



INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

We Protect Hoosiers and Our Environment.

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Governor

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August 27, 2008

Missy Sorenson
Royal Outdoor Products
401 East Syracuse Street
Milford, Indiana 46542

Re: Permit By Rule Status
085-26579-00080

Dear Missy Sorenson:

On May 20, 2008, Royal Crown Limited submitted a letter to the Indiana Department of Environmental Management, Office of Air Quality regarding the following matters:

- (1) Royal Crown Limited, located at 401 East Syracuse Street, Milford, Indiana requested that the permit be updated to indicate a company name change to Royal Outdoor Products, Inc. Permit No. 085-26579-00080 will be issued to Royal Outdoor Products, Inc.
- (2) This source submitted information to justify why the dust collectors in their closed loop pneumatic conveyance system should be considered an integral part of their plastic parts manufacturing operations.
 - (a) The primary purpose of the dust collectors DC1 through DC4 is to allow continuous operation of the plastic parts manufacturing equipment. Specifically, the dust collectors keep the pneumatic conveyance equipment free of fines that would clog the equipment and would require that the production line be shut down in order to clear the equipment.
 - (b) The dust collectors are used to control dust so that workers can work in the area without damage to their health. These dust collectors would be in use even without the air quality regulations.
 - (c) Royal Outdoor Products recycles fines collected by the control equipment to reduce the cost of raw materials. Royal captures 1,400 pounds of fines per week, which yields a capture of 72,800 lbs/yr. At a cost of \$0.64 per pound, the estimated savings is \$46,592 dollars per year. The cost to operate and maintain the dust collection system is \$21,720.77 per year. Therefore, the net positive economic benefit realized by Royal Outdoor Products is \$24,871.23

IDEM, OAQ has determined that the dust collectors used for PM/PM₁₀ control of fines from the closed loop vacuum conveyance system at this stationary facility are an integral part of the plastic parts manufacturing operation. Therefore, the permitting level will be determined using the potential to emit after the dust collectors. Operating conditions in the proposed permit will specify that these dust collectors, identified as DC1 through DC4, shall operate at all times when the plastic parts manufacturing is in operation.

Please note that the dust collectors used for PM/PM₁₀ control for all other emission units at this source, including material loading (RSF₁) and transfer (SF₁ - SF₆), are still not considered an integral part of the plastic parts manufacturing operation. Thus, the potential to emit PM/PM₁₀ for the material loading and transfer operations will be determined prior to the dust collection systems. The sawing & grinding operations do not use control equipment.

- (3) Additionally, on May 20, 2008, Royal Outdoor Products submitted an application with supporting data to the Office of Air Quality (OAQ) indicating that the stationary manufacturer of plastic parts, located at 401 East Syracuse Street, Milford, Indiana 46542, satisfies the criteria to operate under the provisions of 326 IAC 2-10 (Permit by Rule). Based on the data and information submitted and the provisions of 326 IAC 2-10 (Permit by Rule), Royal Outdoor Products, is now operating under Permit by Rule (PBR) Status.

This PBR supersedes PBR No. 085-15430-00080 issued on May 13, 2002.

Pursuant to 326 IAC 2-10 (Permit by Rule), this source shall comply with the following conditions:

- (a) The source limits actual emissions for every twelve (12) month period to less than twenty percent (20%) of any threshold for the following:
- (1) A major source of regulated air pollutants, as defined by 326 IAC 2-7-1(22) (i.e., one hundred (100) tons per year of any regulated air pollutant, in all areas except areas classified as serious, severe, and extreme nonattainment for ozone). [326 IAC 2-10-3.1(1)(A)]
 - (2) A major source of hazardous air pollutants (HAPs), as defined in Section 112 of the Clean Air Act (i.e., ten (10) tons per year of any individual HAP or twenty-five (25) tons per year of any combination of HAPs). [326 IAC 2-10-3.1(1)(B)]
- (b) The source shall not rely on air pollution control equipment to comply with the above-mentioned limitations. [326 IAC 2-10-3.1(2)]
- (c) Not later than thirty (30) days after receipt of written request by the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ), or U.S. Environmental Protection Agency (EPA), the owner or operator shall demonstrate that the source is in compliance with the above-mentioned conditions. [326 IAC 2-10-4.1]
- (d) Compliance demonstration shall be based on actual emissions for the previous twelve (12) months and may include, but is not limited to, fuel or material usage or production records. No other demonstration of compliance shall be required. [326 IAC 2-10-4.1]

This source is hereby notified that this Permit by Rule approval does not relieve the source of the responsibility to comply with the provisions of any applicable federal, state, or local requirements, such as New source Performance Standards (NSPS), 40 CFR Part 60, or National Standards for Hazardous Air Pollutants (NESHAP), 40 CFR Part 61 or 40 CFR Part 63. [326 IAC 2-10-5.1]

Any change or modification which will alter operations in such a way that the source will no longer comply with 326 IAC 2-10 (Permit by Rule), must obtain the appropriate approval from the OAQ under 326 IAC 2-1.1, 326 IAC 2-2, 326 IAC 2-3, 326 IAC 2-7, 326 IAC 2-8, or 326 IAC 2-9 before such change may occur. This source may at any time apply for a state operating permit under 326 IAC 2-6.1, a Part 70 permit under 326 IAC 2-7, a FESOP under 326 IAC 2-8, or an operating agreement under 326 IAC 2-9, as applicable. [326 IAC 2-10-1(b)]

Any violation of 326 IAC 2-10 (Permit by Rule) may result in administrative or judicial enforcement proceedings under IC 13-30-3 and penalties under IC 13-30-4, IC 13-30-5, or IC 13-30-6. [326 IAC 2-10-6.1]

A copy of the PBR is available on the Internet at: <http://www.in.gov/ai/appfiles/idem-caats/>. For additional information about air permits and how the public and interested parties can participate, refer to the IDEM's Guide for Citizen Participation and Permit Guide on the Internet at: www.idem.in.gov

If you have any questions on this matter, please contact Sandra Carr, of my staff, at 317-234-5372 or 1-800-451-6027, and ask for extension 4-5372.

Sincerely,

Original document signed by

Iryn Calilung, Section Chief
Permits Branch
Office of Air Quality

IC/sec

cc: File - Kosciusko County
Kosciusko County Health Department
Air Compliance Section
IDEM Northern Regional Office
Billing, Licensing and Training Section