

NORTH CAROLINA DIVISION OF AIR QUALITY <p style="text-align: center;">Air Permit Review</p>			Region: Winston-Salem Regional Office County: Davidson NC Facility ID: 2900268 Inspector's Name: Jack Kitchen Date of Last Inspection: 04/05/2007 Compliance Code: W/In Violation W/regard To Proc Compliance
Permit Issue Date: DATE 2008			
Facility Data Applicant (Facility's Name): Kurz Transfer Products, LP Facility Address: Kurz Transfer Products, LP 4939 North NC Highway 150 Lexington, NC 27295 SIC: 2771 / Greeting Card Publishing NAICS: 323111 / Commercial Gravure Printing Facility Classification: Before: Title V After: Title V Fee Classification: Before: Title V After: Title V			Permit Applicability (this application only) SIP: 2D .0503, .0516, .0521, .0958, .1806 NSPS: NESHAP: MACT JJJJ PSD: PSD Avoidance: 244 TPY for VOC NC Toxics: 2D .1100, 2Q .0705, 2Q .0711 112(r): Other:
Contact Data			Application Data
Facility Contact Greg Dellinger EHS Manager (336) 397-1724 4939 North NC Highway 150 Lexington NC, 27295	Authorized Contact Drew Beringer Vice President and COO (704) 596-9091 3200 Woodpark Boulevard Charlotte NC, 28206	Technical Contact Drew Beringer Vice President and COO (704) 596-9091 3200 Woodpark Boulevard Charlotte NC, 28206	Application Number: 2900268.05A Date Received: 11/07/2005 Application Type: Renewal Application Schedule: TV-Renewal Existing Permit Data Existing Permit Number: 06542/T13 Existing Permit Issue Date: July 18, 2007 Existing Permit Expiration Date: 11/30/2011
Review Engineer: Mike Benson Review Engineer's Signature: Date:		Comments / Recommendations: Issue 06542/T14 Permit Issue Date: DATE Permit Expiration Date: DATE + 5	

I. Introduction:

Kurz Transfer Products, LP, located in Lexington, North Carolina currently holds Title V Permit No. 06542T13, with an expiration date of November 30, 2011. Application No. 2900268.05A for the purpose of Title V renewal was received by the DAQ on November 7, 2005. The application was determined to be complete at that time. The application was originally for the renewal of Air Permit No. 06542T11. Since that time, two modifications have been issued.

Modification to Permit T11: Addition of one coater line (LM-84), removal of existing coater line (LM-82), addition of three mixing stations to line ES05, and the modification of the existing RTO (RTO-1) to add two additional canisters and increase the maximum heat input from 16.8 MBtu per hour to 20.8 MBtu per hour. Issued on December 14, 2006.

Modification to Permit T12: The addition of a No. 2 fuel oil-fired boiler (ES06; 3.36 MBtu per hour). Issued on July 18, 2007.

II. Facility Description:

Kurz Transfer Products, LP (KTP) operates a “hot foil stamping” process. This is a process to manufacture decorative foil stock, which is then used in greeting cards, certificates, and packaging. This process consists of coating a plastic film with waxes and lacquers using gravure coaters. Once coated and dried, these films are treated in conditioners where pressure and heat set the film properties and remove any traces of VOC. The film is then placed inside a vacuum chamber where aluminum is heated until it melts. The resulting vacuum helps vaporize the molten aluminum, and the aluminum vapors then condense onto the cooler film substrate, thus making aluminum foil. Being under negative pressure, the vacuum chamber does not produce any emissions. However the pumps used to evacuate the chamber will produce an oil mist from the lubricant used to seal the vacuum pumps (paraphrased from DAQ inspection report).

III. Statement of Compliance:

This facility has had some compliance deficiencies over the past couple of years, but it is believed at the present time the facility is in compliance with applicable Air Quality regulations at this time. The compliance deficiencies are summarized in the outline below.

Multiple failures to send in reports;
Failure to complete required recordkeeping;
Failure to complete initial MACT testing¹ ;
Failure to obtain an Air Quality permit before installing a boiler.

¹The facility was originally classified as Title V, but, decided to try to become a Synthetic Minor facility, and thus avoid MACT requirements. However, this reclassification was not possible due to future market expectations and the Company withdrew the Synthetic Minor application. By that time the facility had indeed missed the time period for an initial performance test for the MACT. This performance test has since been submitted to DAQ.

III. Permit Changes from T13 to T14:

Old Page(s)	New Page(s)	Condition/Item	Description of Change(s)
Part I			
Global	Global	N/A	<ul style="list-style-type: none"> • Change permit revision number to T14 • Change the issuance/effective dates of the permit • Amend the application number and complete date
2	2	Table of contents	<ul style="list-style-type: none"> • Removed Part II
3	3	Table	Removed construction disclaimers
4	4	2.1.A Table	Removed 2D .0516 and 2D .0521, added CAM avoidance
9	8	2.1.C Table	Removed 2D .1111
12	11	2.2.A.1	Complete update of Toxics language

IV. Permitted Emissions Sources and Associated Air Pollution Control Devices and Appurtenances:

Emission Source ID Nos.	Emission Source Description	Control Device ID No.	Control Device Description
ES01 [MACT JJJJ]	Coating operations consisting of two coating lines (LM06 and LM81) operating within a permanent total enclosure (PTE-1)	RTO-1	One natural gas/No. 2 fuel oil-fired regenerative thermal oxidizer (20.8 million Btu per hour maximum heat input rate) with one No. 2 fuel-oil fired afterburner (8.5 million Btu per hour maximum heat input rate) as backup
ES05 [MACT JJJJ]	One coating line (LM84) operating within a permanent total enclosure (PTE-2)		
ES02 [MACT JJJJ]	Mixing operations consisting of seven mixing stations operating within a permanent total enclosure (PTE-1)	T001 (backup)	
ES03 [MACT JJJJ]	Parts cleaning tank operating within a permanent total enclosure (PTE-1)		
ES04c, ES04e, and ES04f	Three underground solvent storage tanks (two with 4,000 gallon capacity, each, and one with 3,000 gallon capacity)	N/A	
ES06	One No. 2 fuel oil-fired boiler (3.36 million Btu per hour maximum heat input, IB03)	N/A	N/A

V. Emission Source-By-Source Evaluation:

A. Coating operations (ID No. ES01 and ES05), mixing operations (ID No. ES02), and parts cleaning tank (ES03) operating within permanent total enclosures (PTE-1 and PTE-2), controlled by one regenerative thermal oxidizer (ID No. RTO-1) or backup afterburner (ID No. T001)

1. A coating operation to manufacture decorative foil stock.

2. Applicable Regulatory Requirements:

- 15A NCAC 2D .0516
- 15A NCAC 2D .0521
- 15A NCAC 2D .0958
- 15A NCAC 2D .1100
- 15A NCAC 2D .1111 (MACT: Subpart JJJJ – Paper and other Web Coating)
- 15A NCAC 2D .1806

- 15A NCAC 2Q .0317
- 15A NCAC 2Q .0705
- 15A NCAC 2Q .0711

No regulatory review for the above listed regulations is required at this time since there are no new applicable standards for this source under this permit renewal.

B. Underground solvent storage tanks (ID Nos. ES04c, ES04e and ES04f)

1. Description: Three underground solvent storage tanks (4000, 4000, and 3000 gallon storage capacity)
2. Applicable Regulatory Requirements:
 - 15A NCAC 2D .1100

No regulatory review is required at this time since there are no new applicable regulations for this source under this permit renewal.

It should be noted that reporting was not previously required. The facility will now report maximum TAP emissions on a quarterly basis.

C. One No. 2 fuel oil-fired boiler (3.36 million Btu per hour maximum heat input, ID No. ES06)

1. Description: No. 2 fuel oil-fired boiler.
2. Applicable Regulatory Requirements:
 - 15A NCAC 2D .0503
 - 15A NCAC 2D .0516
 - 15A NCAC 2D .0521

No regulatory review is required at this time since there are no new applicable regulations for this source under this permit renewal. Note that it is included in the body of the Air Permit instead of the insignificant activities list due to potential SO₂ emissions over 5 TPY.

VII. Compliance Assurance Monitoring (CAM):

This facility is exempt from CAM requirements because they have an emissions cap [2D .0614(b)(1)(E)] that is approved under the rules of 15A NCAC 2D and 2Q and incorporated into their permit under 15A NCAC 2Q .0500 Title V Procedures. Under Part 70 – State Operating Permit Programs 70.2 definitions emissions allowable under the permit means a federally enforceable permit term or condition determined at issuance to be required by an applicable requirement that establishes an emissions limit or a federally enforceable emissions cap that the source has assumed to avoid and applicable requirement to which the source would otherwise be

subject. Therefore, the facility qualifies for an exemption because the PSD avoidance limit monitors temperature to ensure that they stay below the limit.

VIII. NSPS Issues:

This facility is not subject to NSPS.

IX. PSD/NAA Issues:

This facility is considered to be a PSD minor source. Potential VOC emissions are limited to 244 tons per year to avoid PSD review.

Davidson County is subject to PSD increment tracking for PM10 emissions. This renewal does not affect PM10 emissions. Davidson County is also considered to be Early Action Compact (EAC) for future modifications (non attainment for ozone and PM2.5).

X. MACT Issues:

This facility is subject to both 40 CFR 63, Subpart JJJJ (Paper and other Web Coating), but is no longer subject to 40 CFR 63, Subpart DDDDD (Industrial, Commercial, and Institutional Boilers and Process Heaters) [vacated].

XI. 112(r) Issues:

This facility is not subject to 112(r).

XII. Facility-Wide Air Toxics:

This facility is subject to both 2D .1100, 2Q .0705, and 2Q .0711. The facility has performed point source air dispersion modeling for ethyl acetate, MEK, and toluene. The respective emission sources and emissions limits are in the current permit. The Permittee is required to maintain compliance records for a period of five years. The Permittee was not previously required to submit quarterly reports to demonstrate compliance with Air Toxics. A quarterly reporting requirement was added in this permit.

The current permit has facility wide TPER limits for 2,4-toluene diisocyanate and xylene to ensure compliance with 2Q .0711.

This facility has passed its last MACT compliance date. Therefore, it is subject to 2Q .0705, requiring facility-wide air dispersion modeling for all TAPs above the TPER limit. The facility has completed this modeling demonstration and was considered to be in compliance with 2Q .0705 on December 1, 2006.

XIII. Facility Emissions Summary:

Criteria pollutant emissions were obtained from the 2005 emissions inventory submitted to the Division. (Note: The Division only requires actual emissions be included, not potential).

Pollutant	Actual Emissions, TPY
CO	0.13
NO _x	0.53
PM	0.05
PM10	0.03
PM2.5	0.02
SO ₂	1.12
VOC	14.99

The HAP with the largest emission is toluene at 2.39 TPY. HAP emissions are below the 10/25 level. The facility is considered to be a Title V source due to potential and expected future HAP emissions.

XIV. Miscellaneous:

1. A consistency determination was not required for this renewal application.
2. A Professional Engineer seal was not required for this application.
3. An application-processing fee was not required for this application.
4. A 30-day public notice is required for this application. This permit and review will also be submitted for a 45-day EPA review concurrent to the public notice period. EPA comments were reviewed at length but no permit changes were needed <or EPA/Public comments here>. The public notice will be submitted to all affected states.

XVI. Conclusions, Comments, and Recommendations.

This Air Permit issued as a renewal permit for Kurz Transfer Products, LP, located in Lexington, North Carolina has been reviewed by the DAQ to determine compliance with all procedures and requirements. The DAQ has determined that this facility is complying with all applicable requirements.

Issue Air Quality Permit No. 06542T14 to Kurz Transfer Products, LP.