

**LANE REGIONAL AIR PROTECTION AGENCY
Title V Operating Permit**

**Country Coach, Inc.
P.O. Box 400
Junction City, Oregon 97448**

REVIEW REPORT

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LIST OF ABBREVIATIONS USED IN THIS REVIEW REPORT

AMB	Ambient
AQMA	Air Quality Management Area
ASTM	American Society of Testing and Materials
BDT	Bone dry ton
CEMS	Continuous emissions monitoring system
CFR	Code of Federal Regulations
CMS	Continuous monitoring system
CO	Carbon monoxide
COMPL	Compliance
COMS	Continuous opacity monitoring system
COND	Condition
CRED	Credit
DEQ	Oregon Department of Environmental Quality
dscf	dry standard cubic feet
EF	Emission factor
EPA	United State Environmental Protection Agency
EU	Emissions unit
FCAA	Federal Clean Air Act
gr/dscf	grains per dry standard cubic feet
HAP	Hazardous air pollutant
ID	Identification code
I&M	Inspection and maintenance
LRAPA	Lane Regional Air Protection Agency
MB	Material balance
Mlb	1000 pounds
MON	Monitoring
NA	Not applicable
NESHAP	National emission standard for hazardous air pollutants
NO _x	Oxides of nitrogen
NSPS	New source performance standard
NSR	New source review
O ₂	Oxygen
OAR	Oregon Administrative Rules
ORS	Oregon Revised Statutes
O&M	Operation and maintenance
Pb	Lead
PCD	Pollution Control Device
PM	Particulate matter
PM ₁₀	Particulate matter less than 10 microns in size
PSD	Prevention of significant deterioration
PSEL	Plant Site Emission Limit
SCHED	Schedule
SPEC	Special
SO ₂	Sulfur dioxide
ST	Source test
VE	Visible emissions
VMT	Vehicle mile traveled
VOC	Volatile organic compound

INTRODUCTION

- ~~[Provide a brief discussion of the proposed permit action. Is this a new permit, renewal of existing permit, or modification? Also include the following statement (or something like it): This~~ construction Air Contaminant Discharge Permit (Construction ACDP) is required at this time to modify the original Federal Operating and PSD Permit for a motor coach manufacturing facility in Junction City, Oregon. The Construction ACDP will allow the facility to construct Building 16, which will include three (3) new coach-coating booths, one (1) relocated cabinet-coating booth, and miscellaneous VOC usage. The construction allows for an increase in the current annual VOC PSEL of 158 tons per year by 60 tons to 218 tons VOC per year. Also, an increase in PM/PM₁₀ would be allowed to reflect the increase in operations. Because the requested increase in VOC is greater than 40 tons per year over the netting baseline, a Construction ACDP is required to be issued to allow construction of the new building and to incorporate the PSD analyses. Any emission increases above the PSELs will be a violation of Federal and LRAPA PSD regulations. BACT for this increase has been determined to be the same as the current limits in the Title V Operating Permit and, therefore, the new coach manufacturing building and associated emission units will require no added monitoring and trigger no new applicable requirements.
- In accordance with OAR 340-218-0140(1)(f), this review report is intended to provide the legal and factual basis for the draft permit conditions. In most cases, the legal basis for a permit condition is included in the permit by citing the applicable regulation. In addition, the factual basis for the requirement may be the same as the legal basis. However, when the regulation is not specific and only provides general requirements, this review report is used to provide a more thorough explanation of the factual basis for the draft permit conditions.

PERMITTEE IDENTIFICATION

- Country Coach operates a motor coach manufacturing facility at 135 East First Avenue in Junction City, Oregon. Emissions at the coach manufacturing facility result from fiberglass lamination and finishing, a variety of surface coating operations including coating of motor coach chassis and metal parts, coating of coach exteriors, coating of cabinet work for coach interiors, and wood dust from preparation of interior cabinetry. The emissions of greatest concern to Lane Regional Air Protection Agency (LRAPA) from this facility are VOC from the coating and fiberglass operations. Major equipment with potential for air emissions at this facility is listed below.
- Production Equipment:

 - Coach Coating (4) and Paint Prep (1) Booths: 5 Booths in Building 1
 - Coach Coating (2) and Cabinet Coating (1) Booths: 3 Booths in Building 2
 - Coach Coating (1) and Cabinet Finishing (1) Booths: 2 Booths in Building 3
 - Coach Coating (3) and Relocated Cabinet Coating Booth (1): 3 Booths in Building 16
 - Fiberglass Laminating (4) and Fiberglass Gel Coat (1) Stations: 5 Stations in Building 5
 - Chassis (1) and Parts Coating (1) Booths: 2 Booths in Building 8
 - Cabinet Finish Room (1) and Parts Coating (1) and Coach Coating (2) Booths: 4 Booths in Building 10
 - Fiberglass Finishing Cartridge Filters (4): 4 in Building 12

5. Material Handling/ Control Devices:
 - 2 Baghouse Control Systems
6. Roadways:
 - Paved Roadways and Parking Areas
7. The facility is allowed to operate 8,760 hours per year (7 days per week, 24 hours per day, 365 days per year).

FACILITY DESCRIPTION

8. Activities at the facility include fiberglass lamination and finishing, coach, chassis, and coach parts surface coating, and cabinet manufacturing and finishing.
9. The facility currently operates approximately 2,040 hours per year (4 days per week, 10 hours per day, 51 weeks per year). The operation is not limited to this schedule; instead, limits on emissions from coatings application are included in the permit.

EMISSIONS UNIT AND POLLUTION CONTROL DEVICE IDENTIFICATION

10. The emissions units at this facility are the following:
 - Emission Unit 1 (EU-1) includes painting and coating of coaches, chassis, and coach parts.
 - Emission Unit 2 (EU-2) includes cabinet finishing and is the emission unit to which 40 CFR 63 Subpart JJ (National Emission Standards for Hazardous Air Pollutants-Wood Furniture) applies.
 - Emission Unit 3 (EU-3) includes fiberglass lamination activities.
 - Emission Unit 4 (EU-4) is the emission unit for miscellaneous VOC-emitting activities, and includes undercoating of chassis, miscellaneous touch-up coating, bondo repairs to fiberglass, caulking, adhesive application, and other minor uses of VOC-containing materials.
 - Emission Unit 5 (EU-5) is the fiberglass finishing activity and includes cutting and sanding of fiberglass parts.
 - Emission Unit 6 (EU-6) is the designation for the two (2) baghouses operated in the woodworking area. The baghouses return air to the workspaces.
 - Emission Unit 7 (EU-7) is the designation for welding and other Aggregate Insignificant Activities.
 - Emission Unit PR-1 includes the paved roads and parking areas at the facility.
11. Categorically Insignificant Activities include the following:

There are no changes to the original permit application list of Categorically Insignificant Activities.

BACT REQUIREMENTS RESULTING FROM PSD ANALYSES

12. There are no changes to the BACT determination incorporated in the original Title V permit for this facility. Although BACT requirements are triggered by the requested construction of Building 16, the BACT analyses received by LRAPA on April 5, 2005, showed that the current techniques employed at the facility represent BACT. The three (3) highest-ranked control options (adsorption, adsorption with thermal oxidation, and biofiltration) were eliminated based upon economic feasibility. The next highest-ranked

option was the pollution prevention work practiced for coating operations currently employed at the facility. This option is selected as BACT for this Construction ACDP. However, no changes are proposed to the limits currently in the facility's Title V Federal Operating Permit. A review of the current (as of April 2005) South Coast Air Quality Management District's (SCAQMD) rules, for which much of the BACT limits for this facility are based upon, showed that the current emission limits are still valid. Also, a review of the RACT/BACT/LAER Clearinghouse did not reveal any unidentified technologies for similar sources. The following limits are those determined to be BACT for this facility, by emission unit:

EU-1. Painting of Coaches, Chassis, and Coach Parts:

No Change.

EU-2. Cabinet Finishing (All Limits – pounds VOC per gallon as applied)

No Change.

EU-3. Fiberglass Lamination

No Change to the BACT determination.

EU-4. Miscellaneous VOC Usage

No Change.

EU-5. Fiberglass Finishing

No Change.

EMISSION LIMITS AND STANDARDS, TESTING, MONITORING, AND RECORDKEEPING

13. Facility-Wide Requirements

No changes have been made to the facility-wide requirements in this current permit modification.

14. EU-1: Panting and Coating of Coaches, Chassis, and Parts

No Changes.

15. Conditions Specific to EU-2: Cabinet Finishing

No Changes.

16. Conditions Specific to EU-3: Fiberglass Lamination

No changes were made to the BACT requirements for this emission unit.

17. Conditions Specific to EU-4: Miscellaneous VOC Usage

No Changes.

18. Conditions Specific to EU-5: Fiberglass Finishing

No Changes.

19. Conditions Specific to EU-6: Woodworking Baghouses

No Changes.

20. Conditions Specific to Emission Unit 7: Roads, Parking

No Changes.

21. Conditions Specific to Insignificant Emission Units (Including Categorically Insignificant Activities)

No Changes.

22. Condition 46: Plant Site Emission Limits (PSEL)

The plant site emission limits are listed in the following table. This Construction ACDP authorizes an increase in the annual PSEL for VOC of 60 tons per year and allows a 99-ton-per-year increase over Netting Baseline, thus triggering NSR/PSD.

Pollutant	Plant Site Emission Limit (PSEL)		Components of the PSEL			
			Assigned	Assigned	Unassigned	Credits
	(lbs/mo)	(tons/yr)	(tons/yr)	(lbs/mo)	(tons/yr)	(tons/yr)
PM	3,347	13.9	13.9	3,347	0	0
PM ₁₀	2,702	11.5	11.5	2,702	0	0
CO						
NO _x						
SO ₂						
VOC	55,948	218	218	55,948	0	0
Lead		0.06	0.06			

23. PSEL Monitoring:

There are no changes to the PSEL monitoring requirements.

SIGNIFICANT EMISSION RATE (SER)

24. The Construction ACDP PSEL is greater than the previous netting baseline as shown below.

Pollutant	SER	Baseline	Netting Basis	Requested Increase Over Previous Netting Baseline	Increase Due To Utilizing Capacity That Existed In The Netting Basis Period	Increase Due To Physical Changes Or Changes In The Method Of Operation
PM	25	2	2	11.9		11.9
PM ₁₀	15	2	2	9.5		9.5
CO	100					
NO _x	40					
SO ₂	40					
VOC	40	20	119	98.8		98.8
Other						

The increase in the VOC annual emission rate is more than an SER above the netting basis and, therefore, PSD/NSR are triggered. This Construction ACDP increases the netting basis by 40 tons per year (from 119 tons VOC per year to 159 tons VOC per year).

25. Conditions 48 and 49: General Testing Requirements

No Changes.

26. Conditions 50 through 59: General Monitoring, Recordkeeping, and Reporting Requirements

No Changes.

HAZARDOUS AIR POLLUTANTS

27. The following table lists estimated actual emission rates of hazardous air pollutants for the facility for the proposed production rate of 776 coaches, buses, or chassis:

Hazardous Air Pollutant	Estimated Actual Emissions tons/year
N-Butyl Alcohol	6.02
Hexane	4.33
Methyl Methacrylate	1.67

Hazardous Air Pollutant	Estimated Actual Emissions tons/year
Styrene	43.91
Toluene	12.78
Xylene	22.51
TOTAL	91.22

GENERAL BACKGROUND INFORMATION

28. Country Coach has operated a motor home manufacturing facility in Junction City since the early 1970s. The operation started as a small camper shell manufacturing concern and grew until, at present, it is manufacturing motor coaches and chassis. The facility is located in Junction City, Oregon, which is in an area considered to attain all national ambient air quality standards. The facility is located on a large property next to the edge of Junction City where residential density is very low (agricultural land on two (2) sides of the property). The odor problems that have been experienced by similar facilities in higher density residential areas are not expected for this facility when operating at the proposed production levels.

COMPLIANCE HISTORY

29. The following is the compliance history for this facility.
- 29.a. Notice of Non-Compliance (NON) No. 2774 (NON 2774) was issued to the facility on April 14, 2005, for exceeding the monthly plant site emission limit for VOC and failure to promptly report deviations from permit requirements. The July 2004 VOC emissions reported were 23,529 pounds against a limit of 23,330 pounds per month. At this time a civil penalty has not been determined but will likely be issued in the amount of approximately \$1,200.
 - 29.b. NON No. 2544 was issued March 10, 2003, for several permit violations including: failure to train employees by date required in Title V Operating Permit (TVOP) Condition 22.a, failure to maintain Inspection and Maintenance (I&M) plan required by TVOP Condition 22.b, failure to perform equipment inspection required by TVOP Condition 22.b.i, failure to set an inspection schedule required by TVOP Condition 22.b.ii, failure to document inspection not performed as required by TVOP Condition 22.b.iii, failure to establish Cleaning and Washoff accounting system as required by TVOP Condition 22.c.i, failure to record number of pieces washed off as required by TVOP Condition 22.c.ii, and failure to record quantity of spent HAP solvent as required by TVOP Condition 22.c.iii, and for exceeding VOC content for resins as per TVOP Condition 29. Because the work practice and I&M deviations were remedied upon discovery and did not result in an emission exceedance and because the violation related to TVOP Condition 29 was remedied through the permitting process, NON 2544 was closed and no further action was pursued.
 - 29.c. NON No. 2117 was issued to the facility on October 11, 2000, for failure to obtain an Air Contaminant Discharge Permit (ACDP) prior to operation of an air contaminant source and for failure to satisfy Sections 38-005 through 38-050 prior to major modification as defined in LRAPA Title 38, Section 38-005 of "Definitions". A Notice of Violation and Civil Penalty Assessment (NCP No. 00-2117) was issued to the facility and was paid in the amount of \$11,641.

- 29.d. NON No. 1941 was issued to the facility on August 21, 2000, for failure to maintain "Certified Product Data Sheets", failure to maintain adhesive information in "Work Practice and Implementation Plan", failure to maintain recordkeeping for leak inspection and maintenance availability of list of employees requiring training, and failure to demonstrate compliance with pounds of Volatile Hazardous Air Pollutant (VHAP) per solids limit. NCP No. 00-1941 was issued to the facility on October 10, 2000, and was paid in the amount of \$1,200.

SOURCE TEST RESULTS

30. This facility has conducted no source tests. Coatings and finishes are tested by manufacturers and the results provided on material safety data sheets (MSDS) or certified product data sheets (CPDS). No future testing by the facility is proposed in this permit, instead daily records of coatings, finishes, resins, and solvents used will be combined with composition information (MSDS, CPDS) to determine emissions and compliance.

PUBLIC NOTICE

31. The draft PSD/Construction Air Contaminant Discharge Permit was on public notice from June 6, 2005, to July 28, 2005. At the request of the facility, a public hearing was held on July 13, 2005, at 680 Greenwood Street, Junction City, Oregon. One comment letter was submitted at the public hearing.

PUBLIC HEARING

32. At the request of the facility, a public hearing was held on July 13, 2005, at 680 Greenwood Street, Junction City, Oregon. Two (2) people provided public testimony. Following are responses to some of the specific issues raised during public testimony.
33. Issue raised: Jerry Szerlip, owner of the Old Tower Grove walnut growing operation at 93951 Strome Lane, in Junction City, expressed concern about the effects of the emissions from the facility on his walnut grove. Specifically he stated concerns about possible contamination of the walnuts he grows and sells from styrene and isocyanates that may be emitted by the facility.

Response regarding Isocyanates: Two (2) of the isocyanate compounds listed in the federal 188 hazardous air pollutants are bound in the urethanes and adhesives used by Country Coach. Since they are bound in the coatings and adhesives, they are not emitted in significant quantities to the atmosphere. The two (2) compounds are methylene diphenyl diisocyanate (also known as MDI or methylenebis(4-phenylisocyanate) and hexamethylene-1,6-diisocyanate, with Chemical Abstract Services (CAS) numbers 101-68-8 and 822-06-0, respectively. Information on environmental fate and exposure of these compounds is available by performing a search at the TOXNET Hazardous Substances Database.
See: <http://toxnet.nlm.nih.gov/index.html>

Response regarding VOCs, Styrene and other possible HAPs and their effects on crops: LRAPA contacted staff at EPA's Western Ecology Division in Corvallis, Oregon, regarding these issues. Bill Hogsett, Ph.D., of the EPA stated that much of the data and research on the effects of VOC on plants has been done for acute exposures (short-term, high-concentration exposures), and that the exposures experienced by people and plants near the facility would be more of a chronic nature (long-term, low-level exposures). He found two (2) articles about acute effects of VOCs on plants. These articles were forwarded to Mr. Szerlip.

33. The permit for the facility contains all the applicable regulations related to VOC and HAPs that LRAPA can legally apply. Because none of the comments raised issues for which LRAPA would have substantive reasons to deny the permit, the permit remains unchanged and was provided to EPA for review as a “Proposed PSD/Construction Air Contaminant Discharge Permit”.

EPA REVIEW

34. The *proposed PSD/Construction Air Contaminant Discharge Permit* was sent to EPA on July 29, 2005, for a 45-day review period. Because no comments requiring change to the permit were received from the public and no substantive changes were made to the permit, LRAPA requested and EPA agreed to expedited review. The public has 105 days (45-day EPA review period plus 60 days) from the date the proposed permit was sent to EPA to appeal the permit with EPA.

EMISSIONS DETAIL SHEETS

35. The emission detail sheets are in the Attachment to this review report.

MH/DLE/bp
8/30/06