

STATE OF MISSISSIPPI AIR POLLUTION CONTROL PERMIT

AND PREVENTION OF SIGNIFICANT
DETERIORATION AUTHORITY
TO CONSTRUCT AIR EMISSIONS EQUIPMENT
THIS CERTIFIES THAT

Hood Industries Inc., Silver Creek
66 Miles Lumber Company Road
Silver Creek, Lawrence County, Mississippi

has been granted permission to construct air emissions equipment to comply with emission limitations, monitoring requirements and other conditions set forth herein. This permit is issued in accordance with the provisions of the Mississippi Air and Water Pollution Control Law (Section 49-17-1 et. seq., Mississippi Code of 1972), and the regulations and standards adopted and promulgated thereunder and under authority granted by the Environmental Protection Agency under 40 CFR 52.01 and 52.21.

MISSISSIPPI ENVIRONMENTAL QUALITY PERMIT BOARD



AUTHORIZED SIGNATURE

MISSISSIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY

Issued: JUL 25 2019

Permit No.: 1500-00020

PART I

A. GENERAL CONDITIONS

1. This permit is for air pollution control purposes only.
(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.1.D.)
2. Any activities not identified in the application are not authorized by this permit.
(Ref.: Miss. Code Ann. 49-17-29 1.b)
3. The knowing submittal of a permit application with false information may serve as the basis for the Permit Board to void the permit issued pursuant thereto or subject the applicant to penalties for operating without a valid permit pursuant to State Law.
(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(5).)
4. It is the responsibility of the applicant/permittee to obtain all other approvals, permits, clearances, easements, agreements, etc., which may be required including, but not limited to, all required local government zoning approvals or permits.
(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.1.D(6).)
5. The issuance of a permit does not release the permittee from liability for constructing or operating air emissions equipment in violation of any applicable statute, rule, or regulation of state or federal environmental authorities.
(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(7).)
6. It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of the permit, unless halting or reducing activity would create an imminent and substantial endangerment threatening the public health and safety of the lives and property of the people of this state.
(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(15)(a).)
7. The permit and/or any part thereof may be modified, revoked, reopened, and reissued, or terminated for cause. Sufficient cause for a permit to be reopened shall exist when an air emissions stationary source becomes subject to Title V. The filing of a request by the permittee for a permit modification, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not stay any permit condition.
(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(15)(b).)
8. The permit does not convey any property rights of any sort, or any exclusive privilege.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(15)(c).)

9. The permittee shall furnish to the DEQ within a reasonable time any information the DEQ may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating the permit or to determine compliance with the permit. Upon request, the permittee shall also furnish to the DEQ copies of records required to be kept by the permit or, for information claimed to be confidential, the permittee shall furnish such records to the DEQ along with a claim of confidentiality. The permittee may furnish such records directly to the Administrator along with a claim of confidentiality.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(15)(d).)

10. Design and Construction Requirements: The stationary source shall be designed and constructed so as to operate without causing a violation of an Applicable Rules and Regulations, without interfering with the attainment and maintenance of State and National Ambient Air Quality Standards, and such that the emission of air toxics does not result in an ambient concentration sufficient to adversely affect human health and well-being or unreasonably and adversely affect plant or animal life beyond the stationary source boundaries.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.A.)

11. Solids Removal: The necessary facilities shall be constructed so that solids removed in the course of control of air emissions may be disposed of in a manner such as to prevent the solids from becoming windborne and to prevent the materials from entering State waters without the proper environmental permits.

(Ref.: Miss. Code Ann. 49-17-29)

12. Diversion and Bypass of Air Pollution Controls: The air pollution control facilities shall be constructed such that diversion from or bypass of collection and control facilities is not needed except as provided for in 11 Miss. Admin. Code Pt. 2, R. 1.1.10, "*Air Emission Regulations for the Prevention, Abatement, and Control of Air Contaminants*", Section 10.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 1.10.)

13. Fugitive Dust Emissions from Construction Activities: The construction of the stationary source shall be performed in such a manner so as to reduce fugitive dust emissions from construction activities to a minimum.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.A(4).)

14. Right of Entry: The permittee shall allow the Mississippi Department of Environmental Quality Office of Pollution Control and the Mississippi Environmental Quality Permit Board and/or their representatives upon presentation of credentials:

- a) To enter upon the permittee's premises where an air emission source is located or in which any records are required to be kept under the terms and conditions of this permit; and
- b) At reasonable times to have access to and copy any records required to be kept under the terms and conditions of this permit; to inspect any monitoring equipment or monitoring method required in this permit; and to sample any air emissions.

(Ref.: Miss. Code Ann. 49-17-21)

15. Permit Modification or Revocation: After notice and opportunity for a hearing, the Permit Board may modify the permit or revoke it in whole or in part for good cause shown including, but not limited to:

- a) Persistent violation of any of the terms or conditions of this permit;
- b) Obtaining this permit by misrepresentation or failure to disclose fully all relevant facts; or
- c) A change in federal, state, or local laws or regulations that require either a temporary or permanent reduction or elimination of previously authorized air emission.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.C.)

16. Public Record and Confidential Information: Except for data determined to be confidential under the Mississippi Air & Water Pollution Control Law, all reports prepared in accordance with the terms of this permit shall be available for public inspection at the offices of the Mississippi Department of Environmental Quality, Office of Pollution Control.

(Ref.: Miss. Code Ann. 49-17-39)

17. Permit Transfer: This permit shall not be transferred except upon approval of the Permit Board.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.16.B.)

18. Severability: The provisions of this permit are severable. If any provision of the permit, or the application of any provision of the permit to any circumstances, is challenged or held invalid, the validity of the remaining permit provisions and/or portions thereof or their application to other persons or sets of circumstances, shall not be affected thereby.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.1.D(7).)

19. Permit Expiration: The permit to construct will expire if construction does not begin within eighteen (18) months from the date of issuance or if construction is suspended for 18 months or more.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.C(1).)

20. Certification of Construction: A new stationary source issued a Permit to Construct cannot begin operation until certification of construction by the permittee.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.D(3).)

21. Beginning Operation: Except as prohibited in Part I, Condition 24 of this permit, after certification of construction by the permittee, the Permit to Construct shall be deemed to satisfy the requirement for a permit to operate until the date the application for issuance or modification of the Title V Permit or the application for issuance or modification of the State Permit to Operate, whichever is applicable, is due. This provision is not applicable to a source excluded from the requirement for a permit to operate as provided by 11 Miss. Admin. Code Pt. 2, R. 2.13.G.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.D(4).)

22. Application for a Permit to Operate: Except as otherwise specified in Part I, Condition 24 of this permit, the application for issuance or modification of the State Permit to Operate or the Title V Permit, whichever is applicable, is due twelve (12) months after beginning operation or such earlier date or time as specified in the Permit to Construct. The Permit Board may specify an earlier date or time for submittal of the application. Beginning operation will be assumed to occur upon certification of construction, unless the permittee specifies differently in writing.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.D(5).)

23. Operating Under a Permit to Construct: Except as otherwise specified in Part I, Condition 24 of this permit, upon submittal of a timely and complete application for issuance or modification of a State Permit to Operate or a Title V Permit, whichever is applicable, the applicant may continue to operate under the terms and conditions of the Permit to Construct and in compliance with the submitted application until the Permit Board issues, modifies, or denies the Permit to Operate.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.D(6).)

24. Application Requirements for a Permit to Operate for Moderate Modifications: For moderate modifications that require contemporaneous enforceable emissions reductions from more than one emission point in order to “net” out of PSD/NSR, the applicable Title V Permit to Operate or State Permit to Operate must be modified prior to beginning operation of the modified facilities.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.D(7).)

25. Compliance Testing: Regarding compliance testing:

- a) The results of any emissions sampling and analysis shall be expressed both in units consistent with the standards set forth in any Applicable Rules and Regulations or this permit and in units of mass per time.
- b) Compliance testing will be performed at the expense of the permittee.
- c) Each emission sampling and analysis report shall include but not be limited to the following:
 - (1) Detailed description of testing procedures;
 - (2) Sample calculation(s);
 - (3) Results; and
 - (4) Comparison of results to all Applicable Rules and Regulations and to emission limitations in the permit.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.6.B(3), (4), & (6).)

B. GENERAL NOTIFICATION REQUIREMENTS

1. Within fifteen (15) days of beginning actual construction, the permittee must notify DEQ in writing that construction has begun.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.C(2).)

2. The permittee must notify DEQ in writing when construction does not begin within eighteen (18) months of issuance or if construction is suspended for eighteen (18) months or more.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.C(3).)

3. Upon the completion of construction or installation of an approved stationary source or modification, the applicant shall notify the Permit Board that construction or installation was performed in accordance with the approved plans and specifications on file with the Permit Board.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.D(1).)

4. The Permit Board shall be promptly notified in writing of any change in construction from the previously approved plans and specifications or permit. If the Permit Board determines the changes are substantial, it may require the submission of a new application to construct with “as built” plans and specifications. Notwithstanding any provision herein to the contrary, the acceptance of an “*as built*” application shall not constitute a waiver of the right to seek compliance penalties pursuant to State Law.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.D(2).)

PART II **EMISSION LIMITATIONS**

Beginning upon permit issuance, the permittee is authorized to construct the following air emissions source for the emission of air contaminants:

Emission Point AA-001 – 30 MMBTU per hour Direct-Fired Lumber Kiln permitted to burn Wood Residue with LPG ignition

The referenced air emissions source shall be modified to comply with the emission limitations and monitoring requirements specified below.

EMISSIONS LIMITATIONS

Sulfur Dioxide (SO ₂)	500 parts per million by volume (ppm _v) (<u>Ref.: 11 Miss Admin. Code Pt. 2, R. 1.4.B(1).</u>)
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BACT LIMITATIONS

Volatile Organic Compounds (WPP1 VOC*)	4.636 pounds per MBF and 130 tons per year, as determined by EPA Test Method 25A in Appendix A of 40 CFR Part 60 and OTM 26 – VOC Measurement for the Wood Products Industry
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All test methods specified above shall be those versions, or their approved equivalents, which are in effect upon permit issuance.

* “WPP1 VOC” (*Wood Products Protocol 1 VOC*) is the approximate calculation of the total VOC mass as it relates to carbon, methanol, and formaldehyde.

OPERATIONAL LIMITATIONS

- For Emission Point AA-001, the permittee shall limit the throughput of lumber through each kiln to no more than 56.064 million board feet (MMBF – 56,064 MBF) per year based on a rolling 12-month period.

(Ref.: PSD Construction Permit issued as specified herein)

- For Emission Point AA-001, the permittee is authorized to only utilize uncontaminated wood residue as a fuel source. For the purpose of this permit, “*wood residue*” is defined as sawdust, bark, green chips, and planer shavings generated from the processing of harvested

timber and may be purchased from outside sources. Additionally, the permittee is authorized to use liquefied petroleum gas (LPG) as igniter fuel during kiln startups.

(Ref.: PSD Construction Permit issued as specified herein)

PART II
EMISSION LIMITATIONS
(CONTINUED)

Beginning upon permit issuance, the permittee is authorized to construct the following air emissions source for the emission of air contaminants:

Emission Point AA-002 – 30 MMBTU per hour Direct-Fired Lumber Kiln permitted to burn Wood Residue with LPG ignition

The referenced air emissions source shall be modified to comply with the emission limitations and monitoring requirements specified below.

EMISSIONS LIMITATIONS

Sulfur Dioxide (SO₂) 500 parts per million by volume (ppm_v) (Ref.: 11 Miss Admin. Code Pt. 2, R. 1.4.B.(1).)

BACT LIMITATIONS

Volatile Organic Compounds (VOC WPP1*) 4.636 pounds per MBF and 130 tons per year, as determined by EPA Test Method 25A in Appendix A of 40 CFR Part 60 and OTM 26 – VOC Measurement for the Wood Products Industry

All test methods specified above shall be those versions, or their approved equivalents, which are in effect upon permit issuance.

* “WPP1 VOC” (*Wood Products Protocol 1 VOC*) is the approximate calculation of the total VOC mass as it relates to carbon, methanol, and formaldehyde.

OPERATIONAL LIMITATIONS

- For Emission Point AA-002, the permittee shall limit the throughput of lumber through the kiln to no more than 56.064 million board feet (MMBF, or 56,064 MBF) per year based on a rolling 12-month period.

(Ref.: PSD Construction Permit issued as specified herein)

- For Emission Point AA-002, the permittee is authorized to only utilize uncontaminated wood residue as a fuel source. For the purpose of this permit, “*wood residue*” is defined as sawdust, bark, green chips, and planer shavings generated from the processing of harvested

timber and may be purchased from outside sources. Additionally, the permittee is authorized to use liquefied petroleum gas (LPG) as igniter fuel during kiln startups.

(Ref.: PSD Construction Permit issued as specified herein)

PART II
EMISSION LIMITATIONS
(CONTINUED)

Beginning upon permit issuance, the permittee is authorized to modify the following air emissions source for the emission of air contaminants:

Emission Point AA-004 – Emissions from cyclone fed by planer

The referenced air emissions source shall be modified to comply with the emission limitations and monitoring requirements specified below.

EMISSIONS LIMITATIONS

Opacity	40% as determined by EPA Test Method 9; Appendix A; 40 CFR Part 60. (<u>Ref.: 11 Miss. Code Pt. 2, R. 1.3.B.</u>)
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All test methods specified above shall be those versions, or their approved equivalents, which are in effect upon permit issuance.

PART II
EMISSION LIMITATIONS
(CONTINUED)

Beginning upon permit issuance, the permittee is authorized to modify the following air emissions source for the emission of air contaminants:

Emission Point AA-005 – Emissions from cyclone that recovers material from Hog to be stored in fuel silo

The referenced air emissions source shall be modified to comply with the emission limitations and monitoring requirements specified below.

EMISSIONS LIMITATIONS

Opacity	40% as determined by EPA Test Method 9; Appendix A; 40 CFR Part 60. (<u>Ref.: 11 Miss. Code Pt. 2, R. 1.3.B.</u>)
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All test methods specified above shall be those versions, or their approved equivalents, which are in effect upon permit issuance.

PART III

SECTION 1. MONITORING REQUIREMENTS

- 1.1 For Emission Points AA-001 and AA-002, the permittee shall record and maintain the throughput of dried lumber produced monthly in thousand board feet (MBF). Additionally, the permittee shall maintain all recorded data on-site for a minimum of five (5) years.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 6.3.A(3)(a)(2).)

- 1.2 For Emission Points AA-001 and AA-002, the permittee shall perform monthly inspections to ensure that a referenced emission source is operating as designed. If any problem(s) is noted during any inspection, the permittee shall conduct the necessary maintenance to ensure operation of the emission source as originally designed. The results of all inspections and any maintenance actions (if necessary) shall be recorded and maintained on-site for a minimum of five (5) years.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 6.3.A(3)(a)(2).)

- 1.3 For Emission Points AA-001 and AA-002, to indicate compliance with the BACT Limit of 4.636 lb VOC per MBF dried lumber, the permittee shall maintain the minimum moisture content of dried lumber at 12% or greater on an annual average basis. For Emission Points AA-001 and AA-002, the permittee shall monitor and record the moisture content of dried lumber processed after the planer mill. Additionally, the results shall be maintained on-site for a minimum of five (5) years.

(Ref.: 11 Miss Admin. Code Pt. 2, R. 2.2.B(10).)

- 1.4 For Emission Points AA-001 and AA-002, within sixty (60) days upon issuance of this permit, the permittee shall develop a formal plan that establishes work practice standards in accordance with the manufacturer's specifications for batch direct-fired kiln operations. The plan shall specify a target moisture content for kiln dry dimensional lumber and kiln dry timber and a dry and wet bulb temperature range. Operating parameters for each batch of lumber dried shall be recorded. Additionally, the plan shall establish an adequate routine for conducting preventative maintenance on the kilns that includes, at a minimum, the following actions:

- Conducting walk-around inspections;
- Confirming proper wet-bulb operation;
- Conducting entrance / exit baffle inspections;
- Greasing the kiln cart wheels and fan shaft bearings;
- Checking hydraulic oil levels;

- Calibrating moisture content equipment;
- Calibrating temperature probe equipment.

All inspections and maintenance actions shall be conducted on the specified schedule as required by the plan. Additionally, the plan shall be maintained on-site and made readily available for review by MDEQ personnel.

If any problem(s) is noted during an inspection, the permittee shall perform the necessary maintenance to ensure operation of the kiln as originally designed. The results from all inspections and any maintenance actions (if necessary) shall be recorded and maintained on-site for a minimum of five (5) years.

The permittee shall submit a semi-annual notification that summarizes any revision(s) made to the maintenance and inspection plan no later than January 31st and July 31st of each calendar year for the preceding six-month period. If an amendment is made to the plan in any six-month period, the permittee shall include the revision(s) within the corresponding semi-annual monitoring report. If no amendments are made within the six-month period, note that no amendments were made during that period in the semiannual report.

(Ref.: PSD Construction Permit issued as specified herein)

- 1.5 For Emission Points AA-004 and AA-005, the permittee shall have a certified visible emission evaluation (VEE) reader perform monthly visible emission observations on the exhaust discharged from the cyclones. If any visible emissions are detected, which appear to be in excess of 40%, during an observation period of six (6) consecutive minutes (excluding water droplets) from any denoted cyclone, a certified visible emission evaluation (VEE) reader shall perform visible emission evaluation (VEE) using EPA Reference Method 9 (i.e. "Method 9"). However, if the visible emissions after a period of 6 minutes are determined to be less than 20% opacity, then the permittee can elect to discontinue performing the VEE.

In the event a Method 9 observation cannot be conducted on a denoted cyclone, the permittee shall record the conditions and provide an explanation of why it was not possible to perform the VEE in the semiannual report required by Condition 2.4.

The permittee must maintain documents pertaining to all visual observations, the nature and cause of any visible emissions, any corrective action(s) taken to prevent or minimize emissions, and the date / time when visual emission observations were conducted. The results of each respective observation and evaluation shall be recorded and maintained on-site for a minimum of five (5) years.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 6.3.A(3)(a)(2).)

SECTION 2. RECORDKEEPING AND REPORTING REQUIREMENTS

- 2.1 For Emission Points AA-001 and AA-002, the permittee shall submit a letter/notification certifying the construction of the kilns within thirty (30) days of completion.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(11).)

- 2.2 For Emission Points AA-001 and AA-002, the permittee shall submit a semi-annual report detailing the monthly throughput of dried lumber produced in thousand board feet (MBF) and 12-month rolling total calculated for each month in the semiannual period no later than January 31st and July 31st of each calendar year for the preceding six-month period.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 6.3.A(3)(c)(1).)

- 2.3 For Emission Points AA-001 and AA-002, the permittee shall submit an annual report detailing any occurrence and duration of the kiln not operating in accordance with established work practice standards and/or the manufacturer's specifications no later than January 31st of each calendar year for the preceding year.

(Ref: 11 Miss. Admin. Code Pt. 2, R. 6.3.A(3)(c)(1).)

- 2.4 For Emission Points AA-001 and AA-002, the permittee shall submit semi-annual reports summarizing the emission rates of Volatile Organic Compounds (VOC), calculated using the recorded monthly throughput required in Condition 1.1, for each consecutive 12-month period. The 12-month rolling total VOC emissions shall be reported in tons per year for each month of the semiannual period. The reports shall be submitted no later than January 31st and July 31st of each calendar year.

All records and calculations shall be kept in log form and must be made available for review upon request during any inspection visit by the Office of Pollution Control. All records shall be maintained on site for a period of five (5) years following the date of such record.

(Ref: 11 Miss. Admin. Code Pt. 2, R. 6.3.A(3)(c)(1).)

- 2.5 For Emission Points AA-001 and AA-002, the permittee shall submit a report of the annual average moisture content of dried lumber from each kiln, as measured after the planer mill, no later than January 31st of each calendar year for the preceding year.

If the certification denotes non-compliance with the minimum moisture content of 12%, the permittee shall include with the annual certification the corrective action(s) taken or proposed to ensure a minimum moisture content of 12% is maintained.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 6.3.A(3)(a)(2).)

- 2.6 For Emission Points AA-001 and AA-002, the permittee shall submit the initial plan that establishes work practice standards in accordance with the manufacturer's specifications for batch direct-fired kiln operations to the MDEQ within ninety (90) days upon issuance of this permit. Thereafter, the permittee shall submit a semi-annual notification that summarizes any revision(s) made to the maintenance and inspection plan no later than January 31st and July 31st of each calendar year for the preceding six-month period. If an amendment is made to the plan in any six-month period, the permittee shall include the revision(s) within the corresponding semi-annual monitoring report.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 6.3.A(3)(a)(2).)

- 2.7 For Emission Points AA-004 and AA-005, the permittee shall submit a semi-annual report that details the following provisions no later than January 31st and July 31st of each calendar year for the preceding six-month period:

- Any occurrence when a VEE is performed;
- The reason(s) that prompted the VEE;
- Any action(s) taken to correct the issue(s).

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 6.3.A(3)(c)(1).)

- 2.8 For Emission Points AA-004 and AA-005, the permittee shall submit a semi-annual report that details any occurrence and duration of either denoted cyclone malfunctioning and/or becoming non-operational no later than January 31st and July 31st of each calendar year for the preceding six-month period. The report shall also outline any maintenance action(s) performed to restore the cyclone(s) to its usual manner of operation.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 6.3.A(3)(c)(1).)

SECTION 3. OTHER REQUIREMENTS

- 3.1 The permittee is subject to 40 CFR Part 63, Subpart DDDD – National Emission Standards for Hazardous Air Pollutants: Plywood and Composite Wood Product. Based on on-site process units, the permittee shall only comply with the initial notification provision outlined in 40 CFR 63.9(b).

(Ref.: 40 CFR 63.2231(a – b) and 40 CFR 63.2252; Subpart DDDD)