



Joseph E. Kernan
Governor

Lori F. Kaplan
Commissioner

November 12, 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: Howa USA, Inc. / 177-19471-00108

FROM: Paul Dubenetzky
Chief, Permits Branch
Office of Air Quality

Notice of Decision – Approval

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 326 IAC 2, this approval was effective immediately upon submittal of the application.

If you wish to challenge this decision, IC 4-21.5-3-7 requires 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 from 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-AM.dot 9/16/03



INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

We make Indiana a cleaner, healthier place to live.

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Mr. Shin Iwata
Howa USA, Inc.
1767 Sheridan Street
Richmond, Indiana 47374

November 12, 2004

Re: Exempted Construction and Operation Status,
177-19471-00108

Dear Mr. Iwata:

The application from Howa USA, Inc., received on August 9, 2004, has been reviewed. Based on the data submitted and the provisions 326 IAC 2-1.1-3 it has been determined that the following automotive interior sunroof cover manufacturing plant to be located at 1767 Sheridan Street, Richmond, Indiana 47374 is classified as exempted from air permitting:

- (1) Three (3) Production Lines, each line consists of similar process operations which include the following:
 - (a) Three (3) Roll Coating Lines, identified as R001, R002, and R003;
 - (b) Three (3) Catalysts Spray Application Lines, identified as SC001, SC002, and SC003, each equipped with airless spray system;
 - (c) Three (3) Lamination Process Lines;
 - (d) Three (3) Trimming Process Lines; controlled by a fabric filter;
 - (e) Three (3) electric Hot Mold Presses, identified as HP001, HP002, and HP003;
 - (f) Water Jet Cutting operation; and
 - (g) Roll Coaters Cleaning operation.

The following conditions shall be applicable:

(1) Opacity Limitations [326 IAC 5-1-2]

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:

- (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 15 minutes (60 readings) in a 6-hour period 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.

(2) Particulate Emission Limit [326 IAC 6-3-2]

Pursuant to 326 IAC 6-3-2, the trimming operation, which consists of three lines shall have a total PM emission limit of 1.48 pounds per hour. This limit shall be calculated using the following equation:

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:

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

(3) Volatile Organic Compounds [326 IAC 8-1-6]

The automotive interior sunroof cover manufacturing facility will emit less than 25 tons of Volatile Organic Compounds (VOC) per year. Therefore, 326 IAC 8-1-6 will not apply, any change or modification which may increase the potential VOC emissions to 25 tons per year or more from the equipment covered in this exemption must be approved by the Office of Air Quality (OAQ) before such change may occur.

(4) Hazardous Air Pollutants [326 IAC 2-7]

The automotive interior sunroof cover manufacturing operation will emit less than 25 tons of combined hazardous air pollutants (HAPs) or single HAP of less than 10 tons per year. Therefore, 326 IAC 2-7 will not apply, any change or modification which may increase the combined HAPs emissions to 25 tons per year or single HAP emissions to 10 tons per year or more from the equipment covered in this exemption must be approved by the Office of Air Quality (OAQ) before such change may occur.

This exemption is the first air approval issued to this source. The source may operate according to 326 IAC 2-1.1-3.

An application or notification shall be submitted in accordance with 326 IAC 2 to the Office of Air Quality (OAQ) if the source proposes to construct new emission units, modify existing emission units, or otherwise modify the source.

Sincerely,

Original signed by
Paul Dubenetzky, Chief
Permits Branch
Office of Air Quality

APD

cc: File - Wayne County
Wayne County Health Department
Air Compliance - D J Knotts
Permit Tracking
Compliance Data Section

**Indiana Department of Environmental Management
Office of Air Quality**

Technical Support Document (TSD) for a New Exempted Source

Source Background and Description

Source Name:	Howa USA, Inc.
Source Location:	1767 Sheridan Street, Richmond, Indiana 47374
County:	Wayne
SIC Code:	2396
Exemption No.:	177-19471-00108
Permit Reviewer:	Aida De Guzman

The Office of Air Quality (OAQ) has reviewed an application from Howa USA, Inc. relating to the construction and operation of a plant that will manufacture automotive interior sunroof cover.

- (1) Three (3) Production Lines, each line consists of similar process operations which include the following:
 - (a) Three (3) Roll Coating Lines, identified as R001, R002, and R003;
 - (b) Three (3) Catalysts Spray Application Lines, identified as SC001, SC002, and SC003, each equipped with airless spray system;
 - (c) Three (3) Lamination Process Lines;
 - (d) Three (3) Trimming Process, controlled by a fabric filter;
 - (e) Three (3) electric Hot Mold Presses, identified as HP001, HP002;
 - (f) Water Jet Cutting operation; and
 - (g) Roll Coaters Cleaning operation.

Recommendation

The staff recommends to the Commissioner that the construction and operation 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 August 5, 2004 with additional information received on August 13, 2004; August 23, 2004; September 9, 2004; September 22, 2004; September 24, 2004; and September 28, 2004.

Emission Calculations

The specific type of raw materials and usage amount was claimed by Howa, USA as confidential information (see Confidential Version of this TSD for detailed explanation of the process and detailed emission calculations).

- (a) Three (3) Roll Coating Lines, R001, R002, R003:
 MDI is reacted during the process, and was calculated using the calculation methods from the American Plastic Council, Alliance for the Polyurethane Industry, MDI Polymeric MDI Emission Reporting Guidelines for the Polyurethane Industry (2004) Guideline, since there are no AP-42 emission factors.

Material	Density (lb/gal)	VOC wt. %	HAP wt. %	Maximum Usage Rate (gal/yr)	VOC Emissions (tons/year)	HAPs Emissions (tons/year)
MDI	See confidential spreadsheet on page 2 of 2 TSD Appendix A for detailed emission calculations				6.6E-05	6.6E-05 MDI
Cleaning Solvent	-	-	-	-	1.02	0.0
TOTAL					1.02	0.0

Methodology:

Cleaning Agent Emissions = density, lb/gal * VOC wt% * usage rate, gal/yr * ton/2000 lb

- (b) Three (3) Catalysts Spray Application Lines, SC001, SC002, and SC003:
 Transfer Efficiency = 75%

Material	Density (lb/gal)	Wt. % Solids	VOC wt. %	Maximum Usage Rate (kg/day)	PM/PM10 Emissions (tons/yr)	VOC Emissions (tons/yr)
Catalysts	See Page 2 of 6 TSD Confidential Version for detailed Emission Calculations				0.0	1.44

Methodology:

VOC Emissions = Usage rate, kg/day * 2.2 lb/kg * VOC wt % * ton/2000 lb * 365 days/yr

PM/PM10 Emissions = Usage rate, kg/day * 2.2 lb/kg * wt % solids * (1-transfer eff.) * 365 days.yr * ton/2000 lb

- (c) Three (3) Lamination Process Lines:
 The lamination process involves layering of materials which are not heated . There is no emission from this process.

- (d) Three (3) Trimming Process Lines:
 Using Mass Balance:

Facility	Wt. Part before Trimming	Wt. Collected	Wt. Part After Trimming	Control Efficiency	PM/PM10 Uncontrolled (tons/yr)	PM/Pm10 Controlled (tons/yr)
Trimming Lines	See Page 2 and 3 of 6 TSD Confidential Version for detailed Emission Calculations			99.9%	2.3	0.0023

Methodology:

PM/PM10 Emissions Before Control = trim waste collected, lbs/hr /control eff. * ton/2000 lbs * 8760 hrs/yr

PM/PM10 Emissions Before Control = PM/PM10 uncontrolled * (1 - transfer eff)

- (e) Three (3) Hot Mold Presses:
 MDI is reacted during the process, and was calculated using the calculation methods from the American Plastic Council, Alliance for the Polyurethane Industry, MDI Polymeric MDI

Emission Reporting Guidelines for the Polyurethane Industry (2004) Guideline, since there are no AP-42 emission factors.

Material	Density (lb/gal)	VOC wt. %	HAP wt. %	Maximum Usage Rate	VOC Emissions (tons/year)	HAPs Emissions (tons/year)
MDI	See confidential spreadsheet on page 1 of 2 TSD Appendix A for detailed emission calculations				0.18	0.18 MDI
Release Agent	-	-	-	-	0.36	0.20 xylene
TOTAL					0.54	0.38

Methodology:

VOC/HAP = usage, kg/day * VOC or HAP wt % * 2.2 lb/kg * 365 days/yr * ton/2000 lb

- (f) Water Jet Cutting:
 There are no emissions from this operation.

Potential to Emit of the Source Before Controls

Pursuant to 326 IAC 2-1.1-1(16), Potential to Emit is defined as “the maximum capacity of a stationary source or emissions unit 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, the department, or the appropriate local air pollution control agency.”

Pollutant	Potential to Emit (tons/yr)
PM	2.3
PM-10	2.3
SO ₂	0.0
VOC	3.0
CO	0.0
NO _x	0.0

HAPs	Potential to Emit (tons/yr)
MDI	0.18
Xylene	0.20
Worst Single HAP	0.20
Combined HAPs	0.38

The new source potential to emit (as defined in 326 IAC 2-7-1(29)) of PM or PM10 is less than 5 tons per year, or the volatile organic compounds (VOC) PTE is less than 10 tons per year. Therefore, the source is exempted from air permitting, pursuant to 326 IAC 2-1.1-3.

County Attainment Status

The source is located in Wayne County.

Pollutant	Status
PM-10	Attainment
SO ₂	Attainment
NO ₂	Attainment
8-hour	Attainment

Ozone	
CO	Attainment
Lead	Not established

- (a) Volatile organic compounds (VOC) and Nitrogen Oxides (NOx) are regulated under the Clean Air Act (CAA) for the purposes of attaining and maintaining the National Ambient Air Quality Standards (NAAQS) for ozone. Therefore, VOC emissions are considered when evaluating the rule applicability relating to the ozone standards. Wayne County has been designated as attainment or unclassifiable for ozone. Therefore, VOC and NOx emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2.
- (b) Wayne County has been classified as attainment or unclassifiable for all the other criteria pollutants. Therefore, these emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2.

Source Status

New Source PSD Definition (emissions after controls, based on 8760 hours of operation per year at rated capacity):

Pollutant	Emissions (tons/yr)
PM	0.0023
PM-10	0.023
SO ₂	0.0
VOC	3.0
CO	0.0
NO _x	0.0
Single HAP	0.20
Combination HAPs	0.38

- (a) This new source is **not** a major stationary source because no attainment pollutant is emitted at a rate of 250 tons per year or greater and it is not in one of the 28 listed source categories. Therefore, pursuant to 326 IAC 2-2, the PSD requirements do not apply.

Part 70 Permit Determination

326 IAC 2-7 (Part 70 Permit Program)

This new source is not subject to the Part 70 Permit requirements because the potential to emit (PTE) of:

- (a) each criteria pollutant is less than 100 tons per year,
- (b) a single hazardous air pollutant (HAP) is less than 10 tons per year, and
- (c) any combination of HAPs is less than 25 tons per year.

This is the first air approval issued to this source.

Federal Rule Applicability

- (a) There are no New Source Performance Standards (NSPS) (326 IAC 12 and 40 CFR Part 60) included in the permit for this source.
- (b) There are no National Emission Standards for Hazardous Air Pollutants (NESHAP)(326 IAC 14, 20 and 40 CFR Part 61, 63) included in the permit for this source.

State Rule Applicability – Entire Source

- (a) 326 IAC 2-6 (Emission Reporting)
This source is not subject to Emission Reporting requirement under 326 IAC 2-6, as the source is not a Part 70 source, it is not located in Lake County or Porter County that emits 25 tons of VOC or NOx, or is not a source that emits lead at 5 tons per year or greater.
- (b) 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 the permit:
- (1) 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.
- (2) 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.
- (c) 326 IAC 2-4.1 (Major Sources of Hazardous Air Pollutants (HAP))
This rule applies to sources constructed or reconstructed after July 27, 1997, that emit single HAP at 10 tons per year or greater or combined HAPs at 25 tons per year or greater.

Howa USA is not subject to 326 IAC 2-4.1, as it is not a major source of HAP emissions.

State Rule Applicability – Individual Facilities

- (a) 326 IAC 8-1-6 (General Reduction Requirements)
This rule applies to new facilities as of January 1, 1980, which have potential VOC emissions of 25 tons per year or more, located anywhere in the state which are not otherwise regulated by other provisions of article 326 IAC 8.
- The automotive interior sunroof cover manufacturing facility is not subject to this rule, as it does not have a potential VOC emissions of 25 tons per year.
- (b) 326 IAC 6-3-2 (Particulate Emission Limitations for Manufacturing Processes)
(1) The trimming operation, which consists of three lines is subject to 326 IAC 6-3, and shall have a PM emission limit of 1.48 pounds per hour .

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:

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

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

The source is in compliance with this rule even without the control, as the uncontrolled PM emission is less than what this rule allows.

- (2) The three (3) catalysts spray application lines are not subject to 326 IAC 6-3-2 , as they do not emit PM.

Conclusion

The construction and operation of this automotive interior sunroof cover production plant shall be subject to the conditions of **Exemption 177-19471-00108**.