MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY AIR QUALITY DIVISION

August 7, 2015

PERMIT TO INSTALL 280-96A

ISSUED TO

Ford Motor Company, Van Dyke Transmission Plant

LOCATED AT

41111 Van Dyke Sterling Heights, Michigan

IN THE COUNTY OF Macomb

STATE REGISTRATION NUMBER B1771

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: **June 23, 2015**

| DATE PERMIT TO INSTALL APPROVED: August 7, 2015 | SIGNATURE: |
|--|------------|
| DATE PERMIT VOIDED: | SIGNATURE: |
| DATE PERMIT REVOKED: | SIGNATURE: |

PERMIT TO INSTALL

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| | Common Acronyms | Р | ollutant / Measurement Abbreviations |
|--------------------------|--|-----------------|---|
| AQD Air Quality Division | | | 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 |
| CO ₂ e | Carbon Dioxide Equivalent | °F | Degrees Fahrenheit |
| СОМ | Continuous Opacity Monitoring | gr | Grains |
| EPA | Environmental Protection Agency | Hg | Mercury |
| EU | Emission Unit | hr | Hour |
| FG | Flexible Group | H_2S | Hydrogen Sulfide |
| GACS | Gallon of Applied Coating Solids | hp | Horsepower |
| GC | General Condition | lb | Pound |
| GHGs | Greenhouse Gases | kW | Kilowatt |
| HAP | Hazardous Air Pollutant | m | Meter |
| HVLP | High Volume Low Pressure * | mg | Milligram |
| ID | Identification | mm | Millimeter |
| LAER | Lowest Achievable Emission Rate | MM | Million |
| MACT | Maximum Achievable Control Technology | MW | Megawatts |
| MAERS | Michigan Air Emissions Reporting System | ng | Nanogram |
| MAP | Malfunction Abatement Plan | NO _x | Oxides of Nitrogen |
| MDEQ | Michigan Department of Environmental Quality (Department) | PM | Particulate Matter |
| MSDS | Material Safety Data Sheet | PM10 | PM with aerodynamic diameter ≤10 microns |
| NESHAP | National Emission Standard for Hazardous Air Pollutants | PM2.5 | PM with aerodynamic diameter \leq 2.5 microns |
| 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

- 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 48909-7760, 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 terms and conditions of this Permit to Install shall apply to any person or legal entity that now or hereafter owns or operates the process or process equipment at the location authorized by this Permit to Install. If the new owner or operator submits a written request to the Department pursuant to R 336.1219 and the Department approves the request, this permit will be amended to reflect the change of ownership or operational control. The request must include all of the information required by subrules (1)(a), (b), and (c) of R 336.1219 and shall be sent to the District Supervisor, Air Quality Division, Michigan Department of Environmental Quality. (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 condition or malfunction, whichever is first. The written reports shall include all of the information 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.
- 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.
- 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 SUMMARY TABLE

The descriptions provided below are for informational purposes and do not constitute enforceable conditions.

| Emission Unit ID | Emission Unit Description (Process Equipment & Control Devices) | Installation Date / Modification Date | Flexible Group ID | | |
|--|---|--|----------------------------|--|--|
| EUBOILER1 | EUBOILER1 Babcock and Wilson - Natural gas-fired boiler, rated at 107 MMBtu/hr | | FGFACILITY FGPOWERHOUSE | | |
| EUBOILER3 | Johnson Boiler Company - Natural gas-fired boiler, rated at 41 MMBtu/hr | 1/26/2008* | FGFACILITY FGPOWERHOUSE | | |
| EUSLUDGECOOK | Sludge cooking tank with fume scrubber control | 1995 | FGFACILITY | | |
| EUTANKS | Three 200,000 gallon receiving tanks and four oil/coolant storage tanks. [Field erected with fiberglass roof] | 1968 | FGFACILITY | | |
| EUFUMESCRUBBER | Fume scrubber controlling EUTANKS | 1995 | FGFACILITY | | |
| EUMAINTBOOTH | Maintenance Paint Booth (Global Finishing Solutions - Dry filter paint booth) | April 2005 | FGFACILITY | | |
| 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. | | | | | |

FLEXIBLE GROUP SUMMARY TABLE

The descriptions provided below are for informational purposes and do not constitute enforceable conditions.

| Flexible Group ID | Flexible Group Description | Associated Emission Unit IDs |
|-------------------|--|---------------------------------|
| FGPOWERHOUSE | Two natural gas fired boilers. EUBOILER1 has a rated capacity of 107 MMBtu/hr, and EUBOILER3 has a rated capacity of 41 MMBTU/hr | EUBOILER1 EUBOILER3 |
| FGFACILITY | All process equipment source-wide including equipment covered by other permits, grand-fathered equipment and exempt equipment. | |

The following conditions apply to: FGPOWERHOUSE

DESCRIPTION: Two natural gas fired boilers. EUBOILER1 has a rated capacity of 107 MMBtu/hr, and EUBOILER3 has a rated capacity of 41 MMBTU/hr

Emission Units:

POLLUTION CONTROL EQUIPMENT:

I. EMISSION LIMITS

II. MATERIAL LIMITS

| | Material | Limit | Time Period / Operating Scenario | Equipment | Testing / Monitoring Method | Underlying Applicable Requirements |
|----|-------------|---------------------------------|--|------------------------|-----------------------------------|--|
| 1. | Natural gas | 960 million cubic feet per year | Rolling 12-month time period as determined at the end of each month | EUBOILER1 EUBOILER3 | Appendix A | R 336.1201(3) |

III. PROCESS/OPERATIONAL RESTRICTIONS

1. The permittee shall only combust natural gas in FGPOWERHOUSE. (R336.1205(1)(a))

IV. DESIGN/EQUIPMENT PARAMETERS

NA

V. TESTING/SAMPLING

Records shall be maintained on file for a period of five years. (R 336.1201(3))

NA

VI. MONITORING/RECORDKEEPING

Records shall be maintained on file for a period of five years. (R 336.1201(3))

1. The permittee shall monitor and record, in a satisfactory manner, the natural gas usage for FGPOWERHOUSE on a 12-month rolling time period basis. (R 336.1205(3) 40 CFR 60.48c(g)(1))

VII. <u>REPORTING</u>

NA

VIII. STACK/VENT RESTRICTIONS

The exhaust gases from the stacks listed in the table below shall be discharged unobstructed vertically upwards to the ambient air unless otherwise noted:

| Stack & Vent ID | Maximum Exhaust Diameter/Dimensions (inches) | Minimum Height Above Ground (feet) | Underlying Applicable Requirements |
|-----------------|--|--|---------------------------------------|
| 1. SV-BOILER1 | 54 | 80 | R 336.2803 |
| | | | R 336.2804 |
| 2. SV-BOILER3 | 34 | 60.5 | R 336.2803 |
| | | | R 336.2804 |

IX. OTHER REQUIREMENTS

- 1. The permittee shall comply with all applicable requirements of the National Emission Standards for Hazardous Air Pollutants: Industrial, Commercial, and Institutional Boilers Area Sources by the compliance date(s) specified in the Standards. (40 CFR 63 Subpart JJJJJJ, 40 CFR 63 Subpart A)
- 2. The permittee shall comply with all applicable requirements of the National New Source Performance Standards: Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units by the compliance date(s) specified in the Standards. (40 CFR 60 Subpart Dc, 40 CFR 63 Subpart A)

The following conditions apply to: FGFACILITY

DESCRIPTION:

Emission Units:

POLLUTION CONTROL EQUIPMENT:

I. EMISSION LIMITS

| Pollutant | | Limit | Time Period/ Operating | Equipment | Testing / Monitoring | Underlying Applicable | |
|------------------------|-------------------|----------------|---|----------------|-------------------------|--------------------------|--|
| | | | Scenario | | Method | Requirements | |
| 1. | | | | FGFACILITY | SC VI.2 | R 336.1205(3) | |
| 2. | NOx | 99 tons/year | 12-month rolling time | FGFACILITY | SC VI.2 | R 336.1205(3) | |
| | | | period, as determined at | | | | |
| | | | the end of each calendar | | | | |
| _ | <u></u> | | month | | | | |
| 3. | Single HAP | 9.7 tons/year | 12-month rolling time | FGFACILITY | SC VI.1 | R 336.1205(3) | |
| | | | period, as determined at | | | | |
| | | | the end of each calendar | | | | |
| 4 | | | month | | 00.1/1.4 | D 000 4005(0) | |
| 4. | Single HAP | 2.5 tons/month | Calendar Month | FGFACILITY | SC VI.1 | R 336.1205(3) | |
| 5. | Aggregated | 24 tons/year | 12-month rolling time | FGFACILITY | SC VI.1 | R 336.1205(3) | |
| | HAPs | | period, as determined at the end of each calendar | | | | |
| | | | month | | | | |
| 6. | VOCs | 11 tons/month | Calendar month | FGFACILITY | SC VI.1 | R 336.1205(3) | |
| 7. | VOCs | 99 tons/year | 12-month rolling time | FGFACILITY | SC VI.1 | R 336.1205(3) | |
| | | | period, as determined at | | | | |
| | | | the end of each calendar | | | | |
| | | | month | | | | |
| 8. Visible 20% opacity | | 20% opacity | 6-minute average except | FGPOWERHOUSE | Appendix A | R 336.1331) | |
| | Emissions | | for 1 6-minute average | | | | |
| | not exceeding 27% | | | | | | |
| 9. | Visible | 20% opacity | 6-minute average except | EUPAINTBOOTH | Appendix A | R 336.1331 | |
| | Emissions | | for 1 6-minute average | | | | |
| | | | not exceeding 27% | | | | |
| 10. | Visible | No visible | Instantaneous | EUSLUDGCOOKER | Appendix A | R 336.1331 | |
| | Emissions | emissions, | | EUFUMESCRUBBER | | | |
| | | except for | | | | | |
| | | uncombined | | | | | |
| | | water vapor | | | | | |

II. MATERIAL LIMITS

| | Material | Limit | Time Period / Operating Scenario | Equipment | Testing / Monitoring Method | Underlying Applicable Requirements |
|---|---------------|--------------------------|--|------------|-----------------------------------|--|
| 1 | . Natural gas | 1,019 million cubic feet | 12-month rolling time | FGFACILITY | VI.1 | R 336.1205(3) |
| | | | period as determined | | | |
| | | | at the end of each | | | |
| | | | calendar month | | | |

III. PROCESS/OPERATIONAL RESTRICTIONS

- 1. Permittee shall not operate EUSLUDGECOOKTANK unless EUFUMESCRUBBER is installed and operating properly. (R 336.1910)
- 2. Permittee shall equip and maintain EUFUMESCRUBBER with a water flow indicator and a pH monitor. (R 336.1910)
- 3. Permittee shall not operate the fume scrubber unless a preventative maintenance program has been developed and implemented. (R 336.1911)
- 4. Permittee shall not operate EUTANKS unless they are covered and vented to EUFUMESCRUBBER. (R 336.1901)
- 5. The permittee shall not operate EUMAINTBOOTH unless all exhaust filters are in place. (R 336.1910)

IV. DESIGN/EQUIPMENT PARAMETERS

NA

V. TESTING/SAMPLING

Records shall be maintained on file for a period of five years. (R 336.1201(3))

NA

VI. MONITORING/RECORDKEEPING

Records shall be maintained on file for a period of five years. (R 336.1201(3))

- The permittee shall keep a separate record for each of the following for FGFACILITYFor each material, record the following on a monthly basis: The identification and the coating category for each VOC and HAP containing coatings and solvents. The VOC content in pounds per gallon (minus water) as received. The content in pounds per gallon of each HAP for all coatings as received. Monthly calculations of the following for VOCs; Monthly calculation of the VOC emission rate in tons per month by process and for FGFACILITY. Natural gas usage in million cubic feet, on a 12-month rolling time period basis.
- 2. The permittee shall keep a separate record for each of the following for FGPOWERHOUSE:
 - a. Monthly calculation of NOx emission rate in tons per month for FGPOWERHOUSE.
 - b. Monthly calculation of NOx determining a 12-month rolling time period emission rate in tons per year for the two boilers.

VII. <u>REPORTING</u>

NA

VIII. STACK/VENT RESTRICTIONS

The exhaust gases from the stacks listed in the table below shall be discharged unobstructed vertically upwards to the ambient air unless otherwise noted:

NA

IX. OTHER REQUIREMENTS

NA

Footnotes: ¹This condition is state only enforceable and was established pursuant to Rule 201(1)(b).

APPENDIX Appendix A, Compliance Methodology

VOC limitations:

A. Boilers – maintain monthly records of natural gas usage.

Gas usage $(10^6 \text{ cu. Ft./mo. X AP-42 Factor (lb/10^6 cu.ft. x 1 ton/2,000 lb. = tons VOC/mo.}$

B. Parts Cleaning Stations – maintain monthly usage record of solvent "make-up" compliance demonstration

(Total solvent replacement – Total solvent recycled (gal.mo.) x solvent density x 1 ton/2,000 lb. = Tons VOC /mo.

C. Machining Operations – maintain monthly usage records of cutting fluids used in machining operations.

Compliance demonstration:

Cutting fluid usage (gal.mo.) x VOC Emission Factor (lb./gal.) x 1 ton/2,000 ton = tons VOC/mo.

- The monthly emission rate will be determined by summation of the calculations A through E.
- The annual emission rate will be determined by summation A through E over a rolling 12-month period as determined at the end of each month.

HAP emissions

Maintain monthly usage records of the HAP containing materials in the facility that exceed 1. tpy HAP emissions as determined at the beginning of each year based on the previous calendar year.

Compliance demonstration:

Material usage (quantity/mo.) X HAP emission factor (lb./quantity) x 1ton/2,000 lbs. = tons HAP/mo.

- The monthly combined HAP emission rate will be determined by summation of the above calculation for individual HAPs (that exceed the 1.0 tpy threshold).
- The annual individual HAP emission rate will be determined by summation of the above calculation over a rolling 12-month period as determined at the end of each month.
- The annual combined HAP emission rate will be determined by summation of the annual individual HAP emission rates.

NOx emissions

Maintain monthly usage records of natural gas used at the facility.

Compliance demonstration:

Natural gas usage $(10^6 \text{ cubic feet/month}) \times NOx \text{ Emission Factor (lb./10^6 cu. ft.)} = lb. NOx/month The monthly NOx emission rate will be determined by the summation of the above calculations. The annual NOx emission rate will be determined by the summation of the monthly emission rate over a rolling 12-month period as determined at the end of each month. The most recent emission factor published in AP-42 or the FIRE database, or latest testing results shall be used as an emission factor to calculate emissions.$

Natural gas usage

Maintain monthly records of the natural gas consumed in the two boilers and the plant as a whole. The annual usage will be determined by summation of the monthly usage over a rolling 12-month period as determined at the end of each month.

Opacity requirements:

The two boiler exhausts will be inspected daily for visible emissions. Any visible emission will be noted and corrected actions taken. The corrective actions will also be noted.

Records of VOC and HAP emissions:

Maintain records for each VOC and/or HAP containing coating or solvent, identifying the material and indicating the VOC content in Ib./gal. and the HAP content in Ib./gal.

Maintain records and calculations for the monthly and annual VOC emissions rates as under "<u>HAP Emissions</u>" above.

Operational Restrictions

Sludge cooking operations will not be conducted unless the scrubber is compliant with the following:

- The water flow indicator and pH meter were installed and are maintained as specified in the original installation permit application.
- The preventative maintenance plan has been implemented, documented, and is maintained at the facility

Operational Restriction

The receiving tanks and the oil/coolant storage tanks are covered and ducted to the existing fume scrubber.

Operational Restriction

The maintenance spray booth is inspected weekly to ensure all exhaust filters are in place.