

**LANE REGIONAL AIR POLLUTION AUTHORITY
CONSTRUCTION PERMIT
REVIEW REPORT**

**Monaco Coach Corporation – Coburg
91320 Coburg Industrial Way
Coburg, Oregon 97408**

TABLE OF CONTENTS

INTRODUCTION2

PERMITTEE IDENTIFICATION.....2

FACILITY DESCRIPTION2

DESCRIPTION OF CONSTRUCTION ACDP CHANGES TO BE INCORPORATED IN TITLE V PERMIT3

EMISSION LIMITS AND STANDARDS4

PLANT SITE EMISSION LIMIT (PSEL) INFORMATION.....4

SIGNIFICANT EMISSION RATE (SER)6

HAZARDOUS AIR POLLUTANTS6

STRATOSPHERIC OZONE-DEPLETING SUBSTANCES6

PUBLIC NOTICE6

EMISSIONS DETAIL SHEETS6

INTRODUCTION

1. The proposed permit is a Construction Air Contaminant Discharge Permit for this facility. In accordance with OAR 340-028-2200(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

2. Monaco Coach Corporation (Monaco) owns and operates a motor coach manufacturing facility located at 91320 Coburg Industrial Way in Coburg, Oregon.

FACILITY DESCRIPTION

3. The original facility in Coburg was built in 1995 to produce luxury or "high-line" motor coaches. In 1999 Monaco completed a major expansion to accommodate production of "mid-line" motor coaches (the new facility). The expected production of the plant is about 1200 high-line coaches and 4200 mid-line coaches per year. The coaches are fabricated using a variety of processes. These initial processes produce parts that are brought to the main assembly line where they are assembled into a coach. The assembled coach is then painted before leaving the plant. For the high-line product, the chassis is constructed as the initial step in the production process.

DESCRIPTION OF CONSTRUCTION ACDP CHANGES TO BE INCORPORATED INTO TITLE V OPERATING PERMIT

4. This construction ACDP is required to allow Monaco to streamline the Coburg facility coach coating lines and increase the production of both 'high-line' and 'mid-line' coaches. High-line coach production is expected to increase from a projected maximum of 1000 each year to 1200; mid-line coaches from 3750 to 4200 per year. The streamlined operation will include four (4) additional coating booths to be installed in Building 13. This construction ACDP reflects not only the production increases and new emission control devices (Preconcentrators and catalytic oxidizers – two (2) each) for Building 13, but also establishes monitoring conditions for the Regenerative Thermal Oxidizers already in place on Building 18. Monitoring conditions for the control devices are formalized in Permit Condition 18. One benefit to the streamlining and control of Building 13 coating operations is that the facility's plant site emission limit (PSEL) will be reduced. A 20 percent increase in 'high-line' and 12 percent increase in 'mid-line' coach production will be more than offset due to controlling the highest emitting of the Building 13 coatings booths. The facility-wide VOC PSEL of 240.5 tons will be reduced by 28.5 tons to the proposed level of 212 tons per year. A tabular summary of the changes reflected in this construction ACDP, to be incorporated in the Title V Operating Permit, is as follows:

Current Title V Permit Condition	Construction Permit Condition	Reason for Change
Condition 4, Table of Control Devices	Same	The first row in this table is updated, adding Gb 98-5 (a glue booth installed with construction approval in 1998), and PB 13-8 to 13-11 (paint booths to be installed in Building 13 under construction approval issued in June of 2004) and to add an existing mural painting booth identified as MB-1.
Condition 4, Table of Control Devices	Same	The fourth row in this table is updated to reflect a minor modification to the Title V permit which added 2 booths to the 2 existing service center (Now identified as SC-12a through d) , and to add a mural painting booth identified as MB-2
Condition 18, BACT limits	Same	Condition 18.b. is added to allow the BACT VOC content limits in condition 18.a. to be satisfied with control equipment that achieves equivalent emission reductions.
Condition 19, Monitoring and Recordkeeping for BACT VOC Limits	Same	Condition 19.a. is clarified in its applicability to only those activities not ducted to control devices and is the original permit BACT monitoring requirement. Condition 19.b. is added to establish monitoring requirements for those coating activities ducted in whole or part to a control device to satisfy the BACT requirements in Condition 18.a. Condition 19.c. is added to establish periodic emission testing for control devices to ensure ongoing compliance with the BACT limits in Condition 18.a. Condition 19.d. is added to provide continuous monitoring of operating parameters for control devices used to satisfy the BACT limits in Condition 18.a. Monitoring of the parameters required by Condition 19.d. will ensure that control devices are effective in the periods between emission tests required in Condition 19.c.
Condition 60, PSEL Table	Same	The applicant has agreed that upon installation and operation of control equipment on the highest emission points of Building 13, the facility-wide VOC emission limit may be reduced by 28.5 tons per year (from 240.5 to 212 tons per year). The table in Condition 60 is modified accordingly.
Condition 61, PSEL Monitoring	Same	Condition 61 has been modified to reflect the facility's use of emission controls to satisfy the BACT requirements in Condition 18.a. Condition 61.a.ii is added to address PSEL monitoring for emission points with control systems.

EMISSION LIMITS AND STANDARDS

Baseline Emissions Rate (BER) and Netting Baseline

5. The original facility was constructed in 1995 with an expansion of the facility in 1999. Therefore, the baseline emission rate (BER) for the source is zero for all pollutants. ACDP 205160 established a VOC netting basis of 240.5 tons per year for the facility.

Plant Site Emissions Limits (PSELs)

6. The plant can be operated as much as 18 hours per day, 6 days per week, and 50 weeks per year. This equates to 5400 hours per year.
7. The projected annual production at the facility is 1200 high-line units per year and 4200 mid-line units.
8. The maximum projected monthly production of high-line units is 300. The maximum projected monthly production of mid-line units is 508.
9. The annual PSEL is based on the maximum projected emissions from the source in full operation. These estimates are contained in the attached emissions details sheets.
10. A PSEL has not been established for SO₂ emissions from natural gas combustion (EU CU) since the projected emissions are less than 0.5 ton per year. This is consistent with ODEQ permitting guidance. Although the PM/PM₁₀ emissions from Assembly 96 are less than 0.5 ton per year, the emissions have been included in the determination of the PM/PM₁₀ PSEL.
11. The PSELs for the combustion units are based on natural gas usage of 220,000 MMBtu per year, which was suggested by the source as being reasonably representative of actual natural gas usage, while still allowing for possible increases in usage.
12. The **Annual PSEL (tons per year)** is shown below:

Emissions Unit ID	PM (ton/yr)	PM ₁₀ (ton/yr)	CO (ton/yr)	NO _x (ton/yr)	SO ₂ (ton/yr)	VOC (ton/yr)
Assembly 96	0.3	0.3	NA	NA	NA	36
Assembly 98	0.5	0.5	NA	NA	NA	42
Paint 96	<0.1	<0.1	NA	NA	NA	32
Paint 98	<0.1	<0.1	NA	NA	NA	45.5
Cabinet Shop 96	2.5	2.5	NA	NA	NA	27
Cabinet Shop 98	9.4	9.4	NA	NA	NA	28

Emissions Unit ID	PM (ton/yr)	PM ₁₀ (ton/yr)	CO (ton/yr)	NO _x (ton/yr)	SO ₂ (ton/yr)	VOC (ton/yr)
CU	0.6	0.6	9.2	10.9	NA.	0.5
Aggregate Insignificant	1.0	1.0	1.0	1.0	NA	1.0
Total	14.3	14.3	10.2	11.9	NA	212

NA = A PSEL need not be established for the emissions unit for the pollutant.

Insig. = The emissions unit is not a significant source for the pollutant.

13. The **Monthly PSEL** is based on the maximum projected emissions from the source when Assembly 98, Paint 98, and Cabinet 98 are in full operation. These estimates are contained in the attached Emission Details Sheets. Short-term PSELs were not established for the combustion units because of variability in the equipment and the fact that the projected emissions are relatively low. The **Short-term PSEL (pounds per month)** is shown below:

Emissions Unit ID	PM (lbs/mo)	PM ₁₀ (lbs/mo)	CO (lbs/mo)	NO _x (lbs/mo)	SO ₂ (lbs/mo)	VOC (lbs/mo)
Assembly 96	1400	1400	NA	NA	NA	9900
Assembly 98	5000	5000	NA	NA	NA	15150
Paint 96	300	300	NA	NA	NA	11500
Paint 98	800	800	NA	NA	NA	16650
Cabinet Shop 96 & 98	1000	250	NA	NA	NA	12000
CU	1000	1000	2140	9000	NA	1400
Total	9500	8600	2140	9000	NA	71800

NA = A PSEL need not be established for the emissions unit for the pollutant.

Insig. = The emissions unit is not a significant source for the pollutant.

SIGNIFICANT EMISSION RATE (SER)

14. This permitting action reduces the annual PSEs established by ACDP 205160.

BACT DETERMINATIONS FROM ACDP 205160

15. This permit action modifies the BACT determination to the extent that the permit will now allow for the Condition 18 BACT VOC content limits to be satisfied using control equipment that results in an equivalent or lower VOC emission rate.

HAZARDOUS AIR POLLUTANTS

16. The facility is a major source of Hazardous Air Pollutants (HAPs).

STRATOSPHERIC OZONE-DEPLETING SUBSTANCES

17. The facility does not manufacture, sell, distribute, or use in the manufacturing of a product any stratospheric ozone-depleting substances and the 1990 Clean Air Act, as amended, Sections 601-618, do not apply to the facility except that air conditioning units and fire extinguishers containing Class I or Class II substances must be serviced by certified repairmen to ensure that the substances are recycled or destroyed appropriately.

PUBLIC NOTICE

18. This permit was on public notice from February 24, 2005, to March 28, 2005. No substantive comments were received during the comment period. The proposed permit was sent to EPA on May 5, 2005, for a 45-day review period. Because there were no substantive comments received or substantive changes made to the permit, LRAPA requested, and EPA agreed to, an expedited review. The public will have 105 days (45-day EPA review period plus 60 days) from the date the proposed permit is sent to EPA to appeal the permit with EPA.

EMISSIONS DETAIL SHEETS

19. Following are the estimates for current and projected PM, VOC, CO, NO_x, SO₂, and total HAP emissions from the facility (see Attachment). Included with the emissions detail sheets are explanatory notes and the formulas that were used to estimate emissions.

MH/bp
5/16/05