

Statement of Basis

**Permit to Construct No. P-2011.0137
Project No. 60956**

**Kimball Office
Post Falls, Idaho**

Facility ID No. 055-00038

Final

**February 2, 2012
Ken Hanna
Permit Writer**



The purpose of this Statement of Basis is to satisfy the requirements of IDAPA 58.01.01. et seq, Rules for the Control of Air Pollution in Idaho, for issuing air permits.

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ACRONYMS, UNITS, AND CHEMICAL NOMENCLATURE

| | |
|------------------|--|
| AFS | AIRS Facility Subsystem |
| AIRS | Aerometric Information Retrieval System |
| AQCR | Air Quality Control Region |
| CFR | Code of Federal Regulations |
| CO | carbon monoxide |
| DEQ | Department of Environmental Quality |
| EPA | Environmental Protection Agency |
| HAPs | Hazardous Air Pollutants |
| IDAPA | A numbering designation for all administrative rules in Idaho promulgated in accordance with the Idaho Administrative Procedures Act |
| lb/hr | pound per hour |
| MACT | Maximum Available Control Technology |
| MMBtu | Million British thermal units |
| NESHAP | Nation Emission Standards for Hazardous Air Pollutants |
| NO _x | nitrogen oxides |
| NSPS | New Source Performance Standards |
| O ₃ | ozone |
| PM | Particulate Matter |
| PM ₁₀ | Particulate Matter with an aerodynamic diameter less than or equal to a nominal 10 micrometers |
| PSD | Prevention of Significant Deterioration |
| PTC | Permit to Construct |
| PTE | Potential to Emit |
| Rules | Rules for the Control of Air Pollution in Idaho |
| SIC | Standard Industrial Classification |
| SIP | State Implementation Plan |
| SM | synthetic minor |
| SO ₂ | sulfur dioxide |
| T/yr | Tons per year |
| UTM | Universal Transverse Mercator |
| VOC | volatile organic compound |

FACILITY INFORMATION

Description

Kimball Office – Post Falls manufactures office furniture at its Post Falls facility. Four powder coating booths and drying/curing ovens are used to apply coatings to furniture items. Each powder coating booth is equipped to collect excess powder overspray, and does not vent to outside air.

Permitting History

The following information was derived from a review of the permit files available to DEQ. Permit status is noted as active and in effect (A) or superseded (S).

| | |
|-------------------|--|
| January 27, 2012 | PTC No. P-2011.0137, PROJ 60956 issued to replace the existing permit Tier II operating permit/permit to construct No. T2-050114 that expired. Permit Status: (A) |
| January 23, 2007 | T2-050114. This Tier II operating permit/permit to construct (PTC) was issued to replace the facility's current painting process with a powder coating process that will not use VOC containing compounds. Specifically, the facility was changed to replace six paint spray booths with four powder coating booths. In addition, the permit was changed to remove formaldehyde emission limits in existing PTC No. 055-00038, because it will no longer be using paint containing the chemical. This permitting action involved the modification of PTC No. 055-00038 and incorporation of those requirements into a Tier II operating permit which established the facility as a minor source no longer subject to the Tier I operating permit requirements of IDAPA 58.01.01.300 through 386. This permit also incorporated and replaced the applicable requirements from the preceding permits, as listed below. Permit Status: (S). |
| April 1, 2003 | Tier I Operating Permit No. T1-030102. Permit Status: (S) |
| January 27, 2003 | PTC No. P-020123 (S) |
| September 3, 2002 | Tier I Operating Permit No. 055-00038. Permit Status: (S) |
| March 15, 2002 | PTC No. 055-00038. Permit Status: (S) |
| March 30, 1998 | PTC No. 055-00038. Permit Status: (S) |
| March 18, 1996 | PTC No. 055-00038. Permit Status: (S) |
| October 2, 1995 | PTC No. 055-00038. Permit Status: (S) |
| June 23, 1994 | PTC No. 055-00038. Permit Status: (S) |
| January 11, 1993 | PTC No. 055-00038. Permit Status: (S) |

Application Scope

This PTC is a revision of an existing Tier II operating permit/permit to construct.

The applicant has proposed to:

- Issue a PTC to replace existing Tier II operating permit/permit to construct No. T2-050114 which will expire on January 23, 2012
- Change the permittee name to Kimball Office.

Application Chronology

| | |
|---------------------|---|
| November 14, 2011 | DEQ received an application and an application fee. |
| December 5-20, 2011 | DEQ provided an opportunity to request a public comment period on the application and proposed permitting action. |
| December 13, 2011 | DEQ determined that the application was complete. |
| December 19, 2011 | DEQ made available the draft permit and statement of basis for peer and regional office review. |
| December 5-20, 2011 | DEQ provided a public comment period on the proposed action. |
| December 22, 2011 | DEQ made available the draft permit and statement of basis for applicant review. |
| January 10, 2012 | DEQ received the permit processing fee. |

TECHNICAL ANALYSIS

Emissions Units and Control Devices

Table 1 EMISSIONS UNIT AND CONTROL DEVICE INFORMATION

| Source Description | Control Equipment Description |
|--------------------------------------|-------------------------------|
| Dry-Off Oven | None |
| Curing Oven | None |
| Burn-Off Oven | None |
| Work Surfaces Contact Adhesive Booth | Filter System |

Emissions Inventories

No emission inventory has been submitted with this proposed project. Since this permit is issued only for a renewal of the existing Tier II operating permit that is expiring, emissions will not change as a result of issuance of this permit. Refer to previous permitting documents for details regarding the emission estimates for this facility. As described for the previously issued permit, please note that the facility has certified that exhaust associated with powder coating booths is not released to the outside atmosphere. The facility has also certified that all liquid paint operations have ceased and all liquid painting systems have been removed from the facility. Also, note that since combustion emission from this facility are small, the CO₂e is expected to be well below the new major source threshold.

Ambient Air Quality Impact Analyses

Since emission will not increase as a result of this permitting action, modeling is not required.

REGULATORY ANALYSIS

Attainment Designation (40 CFR 81.313)

The facility is located in Kootenai County, which is designated as attainment or unclassifiable for PM_{2.5}, PM₁₀, SO₂, NO₂, CO, and Ozone. Refer to 40 CFR 81.313 for additional information.

Facility Classification AIRS/AFS

The facility classification remains as "Synthetic Minor" and is not changed by this permitting action.

Permit to Construct (IDAPA 58.01.01.201)

IDAPA 58.01.01.201

Permit to Construct Required

The permittee has requested that a PTC be issued to the facility for to renew the existing Tier II operating permit that is expiring. Therefore, a permit to construct is required to be issued in accordance with IDAPA 58.01.01.220. This permitting action was processed in accordance with the procedures of IDAPA 58.01.01.200-228.

IDAPA 58.01.01.210

Demonstration of Preconstruction Compliance with Toxic Standards

Compliance has been demonstrated in the statement of basis for the preceding permit, Tier II operating permit No. T2-050114, as follows: "The facility has certified that paint operations no longer occur at the facility, that the proposed powder coating operations contain no formaldehyde, and that the facility has no other TAP emissions that would exceed any OEL, EL, ACC, or AACC listed in IDAPA 58.01.01.585 and 586."

Tier II Operating Permit (IDAPA 58.01.01.401)

IDAPA 58.01.01.401

Tier II Operating Permit

The applicant did not apply for a Tier II operating permit in accordance with IDAPA 58.01.01.401. Instead, the applicant requested, in writing, that the existing/expiring Tier II operating permit/PTC be replaced by a PTC to avoid recurring renewals and fees. This request is consistent with current permitting practice. Therefore, the requirements under IDAPA 58.01.01.400-410 do not apply and a PTC will be issued instead.

Visible Emissions (IDAPA 58.01.01.625)

IDAPA 58.01.01.625

Visible Emissions

The sources of PM₁₀ emissions at this facility are subject to the State of Idaho visible emissions standard of 20% opacity. This requirement, and corresponding method for showing compliance, are included in the facility-wide section of the permit.

Fuel Burning Equipment - Particulate Matter (IDAPA 58.01.01.675)

IDAPA 58.01.01.675

Fuel Burning Equipment - Particulate Matter

Some but not all natural gas fired fuel burning equipment located at this facility are subject to a particulate matter limitation of 0.015 gr/dscf of effluent gas corrected to 3% oxygen by volume when combusting gaseous fuels. Fuel-Burning Equipment is defined as any furnace, boiler, apparatus, stack and all appurtenances thereto, used in the process of burning fuel for the primary purpose of producing heat or power by indirect heat transfer.

Upon review of the renewal permit, it was determined that the PM standard for fuel burning equipment under IDAPA 58.01.01.675 only applies to the wash bay water heater. The standard does not apply to the ovens. Even though the water heater was constructed under a PTC exemption, the PM standard still applies. For sources that are exempt per IDAPA 58.01.01.220-223, such as the wash bay water heater, compliance is demonstrated by combusting only natural gas or LPG fuels as described in the corresponding exemption documentation maintained for that source in accordance with IDAPA 58.01.01.220.

Title V Classification (IDAPA 58.01.01.300, 40 CFR Part 70)

IDAPA 58.01.01.301

Requirement to Obtain Tier I Operating Permit

Facility-wide emissions from this facility do not have a potential to emit greater than 100 tons per year for criteria pollutants (i.e., PM₁₀, SO₂, NO_x, CO, VOC, and HAP) or 10 tons per year for any one HAP or 25 tons per year for all HAPs combined as demonstrated for previously issued permits. Therefore, the facility is not a Tier I source in accordance with IDAPA 58.01.01.006 and the requirements of IDAPA 58.01.01.301 do not apply. To see a list of previously issued permits, refer to the Permit History section above.

PSD Classification (40 CFR 52.21)

40 CFR 52.21 Prevention of Significant Deterioration of Air Quality

The facility is not a major stationary source as defined in 40 CFR 52.21(b)(1), nor is it undergoing any physical change at a stationary source not otherwise qualifying under paragraph 40 CFR 52.21(b)(1) as a major stationary source, that would constitute a major stationary source by itself as defined in 40 CFR 52. Therefore in accordance with 40 CFR 52.21(a)(2), PSD requirements are not applicable to this permitting action.

NSPS Applicability (40 CFR 60)

40 CFR 60, Subpart EE

New Source Performance Standards for Surface Coating of Metal Furniture

This subpart establishes national emissions standards for Surface Coating of Metal Furniture. The affected facility to which the provisions of this subpart apply is each metal furniture surface coating operation in which organic coatings are applied. This subpart does not apply because the facility applies powder coatings, which in accordance with 40 CFR 60.311(a) are not included in the definition of an organic coating.

NESHAP Applicability (40 CFR 61)

The facility is not subject to any National Emission Standards for Hazardous Air Pollutants (NESHAP) requirements in 40 CFR 61.

MACT Applicability (40 CFR 63)

The sources at this facility are not affected sources subject to NESHAP in 40 CFR Part 63, and this permitting action does not alter the applicability status of existing affected sources at the facility.

40 CFR 63, Subpart RRRR

National Emission Standards for Hazardous Air Pollutants: Surface Coating of Metal Furniture

This subpart establishes national emissions standards for the surface coating of metal furniture. In accordance with 40 CFR 63.4881(c)(1), this subpart does not apply because the facility has certified that it uses only coatings, thinners, and cleaning materials that contain no organic hazardous air pollutants (HAP).

Permit Conditions Review

This section describes the permit conditions for this revised permit issued to renew an existing Tier II operating permit. Note that some minor editing may have been done on the existing permit conditions, but the substantive meaning of those conditions has not been changed.

For this permit, the permit conditions in the Drying, Curing and Burn-off Oven sections of the permit apply only to the ovens included in Tier II operating permit No. T2-050114 issued on January 23, 2007. The permit conditions in these sections do not apply to the additional ovens installed later under a PTC exemption per IDAPA 58.01.01.220-223. For example, these permit conditions do not apply to the ovens installed under the December 2011 PTC exemption. However, it is important to note that the permit conditions in the "facility-wide section" of this permit will apply to any sources constructed under a PTC exemption.

Existing Permit Conditions:

None of the existing permit conditions were changed as a result of issuance of this renewal permit. Information from the previous Statement of Basis is updated and repeated below so this information remains readily available. The most recent information regarding facility-wide permit conditions and General Provisions is provided also.

- All reasonable precautions shall be taken to prevent PM from becoming airborne in accordance with the fugitive dust requirements of Permit Condition 4.1 and IDAPA 58.01.01.650-651.

- Compliance with the fugitive dust requirements under Permit Condition 4.1 is assured by following the operating, monitoring and recordkeeping requirements listed in Permit Conditions 4.1 through 4.4.
- The permittee shall not allow, suffer, cause, or permit the emission of odorous gases, liquids, or solids to the atmosphere in such quantities as to cause air pollution in accordance with the odor requirements of Permit Condition 5 and IDAPA 58.01.01.775-776.
- Compliance with the odor requirements under Permit Condition 5 is assured by following the operating, monitoring and recordkeeping requirements in Permit Condition 6.
- Visible emissions (opacity) standards apply to any stack, vent or other equivalent opening at the facility in accordance with Permit Condition 7 and IDAPA 58.01.01.625.
- Compliance with the visible emissions requirements under Permit Condition 7 is assured by following the operating, monitoring and recordkeeping requirements in Permit Condition 8.
- The requirements in condition 8 were updated to match the latest version being used in air permits.
- The excess emissions permit condition that previously was included in the facility-wide section now is located at the back of the permit in the “General Provisions” section.
- If open burning is conducted at the facility, the open burning requirements apply per Permit Condition 9 and IDAPA 58.01.01.600-624.
- Upon review of the renewal permit, it was determined that the PM standard for fuel burning equipment under IDAPA 58.01.01.675 and Permit Condition 10 applies only to the wash bay water heater. The standard does not apply to the ovens. Even though the water heater was constructed under a PTC exemption, the PM standard still applies. For sources that are exempt per IDAPA 58.01.01.220-223, such as the wash bay water heater, compliance is demonstrated by combusting only natural gas or LPG fuels as described in the corresponding exemption documentation maintained for that source in accordance with IDAPA 58.01.01.220.
- Permit Conditions 13, 17, and 21 contain the NO_x emission limits for the dry-off oven, curing oven, and burn-off oven, respectively. These limits have not been changed.
- The allowable fuels requirement which assures compliance with the NO_x emission limits, are contained in Permit Conditions 14, 18, and 22.
- The burn-off oven operating monitoring and recordkeeping requirements which assure compliance with the NO_x emission limits, are contained in Permit Conditions 23 through 26.2. In the existing permit, the general recordkeeping requirements under these permit conditions and others referred to a retention time of five years, etc. These conditions have been updated so they now just refer to the new “Monitoring and Recordkeeping” General Provision at the back of the permit (e.g., Permit Condition 45).
- The existing PM₁₀ emission limit is now Permit Condition 29. This limit has not been changed.
- Compliance with the PM₁₀ emission limit is demonstrated by complying with the operating, monitoring, and recordkeeping requirements of Permit Conditions 30 through 35. Permit Condition 35 was changed based on findings in the Permit to Construct (No. P-020123) issued on January 27, 2003. It was clarified so that “hours of operation” mentioned therein refer to the hours of operation for the “entire” facility, and that the emission calculations are based on the usage of chemical compounds throughout the facility.

PTC General Provisions:

The most current version of PTC General Provisions is used in this permit, as described below:

The duty to comply general compliance provision requires that the permittee comply with all of the permit terms and conditions pursuant to Idaho Code §39-101.

The maintenance and operation general compliance provision requires that the permittee maintain and operate all treatment and control facilities at the facility in accordance with IDAPA 58.01.01.211.

The obligation to comply general compliance provision specifies that no permit condition is intended to relieve or exempt the permittee from compliance with applicable state and federal requirements, in accordance with IDAPA 58.01.01.212.01.

The inspection and entry provision requires that the permittee allow DEQ inspection and entry pursuant to Idaho Code §39-108.

The requirement in Permit Condition 40 that "this permit shall expire if construction has not begun within two years of its issue date, or if construction is suspended for one year" does not apply to this renewal permit. This is because the sources described in the application for this permit qualified for a PTC exemption instead of being required to obtain a PTC.

The construction and operation notification provision in Permit Condition 41 requires that the permittee notify DEQ of the dates of construction and operation, in accordance with IDAPA 58.01.01.211. For this renewal permit, the notification requirements in Permit Condition 41 don't apply. This is because the sources described in the application for this permit qualify for a PTC exemption instead of being required to obtain a PTC.

The performance testing notification of intent provision requires that the permittee notify DEQ at least 15 days prior to any performance test to provide DEQ the option to have an observer present, in accordance with IDAPA 58.01.01.157.03.

The performance test protocol provision requires that any performance testing be conducted in accordance with the procedures of IDAPA 58.01.01.157, and encourages the permittee to submit a protocol to DEQ for approval prior to testing.

The performance test report provision requires that the permittee report any performance test results to DEQ within 30 days of completion, in accordance with IDAPA 58.01.01.157.04-05.

The monitoring and recordkeeping provision requires that the permittee maintain sufficient records to ensure compliance with permit conditions, in accordance with IDAPA 58.01.01.211.

The excess emissions provision requires that the permittee follow the procedures required for excess emissions events, in accordance with IDAPA 58.01.01.130. If a reportable excess emission event occurs, send the notifications to the DEQ Coeur d'Alene Regional Office as described in the rule.

The certification provision requires that a responsible official certify all documents submitted to DEQ, in accordance with IDAPA 58.01.01.123.

The false statement provision requires that no person make false statements, representations, or certifications, in accordance with IDAPA 58.01.01.125.

The tampering provision requires that no person render inaccurate any required monitoring device or method, in accordance with IDAPA 58.01.01.126.

The transferability provision specifies that this permit to construct is transferable, in accordance with the procedures of IDAPA 58.01.01.209.06.

The severability provision specifies that permit conditions are severable, in accordance with IDAPA 58.01.01.211.

PUBLIC REVIEW

Public Comment Opportunity

An opportunity for public comment period on the application was provided in accordance with IDAPA 58.01.01.209.01.c. During this time, there were no comments on the application and there was not a request for a public comment period on DEQ's proposed action. Refer to the chronology for public comment opportunity dates.

APPENDIX – PERMIT PROCESSING FEE

PTC Fee Calculation

Company: Kimball Office
Address:
City: Post Falls
PTC No.: P-2011.0137
Project No.: 60956
Facility Contact:
Title:
AIRS No.: 055-00038

- N** Does this facility qualify for a general permit (i.e. concrete batch plant, hot-mix asphalt plant)? Y/N
- Y** Did this permit require engineering analysis? Y/N
- N** Is this a PSD permit Y/N (IDAPA 58.01.01.205.04)

| Emissions Inventory | | | |
|----------------------------|----------------------------------|-----------------------------------|--------------------------------|
| Pollutant | Annual Emissions Increase (T/yr) | Annual Emissions Reduction (T/yr) | Annual Emissions Change (T/yr) |
| NO _x | 0.0 | 0 | 0.0 |
| SO ₂ | 0.0 | 0 | 0.0 |
| CO | 0.0 | 0 | 0.0 |
| PM10 | 0.0 | 0 | 0.0 |
| VOC | 0.0 | 0 | 0.0 |
| TAPS/HAPS | 0.0 | 0 | 0.0 |
| Total: | 0.0 | 0 | 0.0 |
| Fee Due | \$ 1,000.00 | | |

Comments:

This permit is for reissuance of an expiring Tier II operating permit. Engineering analysis was conducted to determine applicability of permitting/exemption requirements for new small combustions sources (drying ovens and wash bay water heater). It was determined that the new small sources are exempt and separate exemption documentation was provided to the facility to complete that action.