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September 25, 2008

Jack W. Huggins, Facilities Manager AVX Corporation 801 17th Avenue South P.O. Box 867 Myrtle Beach SC 29578-0867

Dear Mr. Huggins:

The Bureau of Air Quality (BAQ) is now reviewing your operating permit renewal request. On January 30, 2006, AVX submitted a Title V major source operating permit renewal application. Your application was submitted six months prior to the permit's expiration date and deemed complete by the BAQ. In accordance with S.C. Regulation 61-62.70.7(b), your facility has an "application shield" that allows you to operate under the expired Title V operating permit until a new permit is issued.

We understand that the facility's air emissions have steadily decreased over the last years. AVX now needs to determine the facility's current potential emissions so the BAQ can determine the most appropriate type of operating permit that is needed -1) a minor source operating permit, 2) a conditional major operating permit, or 3) a Title V major source operating permit.

The BAQ is requesting source testing and refined air dispersion modeling as outlined below to assist us with our review of your operating permit application and to address concerns/issues raised by the community.

1. Source testing of existing control device: AVX has not conducted source tests on its existing control device. The Department requests that AVX conduct tests for volatile organic compounds (VOCs), VOC capture efficiency, VOC destruction efficiency, and hazardous air pollutant (HAP) speciation. These tests will help provide assurance of facility-wide emission estimates. We are requesting that these tests be conducted no later than December 15, 2008. Testing should be performed at the maximum expected production rate or other production rate or operating parameter which would result in the highest emissions for the pollutants being tested. A site-specific source test protocol should be submitted no later than October 15, 2008, to allow our staff time to review and approve the protocol prior to testing. See S.C. Regulations 61-62.1 Section IV for source test requirements. If you have any questions about testing, please contact Michael Shroup at (803)898-4051.

2. <u>Refined facility-wide air toxics modeling</u>: We have received many questions from citizens concerning the magnitude and health effects of the off-site air toxics concentrations. These questions are related to the direction and distance from the facility of those predicted concentrations as well. While the conservative SCREEN3 modeling that AVX has voluntarily submitted can be used to answer the questions concerning the

concentrations of those air toxic pollutants that have been modeled, this modeling cannot predict the spatial distribution of the emissions' impacts. In addition, many of the air toxic pollutants emitted by the facility have not been modeled because they are below our de minimis values. Thus, we have no information as to the extent or the magnitude of the off-site concentrations of these non-modeled pollutants. In order to assist us in responding to these questions concerning the air toxic pollutant emissions, we request that AVX construct and submit a facility-wide refined air toxics modeling analysis for the facility. The requested modeling analysis should be performed using the most current EPA-approved refined air dispersion model, AERMOD, and should include all Standard No. 8 air toxic pollutant emissions, for which there is a standard, from all sources at the facility. We are requesting that this refined modeling analysis be submitted no later than November 1, 2008. If you have questions about modeling, please contact John Glass at (803)898-4074.

If you have any questions, please contact me at (803) 898-4391 or at thompsrb@dbec.sc.gov.

Sincerely,

Rhonda B. Thompson, P.E. Assistant Bureau Chief Bureau of Air Quality

cc: Max Justice, J.D. Larry Ragsdale, EQC Region 6, Myrtle Beach File