
TFX Medical, Inc.]	FINAL RACT ORDER
50 Plantation Drive]	August 7, 2007
Jaffrey, NH 03452]	ARD07-002
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A. Introduction

This RACT Order is issued by the New Hampshire Department of Environmental Services, Air Resources Division, to TFX Medical, Inc., pursuant to RSA 125-C.

B. Parties

1. The New Hampshire Department of Environmental Services, Air Resources Division (DES), is a duly constituted administrative agency of the State of New Hampshire having its principal offices at 29 Hazen Drive, Concord, NH 03302, telephone number (603) 271-1370.
2. TFX Medical, Inc. (TFX) is a New Hampshire corporation doing business at the mailing address of 50 Plantation Drive, Jaffrey, NH 03452, telephone number (603) 532-7706.

C. Statements of Fact and Law

1. TFX owns and operates a facility located at 50 Plantation Drive in Jaffrey, NH primarily engaged in the manufacturing of tubing for automotive and medical applications and medical devices. The tubing is manufactured by extruding a mixture of polytetrafluoroethylene (PTFE) resin with a hydrocarbon solvent and curing the tubing in ovens.
2. Effective December 31, 2002, DES re-adopted the New Hampshire Code of Administrative Rules Env-A 1204, *Stationary Sources of Volatile Organic Compounds (VOCs)* with amendments. This part defines the sources that are subject to Reasonably Available Control Technology (RACT) requirements and specifies the applicable RACT requirements.
3. TFX is subject to Env-A 1204.49, *Compliance Options for Miscellaneous and Multicategory Stationary VOC Sources*, because the theoretical potential to emit (TPE) exceeds 50 tons of non-exempt VOCs during any consecutive 12-month period.
4. TFX has extruder lines and curing ovens that are ducted to a common header and exhausted through a recuperative thermal oxidizer (RTO). An etch process is also exhausted through the RTO. VOC emissions are also emitted, uncontrolled, from other minor core activities.
5. The printing, medical device assembly and sand bath processes are defined as minor core activities under Env-A 1204.03(bi), *Definitions*, because their actual VOC emissions do not exceed a total of five tons per year. Pursuant to Env-A 1204.02(d), *Scope*, these minor core processes are exempt from the provisions of VOC RACT.
6. TFX is complying with the requirements of Env-A 1204.49 with the use of the RTO, to reduce facility-wide VOC emissions by at least 81%, calculated on a daily basis.
7. The extruder process, including the RTO, and the etch process are currently covered under State Permit to Operate FP-S-0091 issued on September 24, 2004.

8. On December 1, 2006, DES issued a Letter of Deficiency (LOD), No. ARD 06-029, stating that TFX emitted 3.87 tons of excess VOC emissions due to malfunctions of the RTO during the calendar years 2001 to 2005. The LOD required TFX to submit an application to obtain a RACT Order for compliance purposes when the RTO shuts down due to a malfunction or for maintenance.
9. On December 13, 2006, TFX submitted an application for a VOC RACT Order that would allow TFX to generate and use Discrete Emissions Reductions (DERs) in order to comply with the daily VOC reduction requirements during periods when the RTO can not meet the VOC reduction requirement.

D. Order

Based on the statements of fact and law, DES hereby orders TFX, effective upon issuance of this Order, to comply with the following requirements as RACT:

1. Except as specified in 2., below, TFX shall comply with the VOC control standards specified in Env-A 1204.49, *Compliance Options for Miscellaneous and Multicategory Stationary VOC Sources* by operating a capture and control system that results in the facility-wide reduction of the actual uncontrolled VOC emission rate from non-exempt processes, calculated on a daily basis, by at least 81%.
2. For times that the capture and control system is unable to meet the 81% reduction requirement specified in Env-A 1204.49, TFX shall be allowed to use discrete emissions reductions (DERs) in accordance with Condition D.3. of this Order, for the purpose of complying with the VOC RACT requirements by self-generating DERs in accordance with Env-A 3100, *Discrete Emissions Reduction Trading Program*.

3. Generation and Use of DERs:

TFX shall be allowed to self-generate DERs for VOC emission reductions that are achieved in excess of the reductions required in Part D.1 of this Order. TFX shall be allowed to use the self-generated DERs for RACT compliance in accordance with D.2 of this Order. The following calculations shall be used to determine the amount of DERs generated and/or used on a given day.

a. Calculation of Allowable VOC Emissions per Day

For the purposes of complying with the VOC RACT requirement specified in Env-A 1204.49, TFX shall calculate the daily allowable VOC emission rate as follows:

“E_{al}” means the allowable VOC emission rate;

“A” means the actual, uncontrolled emission rate from the extruders;

“B” means the actual, uncontrolled emission rate from the etch process; and

“E_{al}” shall be calculated as in the following equation:

$$E_{al} = (A + B) * (1 - 0.81)$$

b. Calculation of Actual VOC Emissions per Day

TFX shall calculate the daily actual VOC emission rate from the processes as follows:

“E_{ac}” means the actual VOC emission rate;

“A_C” means the actual, controlled emission rate from the extruders;

“B_c” means the actual, controlled emission rate from the etch process; and

“E_{ac}” shall be equal to the sum of A_C and B_c, as in the following equation:

$$E_{ac} = A_C + B_c$$

c. Emission Credit Use and Generation Calculations

To determine if TFX will either generate DERs or need to use DERs for compliance with RACT on a given day, TFX shall subtract the actual VOC emission rate (E_{ac}) as calculated in accordance with 3.a. of this Order, from the allowable VOC emission rate (E_{al}) as calculated in accordance with 3.b. of this Order.

(i) Generation of DERs:

If the result of the subtraction is a positive number, then the emissions are below the requirements of RACT and the amount equal to the difference between E_{al} and E_{ac} will count towards the generation of DERs. The actual DERs shall be calculated by taking the amount of credited emissions and multiplying them by a safety factor of 0.9.

(ii) Use of DERs:

If the result of the subtraction is a negative number, then the emissions exceed the VOC RACT requirements and emission credits equal to the difference between E_{al} and E_{ac} shall be used to offset these excess emissions. The actual DERs required to offset the excess emissions shall be calculated by dividing the excess emissions by an environmental benefit factor of 0.9.

4. Recordkeeping Requirements

TFX shall maintain all records of the calculation related to the generation and use of DERs as specified in Condition D.3. to demonstrate compliance with this Order. Each record shall be kept for a period of at least five years.

5. Reporting Requirements

TFX shall submit the following reports to demonstrate compliance with this Order:

a. Annually by November 30, TFX shall submit a report to DES on the projected use of credits for the upcoming year. This report shall meet the requirements of Env-A 3104.08, *Notice of Intent to Use DERs*, including the following information:

(i.) The name and location of the user;

(ii.) A copy of the Notice and Certification of Generation submitted by the generator source to the State (for paperwork reduction purposes, a certified statement that the notice is on file with DES will suffice);

(iii.) The protocol used to document the amount of DERs needed to demonstrate compliance; and

- (iv.) Information documenting that TFX is in compliance with Env-A 1400, *Regulated Toxic Air Pollutants*.
- b. Annually by April 15, TFX shall submit a report to DES on the balance of credits for the previous calendar year. This report shall meet the requirements of Env-A 3103.08, *Notice and Certification of Generation* and Env-A 3104.09, *Notice and Certification of Use*, including the following information:
 - (i.) The name and location of the owner or operator of the source;
 - (ii.) A brief description of the generation activity;
 - (iii.) A list of the source's applicable allowable emission rates;
 - (iv.) The amount of DERs generated each month;
 - (v.) A calculation of the amount of DERs generated;
 - (vi.) The amount of DERs used each month;
 - (vii.) A calculation of the amount of DERs required to demonstrate compliance with the emission limits stated in Part D, above.
 - (viii.) A statement that the reductions were calculated in accordance with Env-A 3103.07;
 - (ix.) A statement that the DERs were not generated in whole or in part from actions prohibited pursuant to Env-A 3103.07;
 - (x.) A statement that due diligence was made to verify that the DERs were not previously used, and not generated as a result of actions prohibited under the regulations or other provisions of law;
 - (xi.) A statement that the DERs were not used in a manner prohibited under the regulation or other provisions of law; and
 - (xii.) The report shall contain a certification by a responsible official of truth, accuracy and completeness and shall state that:
 - (i) Based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate and complete; and
 - (ii) The user source is in compliance with all National Ambient Air Quality Standards, except ground level ozone, and all Ambient Air Limits for Regulated Toxic Air Pollutants.

Please address any correspondence and communication in reference to this Order to the following:

Ms. Barbara Dorfschmidt
NHDES, Air Resources Division
Bureau of Permitting and Environmental Health
29 Hazen Drive
P.O. Box 95
Concord, NH 03302-0095
(603) 271-6796

Please address any correspondence and communication in reference to the ERCs or DERs to the following:

Mr. Joe Fontaine
NHDES, Air Resources Division
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Robert R. Scott
Director
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cc: Timothy Drew, PIP Office
Ann Arnold, USEPA
Town of Jaffrey