



APR 15 2013

Bob Bennett
Silgan Containers Manufacturing Corp.
4216 Kiernan Ave STE 101
Modesto, CA 95356

Re: Notice of Preliminary Decision – Emission Reduction Credits
Facility Number: C-2253
Project Number: C-1123501

Dear Mr. Bennett:

Enclosed for your review and comment is the District's analysis of Silgan Containers Manufacturing Corp.'s application for Emission Reduction Credits (ERCs) resulting from the shutdown of all emissions units, at 1101 Marion St, Kingsburg, CA. The quantity of ERCs proposed for banking is 14,408 lb-VOC/yr.

The notice of preliminary decision for this project will be published approximately three days from the date of this letter. After addressing all comments made during the 30-day public notice comment period, the District intends to issue the ERCs. Please submit your written comments on this project within the 30-day public comment period, as specified in the enclosed public notice.

Thank you for your cooperation in this matter. If you have any questions regarding this matter, please contact Mr. Juscelino Siongco of Permit Services at (559) 230- 5891.

Sincerely,

David Warner
Director of Permit Services

DW:jms

Enclosures

cc: Mike Tollstrup, CARB (w/enclosure) via email
cc: Gerardo C. Rios, EPA (w/enclosure) via email

Seyed Sadredin
Executive Director/Air Pollution Control Officer

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4800 Enterprise Way
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**NOTICE OF PRELIMINARY DECISION
FOR THE PROPOSED ISSUANCE OF
EMISSION REDUCTION CREDITS**

NOTICE IS HEREBY GIVEN that the San Joaquin Valley Unified Air Pollution Control District solicits public comment on the proposed issuance of Emission Reduction Credits to Silgan Containers Manufacturing Corp. for the shutdown of all emissions units, at 1101 Marion St, Kingsburg, CA. The quantity of ERCs proposed for banking is 14,408 lb-VOC/yr.

The analysis of the regulatory basis for this proposed action, Project #C-1123501, is available for public inspection at http://www.valleyair.org/notices/public_notices_idx.htm and at any District office. For additional information, please contact the District at (559) 230-6000. Written comments on this project must be submitted by May 20, 2013
**DAVID WARNER, DIRECTOR OF PERMIT SERVICES, SAN JOAQUIN VALLEY
UNIFIED AIR POLLUTION CONTROL DISTRICT, 1990 EAST GETTYSBURG
AVENUE, FRESNO, CA 93726.**

Emission Reduction Credit Banking Application Review

Shutdown of Metal Can Manufacturing Facility

Processing Engineer: Juscelino Siongco

Lead Engineer: Martin Keast

Date: March 12, 2013

Facility Name: Silgan Containers Manufacturing Corp.
Mailing Address: 4216 Kiernan Ave, Suite 101
Modesto, CA 95356

Primary Contact: Bob Bennett
Phone: (209) 863-3116

Facility Location: 1101 Marion St
Kingsburg, CA 93631

Deemed Complete Date: March 1, 2013
Project Number: C-1123501

I. Summary:

Silgan Containers Manufacturing Corp. manufactures metal cans for the food processing industry. The facility operated metal sheet coating lines as well as can body welding and coating lines. The emission reductions were generated by the shutdown of the entire stationary source on November 9, 2012. While there were four can lines operating in the facility, only permit unit C-2253-4 used application of liquid side stripe that generated VOC emissions requested for emission reduction credit (ERC) banking. Copies of the surrendered PTOs are included in Attachment A of this document.

Based on the historical coating usage prior to the shutdown, the amounts of bankable Actual Emission Reductions (AER's) for VOC emissions are as shown in the table below. These values are calculated in Section V of this document:

Bankable Emissions Reductions Credits (ERC's)				
Pollutant	1st Qtr. ERC's (lb/qtr)	2nd Qtr. ERC's (lb/qtr)	3rd Qtr. ERC's (lb/qtr)	4th Qtr. ERC's (lb/qtr)
VOC	4,279	3,921	3,042	3,166

II. Applicable Rules:

Rule 2201 - New and Modified Stationary Source Review Rule (4/21/11)
Rule 2301 - Emission Reduction Credit Banking (12/17/92)
Rule 4604 – Can and Coil Coating Operations (9/20/07)

III. Location of Reductions:

The facility is located at 1101 Marion St. in Kingsburg, CA.

IV. Method of Generating Reductions:

The AER's were generated by shutting down of the entire facility. While there were four permit units (C-2253-4, C-2253-5, C-2253-6, and C-2253-8) involved with the can manufacturing and coating operations at the facility, only permit unit C-2253-4 used side seam coatings that is responsible for the VOC emissions generated at the site. Therefore, only VOC emission from permit unit C-2253-4 will be evaluated for ERC banking.

C-2253-4-1:

SIDE SEAM STRIPE SPRAY OPERATION ON CANNING LINE #2 INCLUDING A 0.8 MMBTU/HR NATURAL GAS-FIRED CURING OVEN

V. Calculations:

A. Assumptions

- Annual and quarterly emissions will be rounded to the nearest whole pound in accordance with District Policy APR-1105, Use of Significant Figures, Sections I, III, and IV.
- Only VOC emissions from the side seam coating application are proposed for ERCs.

B. Emission Factors (EF's)

The emission factors used to determine the emissions from the shutdown of the canning line will be the most conservative of the following applicable limits.

District Rule 4604:

A review of the permit shows that the emission factor for three-piece can side seam spray of 660 g/l (5.51 lb/gal) imposed on the permit is compliance with District Rule 4604 requirement.

Coating Manufacturer Data:

The following table summarizes the coating VOC content as provided by the coating manufacturer in their material safety data sheet (MSDS).

3-Piece Can Manufacturing Line Materials		
Material ID (Manufacturer)	Material Type	VOC content (lb/gal)
		As-applied, Less water and exempt compounds
21S18AA (Valspar)	Side seam liquid coating	5.47
2238862 (PPG)	Side seam liquid coating	4.66

C. Baseline Period Determination and Data

Baseline Period Determination:

In accordance with District Rule 2201, Section 3.8, the baseline period is the two consecutive years of operation immediately prior to the submission of the complete application; or another period of at least two consecutive years within the five years immediately prior to the submission of the complete application if it is more representative of normal source operations.

Application to bank the Emission Reduction Credits (ERCs) from the shutdown of the operation was submitted on December 6, 2012. The facility ceased operation on November 9, 2012. The facility submitted quarterly coating usage data for the time the canning line was in operation. Since the usage data immediately before the submission of the application was incomplete, the representative quarter periods will be from 4th quarter 2010 through 3rd quarter 2012. This period is at least two consecutive years within the five years immediately prior to the submission of a complete application.

The following is the quarterly coating usage from 4th quarter 2010 through 3rd quarter 2012.

Quarter/Year	Coating Material	Usage (gal)
4 th /2010	P2238862	731
	21S18AA	195
1 st /2011	P2238862	965
2 nd /2011	P2238862	862
3 rd /2011	P2238862	458
	21S18AA	114
4 th /2011	P2238862	550
1 st /2012	P2238862	1,075

2 nd /2012	P2238862	875
	21S18AA	109
3 rd /2012	P2238862	855
	21S18AA	3

D. Historical Actual Emissions (HAE's)

Historical Actual Emissions (HAE) are emissions having actually occurred and are calculated using natural gas consumption and recognized emission factors, per Rule 2201, Section 3.21. For the purposes of ERC banking, creditable emissions are emissions from a source which can be demonstrated as having actually occurred. The actual emissions will be determined as follows:

The annual Historical Actual Emissions (HAE) are calculated by multiplying the emission factors for each pollutant (lb/gal) by the coating usage for that quarter (gal). Since the coating's VOC content (lb/gal) provided by the manufacturer is more conservative than District Rule 4604 and permit's VOC content limit, the manufacturer's coating VOC content will be used to determine the HAE as shown in the following table.

$$HAE_{VOC} = \text{Liquid coating usage per qtr (gal/qtr)} \times \text{HAE VOC content (lb/gal)}$$

Quarter/Year	Coating Material	Usage (gal)	VOC Content (lb/gal) as applied, less water and exempt compounds	lb/qtr	Total lb/qtr
4 th /2010	P2238862	731	4.66	3,406	4,473
	21S18AA	195	5.47	1,067	
1 st /2011	P2238862	965	4.66	4,497	4,497
2 nd /2011	P2238862	862	4.66	4,017	4,017
3 rd /2011	P2238862	458	4.66	2,134	2,758
	21S18AA	114	5.47	624	
4 th /2011	P2238862	550	4.66	2,563	2,563
1 st /2012	P2238862	1,075	4.66	5,010	5,010
2 nd /2012	P2238862	875	4.66	4,078	4,674
	21S18AA	109	5.47	596	
3 rd /2012	P2238862	855	4.66	3,984	4,001
	21S18AA	3	5.47	16	

The following calculation is representative of the average quarterly emissions in the table below.

$$1^{\text{st}} \text{ Quarter Emissions} = (1^{\text{st}} \text{ Qtr } 2011 + 1^{\text{st}} \text{ Qtr } 2012)/2$$

1 st Quarter Emissions	4,754 lb-VOC/qtr
2 nd Quarter Emissions	4,346 lb-VOC/qtr
3 rd Quarter Emissions	3,380 lb-VOC/qtr
4 th Quarter Emissions	3,518 lb-VOC/qtr

E. Adjustments to HAE's

Pursuant to Section 3.23 of Rule 2201, Historical Actual Emissions must be discounted for any emissions reduction which, is:

- required or encumbered by any laws, rules, regulations, agreements, orders, or
- attributed to a control measure noticed for workshop, or proposed or contained in a State Implementation Plan, or
- proposed in the District Air Quality Plan for attaining the annual reductions required by the California Clean Air Act.

In the case of shutdowns AER = HAE, unless the HAE must be discounted for any required emissions reductions. As shown in section VI.E of this document, the HAE are surplus and no adjustments to HAE are required.

F. Actual Emissions Reductions (AER's):

The AER's summarized from Section V.D. are presented in the tables below:

Total Actual Emission Reductions (AER)				
Pollutant	1 st Qtr. AER (lb/qtr)	2 nd Qtr. AER (lb/qtr)	3 rd Qtr. AER (lb/qtr)	4 th Qtr. AER (lb/qtr)
VOC	4,754	4,346	3,380	3,518

G. Air Quality Improvement Deduction

In accordance with District Rule 2201, Sections 3.6 and 4.12.1, prior to banking, all AER's shall be discounted by 10 percent (10%) for Air Quality Improvement Deduction (AQID). The AQID for the AER's associated with this project are shown in the table below:

Air Quality Improvement Deduction (AQID)				
Pollutant	1st Qtr. AQID (lb/qtr)	2nd Qtr. AQID (lb/qtr)	3rd Qtr. AQID (lb/qtr)	4th Qtr. AQID (lb/qtr)
VOC	475	425	338	352

H. Bankable ERC's

The bankable ERC's are determined by subtraction of the AQID's from the AER's and are summarized in the following table.

Bankable Emissions Reductions Credits (ERC's)				
Pollutant	1st Qtr. ERC's (lb/qtr)	2nd Qtr. ERC's (lb/qtr)	3rd Qtr. ERC's (lb/qtr)	4th Qtr. ERC's (lb/qtr)
VOC	4,279	3,921	3,042	3,166

VI. Compliance:

To comply with the definition of Actual Emissions Reductions (Rule 2201, Section 3.2.1 and Rule 2301, Sections 3.6 and 4.2.1), the reductions must be:

A. Real

The emission reductions were generated by the permanent shutdown of all emission units at the stationary source. Therefore, the emission reductions are real.

B. Enforceable

All of the facility's Permits to Operate have been surrendered to the District. Operation of the equipment without permits would result in enforcement action being taken. Therefore, the reductions are enforceable.

C. Quantifiable

The baseline emissions were calculated utilizing actual baseline period coating usages and VOC contents. Therefore, the reductions are quantifiable.

D. Permanent

All of the facility's Permits to Operate have been surrendered to the District. Operation of the equipment without permits would result in enforcement action being taken. Moreover, there is no clear evidence that production from this facility will be shifted to other can manufacturing facilities in the District. In this case, the decreased demand for canned food products is what has caused this

facility to shut down. Therefore, the reductions are considered to be permanent.

E. Surplus

1. Rules and Regulations:

To be considered surplus, Actual Emission Reductions shall be in excess, at the time the application for an Emission Reduction Credit or an Authority to Construct authorizing such reductions is deemed complete, of any emissions reduction which:

- Is required or encumbered by any laws, rules, regulations, agreements, orders, or
- Is attributed to a control measure noticed for workshop, or proposed or contained in a State Implementation Plan, or
- Is proposed in the APCO's adopted air quality plan pursuant to the California Clean Air Act.

San Luis Obispo County Air Pollution Control District, Monterey Bay Unified Air Pollution Control District, and Yolo Solano Air Quality Management District do not have Rules for can manufacturing operations. The following air districts in California have Rules for can manufacturing operations:

SJVAPCD Rule 4604: Can and Coil Coating Operations (September 20, 2007)

San Diego APCD Rule 67.4: Metal Container, Metal Closure, and Metal Coil Coating Operations (May 15, 1996)

Sac Metro APCD Rule 452: Can Coating (September 5, 1996)

SCAQMD Rule 1125: Metal Container, Closure, and Coil Coating Operations (January 13, 1995)

BAAQMD Rule 11: Metal Container, Closure, and Coil Coating (November 19, 1997)

These Rules' requirements will be used to ensure the VOC emissions from the coating operations are surplus. As of the date of this banking action, District Rule 4604 is not listed in any District attainment plans (ozone or PM2.5), and it has not been noticed for future revisions or work shopping.

3-Piece Can Manufacturing Line Material Surplus Analysis:

The 3-piece can manufacturing line did not utilize an emission control system. Therefore, in order to determine if the proposed VOC emission reductions are surplus, it is necessary to compare the VOC contents of each individual coating used during the baseline period to that which would have been allowable for use under each of the above Rules, as shown in the following tables.

Whichever VOC content is lower will be used to calculate the surplus historical actual VOC emission (HAE) reductions.

3-Piece Can Manufacturing Line Coating Material Surplus Analysis									
Material	Type	VOC content (lb/gal)		Rule 4604	Rule 67.4	Rule 452	Rule 1125	Rule 11	HAE VOC Cont.
		As-applied	Less H ₂ O and exempts						
21S18AA	Side seam liquid coating	5.47	5.47	5.51	5.51	5.51	5.5	5.5	5.47
2238862		4.66	4.66						4.66

2. Permitted Emission Limitations:

The combined VOC emissions from this permit unit was limited to 145.4 lb/day. In the 1st Quarter 2012, these can manufacturing lines had the highest cumulative VOC emissions during the baseline period. Since there are 90 days in the 1st quarter, the corresponding worst-case actual combined daily VOC emissions were:

$$5,010 \text{ lb-VOC/Q1} / 90 \text{ day/Q1} = 55.7 \text{ lb-VOC/day}$$

The annual VOC emissions from this permit unit was limited to 19,999 lb/yr on a 12-month rolling basis. Since only quarterly coating usage were submitted, the following calculations for the annual VOC emissions on a quarterly rolling basis are as follows.

$$\begin{aligned} \text{Annual VOC} &= 4^{\text{th}} \text{ Qtr}/2010 + 1^{\text{st}} \text{ Qtr}/2011 + 2^{\text{nd}} \text{ Qtr}/2011 + 3^{\text{rd}} \text{ Qtr}/2011 \\ &= 4,473 + 4,497 + 4,017 + 2,758 \\ &= 15,745 \text{ lb-VOC/yr} \end{aligned}$$

$$\begin{aligned} \text{Annual VOC} &= 1^{\text{st}} \text{ Qtr}/2011 + 2^{\text{nd}} \text{ Qtr}/2011 + 3^{\text{rd}} \text{ Qtr}/2011 + 4^{\text{th}} \text{ Qtr}/2011 \\ &= 4,497 + 4,017 + 2,758 + 2,563 \\ &= 13,835 \text{ lb-VOC/yr} \end{aligned}$$

$$\begin{aligned} \text{Annual VOC} &= 2^{\text{nd}} \text{ Qtr}/2011 + 3^{\text{rd}} \text{ Qtr}/2011 + 4^{\text{th}} \text{ Qtr}/2011 + 1^{\text{st}} \text{ Qtr}/2012 \\ &= 4,017 + 2,758 + 2,563 + 5,010 \\ &= 14,348 \text{ lb-VOC/yr} \end{aligned}$$

$$\begin{aligned} \text{Annual VOC} &= 3^{\text{rd}} \text{ Qtr}/2011 + 4^{\text{th}} \text{ Qtr}/2011 + 1^{\text{st}} \text{ Qtr}/2012 + 2^{\text{nd}} \text{ Qtr}/2012 \\ &= 2,758 + 2,563 + 5,010 + 4,674 \\ &= 15,005 \text{ lb-VOC/yr} \end{aligned}$$

$$\begin{aligned} \text{Annual VOC} &= 4^{\text{th}} \text{ Qtr}/2011 + 1^{\text{st}} \text{ Qtr}/2012 + 2^{\text{nd}} \text{ Qtr}/2012 + 3^{\text{rd}} \text{ Qtr}/2012 \\ &= 2,563 + 5,010 + 4,674 + 4,001 \\ &= 16,248 \text{ lb-VOC/yr} \end{aligned}$$

As shown in the above calculations for the daily and annual VOC emissions, this equipment operated in compliance with its permit conditions during the baseline period.

3. Summary:

The operation's actual VOC emissions were calculated using the discounted VOC contents. Also, the side seam stripe spray operation was operated in compliance with its permitted limits during the baseline period. Moreover, the emission reductions were made voluntarily and were not required by any present or pending regulation. Therefore, the proposed VOC emission reductions from this operation are surplus.

F. Timely submittal

Section 5.5 of Rule 2301 – Emissions Reduction Credit Banking (12/17/92) states that ERC certificate applications for reductions shall be submitted within 180 days after the emission reduction occurs. The ERC application was received on December 6, 2012. The facility was shut down on November 9, 2012. Therefore, the application was submitted in a timely fashion.

VII. Recommendation:

Pending a successful Public Noticing period, issue Emission Reduction Credit certificates C-1208-1 (VOC) to Silgan Containers Manufacturing Corp. in accordance with the amounts specified on the draft ERC certificate in Attachment D.

Attachments:

- Attachment A: Surrendered PTOs C-2253-4-1, -5-0, -6-0, and -8-0
- Attachment B: ERC Application
- Attachment C: Quarterly Coating Usage
- Attachment D: Draft ERC Certificate

Attachment A

Surrendered PTOs

C-2253-4-1, -5-0, -6-0, and -8-0

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: C-2253-4-1

EXPIRATION DATE: 07/31/2017

EQUIPMENT DESCRIPTION:

SIDE SEAM STRIPE SPRAY OPERATION ON CANNING LINE #2 INCLUDING A 0.8 MMBTU/HR NATURAL GAS-FIRED CURING OVEN

PERMIT UNIT REQUIREMENTS

1. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
2. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101]
3. All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. [District Rule 2201]
4. The curing oven shall be fired exclusively on natural gas. [District Rule 2201]
5. The total VOC emissions from line #2 operation shall not exceed 145.4 lb/day. [District Rule 2201]
6. The total VOC emissions from the entire facility shall not exceed 145.4 lb/day. [District Rule 2201]
7. Annual VOC emissions shall not exceed 19,999 lb/yr., based on a 12 month rolling average. [District Rule 2201]
8. Filters shall be installed in the exhaust stacks which vent the side seam stripe coating operation. [District Rule 2201]
9. The exhaust stacks which vent the side seam stripe coating operation shall be covered by weather hats. [District Rule 2201]
10. VOC content of any coatings as applied, excluding water and exempt compounds, used for any can coating line shall not exceed any of the following limits: Sheet base coat (exterior and interior) and overvarnish 225 g/l, Two-piece can exterior basecoat and overvarnish 250 g/l, Interior and exterior body spray or rollcoat 420 g/l, Three-piece can side seam spray 660 g/l and End Sealing Compound 20 g/l. [District Rule 4604]
11. VOC content of any coatings as applied, excluding water and exempt compounds, used for coil coating line shall not exceed 200 g/l for Prime and topcoat for single coat operation. [District Rule 4604]
12. All fresh or spent coatings, adhesives, catalysts, thinners and solvents shall be stored in closed containers. Solvent laden cloth or paper shall be stored and disposed in closed non-absorbent containers. [District Rule 4604]
13. Cleaning activities that use solvents with a VOC content greater than 25 g/l (0.21 lb/gallon) of material shall be performed by one or more of the following methods: wipe cleaning; application of solvent from hand-held spray bottles from which solvents are dispensed without a propellant-induced force; non-atomized solvent flow method in which the cleaning solvent is collected in a container or a collection system which is closed except for solvent collection openings and, if necessary, openings to avoid excessive pressure build-up inside the container; or solvent flushing method in which the cleaning solvent is discharged into a container that is closed except for solvent collection openings and, if necessary, openings to avoid excessive pressure build-up inside the container. The discharged solvent from the equipment must be collected into containers without atomizing into the open air. The solvent may be flushed through the system by air or hydraulic pressure, or by pumping. [District Rule 4604]

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

These terms and conditions are part of the Facility-wide Permit to Operate.

14. The permittee shall not use materials with a VOC content greater than 25 g/l (0.21 lb/gallon) of material for spray equipment clean-up unless an enclosed system or equipment proven to be equally effective is used for cleaning [District Rule 4604]
15. VOC content of solvents used shall not exceed the following: product cleaning during manufacturing process or surface preparation for coating application: 70 g/l (0.58 lb/gal) of material, repair and maintenance cleaning: 50 g/l (0.42 lb/gal) of material, and cleaning of coating application equipment: 950 g/l (7.9 lb/gal) of material and solvent vapor pressure of 35 mm Hg at standard conditions. [District Rule 4604]
16. VOC content of solvents used shall not exceed the following: product cleaning during manufacturing process or surface preparation for coating application: 25 g/l (0.21 lb/gal) of material, repair and maintenance cleaning, and cleaning of coating application equipment: 250 g/l (2.3 lb/gal) of material. [District Rule 4604]
17. Permittee shall maintain daily records of the following: quantity and type of coatings used, mix ratios of volume of components added to each coating, volume of coatings applied, VOC content of each coating as applied, and VOC content of each solvent. [District Rule 4604]
18. Permittee shall keep the following records for solvent cleaning activities: manufacturers product data sheet or MSDS of solvents used, VOC content of solvents in g/l or lb/gal, and the type of cleaning activity in which each solvent is used. [District Rule 4604]
19. Daily records for solvent cleaning activities shall include the composite partial pressure of the solvent expresses in mm Hg at 20°C (68°F). [District Rule 4604]
20. Records shall be retained on-site for a minimum of five years and made available for District inspection upon request. [District Rule 4604]

These terms and conditions are part of the Facility-wide Permit to Operate.

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: C-2253-5-0

EXPIRATION DATE: 07/31/2017

EQUIPMENT DESCRIPTION:

THREE PIECE CAN SIDE SEAM COATING AND CURING LINE (LINE #3) WITH A CORONA MODEL #MWM 6000 WELDER, A SOUDRONIC MODEL P-60 POWDER SIDE STRIPE APPLICATOR, AND A PERMIT EXEMPT NATURAL GAS-FIRED CURING OVEN (< 20.0 MMBTU/DAY HEAT INPUT)

PERMIT UNIT REQUIREMENTS

1. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
2. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101]
3. The curing oven shall be fired on Public Utility Commission (PUC) regulated natural gas only. [District Rules 2201 and 4801]
4. The amount of powder coating material applied by the powder coating operation shall not exceed 250 pounds per day. [District Rule 2201]
5. PM10 emissions from the inside side seam applicator shall not exceed 0.0000212 lb-PM10/lb of powder coating. [District Rule 2201]
6. Only Vernicolor AG Vercodur VP 99 colorless powder shall be used in this powder side stripe applicator operation. [District Rules 2201, 4102, and 4604]
7. Only electrostatic application of the powder coating material shall be used in this powder side stripe applicator operation. [District Rule 4604]
8. Cleaning solutions used for cleanup and surface preparation shall not contain Volatile Organic Compounds. [District Rules 2201 and 4604]
9. Records of the amount of powder coating material applied on a daily basis shall be maintained. [District Rule 2201]
10. All records shall be retained for a minimum of five years, and shall be made available for District inspection upon request. [District Rule 2201]

These terms and conditions are part of the Facility-wide Permit to Operate.

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: C-2253-6-0

EXPIRATION DATE: 07/31/2017

EQUIPMENT DESCRIPTION:

CAN MANUFACTURING LINE #4 WITH A SOUDRONIC MODEL FBB 1080 WELD BODY-MAKER AND A CAN AND COIL POWDER COATING OPERATION CONSISTING OF A SOUDRONIC MODEL P-120 U SIDE STRIPE APPLICATION SYSTEM WITH A BUILT-IN HOOD AND FILTERING SYSTEM AND A PERMIT EXEMPT NATURAL GAS-FIRED CURING OVEN (< 20.0 MMBTU/DAY HEAT INPUT)

PERMIT UNIT REQUIREMENTS

1. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
2. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101]
3. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201]
4. The permittee shall install, operate, and maintain the inside seam stripe applicator system in accordance with the manufacturer's recommendations. [District Rule 2201]
5. No VOC-containing powder coatings shall be used on this unit. [District Rule 2201]
6. The quantity of powder coating applied shall not exceed 425 pounds in any one day. [District Rule 2201]
7. The PM10 emissions from the inside seam stripe applicator shall not exceed 0.000082 lb/lb-powder coating applied. [District Rule 2201]
8. A spare set of filters of each type for the inside seam stripe applicator system shall be maintained on site. [District Rule 2201]
9. The permittee shall keep manufacturer's product data sheet or Material Safety Data Sheet of the powder coating used on site. [District Rules 2201 and 4604]
10. Daily records of the quantity of powder coating applied, in pounds, shall be maintained on site. [District Rules 2201 and 4604]
11. Records shall be retained on-site for a minimum of five years and made available for District inspection upon request. [District Rule 4604]

These terms and conditions are part of the Facility-wide Permit to Operate.

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: C-2253-8-0

EXPIRATION DATE: 07/31/2017

EQUIPMENT DESCRIPTION:

CAN MANUFACTURING LINE #1 WITH A SOUDRONIC MODEL FBB 5501 WELD BODY-MAKER, A SOUDRONIC MODEL P-60 SIDE SEAM POWDER COATING APPLICATOR WITH AN INTEGRATED DUST COLLECTION SYSTEM, AND A PERMIT EXEMPT NATURAL GAS-FIRED CURING OVEN (< 20.0 MMBTU/DAY HEAT INPUT)

PERMIT UNIT REQUIREMENTS

1. No air contaminant shall be released into the atmosphere which causes a public nuisance. [District Rule 4102]
2. No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. [District Rule 4101]
3. Particulate matter emissions shall not exceed 0.1 grains/dscf in concentration. [District Rule 4201]
4. The permittee shall install, operate, and maintain the inside seam stripe applicator system in accordance with the manufacturer's recommendations. [District Rule 2201]
5. No VOC-containing powder coatings shall be used by this unit. [District Rule 2201]
6. The quantity of powder coating applied shall not exceed 250 pounds in any one day. [District Rule 2201]
7. The PM10 emissions from the inside seam stripe applicator shall not exceed 0.0000212 lb/lb-powder coating applied. [District Rule 2201]
8. A spare set of filters of each type for the inside seam stripe applicator system shall be maintained on site. [District Rule 2201]
9. The permittee shall keep manufacturer's product data sheet or Material Safety Data Sheet of the powder coating used on site. [District Rule 2201]
10. Records of the amount of powder coating material applied on a daily basis shall be maintained. [District Rule 2201]
11. Records shall be retained on-site for a minimum of five years and made available for District inspection upon request. [District Rule 2201]


These terms and conditions are part of the Facility-wide Permit to Operate.

Attachment B
ERC Application

San Joaquin Valley Air Pollution Control District Application for

EMISSION REDUCTION CREDIT (ERC)

CONSOLIDATION OF ERC CERTIFICATES

1. ERC TO BE ISSUED TO: <u>Silgan Containers Mfg. Corp.</u>		Facility ID: <u>C-2253</u> (If (if known))					
2. MAILING ADDRESS: <i>Street/P.O. Box:</i> <u>4216 Kiernan Ave., Suite 101</u> <i>City:</i> <u>Modesto</u>		<i>State:</i> <u>CA</u> <i>Zip Code:</i> <u>95356</u>					
3. LOCATION OF REDUCTION: <i>Street:</i> <u>Marion and Gilroy Street, P.O. Box 10.</u> <i>City:</i> <u>Kingsburg, CA 93631</u> _____/4 SECTION _____ TOWNSHIP _____ RANGE _____	4. DATE OF REDUCTION: 11/09/12						
5. PERMIT NO(S): C-2253-4, C-2253-5, C-2253-6, C-2253-8 EXISTING ERC NO(S): NA							
6. METHOD RESULTING IN EMISSION REDUCTION: <input checked="" type="checkbox"/> SHUTDOWN <input type="checkbox"/> RETROFIT <input type="checkbox"/> PROCESS CHANGE <input type="checkbox"/> OTHER (Use additional sheets if necessary) DESCRIPTION:							
7. REQUESTED ERCs (in Pounds Per Calendar Quarter): See Attached							
		<u>VOC</u>	<u>NOx</u>	<u>CO</u>	<u>PM10</u>	<u>SOx</u>	<u>Other</u>
	<u>1ST QUARTER</u>	<u>1.84</u>					
	<u>2ND QUARTER</u>	<u>1.59</u>					
	<u>3RD QUARTER</u>	<u>2.0</u>					
	<u>4TH QUARTER</u>	<u>1.44</u>					
8. SIGNATURE OF APPLICANT: 	TYPE OR PRINT TITLE OF APPLICANT: <u>ES Engineer</u>						
9. TYPE OR PRINT NAME OF APPLICANT: <u>Bob Bennett</u>					DATE: <u>12/6/12</u>	TELEPHONE NO: <u>209-491-7334</u>	
RECEIVED DATE STAMP DEC 06 2012		Filing fee Received <u>6</u> Date Paid: Project No.: <u>C1123501</u> Facility ID.: <u>C-2253</u>					

Northern Regional Office * 4230 Kiernan Avenue, Suite 130 * Modesto, California 95356-9321 * (209) 557-6400 * FAX (209) 557-6475
 Central Regional Office * 1990 East Gettysburg Avenue * Fresno, California 43726-0244 * (559) 230-5900 * FAX (559) 230-6061
 Southern Regional Office * 2700 M Street, Suite 275 * Bakersfield, California 93301-2370 * (661) 326-6900 * FAX (661) 326-6985

Attachment C
Quarterly Coating Usage

Silgan Containers, Kingsburg, C-2253 – Emissions Banking Calculations and Summary

Summary of VOC emissions, by Quarter, for 2012

Quarter	Material	Usage	VOC Ctnt	# VOC	Material	Usage	VOC Ctnt	# VOC	TTL VOC	UOM	
1	P2238862	1,075	4.66	5,010	0	0	0	0	2.50	Ton	
2	P2238862	875	4.66	4,078	21S18AA	109	5.47	596	2.34	Ton	
3	P2238862	855	4.66	3,984	21S18AA	3	5.47	16	2.00	Ton	
4	P2238862	182	4.66	848	21S18AA	62	5.47	339	0.59	Ton	<<<Incomplete Quarter

Summary of VOC emissions, by Quarter, for 2011

Quarter	Material	Usage	VOC Ctnt	# VOC	Material	Usage	VOC Ctnt	# VOC	TTL VOC	UOM
1	P2238862	965	4.66	4,497	0	0	0	0	2.25	Ton
2	P2238862	862	4.66	4,017	0	0	0	0	2.01	Ton
3	P2238862	458	4.66	2,134	21S18AA	114	5.47	624	1.38	Ton
4	P2238862	550	4.66	2,563	0	0	0	0	1.28	Ton

Summary of VOC Emissions by Quarter for year 2010

Quarter	Material	Usage	VOC Ctnt	# VOC	Material	Usage	VOC Ctnt	# VOC	TTL VOC	UOM
1	2238862	235	4.66	1,095	21S18AA	80	5.47	438	0.77	Ton
2	2238862	185	4.66	862	0	0	0	0	0.43	Ton
3	2238862	1,129	4.66	5,261	0	0	0	0	2.63	Ton
4	P2238862	731	4.66	3,406	21S18AA	195	5.47	1,067	2.24	Ton

Summary of VOC Emissions by Quarter for year 2010

Quarter	Material	Usage	VOC Ctnt	# VOC	Material	Usage	VOC Ctnt	# VOC	TTL VOC	UOM	
4	2238862	350	4.66	1,631	0	0	0	0	0.82	Ton	<<<Replacement Qtr

Summary with Quarterly Average for Banking 2009 through 2012

Quarter	2009	2010	2011	2012	Average
1		0.77	2.25	2.50	1.84
2		0.43	2.01	2.34	1.59
3		2.63	1.38	2.00	2.00
4	0.82	2.24	1.28	0.59	1.44
				Total	6.88

Attachment D

Draft ERC Certificates

San Joaquin Valley
Air Pollution Control District

Central Regional Office • 1990 E. Gettysburg Ave. • Fresno, CA 93726

Emission Reduction Credit Certificate
C-1208-1

ISSUED TO: SILGAN CONTAINERS MANUFAC CORP
ISSUED DATE: <DRAFT>
LOCATION OF REDUCTION: 1101 MARION ST
KINGSBURG, CA 93631

For VOC Reduction In The Amount Of:

Quarter 1	Quarter 2	Quarter 3	Quarter 4
4,279 lbs	3,921 lbs	3,042 lbs	3,166 lbs

Conditions Attached

Method Of Reduction

- Shutdown of Entire Stationary Source
 Shutdown of Emissions Units
 Other

Shutdown of metal can manufacturing facility

Use of these credits outside the San Joaquin Valley Unified Air Pollution Control District (SJVUAPCD) is not allowed without express written authorization by the SJVUAPCD.

Seyed Sadredin, Executive Director /APCO

DRAFT

David Warner, Director of Permit Services