Northwest Clean Air Agency (NWCAA) hereby issues Order of Approval to Construct (OAC) 1151

Project Summary: Installation of new sawing capacity for cutting laminated veneer lumber (LVL) and a new dedicated baghouse to control the resulting particulate emissions.

Approved Emission Units:
- One (1) Multi-blade ripsaw
- Two (2) Edge Easier motors, each with two saw blades
- One (1) Cross-cut saw
- One (1) Bundle Cut Package Band Saw
- One (1) Superior fabric filter system (baghouse) with an induced draft fan rated at 18,000 cubic feet per minute (cfm) at a static pressure of 18 inches of water to control particulate emissions from the above list of approved emission units.

<table>
<thead>
<tr>
<th>Owner/Operator</th>
<th>Facility Name and Location</th>
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<tbody>
<tr>
<td>Pacific Woodtech Corporation</td>
<td>Pacific Woodtech Corporation (PWC)</td>
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<tr>
<td>1850 Park Lane, Burlington, WA</td>
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<td>98233</td>
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<td>Contact:</td>
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<td>Randy Schillinger, VP Operations</td>
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</table>

As authorized by Northwest Clean Air Agency Regulation Section 300, this Order is issued subject to the following restrictions and conditions:

1. Total particulate emissions from the baghouse shall not exceed 0.005 grains per dry standard cubic foot (gr/dscf).

2. Compliance Condition 1 shall be determined by an initial source test conducted according to 40 CFR 60 Appendix A Methods 5 and 202 to measure total particulate emissions. Source testing shall be conducted in accordance with Section 367 and Appendix A of the NWCAA Regulation. The source test shall be completed no later than 90 days from the date of baghouse startup. Thereafter, source testing shall be completed within 90 days of any change in the baghouse configuration (i.e., controlled emission units and/or filtration material type. Any modification to the source testing methods required by this Order shall be approved in advance by the NWCAA.

3. In accordance with Appendix A of the NWCAA Regulation, a source test plan shall be submitted to the NWCAA at least 30 days prior to conducting testing. The plan shall
specify the operational mode of each approved emission unit listed in this Order as planned during testing of the baghouse.

4. In accordance with Appendix A of the NWCAA Regulation, a source test report shall be submitted to the NWCAA within 60 days of completing each test. The test report shall detail the operational status of each emission unit controlled by the baghouse during the course of testing. The report shall include detailed information regarding the filtration material type, and number and size of the bags in the baghouse during the test.

5. The baghouse shall vent vertically through an unobstructed stack that exhausts to the atmosphere at least 43 feet, 10 inches above grade.

6. Emissions from the saws approved by this Order, shall be collected and routed through the baghouse during periods when the saws operating.

7. A differential pressure gauge shall be installed on the baghouse that continuously measures the differential pressure drop across the fabric filtration system. An acceptable differential pressure range shall be established for the baghouse that is based on the manufacturer's recommendations and/or good engineering judgment. The acceptable differential pressure range shall be posted on or near the gauge, and the baghouse shall be operated within this range.

8. Once per operating day, the differential pressure of the baghouse shall be checked and recorded. If the baghouse is operating outside of the acceptable range, the baghouse and all equipment routed to the baghouse shall be shut down immediately and operation shall not resume until the problem has been identified and corrected.

9. The baghouse and ancillary systems shall be maintained and operated in accordance with the manufacturers' specifications and associated operation and maintenance manuals. All maintenance activities performed on the baghouse shall be recorded in a maintenance log.

10. Visible emissions from the baghouse shall not exceed 5% opacity for a period or periods aggregating more than 3 minutes in any 60 minute period, as determined by the Washington Department of Ecology Method 9A.

11. The baghouse stack shall be observed at least once per operating week while it is operating and controlling emissions from sawing operations. If visible emissions are observed the problem shall be corrected as soon as practical, but in no case later than 24 hours after the initial observation. If visible emissions are not corrected within 24-hours, the emission units that are controlled by the baghouse shall be shutdown until the problem is corrected.

12. Best management practices shall be taken to prevent fugitive dust from becoming released to the atmosphere from the sawing and baghouse operations that are approved under this Order.

13. Records required to demonstrate compliance with Conditions 8 and 9 of this Order shall be kept onsite for no less than five years from the date of generation, and shall be readily available for review by the NWCAA.

14. The NWCAA shall be provided written notification of the startup date of the saws and the baghouse approved by this Order. The notice shall be postmarked no later than 15 days after startup of the equipment listed herein and shall include a reference to OAC 1151.
Nothing in this permit is intended to, or shall, alter or waive any applicable law [including but not limited to defenses, entitlements, challenges or clarifications related to the Credible Evidence Rule, 62. Fed. Reg. 8315 (Feb. 27, 1997)] concerning the use of data for any purpose under the Act, generated by the reference method specified herein or otherwise.

Pursuant to Section 300.10 of the NWCAA Regulation and RCW 43.21B, this Order may be appealed to the Pollution Control Hearings Board (PCHB). To appeal to the PCHB, a written notice of appeal must be filed with the PCHB and a copy served upon the NWCAA within 30 days of the date the applicant receives this Order. Additional information regarding appeal procedures can be found at: www.eho.wa.gov under PCHB.
Northwest Clean Air Agency (NWCAA) hereby issues
Order of Approval to Construct (OAC) #933

Project Summary: Pacific Woodtech Corporation submitted an application on July 20, 2005 for installation of a second laminated veneer lumber (LVL) manufacturing line at 1850 Park Lane, Burlington, Washington. The facility will use a continuous press to produce a billet of laminated softwood from pre-dried veneer which is then cut to produce headers and I-beams. To support the LVL line, a 9.0 mmBtu/hr natural gas fired thermal oil heater, hooding and venting equipment, and a Superior Systems Model 13-416-10 baghouse will be added. The facility will emit two toxic air contaminants, formaldehyde and methanol, from the pressing operation, and criteria pollutants from the support equipment. With the startup of the Line 2 Press, the facility will become subject to the Air Operating Permit program.

Robert Shroeder
Operations Manager
Pacific Woodtech Corporation
1850 Park Lane
Burlington, WA 98233

FACILITY LOCATION:
1850 Park Lane, Burlington, WA 98233

Best Available Control Technology for Toxics (TBACT) for the Line 2 Press is determined to be no active control technology. Best Available Control Technology (BACT) for criteria pollutants from the associated cutting and shaping activities is a particulate matter collection system and baghouse achieving 0.01 grains/dscf PM10 emissions as demonstrated by a manufacturer's guarantee and a source test on a similar unit/operation. BACT for the associated 9.0 MMBtu/hr thermal fluid heater for nitrogen oxides (NOX) is a low NOx burner (30 ppmvd).

Note that in addition to other applicable rules and regulations, this project is subject to applicable portions of the following federal regulations:

National Emission Standards for Hazardous Air Pollutants / Maximum Achievable Control Technology Standards

- Subpart A – General Provisions
- Subpart DDDD – National Emission Standards for Hazardous Air Pollutants: Plywood and Composite Wood Products
Permit History

- Conditions specified in Order of Approval to Construct #695A have been incorporated into this permit. This permit, OAC #933, supersedes OAC #695A.
- OAC #933 is based on the assumption that the facility's potential to emit methanol is greater than ten tons a year, the threshold under which the facility is subject to the Air Operating Permit (AOP) program. If the facility is ultimately determined to be not subject to the AOP program, an application to modify OAC #933 must be provided within two months of the determination.

As authorized by Northwest Clean Air Agency Regulation Section 300, this order is issued subject to the following restrictions and conditions:

1. All resin usage and purchase shall be tracked. Records of all resin usage shall be kept on-site and available to NWCAA inspectors for at least five years. Annually, an emissions inventory shall be submitted to the NWCAA no later than April 15th of each year, unless an extension is requested and granted.

2. Formaldehyde emissions from both presses shall be calculated using the emission factor of 1.35E-04 pounds per pound of Cascophen SF 54773 PWT-2.5 resin used. This factor is based on the manufacturer's specifications assuming 15% of the formaldehyde is unreacted and emitted. Methanol emissions from both presses shall be calculated using the emission factor of 1.30E-03 pounds per pound of Cascophen resin. This factor is based on the manufacturer's specifications assuming all methanol is emitted. Alternative emission factors may be approved by the NWCAA upon written request by the facility and demonstration that other emission factors better represent actual emissions.

3. The NWCAA shall be notified and an MSDS sheet submitted prior to changing resin, catalyst, I-joist adhesive, or lube oil products.

4. Resins, solvents and organic liquid wastes shall be kept in covered containers when not in use.

5. All heaters shall burn only natural gas.

6. Visual emissions from the baghouses shall not exceed 5% opacity for more than three minutes in any one-hour period, as measured by Washington State Department of Ecology Source Test Method 9a.

7. Compliance with Condition 6 shall be monitored by observing the baghouses’ exhaust for visible emissions monthly for six consecutive months. Visible emissions detected for more than two minutes shall be reduced to 0% opacity or monitored by Ecology Method 9A as soon as possible and no later than twenty four hours after detection. If, at the end of the six month period of monthly monitoring, visual emissions have consistently been zero, monitoring may become quarterly. If visible emissions are detected for more than two minutes during any quarterly observation, inspection frequency shall revert to monthly until six consecutive months of acceptable observations are recorded. Record results of observations, periods of opacity greater than 0% monitored by facility personnel, any related equipment or operational failure, the occurrence dates and the action taken to resolve the problem(s). A request must be made to the NWCAA if the facility wishes to progress to quarterly monitoring. Keep records of all observations available to the NWCAA for inspection.

8. There shall be no visual emissions from the baghouse fines collection hopper, except during maintenance activities and periods when hopper fines are transferred to a container for load out.

9. A differential pressure gauge shall be installed on each baghouse to assist in monitoring
performance. The acceptable differential pressure range, as established by the manufacturer or through engineering judgment, shall be written on or near the gauge and included in the facility's operation and maintenance plan. Once per operating day, each gauge shall be checked to ensure that each baghouse is operating within the established range. If the unit is not operating within the acceptable range, equipment shall be shut down immediately and operation shall not resume until the problem has been identified and corrected.

10. A written log of the differential pressure gauge readings shall be maintained at the facility. The log shall include any bag failures or repairs, the time and date that the inspection or repair was conducted, and the initials of the individual performing the inspection or repair.

11. A written operation and maintenance (O/M) manual shall be developed for the baghouses and kept up-to-date. The O/M manual shall be consistent with the manufacturer's recommendations and shall include internal inspection schedules, maintenance requirements and operating procedures. The O/M manual shall be kept on-site and readily available for inspection by the NWCAA.

12. The Line 2 Press shall be equipped with a hood and vent exhausted through a vertical stack extending at least nine feet above the building's roof. Visible emissions from the exhaust stack of the second press line shall not exceed 10% opacity as measured by Method 9A.

13. The permittee shall demonstrate compliance with the Washington Administrative Code (WAC) Chapter 173-460 within eight weeks of permit issuance. Compliance may be demonstrated through (a) computer modeling, or (b) installation of a ninety-four foot above grade exhaust stack for the Line 2 Press prior to initial startup. A report certifying compliance with this condition shall be submitted to the NWCAA at the end of the eight week period.

14. Facility equipment shall be operated and maintained in accordance with the manufacturer's specifications, good operating practices, and Order of Approval to Construct conditions.

15. Sampling and testing facilities shall be provided and maintained for the Line 2 Press outfeed hood exhaust stack for both toxic air pollutant testing and opacity measurement.

16. Odors from the facility shall not result in a nuisance at or beyond the property boundary as determined by the NWCAA staff.

17. Written notification of initial startup of the second press line shall be submitted to the NWCAA no less than 20 days following startup.

Anne Naismith, PE
Permitting Engineer

Lynn Billington, PE
Reviewing Engineer

James Randles
Director