MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY AIR QUALITY DIVISION

July 20, 2007

PERMIT TO INSTALL

No. 547-95A



STATE REGISTRATION NUMBER B7037

The Air Quality Division has approved this Permit to Install, pursuant to the delegation of authority from the Michigan Department of Environmental Quality. This permit is hereby issued in accordance with and subject to Section 5505(1) of Article II, Chapter I, Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended. Pursuant to Air Pollution Control Rule 336.1201(1), this permit constitutes the permittee's authority to install the identified emission unit(s) in accordance with all administrative rules of the Department and the attached conditions. Operation of the emission unit(s) identified in this Permit to Install is allowed pursuant to Rule 336.1201(6).

DATE OF RECEIPT OF ALL INFORMATION REQUIRED BY RULE 203: **7/11/2007**

| DATE PERMIT TO INSTALL APPROVED: | SIGNATURE: |
|----------------------------------|------------|
| 7/00/0007 | |
| 7/20/2007 | |
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| DATE PERMIT VOIDED: | SIGNATURE: |
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| DATE PERMIT REVOKED: | SIGNATURE: |
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PERMIT TO INSTALL

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| Common Acronyms | | Pollutant/Measurement Abbreviations | | |
|-----------------|--|-------------------------------------|--|--|
| AQD | Air Quality Division | Btu | British Thermal Unit | |
| BACT | Best Available Control Technology | °C | Degrees Celsius | |
| CAA | Clean Air Act | со | Carbon Monoxide | |
| CEM | Continuous Emission Monitoring | dscf | Dry standard cubic foot | |
| CFR | Code of Federal Regulations | dscm | Dry standard cubic meter | |
| СОМ | Continuous Opacity Monitoring | °F | Degrees Fahrenheit | |
| EPA | Environmental Protection Agency | gr | Grains | |
| EU | Emission Unit | Hg | Mercury | |
| FG | Flexible Group | hr | Hour | |
| GACS | Gallon of Applied Coating Solids | H_2S | Hydrogen Sulfide | |
| GC | General Condition | hp | Horsepower | |
| HAP | Hazardous Air Pollutant | lb | Pound | |
| HVLP | High Volume Low Pressure * | m | Meter | |
| ID | Identification | mg | Milligram | |
| LAER | Lowest Achievable Emission Rate | mm | Millimeter | |
| MACT | Maximum Achievable Control Technology | MM | Million | |
| MAERS | Michigan Air Emissions Reporting System | MW | Megawatts | |
| MAP | Malfunction Abatement Plan | ng | Nanogram | |
| MDEQ | Michigan Department of Environmental Quality | NO _x | Oxides of Nitrogen | |
| MSDS | Material Safety Data Sheet | PM | Particulate Matter | |
| NESHAP | National Emission Standard for Hazardous Air Pollutants | PM-10 | Particulate Matter less than 10 microns diameter | |
| NSPS | New Source Performance Standards | pph | Pounds per hour | |
| NSR | New Source Review | ppm | Parts per million | |
| PS | Performance Specification | ppmv | Parts per million by volume | |
| PSD | Prevention of Significant Deterioration | ppmw | Parts per million by weight | |
| PTE | Permanent Total Enclosure | psia | Pounds per square inch absolute | |
| PTI | Permit to Install | psig | Pounds per square inch gauge | |
| RACT | Reasonably Available Control Technology | scf | Standard cubic feet | |
| ROP | Renewable Operating Permit | sec | Seconds | |
| SC | Special Condition | SO ₂ | Sulfur Dioxide | |
| SCR | Selective Catalytic Reduction | THC | Total Hydrocarbons | |
| SRN | State Registration Number | tpy | Tons per year | |
| TAC | Toxic Air Contaminant | μg | Microgram | |
| TEQ | Toxicity Equivalence Quotient | VOC | Volatile Organic Compound | |
| VE | Visible Emissions | yr | Year | |
| | | | | |
| | | | | |
| | | | | |

* For High Volume Low Pressure (HVLP) applicators, the pressure measured at the HVLP gun air cap shall not exceed ten (10) pounds per square inch gauge (psig).

GENERAL CONDITIONS

- 1. The process or process equipment covered by this permit shall not be reconstructed, relocated, or modified, unless a Permit to Install authorizing such action is issued by the Department, except to the extent such action is exempt from the Permit to Install requirements by any applicable rule. (R 336.1201(1))
- 2. If the installation, construction, reconstruction, relocation, or modification of the equipment for which this permit has been approved has not commenced within 18 months, or has been interrupted for 18 months, this permit shall become void unless otherwise authorized by the Department. Furthermore, the permittee or the designated authorized agent shall notify the Department via the Supervisor, Permit Section, Air Quality Division, Michigan Department of Environmental Quality, P.O. Box 30260, Lansing, Michigan 48909, if it is decided not to pursue the installation, construction, reconstruction, relocation, or modification of the equipment allowed by this Permit to Install. **(R 336.1201(4))**
- 3. If this Permit to Install is issued for a process or process equipment located at a stationary source that is not subject to the Renewable Operating Permit program requirements pursuant to R 336.1210, operation of the process or process equipment is allowed by this permit if the equipment performs in accordance with the terms and conditions of this Permit to Install. (R 336.1201(6)(b))
- 4. The Department may, after notice and opportunity for a hearing, revoke this Permit to Install if evidence indicates the process or process equipment is not performing in accordance with the terms and conditions of this permit or is violating the Department's rules or the Clean Air Act. (R 336.1201(8), Section 5510 of Act 451, PA 1994)
- 5. The AQD District Supervisor shall be notified, in writing, of a change in ownership or operational control of the stationary source or emission unit(s) authorized by this Permit to Install pursuant to R 336.1219. The notification shall include all of the information required by R 336.1219(1)(a) and (b). In addition, a new owner or operator must submit a written statement pursuant to R 336.1219(1)(c), agreeing to and accepting the terms and conditions of this Permit to Install, and shall notify the AQD District Supervisor of any change in the contact person for this Permit to Install. (R 336.1219)
- 6. Operation of this equipment shall not result in the emission of an air contaminant which causes injurious effects to human health or safety, animal life, plant life of significant economic value, or property, or which causes unreasonable interference with the comfortable enjoyment of life and property. (**R 336.1901**)
- 7. The permittee shall provide notice of an abnormal condition, start-up, shutdown, or malfunction that results in emissions of a hazardous or toxic air pollutant which continue for more than one hour in excess of any applicable standard or limitation, or emissions of any air contaminant continuing for more than two hours in excess of an applicable standard or limitation, as required in Rule 912, to the Department. The notice shall be provided not later than two business days after start-up, shutdown, or discovery of the abnormal condition or malfunction. Written reports, if required, must be filed with the Department within 10 days after the start-up or shutdown occurred, within 10 days after the abnormal conditions or malfunction has been corrected, or within 30 days of discovery of the abnormal condition required in Rule 912(5). (R 336.1912)

- 8. Approval of this permit does not exempt the permittee from complying with any future applicable requirements which may be promulgated under Part 55 of 1994 PA 451, as amended or the Federal Clean Air Act.
- 9. Approval of this permit does not obviate the necessity of obtaining such permits or approvals from other units of government as required by law nor does it affect any liability for past violations under the Natural Resources and Environmental Protection Act, 1994 PA 451.
- 10. Operation of this equipment may be subject to other requirements of Part 55 of 1994 PA 451, as amended and the rules promulgated thereunder.
- 11. Except as provided in subrules (2) and (3) or unless the special conditions of the Permit to Install include an alternate opacity limit established pursuant to subrule (4) of R 336.1301, the permittee shall not cause or permit to be discharged into the outer air from a process or process equipment a visible emission of density greater than the most stringent of the following. The grading of visible emissions shall be determined in accordance with R 336.1303. (R 336.1301)
 - a) A six-minute average of 20 percent opacity, except for one six-minute average per hour of not more than 27 percent opacity.
 - b) A visible emission limit specified by an applicable federal new source performance standard.
 - c) A visible emission limit specified as a condition of this permit to install.
- 12. Collected air contaminants shall be removed as necessary to maintain the equipment at the required operating efficiency. The collection and disposal of air contaminants shall be performed in a manner so as to minimize the introduction of contaminants to the outer air. Transport of collected air contaminants in Priority I and II areas requires the use of material handling methods specified in R 336.1370(2). (R 336.1370)
- 13. The Department may require the permittee to conduct acceptable performance tests, at the permittee's expense, in accordance with R 336.2001 and R 336.2003, under any of the conditions listed in R 336.2001. (R 336.2001)

SPECIAL CONDITIONS

Emission Unit Identification

| Emission Unit ID | Emission Unit Description | Stack Identification | | | |
|--|---|---------------------------|--|--|--|
| EU-ECOAT | A miscellaneous metal parts electrodeposition coating line consisting of a washing and phosphate section, an electrodeposition tank, a dehydration oven, and a bake oven. The dehydration oven is equipped with one exhaust stack and the bake oven is equipped with two | SV-DO SV-BO1 SV-BO2 | | | |
| exhaust stacks with identical parameters. Changes to the equipment described in this table are subject to the requirements of R 336.1201, except as allowed by R 336.1278 to R 336.1290. | | | | | |

The following conditions apply to: EU-ECOAT

Emission Limits

| | Pollutant | Limit | Time Period | Equipment | Testing/ Monitoring Method | Applicable Requirements |
|-----|-----------|----------|--|-----------|----------------------------------|----------------------------|
| 1.1 | VOCs | 28.0 tpy | 12-month rolling time period as determined at the end of each calendar month. | EU-ECOAT | SC 1.9 & SC 1.10 | R 336.1702(a) |

Material Limits

| | Pollutant | Limit | Time Period | Equipment | Testing/ Monitoring Method | Applicable Requirements |
|-----|---|---|---------------|-----------|----------------------------------|----------------------------|
| 1.2 | VOCs | 1.0 lb/gal (minus water)* as applied | Instantaneous | EU-ECOAT | SC 1.6 | R 336.1702(a) |
| | * The phrase "minus water" shall also include compounds which are used as organic solvents and which are excluded from the definition of volatile organic compound. (R 336.1602(4)) | | | | | |

1.3 The permittee shall not use more than 1500 gallons of Dowanol PPH in EU-ECOAT per 12-month rolling time period. (R 336.1225, R 336.1901)

Process / Operational Limits

- 1.4 The permittee shall capture all waste coatings, reducers, thinners, additives, catalysts, and solvents and shall store them in closed containers. The permittee shall dispose of all waste materials in an acceptable manner in compliance with all applicable state rules and federal regulations. (R 336.1224, R 336.1225, R 336.1702(a), R 336.1901)
- 1.5 The permittee shall handle all VOC containing materials, including coatings, reducers, solvents and thinners, in a manner to minimize the generation of fugitive emissions. The permittee shall keep containers covered at all times except when operator access is necessary. (R 336.1225, R 336.1702(a), R 336.1901)

Testing

1.6 The permittee shall determine the VOC content, water content and density of any coating, reducer, thinner, additive, catalyst, and solvent, as applied and as received, using federal Reference Test Method 24. Upon prior written approval by the AQD District Supervisor, the permittee may determine the VOC content from manufacturer's formulation data. If the Method 24 and the formulation values should differ, the permittee shall use the Method 24 results to determine compliance. (R 336.1225, R 336.1702, R 336.1901, R 336.2001, R 336.2003, R 336.2004, R 336.2040(5)

Recordkeeping /Reporting /Notification

1.7 The permittee shall complete all required calculations in a format acceptable to the AQD District Supervisor by the 15th day of the calendar month, for the previous calendar month, unless

otherwise specified in any recordkeeping, reporting or notification special condition. (R 336.1225, R 336.1702, R 336.1901)

- 1.8 The permittee shall maintain a current listing from the manufacturer of the chemical composition of each coating, reducer, thinner, additive, catalyst, and solvent, including the weight percent of each component. The data may consist of Material Safety Data Sheets, manufacturer's formulation data, or both as deemed acceptable by the AQD District Supervisor. The permittee shall keep all records on file for a period of at least five years and make them available to the Department upon request. (R 336.1224, R 336.1225, R 336.1702, R 336.1901)
- 1.9 The permittee shall keep the following information on a monthly basis for EU-ECOAT:
 - a) Gallons (with water) of each coating, reducer, thinner, additive, catalyst, and solvent used.
 - b) VOC content (minus water and with water) of each coating, reducer, thinner, additive, catalyst, and solvent as applied.
 - c) VOC mass emission calculations determining the monthly emission rate in tons per calendar month.
 - d) VOC mass emission calculations determining the annual emission rate in tons per 12-month rolling time period as determined at the end of each calendar month.
 - e) Hours of operation.

The permittee shall keep the records in a format acceptable to the AQD District Supervisor. The permittee shall keep all records on file for a period of at least five years and make them available to the Department upon request. (R 336.1225, R 336.1702, R 336.1901)

- 1.10 The permittee shall keep the following information on a monthly basis for the use of purge and clean-up solvents associated with EU-ECOAT:
 - a) Gallons of each solvent used and reclaimed.
 - b) VOC content, in pounds per gallon, of each solvent used.
 - c) VOC mass emission calculations determining the monthly emission rate in tons per calendar month.
 - d) VOC mass emission calculations determining the annual emission rate in tons per 12-month rolling time period as determined at the end of each calendar month.

The permittee shall keep the records in a format acceptable to the AQD District Supervisor. The permittee shall keep all records on file for a period of at least five years and make them available to the Department upon request. (R 336.1225, R 336.1702, R 336.1901)

1.11 The permittee shall keep, in a satisfactory manner, monthly and 12-month rolling time period records of the amount of Dowanol PPH used each month and 12-month rolling time period. The permittee shall keep all records on file for a period of at least five years and make them available to the Department upon request. (R 336.1225, R 336.1901)

Stack / Vent Restrictions

| | Stack & Vent ID | Maximum Diameter (inches) | Minimum Height Above Ground Level (feet) | Applicable Requirement | |
|-------|---|------------------------------|--|---------------------------|--|
| 1.12a | SV-DO | 14.0 | 58.0 | R 336.1225, | |
| | | | | R 336.1901, | |
| | | | | R 336.2803, | |
| | | | | R 336.2804, | |
| | | | | 40 CFR 52.21(c) & (d) | |
| 1.12b | SV-BO1 | 18.0 | 64.0 | R 336.1225, | |
| | | | | R 336.1901, | |
| | | | | R 336.2803, | |
| | | | | R 336.2804, | |
| | | | | 40 CFR 52.21(c) & (d) | |
| 1.12c | SV-BO2 | 18.0 | 64.0 | R 336.1225, | |
| | | | | R 336.1901, | |
| | | | | R 336.2803, | |
| | | | | R 336.2804, | |
| | | | | 40 CFR 52.21(c) & (d) | |
| | The exhaust gases shall be discharged unobstructed vertically upwards to the ambient air. | | | | |