**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT**
*We Protect Hoosiers and Our Environment.*

*Mitchell E. Daniels Jr.*
**Governor**

*Thomas W. Easterly*
**Commissioner**

100 North Senate Avenue
Indianapolis, Indiana 46204
(317) 232-8603
Toll Free (800) 451-6027
**www.idem.IN.gov**

TO: Interested Parties / Applicant

DATE: April 10, 2008

RE: KM Finishing / 087-26010-00071

FROM: Matthew Stuckey, Branch 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, Suite N 501E, 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.dot12/03/07

*Mitchell E. Daniels, Jr.*
Governor

*Thomas W. Easterly*
Commissioner

100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251
(317) 232-8603
(800) 451-6027
www.IN.gov/idem

# New Source Review and Minor Source Operating Permit OFFICE OF AIR QUALITY

## KM Finishing
## 2490 South 1100 West
## Shipshewana, Indiana 46565

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

This permit is issued to the above mentioned company under the provisions of 326 IAC 2-1.1, 326 IAC 2-5.1, 326 IAC 2-6.1 and 40 CFR 52.780, with conditions listed on the attached pages.

Indiana statutes from IC 13 and rules from 326 IAC, quoted in conditions in this permit, are those applicable at the time the permit was issued. The issuance or possession of this permit shall not alone constitute a defense against an alleged violation of any law, regulation or standard, except for the requirement to obtain a MSOP under 326 IAC 2-6.1.

| Operation Permit No.: M087-26010-00071 | |
|---|---|
| Original signed by:<br><br>Iryn Calilung, Section Chief<br>Permits Branch<br>Office of Air Quality | Issuance Date: April 10, 2008<br><br>Expiration Date: April 10, 2013 |
| | |

# TABLE OF CONTENTS

**A. SOURCE SUMMARY ..... 4**
A.1 General Information [326 IAC 2-5.1-3(c)][326 IAC 2-6.1-4(a)]
A.2 Emission Units and Pollution Control Equipment Summary

**B. GENERAL CONDITIONS ..... 5**
B.1 Definitions [326 IAC 2-1.1-1]
B.2 Revocation of Permits [326 IAC 2-1.1-9(5)]
B.3 Permit Term [326 IAC 2-6.1-7(a)][326 IAC 2-1.1-9.5][IC 13-15-3-6(a)]
B.4 Term of Conditions [326 IAC 2-1.1-9.5]
B.5 Enforceability
B.6 Severability
B.7 Property Rights or Exclusive Privilege
B.8 Duty to Provide Information
B.9 Certification
B.10 Annual Notification [326 IAC 2-6.1-5(a)(5)]
B.11 Preventive Maintenance Plan [326 IAC 1 6 3]
B.12 Prior Permits Superseded [326 IAC 2 1.1 9.5]
B.13 Termination of Right to Operate [326 IAC 2 6.1 7(a)]
B.14 Permit Renewal [326 IAC 2 6.1 7]
B.15 Permit Amendment or Revision [326 IAC 2 5.1 3(e)(3)][326 IAC 2 6.1 6]
B.16 Source Modification Requirement
B.17 Inspection and Entry [326 IAC 2 5.1 3(e)(4)(B)][326 IAC 2 6.1 5(a)(4)][IC 13 14 2 2] [IC 13 17 3 2][IC 13 30 3 1]
B.18 Transfer of Ownership or Operational Control [326 IAC 2 6.1 6]
B.19 Annual Fee Payment [326 IAC 2 1.1 7]
B.20 Credible Evidence [326 IAC 1 1 6]

**C. SOURCE OPERATION CONDITIONS ..... 10**

**Emission Limitations and Standards [326 IAC 2-6.1-5(a)(1)]**
C.1 Particulate Emission Limitations For Processes with Process Weight Rates Less Than One Hundred (100) Pounds per Hour [326 IAC 6-3-2]
C.2 Permit Revocation [326 IAC 2-1.1-9]
C.3 Opacity [326 IAC 5-1]
C.4 Open Burning [326 IAC 4-1] [IC 13-17-9]
C.5 Incineration [326 IAC 4-2] [326 IAC 9-1-2]
C.6 Fugitive Dust Emissions [326 IAC 6-4]
C.7 Asbestos Abatement Projects [326 IAC 14-10] [326 IAC 18] [40 CFR 61, Subpart M]

**Testing Requirements [326 IAC 2-6.1-5(a)(2)]**
C.8 Performance Testing [326 IAC 3-6]

**Compliance Requirements [326 IAC 2-1.1-11]**
C.9 Compliance Requirements [326 IAC 2-1.1-11]

**Compliance Monitoring Requirements [326 IAC 2-6.1-5(a)(2)]**
C.10 Compliance Monitoring [326 IAC 2 1.1 11]
C.11 Monitoring Methods [326 IAC 3] [40 CFR 60] [40 CFR 63]
C.12 Instrument Specifications [326 IAC 2 1.1 11]

**Corrective Actions and Response Steps**
C.13 Response to Excursions or Exceedances
C.14 Actions Related to Noncompliance Demonstrated by a Stack Test

**Record Keeping and Reporting Requirements [326 IAC 2-6.1-5(a)(2)]**
C.15 Malfunctions Report [326 IAC 1-6-2]
C.16 General Record Keeping Requirements [326 IAC 2-6.1-5]
C.17 General Reporting Requirements [326 IAC 2-1.1-11] [326 IAC 2-6.1-2] [IC 13-14-1-13]

**D.1. EMISSIONS UNIT OPERATION CONDITIONS ..... 16**

**Emission Limitations and Standards [326 IAC 2-6.1-5(a)(1)]**
D.1.1 Volatile Organic Compounds (VOC) [326 IAC 8-2-12]
D.1.2 Particulate [326 IAC 6-3-2(d)]
D.1.3 Preventive Maintenance Plan

Annual Notification ..... 18
Malfunction Report ..... 19

## 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 and A.2 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 2-5.1-3(c)][326 IAC 2-6.1-4(a)]

The Permittee owns and operates a stationary wooden household furniture manufacturing operation.

| | |
|---|---|
| Source Address: | 2490 South 1100 West, Shipshewana, Indiana 46565 |
| Mailing Address: | 2490 South 1100 West, Shipshewana, Indiana 46565 |
| General Source Phone Number: | (574) 825-0752 |
| SIC Code: | 2511 |
| County Location: | LaGrange |
| Source Location Status: | Attainment for all criteria pollutants |
| Source Status: | Minor Source Operating Permit Program<br>Minor Source, under PSD<br>Minor Source, Section 112 of the Clean Air Act<br>Not 1 of 28 Source Categories |

### A.2 Emission Units and Pollution Control Equipment Summary

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

(a) Three (3) surface coating booths, identified as SB1, SB2, and SB3, constructed in 2004, each with a maximum throughput of 1.30 wood furniture units per hour, each using Air Assisted Airless Spray applicators and dry filters for particulate control, and exhausting to stacks SVSB1, SVSB2, and SVSB3, respectively.

(b) One (1) propane fired water heater, identified as H1, constructed in 2004, with a heat input capacity of 0.345 MMBtu/hr, and exhausting to stack SVH1.

(c) One (1) propane fired make-up air heater, identified as AM1, constructed in 2004, with a heat input capacity of 2.10 MMBtu/hr, and exhausting to stack SVAM1.

(d) One (1) diesel fired generator, identified as DG1, constructed in 2004, with a heat input capacity of 100 HP, and exhausting to stack SVDG1.

## SECTION B GENERAL CONDITIONS

B.1 Definitions [326 IAC 2-1.1-1]

Terms in this permit shall have the definition assigned to such terms in the referenced regulation. In the absence of definitions in the referenced regulation, the applicable definitions found in the statutes or regulations (IC 13-11, 326 IAC 1-2 and 326 IAC 2-1.1-1) shall prevail.

B.2 Revocation of Permits [326 IAC 2-1.1-9(5)]

Pursuant to 326 IAC 2-1.1-9(5)(Revocation of Permits), the Commissioner may revoke this permit 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.

B.3 Permit Term [326 IAC 2-6.1-7(a)][326 IAC 2-1.1-9.5][IC 13-15-3-6(a)]

(a) This permit, M087-26010-00071, is issued for a fixed term of five (5) years from the issuance date of this permit, as determined in accordance with IC 4-21.5-3-5(f) and IC 13-15-5-3. Subsequent revisions, modifications, or amendments of this permit do not affect the expiration date of this permit.

(b) If IDEM, OAQ, upon receiving a timely and complete renewal permit application, fails to issue or deny the permit renewal prior to the expiration date of this permit, this existing permit shall not expire and all terms and conditions shall continue in effect, until the renewal permit has been issued or denied.

B.4 Term of Conditions [326 IAC 2-1.1-9.5]

Notwithstanding the permit term of a permit to construct, a permit to operate, or a permit modification, any condition established in a permit issued pursuant to a permitting program approved in the state implementation plan shall remain in effect until:

(a) the condition is modified in a subsequent permit action pursuant to Title I of the Clean Air Act; or

(b) the emission unit to which the condition pertains permanently ceases operation.

B.5 Enforceability

Unless otherwise stated, all terms and conditions in this permit, including any provisions designed to limit the source's potential to emit, are enforceable by IDEM, the United States Environmental Protection Agency (U.S. EPA) and by citizens in accordance with the Clean Air Act.

B.6 Severability

The provisions of this permit are severable; a determination that any portion of this permit is invalid shall not affect the validity of the remainder of the permit.

B.7 Property Rights or Exclusive Privilege

This permit does not convey any property rights of any sort or any exclusive privilege.

B.8 Duty to Provide Information

(a) The Permittee shall furnish to IDEM, OAQ, within a reasonable time, any information that IDEM, OAQ may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit, or to determine compliance with this permit. The submittal by the Permittee does require the certification by an "authorized individual" as defined by 326 IAC 2-1.1-1(1). Upon request, the Permittee shall also furnish to IDEM, OAQ copies of records required to be kept by this permit.

(b) For information furnished by the Permittee to IDEM, OAQ, the Permittee may include a claim of confidentiality in accordance with 326 IAC 17.1. When furnishing copies of

requested records directly to U. S. EPA, the Permittee may assert a claim of confidentiality in accordance with 40 CFR 2, Subpart B.

B.9 Certification

(a) Where specifically designated by this permit or required by an applicable requirement, any application form, report, or compliance certification submitted shall contain certification by an "authorized individual" of truth, accuracy, and completeness. This certification shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.

(b) One (1) certification shall be included, using the attached Certification Form, with each submittal requiring certification. One (1) certification may cover multiple forms in one (1) submittal.

(c) An "authorized individual" is defined at 326 IAC 2-1.1-1(1).

B.10 Annual Notification [326 IAC 2-6.1-5(a)(5)]

(a) An annual notification shall be submitted by an authorized individual to the Office of Air Quality stating whether or not the source is in operation and in compliance with the terms and conditions contained in this permit.

(b) The annual notice shall be submitted in the format attached no later than March 1 of each year to:

Indiana Department of Environmental Management
Compliance Branch, Office of Air Quality
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, IN 46204-2251

(c) The notification 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.

B.11 Preventive Maintenance Plan [326 IAC 1-6-3]

(a) If required by specific condition(s) in Section D of this permit, the Permittee shall prepare and maintain Preventive Maintenance Plans (PMPs) within ninety (90) days after issuance of this permit, including the following information on each facility:

(1) Identification of the individual(s) responsible for inspecting, maintaining, and repairing emission control devices;

(2) A description of the items or conditions that will be inspected and the inspection schedule for said items or conditions; and

(3) Identification and quantification of the replacement parts that will be maintained in inventory for quick replacement.

If, due to circumstances beyond the Permittee’s control, the PMPs cannot be prepared and maintained within the above time frame, the Permittee may extend the date an additional ninety (90) days provided the Permittee notifies:

Indiana Department of Environmental Management
Compliance Branch, Office of Air Quality

100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

The PMP extension notification does not require the certification by an "authorized individual" as defined by 326 IAC 2-1.1-1(1).

(b) A copy of the PMPs shall be submitted to IDEM, OAQ upon request and within a reasonable time, and shall be subject to review and approval by IDEM, OAQ. IDEM, OAQ may require the Permittee to revise its PMPs whenever lack of proper maintenance causes or is the primary contributor to an exceedance of any limitation on emissions or potential to emit. The PMPs do not require the certification by an "authorized individual" as defined by 326 IAC 2-1.1-1(1).

(c) To the extent the Permittee is required by 40 CFR Part 60/63 to have an Operation Maintenance, and Monitoring (OMM) Plan for a unit, such Plan is deemed to satisfy the PMP requirements of 326 IAC 1-6-3 for that unit.

B.12 Prior Permits Superseded [326 IAC 2-1.1-9.5]

(a) All terms and conditions of permits established prior to M087-26010-00071 and issued pursuant to permitting programs approved into the state implementation plan have been either:

(1) incorporated as originally stated,

(2) revised, or

(3) deleted.

(b) All previous registrations and permits are superseded by this permit.

B.13 Termination of Right to Operate [326 IAC 2-6.1-7(a)]

The Permittee's right to operate this source terminates with the expiration of this permit unless a timely and complete renewal application is submitted at least ninety (90) days prior to the date of expiration of the source’s existing permit, consistent with 326 IAC 2-6.1-7.

B.14 Permit Renewal [326 IAC 2-6.1-7]

(a) The application for renewal shall be submitted using the application form or forms prescribed by IDEM, OAQ and shall include the information specified in 326 IAC 2-6.1-7. Such information shall be included in the application for each emission unit at this source. The renewal application does require the certification by an "authorized individual" as defined by 326 IAC 2-1.1-1(1).

Request for renewal shall be submitted to:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

(b) A timely renewal application is one that is:

(1) Submitted at least ninety (90) days prior to the date of the expiration of this permit; and

(2) 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.

(c) If the Permittee submits a timely and complete application for renewal of this permit, the source's failure to have a permit is not a violation of 326 IAC 2-6.1 until IDEM, OAQ takes final action on the renewal application, except that this protection shall cease to apply if, subsequent to the completeness determination, the Permittee fails to submit by the deadline specified in writing by IDEM, OAQ any additional information identified as being needed to process the application.

B.15 Permit Amendment or Revision [326 IAC 2-5.1-3(e)(3)][326 IAC 2-6.1-6]

(a) Permit amendments and revisions are governed by the requirements of 326 IAC 2-6.1-6 whenever the Permittee seeks to amend or modify this permit.

(b) Any application requesting an amendment or modification of this permit shall be submitted to:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

Any such application shall be certified by an "authorized individual" as defined by 326 IAC 2-1.1-1(1).

(c) The Permittee shall notify the OAQ within thirty (30) calendar days of implementing a notice-only change. [326 IAC 2-6.1-6(d)]

B.16 Source Modification Requirement

A modification, construction, or reconstruction is governed by the requirements of 326 IAC 2.

B.17 Inspection and Entry
[326 IAC 2-5.1-3(e)(4)(B)][326 IAC 2-6.1-5(a)(4)][IC 13-14-2-2][IC 13-17-3-2][IC 13-30-3-1]

Upon presentation of proper identification cards, credentials, and other documents as may be required by law, and subject to the Permittee's right under all applicable laws and regulations to assert that the information collected by the agency is confidential and entitled to be treated as such, the Permittee shall allow IDEM, OAQ, U.S. EPA, or an authorized representative to perform the following:

(a) Enter upon the Permittee's premises where a permitted source is located, or emissions related activity is conducted, or where records must be kept under the conditions of this permit;

(b) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, have access to and copy, at reasonable times, any records that must be kept under the conditions of this permit;

(c) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, inspect, at reasonable times, any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under this permit;

(d) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, sample or monitor, at reasonable times, substances or parameters for the purpose of assuring compliance with this permit or applicable requirements; and

(e) As authorized by the Clean Air Act, IC 13-14-2-2, IC 13-17-3-2, and IC 13-30-3-1, utilize any photographic, recording, testing, monitoring, or other equipment for the purpose of assuring compliance with this permit or applicable requirements.

B.18 Transfer of Ownership or Operational Control [326 IAC 2-6.1-6]

(a) The Permittee must comply with the requirements of 326 IAC 2-6.1-6 whenever the Permittee seeks to change the ownership or operational control of the source and no other change in the permit is necessary.

(b) Any application requesting a change in the ownership or operational control of the source shall contain a written agreement containing a specific date for transfer of permit responsibility, coverage and liability between the current and new Permittee. The application shall be submitted to:

Indiana Department of Environmental Management
Permits Branch, Office of Air Quality
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

The application which shall be submitted by the Permittee does require the certification by an "authorized individual" as defined by 326 IAC 2-1.1-1(1).

(c) The Permittee may implement notice-only changes addressed in the request for a notice-only change immediately upon submittal of the request. [326 IAC 2-6.1-6(d)(3)]

B.19 Annual Fee Payment [326 IAC 2-1.1-7]

(a) The Permittee shall pay annual fees to IDEM, OAQ within thirty (30) calendar days of receipt of a billing.

(b) The Permittee may call the following telephone numbers: 1-800-451-6027 or 317-233-4230 (ask for OAQ, Billing, Licensing, and Training Section), to determine the appropriate permit fee.

B.20 Credible Evidence [326 IAC 1-1-6]

For the purpose of submitting compliance certifications or establishing whether or not the Permittee has violated or is in violation of any condition of this permit, nothing in this permit shall preclude the use, including the exclusive use, of any credible evidence or information relevant to whether the Permittee would have been in compliance with the condition of this permit if the appropriate performance or compliance test or procedure had been performed.

**SECTION C SOURCE OPERATION CONDITIONS**

Entire Source

**Emission Limitations and Standards [326 IAC 2-6.1-5(a)(1)]**

C.1 Particulate Emission Limitations For Processes with Process Weight Rates Less Than One Hundred (100) Pounds per Hour [326 IAC 6-3-2]

Pursuant to 326 IAC 6-3-2(e)(2), particulate emissions from any process not exempt under 326 IAC 6-3-1(b) or (c) which has a maximum process weight rate less than 100 pounds per hour and the methods in 326 IAC 6-3-2(b) through (d) do not apply shall not exceed 0.551 pounds per hour.

C.2 Permit Revocation [326 IAC 2-1.1-9]

Pursuant to 326 IAC 2-1.1-9 (Revocation of Permits), this permit to construct and operate may be revoked for any of the following causes:

(a) Violation of any conditions of this permit.

(b) Failure to disclose all the relevant facts, or misrepresentation in obtaining this permit.

(c) Changes in regulatory requirements that mandate either a temporary or permanent reduction of discharge of contaminants. However, the amendment of appropriate sections of this permit shall not require revocation of this permit.

(d) Noncompliance with orders issued pursuant to 326 IAC 1-5 (Episode Alert Levels) to reduce emissions during an air pollution episode.

(e) For any cause which establishes in the judgment of IDEM, the fact that continuance of this permit is not consistent with purposes of this article.

C.3 Opacity [326 IAC 5-1]

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.

C.4 Open Burning [326 IAC 4-1] [IC 13-17-9]

The Permittee shall not open burn any material except as provided in 326 IAC 4-1-3, 326 IAC 4-1-4 or 326 IAC 4-1-6. The previous sentence notwithstanding, the Permittee may open burn in accordance with an open burning approval issued by the Commissioner under 326 IAC 4-1-4.1.

C.5 Incineration [326 IAC 4-2] [326 IAC 9-1-2]

The Permittee shall not operate an incinerator or incinerate any waste or refuse except as provided in 326 IAC 4-2 and 326 IAC 9-1-2.

C.6 Fugitive Dust Emissions [326 IAC 6-4]

The Permittee shall not allow fugitive dust to escape beyond the property line or boundaries of the property, right-of-way, or easement on which the source is located, in a manner that would violate 326 IAC 6-4 (Fugitive Dust Emissions).

C.7 Asbestos Abatement Projects [326 IAC 14-10] [326 IAC 18] [40 CFR 61, Subpart M]

(a) Notification requirements apply to each owner or operator. If the combined amount of regulated asbestos containing material (RACM) to be stripped, removed or disturbed is at least 260 linear feet on pipes or 160 square feet on other facility components, or at least thirty-five (35) cubic feet on all facility components, then the notification requirements of 326 IAC 14-10-3 are mandatory. All demolition projects require notification whether or not asbestos is present.

(b) The Permittee shall ensure that a written notification is sent on a form provided by the Commissioner at least ten (10) working days before asbestos stripping or removal work or before demolition begins, per 326 IAC 14-10-3, and shall update such notice as necessary, including, but not limited to the following:

(1) When the amount of affected asbestos containing material increases or decreases by at least twenty percent (20%); or

(2) If there is a change in the following:

(A) Asbestos removal or demolition start date;

(B) Removal or demolition contractor; or

(C) Waste disposal site.

(c) The Permittee shall ensure that the notice is postmarked or delivered according to the guidelines set forth in 326 IAC 14-10-3(2).

(d) The notice to be submitted shall include the information enumerated in 326 IAC 14-10-3(3).

All required notifications shall be submitted to:

Indiana Department of Environmental Management
Asbestos Section, Office of Air Quality
100 North Senate Avenue
MC 61-52 IGCN 1003
Indianapolis, Indiana 46204-2251

The notice shall include a signed certification from the owner or operator that the information provided in this notification is correct and that only Indiana licensed workers and project supervisors will be used to implement the asbestos removal project. The notifications do not require a certification by an "authorized individual" as defined by 326 IAC 2-1.1-1(1).

(e) Procedures for Asbestos Emission Control
The Permittee shall comply with the applicable emission control procedures in 326 IAC 14-10-4 and 40 CFR 61.145(c). Per 326 IAC 14-10-1, emission control requirements are applicable for any removal or disturbance of RACM greater than three (3) linear feet on pipes or three (3) square feet on any other facility components or a total of at least 0.75 cubic feet on all facility components.

(f) Demolition and Renovation
The Permittee shall thoroughly inspect the affected facility or part of the facility where the demolition or renovation will occur for the presence of asbestos pursuant to 40 CFR 61.145(a).

(g) Indiana Accredited Asbestos Inspector
The Permittee shall comply with 326 IAC 14-10-1(a) that requires the owner or operator, prior to a renovation/demolition, to use an Indiana Accredited Asbestos Inspector to thoroughly inspect the affected portion of the facility for the presence of asbestos. The requirement to use an Indiana Accredited Asbestos inspector is not federally enforceable.

**Testing Requirements [326 IAC 2-6.1-5(a)(2)]**

C.8 Performance Testing [326 IAC 3-6]

(a) Compliance testing on new emissions units shall be conducted within 60 days after achieving maximum production rate, but no later than 180 days after initial start-up, if specified in Section D of this approval. All testing shall be performed according to the provisions of 326 IAC 3-6 (Source Sampling Procedures), except as provided elsewhere in this permit, utilizing any applicable procedures and analysis methods specified in 40 CFR 51, 40 CFR 60, 40 CFR 61, 40 CFR 63, 40 CFR 75, or other procedures approved by IDEM, OAQ.

A test protocol, except as provided elsewhere in this permit, shall be submitted to:

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Quality
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

no later than thirty-five (35) days prior to the intended test date. The protocol submitted by the Permittee does not require certification by an "authorized individual" as defined by 326 IAC 2-1.1-1(1).

(b) The Permittee shall notify IDEM, OAQ of the actual test date at least fourteen (14) days prior to the actual test date. The notification submitted by the Permittee does not require certification by an "authorized individual" as defined by 326 IAC 2-1.1-1(1).

(c) Pursuant to 326 IAC 3-6-4(b), all test reports must be received by IDEM, OAQ not later than forty-five (45) days after the completion of the testing. An extension may be granted by IDEM, OAQ if the Permittee submits to IDEM, OAQ, a reasonable written explanation not later than five (5) days prior to the end of the initial forty-five (45) day period.

**Compliance Requirements [326 IAC 2-1.1-11]**

C.9 Compliance Requirements [326 IAC 2-1.1-11]

The commissioner may require stack testing, monitoring, or reporting at any time to assure compliance with all applicable requirements by issuing an order under 326 IAC 2-1.1-11. Any monitoring or testing shall be performed in accordance with 326 IAC 3 or other methods approved by the commissioner or the U. S. EPA.

**Compliance Monitoring Requirements [326 IAC 2-6.1-5(a)(2)]**

C.10 Compliance Monitoring [326 IAC 2-1.1-11]

Compliance with applicable requirements shall be documented as required by this permit. The Permittee shall be responsible for installing any necessary equipment and initiating any required monitoring related to that equipment. All monitoring and record keeping requirements not already legally required shall be implemented when operation begins.

C.11 Monitoring Methods [326 IAC 3] [40 CFR 60] [40 CFR 63]

Any monitoring or testing required by Section D of this permit shall be performed according to the provisions of 326 IAC 3, 40 CFR 60, Appendix A, 40 CFR 60, Appendix B, 40 CFR 63, or other approved methods as specified in this permit.

C.12 Instrument Specifications [326 IAC 2-1.1-11]

(a) When required by any condition of this permit, an analog instrument used to measure a parameter related to the operation of an air pollution control device shall have a scale such that the expected maximum reading for the normal range shall be no less than twenty percent (20%) of full scale.

(b) The Permittee may request that the IDEM, OAQ approve the use of an instrument that does not meet the above specifications provided the Permittee can demonstrate that an alternative instrument specification will adequately ensure compliance with permit conditions requiring the measurement of the parameters.

**Corrective Actions and Response Steps**

C.13 Response to Excursions or Exceedances

(a) Upon detecting an excursion or exceedance, the Permittee shall restore operation of the emissions unit (including any control device and associated capture system) to its normal or usual manner of operation as expeditiously as practicable in accordance with good air pollution control practices for minimizing emissions.

(b) The response shall include minimizing the period of any startup, shutdown or malfunction and taking any necessary corrective actions to restore normal operation and prevent the likely recurrence of the cause of an excursion or exceedance (other than those caused by excused startup or shutdown conditions). Corrective actions may include, but are not limited to, the following:

(1) initial inspection and evaluation;

(2) recording that operations returned to normal without operator action (such as through response by a computerized distribution control system); or

(3) any necessary follow-up actions to return operation to within the indicator range, designated condition, or below the applicable emission limitation or standard, as applicable.

(c) A determination of whether the Permittee has used acceptable procedures in response to an excursion or exceedance will be based on information available, which may include, but is not limited to, the following:

(1) monitoring results;

(2) review of operation and maintenance procedures and records; and/or

(3) inspection of the control device, associated capture system, and the process.

(d) Failure to take reasonable response steps shall be considered a deviation from the permit.

(e) The Permittee shall maintain the following records:

(1) monitoring data;

(2) monitor performance data, if applicable; and

(3) corrective actions taken.

C.14 Actions Related to Noncompliance Demonstrated by a Stack Test

(a) When the results of a stack test performed in conformance with Section C - Performance Testing, of this permit exceed the level specified in any condition of this permit, the Permittee shall take appropriate response actions. The Permittee shall submit a description of these response actions to IDEM, OAQ, within thirty (30) days of receipt of the test results. The Permittee shall take appropriate action to minimize excess emissions from the affected facility while the response actions are being implemented.

(b) A retest to demonstrate compliance shall be performed within one hundred twenty (120) days of receipt of the original test results. Should the Permittee demonstrate to IDEM, OAQ that retesting in one hundred twenty (120) days is not practicable, IDEM, OAQ may extend the retesting deadline.

(c) IDEM, OAQ reserves the authority to take any actions allowed under law in response to noncompliant stack tests.

The response action documents submitted pursuant to this condition do require the certification by an "authorized individual" as defined by 326 IAC 2-1.1-1(1).

**Record Keeping and Reporting Requirements [326 IAC 2-6.1-5(a)(2)]**

C.15 Malfunctions Report [326 IAC 1-6-2]

Pursuant to 326 IAC 1-6-2 (Records; Notice of Malfunction):

(a) A record of all malfunctions, including startups or shutdowns of any facility or emission control equipment, which result in violations of applicable air pollution control regulations or applicable emission limitations shall be kept and retained for a period of three (3) years and shall be made available to the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) or appointed representative upon request.

(b) When a malfunction of any facility or emission control equipment occurs which lasts more than one (1) hour, said condition shall be reported to OAQ, using the Malfunction Report Forms (2 pages). Notification shall be made by telephone or facsimile, as soon as practicable, but in no event later than four (4) daytime business hours after the beginning of said occurrence.

(c) Failure to report a malfunction of any emission control equipment shall constitute a violation of 326 IAC 1-6, and any other applicable rules. Information of the scope and expected duration of the malfunction shall be provided, including the items specified in 326 IAC 1-6-2(a)(1) through (6).

(d) Malfunction is defined as any sudden, unavoidable failure of any air pollution control equipment, process, or combustion or process equipment to operate in a normal and usual manner. [326 IAC 1-2-39]

C.16 General Record Keeping Requirements [326 IAC 2-6.1-5]

(a) Records of all required monitoring data, reports and support information required by this permit shall be retained for a period of at least five (5) years from the date of monitoring sample, measurement, report, or application. These records shall be physically present or electronically accessible at the source location for a minimum of three (3) years. The records may be stored elsewhere for the remaining two (2) years as long as they are available upon request. If the Commissioner makes a request for records to the Permittee, the Permittee shall furnish the records to the Commissioner within a reasonable time.

(b) Unless otherwise specified in this permit, all record keeping requirements not already legally required shall be implemented within ninety (90) days of permit issuance.

C.17 General Reporting Requirements [326 IAC 2-1.1-11] [326 IAC 2-6.1-2] [IC 13-14-1-13]

(a) Reports required by conditions in Section D of this permit shall be submitted to:

Indiana Department of Environmental Management
Compliance Data Section, Office of Air Quality
100 North Senate Avenue
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

(b) Unless otherwise specified in this permit, any notice, report, or other submission 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.

(c) Unless otherwise specified in this permit, all reports required in Section D of this permit shall be submitted within thirty (30) days of the end of the reporting period. All reports do require the certification by an "authorized individual" as defined by 326 IAC 2-1.1-1(1).

(d) The first report shall cover the period commencing on the date of issuance of this permit and ending on the last day of the reporting period. Reporting periods are based on calendar years, unless otherwise specified in this permit. For the purpose of this permit “calendar year” means the twelve (12) month period from January 1 to December 31 inclusive.

## SECTION D.1 EMISSIONS UNIT OPERATION CONDITIONS

**Emissions Unit Description:**

(a) Three (3) surface coating booths, identified as SB1, SB2, and SB3, constructed in 2004, each with a maximum throughput of 1.30 wood furniture units per hour, each using Air Assisted Airless Spray applicators and dry filters for particulate control, and exhausting to stacks SVSB1, SVSB2, and SVSB3, respectively.

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

**Emission Limitations and Standards [326 IAC 2-6.1-5(a)(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 wooden household furniture 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 Particulate [326 IAC 6-3-2(d)]

(a) Particulate from the surface coating processes shall be controlled by a dry filter and the Permittee shall operate the control devices in accordance with manufacturer=s specifications.

(b) If overspray is visibly detected at the exhaust or accumulates on the ground, the Permittee shall inspect the control devices and do either of the following no later than four (4) hours after such observation:

(1) Repair control devices so that no overspray is visibly detectable at the exhaust or accumulates on the ground.

(2) Operate equipment so that no overspray is visibly detectable at the exhaust or accumulates on the ground.

(c) If overspray is visibly detected, the Permittee shall maintain a record of the action taken as a result of the inspection, any repairs of the control device, or change in operations, so that overspray is not visibly detected at the exhaust or accumulates on the ground. These records must be maintained for five (5) years.

### D.1.3 Preventive Maintenance Plan

A Preventive Maintenance Plan, in accordance with Section B - Preventive Maintenance Plan, of this permit, is required for coating booths (SB1, SB2, and SB3) and the dry filters.

**INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT**
**OFFICE OF AIR QUALITY**
**COMPLIANCE BRANCH**

**MINOR SOURCE OPERATING PERMIT**
**ANNUAL NOTIFICATION**

This form should be used to comply with the notification requirements under 326 IAC 2-6.1-5(a)(5).

| | |
|---|---|
| **Company Name:** | KM Finishing |
| **Address:** | 2490 South 1100 West |
| **City:** | Shipshewana, Indiana 46565 |
| **Phone #:** | (574) 825-0752 |
| **MSOP #:** | M087-26010-00071 |

I hereby certify that KM Finishing is :
- ☐ still in operation.
- ☐ no longer in operation.

I hereby certify that KM Finishing is :
- ☐ in compliance with the requirements of MSOP M087-26010-00071.
- ☐ not in compliance with the requirements of MSOP M087-26010-00071.

| |
|---|
| **Authorized Individual (typed):** |
| **Title:** |
| **Signature:** |
| **Date:** |

If there are any conditions or requirements for which the source is not in compliance, provide a narrative description of how the source did or will achieve compliance and the date compliance was, or will be achieved.

| |
|---|
| **Noncompliance:** |
| |
| |
| |
| |

# MALFUNCTION REPORT

## INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
## OFFICE OF AIR QUALITY
### FAX NUMBER - 317 233-6865

**This form should only be used to report malfunctions applicable to Rule 326 IAC 1-6 and to qualify for the exemption under 326 IAC 1-6-4.**

THIS FACILITY MEETS THE APPLICABILITY REQUIREMENTS BECAUSE IT HAS POTENTIAL TO EMIT 25 TONS/YEAR PARTICULATE MATTER ?_____, 25 TONS/YEAR SULFUR DIOXIDE ?_____, 25 TONS/YEAR NITROGEN OXIDES?_____, 25 TONS/YEAR VOC ?_____, 25 TONS/YEAR HYDROGEN SULFIDE ?_____, 25 TONS/YEAR TOTAL REDUCED SULFUR ?_____, 25 TONS/YEAR REDUCED SULFUR COMPOUNDS ?_____, 25 TONS/YEAR FLUORIDES ?_____, 100 TONS/YEAR CARBON MONOXIDE ?_____, 10 TONS/YEAR ANY SINGLE HAZARDOUS AIR POLLUTANT ?_____, 25 TONS/YEAR ANY COMBINATION HAZARDOUS AIR POLLUTANT ?_____, 1 TON/YEAR LEAD OR LEAD COMPOUNDS MEASURED AS ELEMENTAL LEAD ?_____, OR IS A SOURCE LISTED UNDER 326 IAC 2-5.1-3(2) ?_____. EMISSIONS FROM MALFUNCTIONING CONTROL EQUIPMENT OR PROCESS EQUIPMENT CAUSED EMISSIONS IN EXCESS OF APPLICABLE LIMITATION _____.

THIS MALFUNCTION RESULTED IN A VIOLATION OF: 326 IAC _____ OR, PERMIT CONDITION # _____ AND/OR PERMIT LIMIT OF _____

THIS INCIDENT MEETS THE DEFINITION OF "MALFUNCTION" AS LISTED ON REVERSE SIDE ? Y N

THIS MALFUNCTION IS OR WILL BE LONGER THAN THE ONE (1) HOUR REPORTING REQUIREMENT ? Y N

COMPANY:_____PHONE NO. ( )_____
LOCATION: (CITY AND COUNTY)_____
PERMIT NO. _____ AFS PLANT ID: _____ AFS POINT ID: _____ INSP:_____
CONTROL/PROCESS DEVICE WHICH MALFUNCTIONED AND REASON:_____
_____

DATE/TIME MALFUNCTION STARTED: _____/_____/ 20____ _____ AM / PM

ESTIMATED HOURS OF OPERATION WITH MALFUNCTION CONDITION: _____

DATE/TIME CONTROL EQUIPMENT BACK-IN SERVICE_____/_____/ 20____ _____ AM/PM

TYPE OF POLLUTANTS EMITTED: TSP, PM-10, SO2, VOC, OTHER:_____

ESTIMATED AMOUNT OF POLLUTANT EMITTED DURING MALFUNCTION: _____

_____

MEASURES TAKEN TO MINIMIZE EMISSIONS:_____

_____

REASONS WHY FACILITY CANNOT BE SHUTDOWN DURING REPAIRS:

CONTINUED OPERATION REQUIRED TO PROVIDE ESSENTIAL* SERVICES:_____
CONTINUED OPERATION NECESSARY TO PREVENT INJURY TO PERSONS:_____
CONTINUED OPERATION NECESSARY TO PREVENT SEVERE DAMAGE TO EQUIPMENT:_____
INTERIM CONTROL MEASURES: (IF APPLICABLE)_____
_____
_____

MALFUNCTION REPORTED BY:_____TITLE:_____
(SIGNATURE IF FAXED)

MALFUNCTION RECORDED BY:_____DATE:_____TIME:_____
*SEE PAGE 2

**Please note - This form should only be used to report malfunctions applicable to Rule 326 IAC 1-6 and to qualify for the exemption under 326 IAC 1-6-4.**

**326 IAC 1-6-1 Applicability of rule**

Sec. 1. This rule applies to the owner or operator of any facility required to obtain a permit under 326 IAC 2-5.1 or 326 IAC 2-6.1.

**326 IAC 1-2-39 "Malfunction" definition**

Sec. 39. Any sudden, unavoidable failure of any air pollution control equipment, process, or combustion or process equipment to operate in a normal and usual manner.

***Essential services** are interpreted to mean those operations, such as, the providing of electricity by power plants. Continued operation solely for the economic benefit of the owner or operator shall not be sufficient reason why a facility cannot be shutdown during a control equipment shutdown.

If this item is checked on the front, please explain rationale:

_____

_____

# Indiana Department of Environmental Management
Office of Air Quality

## Technical Support Document (TSD) for a New Source Review and Minor Source Operating Permit Renewal

**Source Background and Description**

| | |
|---|---|
| Source Name: | KM Finishing |
| Source Location: | 2490 South 1100 West, Shipshewana, Indiana 46565 |
| County: | LaGrange |
| SIC Code: | 2511 |
| Permit Renewal No.: | 087-26010-00071 |
| Permit Reviewer: | ERG/BL |

The Office of Air Quality (OAQ) has reviewed a permit application from KM Finishing relating to the operation of a wooden household furniture manufacturing operation.

**History**

On January 29, 2008, KM Finishing submitted an application to the OAQ requesting a construction and operating permit.

**Emission Units and Pollution Control Equipment Constructed and Operated without a Permit**

(a) Three (3) surface coating booths, identified as SB1, SB2, and SB3, constructed in 2004, each with a maximum throughput of 1.30 wood furniture units per hour, each using Air Assisted Airless Spray applicators and dry filters for particulate control, and exhausting to stacks SVSB1, SVSB2, and SVSB3, respectively.

(b) One (1) propane fired water heater, identified as H1, constructed in 2004, with a heat input capacity of 0.345 MMBtu/hr, and exhausting to stack SVH1.

(c) One (1) propane fired make-up air heater, identified as AM1, constructed in 2004, with a heat input capacity of 2.10 MMBtu/hr, and exhausting to stack SVAM1.

(d) One (1) diesel fired generator, identified as DG1, constructed in 2004, with a heat input capacity of 100 HP, and exhausting to stack SVDG1.

**Existing Approvals**

There have been no previous approvals issued to this source.

**Enforcement Issue**

IDEM is aware that equipment has been constructed and operated prior to receipt of the proper permit. The subject equipment is listed in this Technical Support Document under the condition entitled “Emission Units and Pollution Control Equipment Constructed and Operated without a Permit”.

(a) IDEM is reviewing this matter and will take appropriate action. This proposed permit is intended to satisfy the requirements of the construction permit rules.

**Emission Calculations**

See Appendix A of this document for detailed emission calculations.

**County Attainment Status**

The source is located in LaGrange County

| Pollutant | Designation |
|---|---|
| $SO_2$ | Better than national standards. |
| CO | Unclassifiable or attainment effective November 15, 1990. |
| $O_3$ | Unclassifiable or attainment effective June 15, 2004, for the 8-hour ozone standard.[1] |
| $PM_{10}$ | Unclassifiable effective November 15, 1990. |
| $NO_2$ | Cannot be classified or better than national standards. |
| Pb | Not designated. |
| [1]Unclassifiable or attainment effective October 18, 2000, for the 1-hour ozone standard which was revoked effective June 15, 2005. | |

(a) Ozone Standards

(1) On October 25, 2006, the Indiana Air Pollution Control Board finalized a rule revision to 326 IAC 1-4-1 revoking the one-hour ozone standard in Indiana.

(2) 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 and NOx emissions are considered when evaluating the rule applicability relating to ozone. LaGrange 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) PM2.5
LaGrange County has been classified as attainment for PM2.5. U.S. EPA has not yet established the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2 for PM2.5 emissions. Therefore, until the U.S. EPA adopts specific provisions for PSD review for PM2.5 emissions, it has directed states to regulate PM10 emissions as a surrogate for PM2.5 emissions.

(c) Other Criteria Pollutants
LaGrange County has been classified as attainment or unclassifiable in Indiana for all other criteria pollutants. Therefore, these emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2.

(d) Fugitive Emissions
Since this type of operation is not one of the twenty-eight (28) listed source categories under 326 IAC 2-2, fugitive emissions are not counted toward the determination of PSD applicability.

**Unrestricted Potential Emissions**

This table reflects the unrestricted potential emissions of the source.

| Pollutant | tons/year |
|---|---|
| PM | 7.91 |
| $PM_{10}$ | 7.91 |
| $SO_2$ | 1.75 |
| VOC | 77.0 |
| CO | 0.26 |
| $NO_x$ | 1.80 |

| HAPs | tons/year |
|---|---|
| Ethylbenzene | 3.66 |
| Xylene | 7.26 |
| Toluene | 7.89 |
| **Total** | **18.8** |

(a) The potential to emit (as defined in 326 IAC 2-1.1-1) of VOC is greater than twenty-five (25) tons per year. The source is subject to the provisions of 326 IAC 2-5.1-3 and is required to obtain a New Source Construction Permit prior to construction. Therefore, IDEM, OAQ will issue this source a New Source Construction and Minor Source Operating Permit Operating Permit, which is a combined construction and operating permit.

(b) The potential to emit (as defined in 326 IAC 2-1.1-1) of all criteria pollutants is less than 100 tons per year. The source is not subject to the provisions of 326 IAC 2-7. Therefore, the source will be issued an MSOP.

(c) The potential to emit (as defined in 326 IAC 2-1.1-1) of any single HAP is less than ten (10) tons per year and the potential to emit (as defined in 326 IAC 2-1.1-1) of a combination of HAPs is less than twenty-five (25) tons per year. Therefore, the source is not subject to 326 IAC 2-7.

(d) Since this type of operation is not one of the twenty-eight (28) listed source categories under 326 IAC 2-7, fugitive emissions are not counted toward the determination of Part 70 applicability.

**Actual Emissions**

No previous emission data has been received from the source.

**Potential to Emit After Issuance**

The table below summarizes the potential to emit, reflecting all limits of the emission units. Any control equipment is considered enforceable only after issuance of this MSOP and only to the extent that the effect of the control equipment is made practically enforceable in the permit.

| | Potential To Emit (tons/year) | | | | | | |
|---|---|---|---|---|---|---|---|
| **Process/ Emission Unit** | **PM** | **$PM_{10}$** | **$SO_2$** | **VOC** | **CO** | **$NO_x$** | **HAPs** |
| Coating Booths (SB1, SB2, and SB3) | 0.78 | 0.78 | 0 | 77.0 | 0 | 0 | Toluene: 3.42<br>Total: 14.8 |
| Propane Combustion (H1 and AM1) | 0.05 | 0.05 | 1.17 | 0.06 | 0.22 | 1.64 | Negligable |
| Diesel Engine (DG1) | 0.02 | 0.02 | 0.58 | $3.0 \times 10^{-3}$ | 0.04 | 0.16 | Negligable |
| **Total Emissions** | **0.85** | **0.85** | **1.75** | **77.0** | **0.26** | **1.80** | **Toluene: 7.89**<br>**Total: 18.8** |
| **PSD Major Thresholds** | **250** | **250** | **250** | **250** | **250** | **250** | **-** |

(a) This existing stationary source is not major for PSD because the emissions of each criteria pollutant are less than two hundred fifty (<250) tons per year, and it is not one of the twenty-eight (28) listed source categories.

(b) Fugitive Emissions
Since this type of operation is not one of the twenty-eight (28) listed source categories under 326 IAC 2-2, fugitive emissions are not counted toward the determination of PSD applicability.

**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) The requirements of the New Source Performance Standard (NSPS) for Standards of Performance for Surface Coating of Metal Furniture (40 CFR Part 60, Subpart EE), which is incorporated by reference as 326 IAC 12 are not included in this permit because no metal furniture is manufactured onsite.

(c) The requirements of the New Source Performance Standard (NSPS) for Stationary Spark Ignition Internal Combustion Engines (40 CFR Part 60, Subpart JJJJ), which is incorporated by reference as 326 IAC 12 are not included in this permit because generator (DG1) was manufactured before July 1, 2007.

(d) The requirements of the New Source Performance Standard (NSPS) for Standards of Performance for Stationary Compression Ignition Internal Combustion Engines (40 CFR Part 60, Subpart IIII), which is incorporated by reference as 326 IAC 12 are not included in this permit for the 100 HP diesel fired engine (DG1) because this engine is a spark not a compression ignition engine.

(e) There are no National Emission Standards for Hazardous Air Pollutants (NESHAP) (326 IAC 14, 326 IAC 20, 40 CFR Part 61, and 40 CFR Part 63) included in this permit.

(f) The requirements of the National Emission Standards for Hazardous Air Pollutants (NESHAP) for Wood Furniture Manufacturing Operations (40 CFR Part 63, Subpart JJ), are not included in the permit for this source because this source is not a major source of hazardous air pollutants.

(g) The requirements of the National Emission Standards for Hazardous Air Pollutants (NESHAP) for Stationary Reciprocating Internal Combustion Engines (40 CFR Part 63, Subpart ZZZZ), are not included in the permit for the 100 HP diesel fired engine (DG1)

because KM Finishing is an area source of HAP emissions and the existing engine was constructed before June 12, 2006.

**State Rule Applicability - Entire Source**

326 IAC 2-2 (Prevention of Significant Deterioration)

This source is not one of the twenty-eight (28) listed source categories, and the potential to emit (PTE) of all criteria pollutants is less than two hundred fifty (250) tons per year. Therefore, this source is a minor source and 326 IAC 2-2 (PSD) does not apply.

326 IAC 2-6-5 (Emission Reporting)

Pursuant to 326 IAC 2-6-1, this source is not required to have an operating permit under 326 IAC 2-7 (Part 70), it is not located in Lake or Porter County, and it does not emit lead into the ambient air at levels equal to or greater than 5 tons per year. Therefore, only the additional information requests in 326 IAC 2-6 apply to this source.

326 IAC 2-4.1 (Major Sources of Hazardous Air Pollutants (HAP))

The operation of this wooden household furniture manufacturing operation emits less than ten (10) tons per year of a single HAP and twenty-five (25) tons per year of a combination of HAPs. Therefore, 326 IAC 2-4.1 does not apply.

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 Exemptions), opacity shall meet the following, unless otherwise stated in the 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 6-4 (Fugitive Dust Emissions)

The Permittee shall not allow fugutive dust to escape beyond the property line or boundaries of the property, right-of-way, or easement on which the source is located, in a manner that would violate 326 IAC 6-4 (Fugitive Dust Emissions).

326 IAC 6-5 (Fugitive Particulate Matter Emission Limitations)

This source is not located in any of the areas listed in 326 IAC 6-5-1. The fugitive particulate emissions are negligible. Pursuant to 326 IAC 6-5-7(d), this source is not subject to the requirements of 326 IAC 6-5.

**State Rule Applicability – Surface Coating Booths**

326 IAC 6-3 (Particulate Emission Limitations for Manufacturing Processes)

Pursuant to 326 IAC 6-3-2(d), the surface coating booths (SB1, SB2, and SB3) shall use dry filters for particulate control at all times the surface coating booths are in operation. The control device shall be operated in accordance with manufacturer's specifications.

If overspray is visibly detected at the exhaust or accumulates on the ground, the Permittee shall inspect the control device and do either of the following no later than four (4) hours after such observation:

(1) Repair control device so that no overspray is visibly detectable at the exhaust or accumulates on the ground.

(2) Operate equipment so that no overspray is visibly detectable at the exhaust or accumulates on the ground.

If overspray is visibly detected, the Permittee shall maintain a record of the action taken as a result of the inspection, any repairs of the control device, or change in operations, so that overspray is not visibly detected at the exhaust or accumulates on the ground. These records must be maintained for five (5) years.

326 IAC 8-1-6 (Best Available Control Technology (BACT))

The surface coating booths (SB1, SB2, and SB3) paint wood. These operations are subject to 326 IAC 8-2-12 (see below) and were constructed after January 1, 1980. Therefore, the requirements of 326 IAC 8-1-6 are not applicable.

326 IAC 8-2-12 (Wood furniture and cabinet coating)

Pursuant to 326 IAC 8-2-1(a)(3), the surface coating booths (SB1, SB2, and SB3) are subject to the requirements of 326 IAC 8-2-12 because they are located in LaGrange County, have actual VOC emissions of greater than 15 pounds per day, commenced construction after July 1, 1990, and apply surface coating to wood furnishings as defined in 326 IAC 8-2-12(a).

Pursuant to 326 IAC 8-2-12 (Wood Furniture and Cabinet Coating), the surface coating applied to wood furniture and cabinets by booths S01 through S27 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.

The three (3) coating booths are equipped with Air Assisted Airless Spray applicators. Therefore, all surface coating operations comply with this rule.

326 IAC 8-11 (Wood Furniture Coatings)

Pursuant to 326 IAC 8-11-1, this source is not subject to the requirements of 326 IAC 8-11 because the source is located in LaGrange County.

**State Rule Applicability – Propane Heaters (H1 and AM1) and Diesel Engine (DG1)**

326 IAC 6-2 (Particulate Emission Limitations for Sources of Indirect Heating)

The propane fired make-up air heater (AM1), the diesel fired generator (DG1), and the propane fired water heater (H1) do not produce usable heat that is transferred through a heat conducting materials barrier or by a heat storage medium to a material to be heated. These heaters and this engine are not indirect heating units. Therefore, 326 IAC 6-2 (Particulate Emission Limitations for Sources of Indirect Heating) does not apply.

326 IAC 7-1.1 (Sulfur Dioxide Emission Limitations)

This rule applies to emission units emitting more than 25 tons per year or 10 pounds per hour of sulfur dioxide. The potential to emit sulfur dioxide emissions from the propane heaters (H1 and AM1) and diesel engine (DG1) are less than 25 tons per year. Therefore, the requirements of 326 IAC 7 does not apply.

**Testing Requirements**

Compliance testing is not required for this source.

**Compliance Determination and Monitoring Requirements**

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

| **Control** | **Parameter** | **Frequency** | **Range** | **Excursions and Exceedances** |
|---|---|---|---|---|
| Dry filters | Verify placement and integrity with inspection | Daily | Normal-Abnormal | Response Steps |
| | Evidence of overspray | Monthly | Normal-Abnormal | |

These monitoring conditions are required by 326 IAC 6-3-2(d) (Particulate Emission Limitations for Manufacturing Processes).

**Recommendation**

The staff recommends to the Commissioner that the New Source Review and MSOP 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 January 29, 2008.

**Conclusion**

The construction and operation of this KM Finishing shall be subject to the conditions of the attached New Source Review and MSOP No. 087-26010-00071.

**Emission Calculations**
**VOC and PM/PM10 Emissions**
**Three (3) Spray Booths (SB1, SB2, and SB3)**

**Company:** KM Finishing
**Address:** 2490 South 1100 West, Shipshewana, Indiana 46565
**MSOP:** 087-26010-00071
**Reviewer:** Verified by ERG/BL
**Date:** February 7, 2008

| Material | Density (lb/gal) | Weight % Volatile (Water & Organics) | Weight % Water | Weight % Organics | Volume % Water | Volume % Non-Volatiles (solids) | Gal of Mat. (gal/unit) | Maximum (unit/hr) | Pounds VOC per gallon of coating less water | Pounds VOC per gallon of coating | PTE of VOC (lbs/hr) | PTE of VOC (tons/yr) | PTE of Solids (lbs/gal) | Transfer Efficiency | Uncontrolled PTE of PM/PM10 (tons/yr) | Controlled PTE of PM/PM10 (tons/yr) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Spray Booth SB1** | | | | | | | | | | | | | | | | |
| 3032 FC Stain | 6.48 | 89.5% | 0% | 89.5% | 0% | 10.5% | 0.749 | 1.30 | 5.80 | 5.80 | 5.65 | 24.7 | 55.2 | 75% | 0.73 | 0.07 |
| 3090 Non HAP Cleaner | 6.42 | 100% | 0% | 100% | 0% | 0% | 0.021 | 1.30 | 6.42 | 6.42 | 0.17 | 0.76 | - | 100% | 0 | 0 |
| **Spray Booth SB2** | | | | | | | | | | | | | | | | |
| Vinyl Sealer FVT | 7.37 | 67.7% | 0% | 67.7% | 0% | 32.3% | 0.249 | 1.30 | 4.99 | 4.99 | 1.61 | 7.07 | 15.4 | 75% | 0.84 | 0.08 |
| HC Aristovar Ultrasand | 8.11 | 66.0% | 0% | 66.0% | 0% | 34.0% | 0.749 | 1.30 | 5.36 | 5.36 | 5.21 | 22.8 | 15.8 | 75% | 2.94 | 0.29 |
| 3090 Non HAP Cleaner | 6.42 | 100% | 0% | 100% | 0% | 0% | 0.021 | 1.30 | 6.42 | 6.42 | 0.17 | 0.76 | - | 100% | 0 | 0 |
| **Spray Booth SB3** | | | | | | | | | | | | | | | | |
| 470 Topcoat | 7.83 | 60.0% | 0% | 60.0% | 0% | 40.0% | 0.749 | 1.30 | 4.70 | 4.70 | 4.58 | 20.0 | 11.8 | 75% | 3.34 | 0.33 |
| 3090 Non HAP Cleaner | 6.42 | 100% | 0% | 100% | 0% | 0% | 0.021 | 1.30 | 6.42 | 6.42 | 0.17 | 0.76 | - | 100% | 0 | 0 |
| **Total** | | | | | | | | | | | **17.6** | **77.0** | | | **7.84** | **0.78** |

Coating applied using Air-assisted Airless guns and manual (hand wiping) cleaning. Overspray controlled by dry filters.

**METHODOLOGY**
Pounds of VOC per Gallon Coating less Water = (Density (lb/gal) * Weight % Organics) / (1-Volume % water)
Pounds of VOC per Gallon Coating = (Density (lb/gal) * Weight % Organics)
Pounds VOC per Gallon of Solids = [Density (lb/gal) * Weight % Organics] / (Volume % Solids)
PTE of VOC (lbs/hr) = Pounds of VOC/Gallon coating (lb/gal) * Gal of Material (gal/unit) * Maximum (units/hr)
PTE of VOC (tons/yr) = Pounds of VOC per Gallon coating (lb/gal) * Gal of Material (gal/unit) * Maximum (units/hr) * 8,760 hr/yr * 1 ton/2,000 lbs
Uncontrolled PTE of PM/PM10 (tons/yr) = Maximum (units/hr) * Gal of Mat (gal/unit) * Density (lbs/gal) * (1- Weight % Volatile) * 8,760 hours/year * 1 ton/2,000 lbs * (1-Transfer efficiency)
Controlled PTE of PM/PM10 (tons/yr) = Maximum (units/hr) * Gal of Mat (gal/unit) * Density (lbs/gal) * (1- Weight % Volatile) * (1-Transfer efficiency) * (1-Control efficiency) * 8,760 hours/year * 1 ton/2,000 lbs