

## Commonwealth of Virginia VIRGINIA DEPARTMENT OF ENVIRONMENTAL QUALITY

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Travis A. Voyles Secretary of Natural and Historic Resources Michael S. Rolband, PE, PWD, PWS Emeritus Director

#### STATEMENT OF LEGAL AND FACTUAL BASIS

US Smokeless Tobacco Company Richmond, Virginia Permit No. PRO52609

Title V of the 1990 Clean Air Act Amendments required each state to develop a permit program to ensure that certain facilities have federal Air Pollution Operating Permits, called Title V Operating Permits. As required by 40 CFR Part 70 and 9VAC5 Chapter 80, US Smokeless Tobacco Company has applied for a Title V Operating Permit for its Richmond City facility. The Department has reviewed the application and has prepared a draft Title V Operating Permit.

Permit Writer:		Date: DATE XX, 2024		
	Bethany L. Alvarez (804) 382-0413			
Air Permit Manager:	James E. Kyle, P.E.	Date: <u>DATE XX</u> , 2024		

#### **FACILITY INFORMATION**

Permittee
US Smokeless Tobacco Company
2325 Bells Road
Richmond, VA 23234

Facility
US Smokeless Tobacco Company
2303 Bells Road
Richmond, VA 23234

County-Plant ID No.: 51-760-52609

#### **FACILITY DESCRIPTION**

NAICS Code: 312230 Tobacco Manufacturing

US Smokeless Tobacco Company (USSTC) manufactures smokeless tobacco products. The facility submitted an application for a Title V renewal on July 10, 2024. The renewal incorporates three major changes from prior Title V applications. The additional operation from the revised NSR issued February 2, 2024 will be incorporated into the Title V permit. This process is the moist smokeless tobacco-leaf-free pouch packaging process (MSTLFPPP) which consists of packaging moist tobacco product into packages being sent to market. A CAM applicability analysis was completed to include the MSTLFPPP where it was not subject to its requirements. The smokeless tobacco packaging process (STPP) portion of the facility was for packing tobacco into cans for commercial sale. This previously permitted process was operated intermittently to test the equipment. The facility requested to remove this process from the Title V permit.

Although this source is a true minor source of VOC, DEQ has made a determination that USSTC be considered part of a single stationary source (Altria Bells Road Complex) under PSD and Title V programs. Per the Title V regulatory definition of a stationary source found in 9VAC5-80-60: "Stationary source" means any building, structure, facility or installation which emits or may emit any regulated air pollutant. A stationary source shall include all of the pollutant-emitting activities that belong to the same industrial grouping, are located on one or more contiguous or adjacent properties, and are under the control of the same person (or persons under common control). Pollutant-emitting activities shall be considered as part of the same industrial grouping if they belong to the same "major group" (i.e., which have the same two-digit code) as described in the Standard Industrial Classification Manual (see 9VAC5-20-21)." The four facilities that make up this complex are located on contiguous or adjacent properties and are owned by Altria and three of the companies fall under the SIC -21 for tobacco products (Altria Compounds, #52467 does not process tobacco but creates components that are used in the tobacco industry).

The Bells Road Complex consists of USSTC (#52609), which packages smokeless tobacco and smokeless tobacco-leaf-free products; PMUSA Manufacturing Center Complex (#50076), which

processes and flavors tobacco and makes cigarettes; and the John Middleton Company (JMC) (#52608), which manufactures and packages cigars. Altria Compounds LLC (ACL) (#52467) makes and distributes flavorings and manufactures smokeless tobacco-leaf-free components. Due to the managerial structure of Altria and its relationship to these companies, as well as the non-interconnectedness of the management and operations of the four companies at this complex, DEQ is issuing each of these companies a separate Title V permit. Each permit includes applicable requirements for that particular facility – there are no specific requirements applicable to the entire Altria Bells Road Complex. Each facility has its own responsible official that certifies compliance with its own Title V permit.

The USSTC commenced operation on November 2, 2017. The NSR permit that was issued on February 2, 2024, updated the TV permit to include the new STLFPPP (PK0301UST-II).

The ACL commenced operation in early 2020. They operated under a minor NSR permit issued on August 20, 2020 (amended April 23, 2021, August 30, 2021, and December 6, 2022). Their initial Title V permit was issued February 1, 2023.

The PMUSA Manufacturing Center Complex has been operating since 1974 and received an initial Title V permit in 2004. It currently operates under three minor NSR permits, and a Title V permit renewal was issued on September 1, 2024 and NSR issued September 23, 2024.

The JMC facility commenced operation on May 30, 2017. Their initial Title V permit was effective January 1, 2019 with a renewal on January 1, 2024. Their most recent minor NSR permit was issued on May 4, 2018.

The Altria Bells Road Complex is a Title V major source of VOC, NO<sub>x</sub>, and SO<sub>2</sub>. This complex is located in an attainment area for all pollutants and is a PSD major-sized source. Permitted emissions from each facility are as follows:

Facility	VOC TPY	NOx TPY	SO <sub>2</sub> TPY
50076 PMUSA MCC*	242.4	179.6	159.5
52608 JMC	24.4		
52609 USSTC	6.7		
52467 ACL	14.5	1.0	
Total for complex	288	180.6	159.5

\*PM USA Manufacturing Center Complex has an aggregate fossil fuel-fired boiler capacity of over 250 mmBtu/hr heat input with a PTE for VOC, NOx and SO<sub>2</sub> over 100 tons per year.

PSD permitting has not been triggered for the Altria Bells Road Complex since projects conducted at this complex have not been deemed significant as per 9VAC5-80-1615.C of the Virginia regulations (no emission increase/net emission increase in VOC, NOx, or SO<sub>2</sub> over 40 tons).

#### **COMPLIANCE STATUS**

A full compliance evaluation of the USSTC facility, including a site visit, was most recently conducted on June 22, 2021. In addition, all reports and other data required by permit conditions or regulations, which are submitted to DEQ, are evaluated for compliance. Based on these compliance evaluations, the facility has not been found to be in violation of any state or federal applicable requirements at this time.

#### **EMISSION UNITS**

Please refer to the Emission Units Table on page 3 of the Title V permit.

#### **EMISSIONS INVENTORY**

Emissions from the USSTC facility in 2023 are summarized in the following tables. Criteria Pollutant and Greenhouse Gas Emissions in tons/year

Emissions	PM	PM10	PM2.5	VOC	GHG
Totals	1.08	1.08	1.08	0	0

2023 Facility Hazardous Air Pollutant (HAP) Emissions

Pollutant	Tons/year
None	

### EMISSION UNIT APPLICABLE REQUIREMENTS: SMOKELESS TOBACCO-LEAF-FREE POUCH PACKAGING PROCESS (STLFPPP)

(PK0301UST-I and PK0301UST-II)

#### Limitations

- Condition 3 and 4 of the 02/02/2024 Minor NSR permit (Condition 1 and 2 of the Title V permit) requires particulate matter emissions from the STLFPPP be controlled by one of two baghouses on PK0301UST-I and PK0301UST-II. *This condition is cited as a BACT condition in the permit.*
- Condition 13 and 14 of the 02/02/2024 Minor NSR permit (Condition 3 and 4 of the Title V permit) limits the throughput of smokeless tobacco to the PK0301UST-I and PK0301UST-II. Although not cited as a BACT condition, this limitation provides an enforceable limitation on particulate matter emissions on an annual basis.
- Conditions 17 and 18 of the 02/02/2024 Minor NSR permit (Conditions 5 and 6 of the Title V permit) limit particulate matter emissions from the STLFPPP baghouses on PK0301UST-I. These conditions are cited as BACT conditions in the permit. Compliance with the limitations in Conditions 17 and 18 of the 02/02/2024 Minor NSR permit (Conditions 5 and 6 of the TV permit) is based on compliance with the control requirement of Condition 3 of the NSR permit (Condition 1 of the Title V permit) and compliance with the baghouse monitoring in Condition 7 of the NSR permit (Condition 10 of the Title V permit).

- Conditions 19 and 20 of the 02/02/2024 Minor NSR permit (Conditions 7 and 8 of the Title V permit) implements emission limits for Combined particulate matter emissions from the STLFPPP process (PK0301UST-II) as exhausted from the baghouses. These conditions are cited as BACT conditions in the permit. Compliance with the limitations in Conditions 19 and 20 of the 02/02/2024 Minor NSR permit (Conditions 7 and 8 of the TV permit) is based on compliance with the control requirement of Condition 4 of the NSR permit (Condition 2 of the Title V permit) and compliance with the baghouse monitoring in Condition 7 of the NSR permit (Condition 10 of the Title V permit).
- Condition 22 of the 02/02/2024 Minor NSR permit (Condition 9 of the Title V permit) limits visible emissions for the baghouses on the STLFPPP. *This fulfills the requirement of Part 70 periodic monitoring, which also ensures that the BACT equipment is operating normally.*

#### **Monitoring**

- Conditions 7 and 8 of the 02/02/2024 Minor NSR permit (Conditions 10 and 11 of the Title V permit) require that the baghouses controlling particulate matter emissions from the STLFPPP be equipped with devices to measure the differential pressure drop across the baghouses and to observe those devices weekly. These conditions ensure the BACT equipment is operating normally.
- Conditions 9 and 10 of the 02/02/2024 Minor NSR permit (Condition 12 and 13 of the Title V permit) requires monthly visible emissions monitoring for the baghouses on the STLFPPP. This fulfills the requirement of Part 70 periodic monitoring, which also ensures that the BACT equipment is operating normally.

#### **Records and Reporting**

- Condition 23 of the 02/02/2024 Minor NSR permit (Condition 14 of the Title V permit) requires the facility to keep records that can demonstrate compliance with the permit. By maintaining records on site the facility will be in compliance with 9VAC5-50-50 and should be able to demonstrate compliance with the permit
- Condition 15 of the Title V permit requires semi-annual reporting of deviations that would indicate exceedance of the annual throughput limit and reporting of excess emissions from the STLFPPP PK0301UST-I and PK0301UST-II. This is a requirement for semi-annual reporting and excess emissions reporting as per 9VAC5-50-50.C of the Virginia Regulations.

# EMISSION UNIT APPLICABLE REQUIREMENTS: MOIST SMOKELESS TOBACCO-LEAF-FREE POUCH PACKAGING PROCESS (MSTLFPPP) (PK0401UST)

#### Limitations

• Condition 5 of the 02/02/2024 Minor NSR permit (Condition 16 of the Title V permit) requires VOC emissions from the MSTLFPPP be controlled by limiting annual production of moist smokeless tobacco-leaf-free produce. Although not cited as a BACT condition, this limitation provides an enforceable limitation on particulate matter emissions on an annual basis.

- Condition 6 of the 02/02/2024 Minor NSR permit (Condition 17 of the Title V permit) requires particulate matter emissions from the MSTLFPPP be controlled by twelve cartridge filters (BH1201UST to BH2301), of which six vent indoors and six vent to the ambient air through a common stack. *This condition is cited as a BACT condition in the permit.*
- Condition 2 of the 02/02/2024 Minor NSR permit (Condition 18 of the Title V permit) ensures that VOC is properly disposed of when operating. This is a part of the VOC Work Practice Standards.
- Condition 15 of the 02/02/2024 Minor NSR permit (Condition 19 of the Title V permit) limits the throughput of smokeless tobacco to the PK0401UST. Although not cited as a BACT condition, this limitation provides an enforceable limitation on particulate matter emissions on an annual basis.
- Condition 21 of the 02/02/2024 Minor NSR permit (Condition 20 of the Title V permit) limit particulate matter and VOC emissions from the MSTLFPPP process on PK0401UST. Although not cited as BACT conditions in the permit, compliance with the limitations in Condition 21 of the 02/02/2024 Minor NSR permit and Condition 20 of the title V permit is based on Condition 6 of the 02/02/2024 Minor NSR permit and Condition 17 of the Title V permit.
- Condition 22 of the 02/02/2024 Minor NSR permit (Condition 21 of the Title V permit) limits visible emissions from the baghouse stacks to 5% opacity. This condition remains the same from the 2024 NSR permit and includes baghouses from PK0401UST. This condition is cited as a BACT condition because it is based on the control efficiency of the baghouses. The short-term limits in Condition 21 of the NSR permit (Condition 20 of the Title V permit) would indicate that visible emissions from the baghouses controlling the MSTLFPPP would be minimal.

#### **Monitoring**

• Condition 11 of the 02/02/2024 Minor NSR permit (Condition 22 of the Title V permit) requires monthly visible emissions monitoring for the baghouses on the MSTLFPPP. *This fulfills the requirement of Part 70 periodic monitoring, which also ensures that the BACT equipment is operating normally.* 

#### **Records and Reporting**

- Condition 23 of the 02/02/2024 Minor NSR permit (Condition 23 of the Title V permit) requires the facility to keep records that can demonstrate compliance with the permit. By maintaining records on site the facility will be in compliance with 9VAC5-50-50 and should be able to demonstrate compliance with the permit
- Condition 24 of the Title V permit requires semi-annual reporting of deviations that would indicate exceedance of the annual throughput limit and reporting of excess emissions from the MSTLFPPP PK0401UST. This is a requirement for semi-annual reporting and excess emissions reporting as per 9VAC5-50-50.C of the Virginia Regulations.
- Condition 24 of the 02/02/2024 Minor NSR permit (Condition 25 of the Title V permit) requires the facility to submit an initial notification for the start up date of MSTLFPPP. The facility had previously submitted an initial notification for the construction of process.

#### **OBSOLETE REQUIREMENTS**

The STPP process which includes conditions 1, 2, 4, 16, & 23 of the February 2, 2024 Minor NSR permit (Conditions 1 through 8 in the current Title V permit dated June 18, 2024 has been removed from the Title V permit as requested by the facility. This includes all limitations, monitoring, and recordkeeping/reporting requirements. The facility submitted a mutual determination of shutdown letter for the process prior to the completion of the renewal application but had not been fully executed.

#### **INSIGNIFICANT EMISSION UNITS**

Condition 26 of the Title V permit includes a table that lists the insignificant emission units. There are no insignificant emission units identified in the Title V permit application.

#### **INAPPLICABLE REQUIREMENTS**

Condition 27 of the Title V permit includes a table that lists the Inapplicable Requirements for the facility. There are no inapplicable requirements for this facility.

#### **GENERAL CONDITIONS**

Conditions 28 through 59 of the Title V permit are general conditions required by 40 CFR Part 70 and 9VAC5-80-110 that apply to all Federal-operating permitted sources. These include requirements for submitting semi-annual monitoring reports and an annual compliance certification report. The permit also requires notification of deviations from permit requirements or any excess emissions.

#### **Comments on General Conditions**

#### **Permit Expiration**

This condition refers to the Board taking action on a permit application. The Board is the State Air Pollution Control Board. The authority to take action on permit application(s) has been delegated to the Regions as allowed by §§2.1-20.01:2 and §§10.1-1185 of the *Code of Virginia*, and the "Department of Environmental Quality Agency Policy Statement No. 3-2001".

This general condition cite(s) the Article(s) that follow(s): Article 1 (9VAC5-80-50 et seq.), Part II of 9VAC5 Chapter 80. Federal Operating Permits for Stationary Sources

This general condition cites the sections that follow: 9VAC5-80-80. Application 9VAC5-80-140. Permit Shield 9VAC5-80-150. Action on Permit Applications

#### Failure/Malfunction Reporting

Section 9VAC5-20-180 requires malfunction and excess emission reporting within four hours of discovery. Section 9VAC5-80-250 of the Title V regulations also requires malfunction reporting; however, reporting is required within two days. Section 9VAC5-20-180 is from the general regulations. All affected facilities are subject to section 9VAC5-20-180 including Title V facilities. Section 9VAC5-80-250 is from the Title V regulations. Title V facilities are subject to both sections. A facility may make a single report that meets the requirements of 9VAC5-20-180 and 9VAC5-80-250. The report must be made within four daytime business hours of discovery of the malfunction.

#### **Permit Modification**

This general condition cites the sections that follow:

9VAC5-80-50. Applicability, Federal Operating Permit For Stationary Sources

9VAC5-80-190. Changes to Permits.

9VAC5-80-260. Enforcement.

9VAC5-80-1100. Applicability, Permits For New and Modified Stationary Sources

9VAC5-80-1790. Applicability, Permits For Major Stationary Sources and Modifications

Located in Prevention of Significant Deterioration Areas

9VAC5-80-2000. Applicability, Permits for Major Stationary Sources and Major Modifications Locating in Nonattainment Areas

#### **Asbestos Requirements**

The Virginia Department of Labor and Industry under Section 40.1-51.20 of the Code of Virginia also holds authority to enforce 40 CFR 61 Subpart M, National Emission Standards for Asbestos.

This general condition contains a citation from the Code of Federal Regulations that follow: 40 CFR 61.145, NESHAP Subpart M. National Emissions Standards for Asbestos as it applies to demolition and renovation.

40 CFR 61.148, NESHAP Subpart M. National Emissions Standards for Asbestos as it applies to insulating materials.

40 CFR 61.150, NESHAP Subpart M. National Emissions Standards for Asbestos as it applies to waste disposal.

This general condition cites the regulatory sections that follow: 9VAC5-60-70. Designated Emissions Standards

9VAC5-80-110. Permit Content

#### **COMPLIANCE PLAN**

No compliance plan is required at this time.

#### **CONFIDENTIAL INFORMATION**

The permittee submitted a request for confidentiality of some equipment capacities, however, all

portions of the Title V permit and application are suitable for public review.

#### **PUBLIC PARTICIPATION**

The proposed permit was placed on public notice from November 20, 2024 to December 20, 2024. The notice was published in the Richmond Times-Dispatch newspaper on November 20, 2024.