BASIC

AIR CONTAMINANT DISCHARGE PERMIT

Lane Regional Air Protection Agency
1010 Main Street
Springfield, OR 97477
(541) 736-1056

This permit is being issued in accordance with the provisions of LRAPA's Rules and Regulations and based on the land use compatibility findings included in the permit record.

ISSUED TO:  INFORMATION RELIED UPON:

Heather Oak Wood Products, Inc.  Application No.: 66147
P.O. Box 40457  Date Received: March 16, 2020
Eugene, Oregon 97404

PLANT SITE LOCATION:  LAND USE COMPATIBILITY STATEMENT:

90984 Brown Lane  Approving Authority: Lane County
Eugene, Oregon 97402  Approval Date: November 23, 2004

ISSUED BY THE LANE REGIONAL AIR PROTECTION AGENCY

MAY 4 2020

Merlyn L. Hough, Director  Dated

Source(s) Permitted to Discharge Air Contaminants (LRAPA Title 37, Section 37-0020):

<table>
<thead>
<tr>
<th>Table 1 Code</th>
<th>Source Description</th>
<th>SIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Part A, 9</td>
<td>Sawmills and/or Planing Mills, including millwork, of more than 5,000 but less than 25,000 bd.ft./maximum 8-hour finished product</td>
<td>2421</td>
</tr>
</tbody>
</table>
1.0 PERMIT ASSIGNMENT

1.1 Qualifications
All of the following conditions must be met in order to qualify for assignment to this Basic Air Contaminant Discharge Permit (ACDP):

a. The permittee performs activities listed on the cover page, including sawing, planing, sanding, chipping, kiln drying, plywood pressing, and surface coating along with supporting activities such as material conveyors (mechanical and pneumatic), veneer dryers, and boilers.

b. A General, Simple or Standard ACDP is not required for the source.

c. The source is not having ongoing, recurring or serious compliance problems.

1.2 Assignment
LRAPA assigns qualifying permittees to this permit that have and maintain a good record of compliance with LRAPA's Air Quality regulations and that LRAPA determines would be appropriately regulated by a Basic ACDP. LRAPA may rescind the assignment if the permittee no longer meets the requirements of LRAPA Title 37, Section 37-0056 and the conditions of this permit.

1.3 Permitted Activities
The permittee is allowed to discharge air contaminants from processes and activities related to the air contaminant source(s) listed on the first page of this permit until this permit expires, is modified, revoked or rescinded as long as the permittee complies with the conditions of this permit. If there are other emission activities occurring at the site other than those listed on the cover page of this permit, the permittee may be required to obtain a General, Simple or Standard ACDP or additional Basic ACDP, if applicable.
2.0 GENERAL EMISSION STANDARDS AND LIMITS

2.1 Production Limits

The permittee is prohibited from producing more than 25,000 board feet of finished product per 8-hour input without first notifying LRAPA.

2.2 Visible emission limits

The permittee must comply with the following visible emission limits, as applicable: [LRAPA 32-010]

a. Visible emissions from any air contaminant source must not equal or exceed an average of 20 percent opacity for a period or periods aggregating more than three (3) minutes in any one hour. [LRAPA 32-010(3)] “Opacity” means the degree to which emissions, excluding uncombined water, reduce transmission of light and obscure the view of an object in the background as measured by EPA Method 203B or other method, as specified in applicable rules.

b. Visible emissions observations must be recorded at 15-second intervals in accordance with LRAPA 32-010(2).

c. The visible emission standard in this condition does not apply to fugitive emissions from the source. [LRAPA 32-010(1)].

2.3 Particulate Matter Emissions

Particulate matter emissions from any air contaminant source, other than fugitive emission sources, must not exceed 0.10 grains per dry standard cubic foot. [LRAPA 32-015(2)]

2.4 Fugitive Emissions

The permittee must take reasonable precautions for preventing fugitive dust emissions from becoming a nuisance, such as but not limited to: [LRAPA 48-015]

a. Treating vehicular traffic areas of the plant site under the control of the permittee.

b. Operating all air contaminant-generating processes so that fugitive type dust associated with the operation will be adequately controlled at all times.

c. Storing collected materials from air pollution control equipment in a covered container or other method equally effective in preventing the material from becoming airborne during storage or transfer.
2.5 Particulate Matter Fallout

The permittee must not cause or permit the emission of any particulate matter larger than 250 microns in size at sufficient duration or quantity, as to create an observable deposition upon the real property of another person. [LRAPA 32-055]

2.6 Nuisance and Odors

The permittee must not cause or allow air contaminants from any source to cause a nuisance. Nuisance conditions will be verified by LRAPA personnel. [LRAPA Title 49]

3.0 OPERATION AND MAINTENANCE REQUIREMENTS

3.1 O&M and Work Practices

The permittee must operate and maintain air pollution equipment at the highest reasonable efficiency and effectiveness to minimize emissions. [LRAPA 32-007]

4.0 RECORDKEEPING REQUIREMENTS

4.1 Operation and Maintenance

The permittee must monitor and maintain the following records related to the operation and maintenance of the plant and associated air contaminant control devices: [LRAPA 32-007(1)]

a. Maximum amount of lumber (total board feet (BF)) inputted in an 8-hour period.

b. Annual amount of lumber (total board feet (BF)) used/produced in the calendar year.

c. Monthly and annual records of material throughput of sawdust/shavings (in BDT) through the cyclone.

d. A log of all maintenance performed on the baghouse.

4.2 Excess Emissions

The permittee must maintain records of excess emissions as defined in LRAPA Title 36 (recorded on occurrence). Typically, excess emissions are caused by process upsets, startups, shutdowns, or scheduled maintenance. Excess emissions are evident when visible emissions are greater than 20% opacity for three (3) minutes or more in any 60-minute period.

4.3 Complaint Log

The permittee must maintain a log of all written complaints and complaints received via telephone that specifically refer to air pollution concerns associated to the permitted facility. The log must include a record of the permittee's actions to
investigate the validity of each complaint and a record of actions taken for complaint resolution. [LRAPA 34-016]

4.4 Retention of Records

Unless otherwise specified, all records must be maintained on site for a period of five (5) years and made available to LRAPA upon request. [LRAPA 34-016(5)]

5.0 REPORTING REQUIREMENTS

5.1 Excess Emissions

The permittee must notify LRAPA by telephone or in person of any excess emissions which are of a nature that could endanger public health. [LRAPA 36-020]

a. Such notice must be provided as soon as possible, but never more than an hour after becoming aware of the problem. Notice must be made to the LRAPA office identified in Condition 6.2.

b. If the excess emissions occur during non-business hours, the permittee must notify LRAPA by calling the Oregon Emergency Response System (OERS). The current number is 1-800-452-0311.

c. The permittee must also submit follow-up reports when required by LRAPA.

5.2 Complaint Logs

The permittee must maintain a log of all written complaints and complaints received via telephone that specifically refer to air pollution concerns associated to the permitted facility. The log must include a record of the permittee’s actions to investigate the validity of each complaint and a record of actions taken for complaint resolution.

5.3 Annual Reports

The permittee must submit to LRAPA by February 15 of each year this permit is in effect, two (2) copies of the following information for the preceding calendar year: [LRAPA 34-016(2)]

a. Operating and production parameters:

i. Maximum amount of lumber (in board feet) inputted in an 8-hour period;

ii. Annual amount of lumber (total board feet) used/produced in the calendar year; and

iii. Total annual material throughput of sawdust/shavings (in BDT) through the cyclone.

b. Records of all planned and unplanned excess emissions events.
c. Summary of complaints relating to air quality received by the permittee during the year.

d. A list of permanent changes made in the plant process, production levels, and pollution control equipment which affected air contaminant emissions.

e. A list of major maintenance performed on pollution control equipment.

5.4 Notice of Change of Ownership or Company Name

The permittee must notify LRAPA in writing using an LRAPA "Permit Transfer Application Form (AQ103)" within 60 days after the following:

a. Legal change of the name of the company as registered with the Corporations Division of the State of Oregon; or

b. Sale or exchange of the activity or facility.

5.5 Construction or Modification Notices

The permittee must notify LRAPA in writing using an LRAPA "Notice of Intent to Construct Form (AQ104)" or "Permit Application Form," and obtain approval in accordance with LRAPA 34-010 through 34-038 before:

a. Constructing or installing any new source of air contaminant emissions, including air pollution equipment;

b. Modifying or altering an existing source that may significantly affect the emission of air contaminants;

c. Making any physical change which increases emissions; or

d. Changing the method of operation, the process, or the fuel use, or increasing the normal hours of operation that result in increased emissions.

5.6 Reports and Notice Submittals

The reports and notices, with the permit number prominently displayed, must be sent to the Permit Coordinator at the LRAPA office identified in Condition 6.2.

6.0 ADMINISTRATIVE REQUIREMENTS

6.1 Renewal of the Basic Permit

A complete application for the renewal of this permit is due within 30 days prior to expiration. [LRAPA 37-0040(2)(b)(A)]

a. If LRAPA is delinquent in renewing the permit, the existing permit will remain in effect and the permittee must comply with the conditions of the existing permit until such time that the permit is renewed.
b. The permittee may submit an application for either a General, Simple or Standard ACDP at any time, but the permittee must continue to comply with the Basic ACDP until LRAPA takes final action on the General, Simple or Standard ACDP application.

c. If a complete application for renewal of the Basic ACDP or a General, Simple or Standard ACDP is filed with LRAPA in a timely manner, the permit will not be deemed to expire until final action has been taken on the application.

6.2 LRAPA Address and Contact Number

All reports, notices, and applications should be directed to the LRAPA office. The LRAPA address is as follows:

Lane Regional Air Protection Agency
1010 Main Street
Springfield, OR 97477

Telephone (541) 736-1056

6.3 LRAPA Website

Information about air quality permits, application and reporting forms and LRAPA's rules and regulations may be obtained from the LRAPA web page at www.lrapa.org. All inquires about this permit should be directed to the LRAPA office listed above in Condition 6.2.

7.0 FEES

7.1 Annual Fees

The Annual Fees specified in LRAPA Title 37, Section 37-8020, Table 2, Parts 2and 3 for a Basic ACDP are due on December 1 of each year this permit is in effect. An invoice indicating the amount, as determined by LRAPA regulations, will be mailed prior to the above date. [LRAPA 37-0056(2)]

7.2 Fee Submittals

Fees must be submitted to:

Lane Regional Air Protection Agency
1010 Main Street
Springfield, OR 97477
Telephone: (541) 736-1056

8.0 GENERAL CONDITIONS AND DISCLAIMERS
### 8.1 Other Regulations

In addition to the specific requirements listed in this permit, the permittee must comply with all other legal requirements enforceable by LRAPA.

### 8.2 Conflicting Conditions

In any instance in which there is an apparent conflict relative to conditions in this permit, the most stringent conditions apply.

### 8.3 Concealment and Masking of Emissions

The permittee must not cause or permit the installation of any device or use of any means which, without resulting in a reduction in the total amount of air contaminants emitted, conceals an emission of an air contaminant which otherwise violate LRAPA rules. [LRAPA 32-050(1)]

The permittee must not cause or permit the installation of any device or use of any means designed to mask the emission of an air contaminant which causes or tends to cause detriment to health, safety, or welfare of any person. [LRAPA 32-050(2)]

### 8.4 LRAPA Access

The permittee must allow LRAPA's representatives access to the plant site and pertinent records at all reasonable times for the purposes of performing inspections, surveys, collecting samples, obtaining data, reviewing and copying air contaminant emissions discharge records and conducting all necessary functions related to this permit in accordance with ORS 468-095.

### 8.5 Permit Availability

The permittee must have a copy of the permit available at the facility at all times.

### 8.6 Outdoor Burning

The permittee may not conduct any outdoor burning except as allowed by LRAPA Title 47.

### 8.7 Asbestos

The permittee must comply with the asbestos abatement requirements in LRAPA Title 43 for all activities involving asbestos-containing materials, including, but not limited to, demolition, renovation, repair, construction, and maintenance.

### 8.8 Property Rights

The issuance of this permit does not convey any property rights in either real or personal property, or any exclusive privileges, nor does it authorize any injury to private property or any invasion of personal rights, nor any infringement of federal, state, or local laws or regulations.

### 8.9 Termination, Revocation, or Modification

LRAPA may modify or revoke this permit pursuant to LRAPA Title 37, Section 37-0082 and 37-0084.
<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Definition</th>
</tr>
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<tbody>
<tr>
<td>ACDP</td>
<td>Air Contaminant Discharge Permit</td>
</tr>
<tr>
<td>ASTM</td>
<td>American Society for Testing and Materials</td>
</tr>
<tr>
<td>AQMA</td>
<td>Air Quality Maintenance Area</td>
</tr>
<tr>
<td>BDT</td>
<td>Bone Dry Ton</td>
</tr>
<tr>
<td>calendar year</td>
<td>The 12-month period beginning January 1st and ending December 31st</td>
</tr>
<tr>
<td>CFR</td>
<td>Code of Federal Regulations</td>
</tr>
<tr>
<td>CO</td>
<td>carbon monoxide</td>
</tr>
<tr>
<td>CO2e</td>
<td>Carbon Dioxide equivalent</td>
</tr>
<tr>
<td>DEQ</td>
<td>Oregon Department of Environmental Quality</td>
</tr>
<tr>
<td>dscf</td>
<td>dry standard cubic foot</td>
</tr>
<tr>
<td>EPA</td>
<td>US Environmental Protection Agency</td>
</tr>
<tr>
<td>FCAA</td>
<td>Federal Clean Air Act</td>
</tr>
<tr>
<td>ft²</td>
<td>square foot</td>
</tr>
<tr>
<td>gal</td>
<td>gallon(s)</td>
</tr>
<tr>
<td>GHG</td>
<td>Greenhouse gases</td>
</tr>
<tr>
<td>gr/dscf</td>
<td>grains per dry standard cubic foot</td>
</tr>
<tr>
<td>HAP</td>
<td>Hazardous Air Pollutant as defined by LRAPA Title 44</td>
</tr>
<tr>
<td>ID</td>
<td>identification number</td>
</tr>
<tr>
<td>I&amp;M</td>
<td>inspection and maintenance</td>
</tr>
<tr>
<td>lb</td>
<td>pound(s)</td>
</tr>
<tr>
<td>LRAPA</td>
<td>Lane Regional Air Protection Agency</td>
</tr>
<tr>
<td>MBF</td>
<td>1000 board feet</td>
</tr>
<tr>
<td>MLF</td>
<td>1000 linear feet</td>
</tr>
<tr>
<td>MMBtu</td>
<td>million British thermal units</td>
</tr>
<tr>
<td>MSF</td>
<td>1000 square feet</td>
</tr>
<tr>
<td>NA</td>
<td>not applicable</td>
</tr>
<tr>
<td>NESHAP</td>
<td>National Emissions Standards for Hazardous Air Pollutants</td>
</tr>
<tr>
<td>NOₓ</td>
<td>nitrogen oxides</td>
</tr>
<tr>
<td>NSPS</td>
<td>New Source Performance Standard</td>
</tr>
<tr>
<td>NSR</td>
<td>New Source Review</td>
</tr>
<tr>
<td>O₂</td>
<td>oxygen</td>
</tr>
<tr>
<td>OAR</td>
<td>Oregon Administrative Rules</td>
</tr>
<tr>
<td>ORS</td>
<td>Oregon Revised Statutes</td>
</tr>
<tr>
<td>O&amp;M</td>
<td>operation and maintenance</td>
</tr>
<tr>
<td>Pb</td>
<td>lead</td>
</tr>
<tr>
<td>PCD</td>
<td>pollution control device</td>
</tr>
<tr>
<td>PM</td>
<td>particulate matter</td>
</tr>
<tr>
<td>PM₁₀</td>
<td>particulate matter less than 10 microns in size</td>
</tr>
<tr>
<td>PMₛ₂,₅</td>
<td>particulate matter less than 2.5 microns in size</td>
</tr>
<tr>
<td>ppm</td>
<td>part per million</td>
</tr>
<tr>
<td>PSD</td>
<td>Prevention of Significant Deterioration</td>
</tr>
<tr>
<td>PSEL</td>
<td>Plant Site Emission Limit</td>
</tr>
<tr>
<td>PTE</td>
<td>Potential to Emit</td>
</tr>
<tr>
<td>PCWP</td>
<td>Plywood &amp; Composite Wood Products</td>
</tr>
<tr>
<td>RACT</td>
<td>Reasonably Available Control Technology</td>
</tr>
<tr>
<td>scf</td>
<td>standard cubic foot</td>
</tr>
<tr>
<td>SER</td>
<td>Significant Emission Rate</td>
</tr>
<tr>
<td>SIC</td>
<td>Standard Industrial Code</td>
</tr>
<tr>
<td>SIP</td>
<td>State Implementation Plan</td>
</tr>
<tr>
<td>SO₂</td>
<td>sulfur dioxide</td>
</tr>
<tr>
<td>Special Control Area</td>
<td>As defined in LRAPA Title 29</td>
</tr>
<tr>
<td>VE</td>
<td>visible emissions</td>
</tr>
<tr>
<td>VOC</td>
<td>volatile organic compound</td>
</tr>
<tr>
<td>year</td>
<td>A period consisting of any 12 consecutive calendar months</td>
</tr>
</tbody>
</table>

KC/rr
5/1/2020
Lane Regional Air Protection Agency

BASIC
AIR CONTAMINANT DISCHARGE PERMIT
REVIEW REPORT

Heather Oak Wood Products, Inc
90984 Brown Lane
Eugene, Oregon 97402
http://www.kilnsticksource.com

<table>
<thead>
<tr>
<th>Reports</th>
<th>Annual</th>
<th>Semi-annual</th>
<th>Excess Emissions</th>
<th>NSPS</th>
<th>Size</th>
<th>Public Notice</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>Feb 15</td>
<td>N/A</td>
<td>x</td>
<td>N/A</td>
<td>Basic</td>
<td>1</td>
</tr>
</tbody>
</table>

1. The proposed permit is a renewal of an existing Basic Air Contaminant Discharge Permit (ACDP) which was issued in 2010 and expired on April 15, 2020. In 2010, the ACDP was converted from a Minimal ACDP to a Basic ACDP in accordance with the rules adopted October 14, 2008 and January 12, 2010.

2. On October 31, 2019 (#65550), an application for transfer of ownership from Collins Wood Lath, Inc. to Heather Oak Wood Products, Inc. was submitted to LRAPA. The modification of Basic ACDP #201289 to reflect the change in facility name and ownership was issued on November 7, 2019.

3. The permittee operates a woodworking facility at 90984 Brown Lane in Eugene. The facility primarily manufactures LVL (laminated veneer lumber) kiln sticks used in lumber drying kilns.

4. This facility qualifies for a Basic ACDP because the maximum 8-hour production rate is greater than 5,000 but less than 25,000 board feet.

5. The source is located in an attainment area for PM, PM$_{2.5}$, SO$_2$, NO$_x$, VOC and Lead (Pb) and in the Eugene Springfield Air Quality Maintenance Area for PM$_{10}$ and CO.

6. LRAPA has determined that sources that qualify for a Basic ACDP will not have significant emissions. In most cases the emission will not exceed 5 tons of PM or PM$_{10}$ or 10 tons of any other pollutant. Therefore, the Basic ACDP does not include Plant Site Emission Limits and it is not necessary to estimate emissions for each individual source.

7. Pursuant to LRAPA 37-0056(4), issuance of a new or renewed Basic Air Contaminant Discharge Permit requires public notice in accordance with LRAPA 31-0030(3)(a). Therefore, there will be no prior notice or public participation. However, LRAPA will maintain a list of all permit actions processed under Category I and make the list available for public review.

KC/RR
5/1/2020