039-6494-00005
Facility: Spray booths S-7a, S-8a, S-9a, and S-11a (EU-2)
Parameter: VOC Usage
Limit: Less than 250 tons per twelve (12) consecutive months with compliance determined at the end of each month

YEAR: _____

Month	Column 1	Column 2	Column 1 + Column 2
	This Month	Previous 11 Months	12 Month Total
Month 1			
Month 2			
Month 3			

- 9 No deviation occurred in this quarter.
- 9 Deviation/s occurred in this quarter.
Deviation has been reported on: _____

Submitted by: _____
Title / Position: _____
Signature: _____
Date: _____
Phone: _____

Attach a signed certification to complete this report.

Conclusion

The construction of this proposed modification shall be subject to the conditions of the attached proposed Part 70 Significant Source Modification No. 039-18535-00005. The operation of this proposed modification shall be subject to the attached proposed Part 70 Significant Permit Modification No. 039-18661-00005.

**Appendix A: Emission Calculations
VOC and PM/PM10 Emissions
From Spray Booths S-7a, S-8a, S-9a and S-11a**

Company Name: CANA, Inc.

Address: 29240 Philips St., Elkhart, IN 46514

SSM: 039-18535-00005

Reviewer: ERG/YC

Date: February 26, 2004

Material	Density (lbs/gal)	Weight % Volatile (H ₂ O & Organics)	Weight % Water	Weight % Organics	Maximum Throughput (unit/hr)	*Maximum Usage (gal/unit)	Pounds VOC per gallon of coating	PTE of VOC (lbs/hr)	PTE of VOC (lbs/day)	PTE of VOC (tons/yr)	**PTE of PM/PM10 before Control (lbs/hr)	**PTE of PM/PM10 before Control (ton/yr)	***Transfer Efficiency	PM/PM10 Control Efficiency	PTE of PM/PM10 after Control (lbs/hr)	PTE of PM/PM10 after Control (tons/yr)
16512	7.66	57.7%	16.0%	41.7%	262.5	0.058	3.19	48.6	1,167	213	17.3	75.6	65%	80%	3.45	15.1
ST-1254	6.83	97.9%	0.00%	97.9%	262.5	0.021	6.69	36.9	885	161	0.28	1.21	65%	80%	0.06	0.24
SB-1425	8.39	3.45%	0.00%	3.45%	262.5	0.003	0.29	0.23	5.47	1.00	2.23	9.78	65%	80%	0.45	1.96
Total								85.7		375	19.8	86.6			3.96	17.3

* This is the worst case scenario for each booth.

**Assume all the PM emissions are PM10 emissions.

*** HVLP application method is used in these booths.

METHODOLOGY

Pounds of VOC per Gallon Coating = (Density (lbs/gal) * Weight % Organics)

PTE of VOC (lbs/hr) = Pounds of VOC per Gallon coating (lbs/gal) * Max. Throughput (unit/hr) * Max. Usage (gal/unit)

PTE of VOC (lbs/day) = Pounds of VOC per Gallon coating (lbs/gal) * Max. Throughput (unit/hr) * Max. Usage (gal/unit) * (24 hr/day)

PTE of VOC (tons/yr) = Pounds of VOC per Gallon coating (lbs/gal) * Max. Throughput (unit/hr) * Max. Usage (gal/unit) * (8760 hr/yr) * (1 ton/2000 lbs)

PTE of PM/PM10 before Control (lbs/hr) = Max. Throughput (unit/hr) * Max. Usage (gal/unit) * Density (lbs/gal) * (1 - Weight % Volatile) * (1-Transfer efficiency)

PTE of PM/PM10 before Control (tons/yr) = Max. Throughput (unit/hr) * Max. Usage (gal/unit) * Density (lbs/gal) * (1 - Weight % Volatile) * (1-Transfer efficiency) * (8760 hrs/yr) * (1 ton/2000 lbs)

PTE of PM/PM10 after Control (lbs/hr) = PTE of PM/PM10 before Control (lbs/hr) * (1 - PM/PM10 Control Efficiency)

PTE of PM/PM10 after Control (tons/yr) = PTE of PM/PM10 before Control (lbs/hr) * (1 - PM/PM10 Control Efficiency) * (8760 hr/yr) * (1 ton/2000 lbs)

Appendix A: Emission Calculations
HAP Emissions
From Spray Booths S-7a, S-8a, S-9a and S-11a

Company Name: CANA, Inc.

Address: 29240 Philips St., Elkhart, IN 46514

SSM: 039-18535-00005

Reviewer: ERG/YC

Date: February 26, 2004

Material	Density (lbs/gal)	Maximum Throughput (unit/hr)	*Maximum Usage (gal/unit)	Weight % Xylene	PTE of Xylene (tons/yr)	Weight % Toluene	PTE of Toluene (tons/yr)
16512	7.66	262.5	0.058	4.75%	24.3	3.50%	17.9
ST-1471	6.75	262.5	0.021	0.00%	0.00	8.00%	13.0
SB-1425	8.39	262.5	0.003	0.00%	0.00	0.00%	0.00
Total					24.3		30.9

* This is the worst case scenario for each booth.

Total HAPs = 55.2 tons/yr

METHODOLOGY

PTE of HAP (tons/yr) = Density (lbs/gal) x Max. Throughput (unit/hr) x Max. Usage (gal/unit) x Weight % HAP x 8760 hr/yr x 1 ton/2000 lbs