

**STATE OF MISSISSIPPI
AIR POLLUTION CONTROL
PERMIT**

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

Rex Lumber, Brookhaven LLC
810 W L Behan Road
Brookhaven, Lincoln, 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: _____

Permit No.: 1620-00005

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 eighteen (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 AND MONITORING REQUIREMENTS

Beginning **Issuance Date**, the permittee is authorized to construct air emissions equipment and emit air contaminants from Emission Points:

AA-013 (Continuous Direct Fired Kiln (CDK-3) equipped with a 30 MMBTU/hr green sawdust and natural gas burner system)

The air emissions equipment shall be constructed to comply with the emission limitations and monitoring requirements specified below.

EMISSIONS LIMITATIONS

Opacity 40% as determined by EPA Test Method 9, 40 CFR 60, Appendix A. (Ref.: 11 Miss. Admin Code Pt. 2, R.1.3A)

SO₂ 500 ppm (volume) from any process equipment. (Ref.: 11 Miss. Admin. Code Pt. 2 R.1.4.B(1))

BACT LIMITATIONS

VOC 4.804 lb/MBF not to exceed 144.2 tons/yr, as determined by monitoring of throughput and recordkeeping.

All test methods specified above shall be those versions, or their approved equivalents, which are in effect **Issuance Date**.

OPERATIONAL LIMITATIONS

For Emission Point AA-013, the permittee shall be limited to a maximum annual lumber throughput of 60,018 thousand board-feet per year (MBF/yr), measured on a monthly basis and tracked on a 12-month rolling total.

OPERATIONAL REQUIREMENTS

The permittee is required to operate CDK-3 (AA-013) using Good Work Practices that includes periodic maintenance on the kiln, any associated equipment involved in the kiln drying of lumber, as well as the associated process control equipment. Records shall be kept which demonstrate that Good Work Practices have been utilized in the operation of the kiln.

For Emission Point AA-013, the permittee shall perform monthly inspections on the kiln to ensure it is performing as designed. If any problems are noted, the permittee shall perform the necessary maintenance to ensure it is operating as designed. Results of all inspections and any accompanying maintenance shall be kept on-site for three years for inspection by MDEQ personnel.

For Emission Point AA-013, the permittee shall limit fuels to natural gas and untreated wood, such as green sawdust, bark, planer shaving, and green chips, generated either on or off-site. Additionally, the permittee is authorized to use up to 10 gallons of diesel to ignite the fuel bed during startup.

MONITORING REQUIREMENTS

For Emission Point AA-013, the permittee shall perform monthly visible emission observation on the exhaust stack. If visible emissions are detected, the permittee shall perform a visible emission evaluation using EPA Reference Method 9. If a Method 9 could not be conducted, then the permittee shall provide an explanation as to why opacity readings could not be performed. Results for each of the observations and any accompanying test shall be recorded and kept on-site for inspection by MDEQ personnel for three years. The permittee shall also submit a semi-annual summary of these test postmarked no later than January 31st and July 31st for the preceding six-month period. All instances of deviations from permit requirements must be clearly identified in such reports and all required reports must be certified by a responsible official.

RECORDKEEPING AND REPORTING REQUIREMENTS

For Emission Point AA-013, the permittee shall record the lumber throughput rate, measured on a monthly basis and tracked on a 12-month rolling total expressed in MBF/year.

The records and the calculations shall be maintained on-site for five years for inspection by MDEQ personnel. The permittee shall also submit a semi-annual summary of these results postmarked no later than January 31st and July 31st for the preceding six-month period.

Part II. (continued)
EMISSION LIMITATIONS AND MONITORING REQUIREMENTS

Beginning Issuance Date, the permittee is authorized to construct/modify air emissions equipment and emit air contaminants from Emission Points:

AA-014 Fuel Silo with a pneumatic transfer Cyclone for CDK-3 (AA-013)

The air emissions equipment shall be constructed to comply with the emission limitations and monitoring requirements specified below.

EMISSIONS LIMITATIONS

Opacity	40% as determined by EPA Test Method 9, 40 CFR 60, Appendix A. (Ref.: 11 Miss. Admin Code Pt. 2, R.1.3A)
PM	$E = 4.1(p^{0.67})$, where E is the emission rate in pounds per hour, p is the process weight input rate in tons per hour and E is determined by EPA Test Methods 1-5, 40 CFR 60, Appendix A. (Ref.: 11 Miss. Admin. Code Pt. 2, Ch. 1. R. 1.3(F))

OPERATIONAL REQUIREMENTS

For Emission Point AA-014, the permittee shall perform monthly inspections on the cyclone to ensure it is performing as designed. If any problems are noted, the permittee shall perform the necessary maintenance to ensure it is operating as designed. Results of all inspections and any accompanying maintenance shall be kept on-site for three years for inspection by MDEQ personnel.

For Emission Point AA- 014, the permittee shall perform visible emission observations once within a two calendar week period for the emission point for three consecutive minutes while in operation. If visible emissions are detected, the permittee shall perform a visible emission evaluation using EPA Reference Method 9. Results for the observation and an accompanying testing shall be recorded and kept on-site for inspection by MDEQ personnel for three years. (11 Admin Pt 2 Rule 2.2.B(11)).

**Part III.
OTHER REQUIREMENTS**

- 1. For the entire facility, the permittee is subject to and shall comply with all applicable requirements and subsequent revisions of the National Emission Standard for Hazardous Air Pollutants for Plywood and Composite Wood Products, and of the General Provisions found in 40 CFR Part 63 Subparts DDDD and A respectively. AA-014 (CDK-3) is an affected source per 40 CFR Part 63.2231(a) of the rule; however, the only applicable requirement was the initial notification. (Ref.: 40 CFR Part 632252)**
- 2. For Emission Points AA-013 and AA-014, the permittee must submit a certification of completion of construction within ten (10) days of start-up.**
- 3. For the entire facility, the permittee shall limit dried lumber production to 257,000 thousand board-feet per year (MBF/yr), measured on a monthly basis and tracked on a 12-month rolling total.**
- 4. For Emission Points AA-001, AA-002 and AA-013, for each month, the permittee shall monitor and record the total throughput for each of the three kilns in thousand board feet per month. The permittee shall calculate a 12-month rolling total in thousand board feet per year for each kiln and the total for all kilns. The records and the calculations shall be maintained on-site for five years for inspection by MDEQ personnel. The permittee shall also submit a semi-annual summary of these results postmarked no later than January 31st and July 31st for the preceding six-month period. (11 Admin Pt 2 Rule 2.2.B(11))**
- 5. Except as otherwise specified herein, the permittee shall be subject to the following provisions with respect to upsets, startups, shutdowns and maintenance.**
 - (a) Upsets (as defined by 11 Miss. Admin. Code Pt. 2, R.1.2.HH)**
 - (1) The occurrence of an upset constitutes an affirmative defense to an enforcement action brought for noncompliance with emission standards or other requirements of Applicable Rules and Regulations or any applicable permit if the permittee demonstrates through properly signed contemporaneous operating logs, or other relevant evidence that include information as follows:**
 - (a) an upset occurred and that the permittee can identify the cause(s) of the upset;**
 - (b) the source was at the time being properly operated;**
 - (c) during the upset the permittee took all reasonable steps to minimize levels of emissions that exceeded the emission standards, or other requirements of Applicable Rules and Regulations or any applicable permit;**

- (d) the permittee submitted notice of the upset to the DEQ within 5 working days of the time the upset began; and
 - (e) the notice of the upset shall contain a description of the upset, any steps taken to mitigate emissions, and corrective actions taken.
 - (2) In any enforcement proceeding, the permittee seeking to establish the occurrence of an upset has the burden of proof.
 - (3) This provision is in addition to any upset provision contained in any applicable requirement.
- (b) Startups and Shutdowns (as defined by 11 Miss. Admin. Code Pt. 2, R.1.2.EE and 1.2.Z)