MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY AIR QUALITY DIVISION

September 18, 2014

PERMIT TO INSTALL 459-99E

ISSUED TOSunsation Products, Inc.

LOCATED AT 9666 Kretz Drive Algonac, Michigan

IN THE COUNTY OF Saint Clair

STATE REGISTRATION NUMBER N6769

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: September 2, 2014			
DATE PERMIT TO INSTALL APPROVED: September 18, 2014	SIGNATURE:		
DATE PERMIT VOIDED:	SIGNATURE:		
DATE PERMIT REVOKED:	SIGNATURE:		

PERMIT TO INSTALL

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Common Abbreviations / Acronyms

	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	co	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	
COM	Continuous Opacity Monitoring	gr	Grains	
EPA	Environmental Protection Agency	Hg	Mercury	
EU	Emission Unit	hr	Hour	
FG	Flexible Group	H ₂ S	Hydrogen Sulfide	
GACS	Gallon of Applied Coating Solids	hp	Horsepower	
GC	General Condition	Ib	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 ≤ 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

- 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 48909-7760, 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 conditions or malfunction has been corrected, or within 30 days of discovery of 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.
- 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 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)	Flexible Group ID	
EURESIN	Non-atomized (flowcoater) resin application of materials to manufacture boat parts and molds. No spray booth associated with resin application process - open area of Building 2 is utilized. Process includes production resin, tooling resin, putties, corebond materials, catalyst materials and other associated materials.	FGFACILITY	
EUGELCOAT	Atomized application of gelcoat materials to molds. No spray booth associated with gelcoat application process - open area of Building 2 is utilized. Process includes production gelcoats (clear and pigmented), tooling gelcoats, wax solutions, catalyst materials and other associated materials.	FGFIBERGLASS, FGFACILITY	
EUCLEANUP	Miscellaneous cleanup activities; acetone and non- VOC/non-HAP cleaning solutions used.	FGFIBERGLASS, FGFACILITY	
EUADHESIVE	Adhesive products used in the manufacturing of boat parts.	FGFIBERGLASS, FGFACILITY	
Changes to the equipment described in this table are subject to the requirements of R 336.1201, except as			

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
FGFIBERGLASS	Fiberglass lamination of molds and boat parts.	EURESIN, EUGELCOAT, EUADHESIVE, EUCLEANUP
FGFACILITY	All process equipment source-wide including equipment covered by other permits, grandfathered equipment, and exempt equipment.	NA

The following conditions apply to: FGFIBERGLASS

DESCRIPTION: Fiberglass lamination of molds and boat parts.

Emission Units: EURESIN, EUGELCOAT, EUADHESIVE, EUCLEANUP

POLLUTION CONTROL EQUIPMENT: NA

I. EMISSION LIMITS

Pollutant	Limit	Time Period/ Operating Scenario	Equipment	Testing / Monitoring Method	Underlying Applicable Requirements
1. VOC (including styrene)	9.9 tpy	12-month rolling time period as determined at the end of each calendar month	All emission units combined identified under FGFIBERGLASS	SC VI.2, SC VI.3	R 336.1205, R 336.1225(1) and (2), R 336.1702(a)
2. Acetone	8.1 tpy	12-month rolling time period as determined at the end of each calendar month	All emission units combined identified under FGFIBERGLASS	SC VI.2, SC VI.3	R 336.1225(1)

The emission limits are based upon the emission factors identified in EF Table 1: Unified Emission Factors of Open Molding of Composites (Revised and Approved: 10/13/2009) located at http://www.acmanet.org/ga/ACMA-UEF-1-2011a.pdf

II. MATERIAL LIMITS

1. The permittee shall not exceed the monomer content limits listed in the following table for the following materials. (R 336.1225, R 336.1702(a))

Material ID	Maximum Styrene Content (wt %)	Maximum Methyl Methacrylate (MMA) Content (wt %)
Production Resin	35	NA
Tooling Resin	37	2
Putty Materials	30	NA
Core Bond Materials	35	NA
Poly Bond Materials	27	NA
Tooling gelcoat(s)	43	5
Black gelcoat(s)	40	5
Marine Clear Coat gelcoat	37	6
All other gelcoats not listed above	32	10

III. PROCESS/OPERATIONAL RESTRICTIONS

1. The permittee shall capture all waste cleanup solvent(s), catalyst(s), resin(s), and gelcoat(s) used in FGFIBERGLASS and store them in closed containers. The permittee shall dispose of all waste cleanup solvent(s), catalyst(s), resin(s), and gelcoat(s) in an acceptable manner in compliance with all applicable state rules and federal regulations. (R 336.1224, R 336.1702(a))

IV. <u>DESIGN/EQUIPMENT PARAMETERS</u>

1. The permittee shall equip and maintain the resin application process within FGFIBERGLASS (i.e. production and tooling resin applications) with non-atomized applicators or technology with equivalent or lower styrene emission rates. (R 336.1225, R 336.1702(a))

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 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 monitoring/recordkeeping special condition. (R 336.1205, R 336.1225, R 336.1702(a))
- 2. The permittee shall maintain a current listing from the manufacturer of the chemical composition of each material (i.e. resin(s), gelcoat(s), catalyst(s), etc.), 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 and make them available to the Department upon request. (R 336.1224, R 336.1225, R 336.1702(a))
- 3. The permittee shall keep the following information for each calendar month for FGFIBERGLASS:
 - a. The identity and amount (in pounds) of each material used. Materials include, but are not limited to: production and/or tooling resins, gelcoats (all colors), tooling gelcoats, catalyst, putty, adhesive, wax solutions, cleanup solvent (acetone), etc.
 - b. The styrene content, MMA content, acetone content, and total VOC content of each material used.
 - c. Where applicable, gallons or pounds of acetone reclaimed.
 - d. The appropriate emission factor for each material used and supporting documentation for the emission factor, as applicable.
 - e. VOC emission calculations determining the monthly emission rate in tons per calendar month, and the annual emission rate in tons per 12-month rolling time period as determined at the end of each calendar month, using mass balance or an alternate method as approved by the AQD District Supervisor.
 - f. Acetone emission calculations determining the monthly emission rate in tons per calendar month, and the annual emission rate in tons per 12-month rolling time period as determined at the end of each calendar month, using mass balance or an alternate method as approved by the AQD District Supervisor.

The permittee shall keep the records in a format acceptable to the AQD District Supervisor. The permittee shall keep all records on file and make them available to the Department upon request. (R 336.1205, R 336.1702(a))

VII. REPORTING

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-LAMINATION1	24	46	R 336.1225, R 336.1901, R 336.2803, R 336.2804, 40 CFR 52.21(c) & (d)
2. SV-LAMINATION2	30	50	R 336.1225, R 336.1901, R 336.2803, R 336.2804, 40 CFR 52.21(c) & (d)

IX. OTHER REQUIREMENTS

NA

Footnotes:

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

The following conditions apply Source-Wide to: FGFACILITY

POLLUTION CONTROL EQUIPMENT: NA

I. EMISSION LIMITS

Pollutant	Limit	Time Period / Operating Scenario	Equipment	Testing / Monitoring Method	Underlying Applicable Requirements
 Each individual HAP 	Less than 9.0 tpy	12-month rolling time period as determined at the end of each calendar month	FGFACILITY	SC VI.2	R 336.1205(3)
2. Aggregate HAPs	Less than 22.5 tpy	12-month rolling time period as determined at the end of each calendar month	FGFACILITY	SC VI.2	R 336.1205(3)

II. MATERIAL LIMITS

NA

III. PROCESS/OPERATIONAL RESTRICTIONS

NA

IV. DESIGN/EQUIPMENT PARAMETERS

NA

V. TESTING/SAMPLING

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

1. The permittee shall determine the HAP content of any material (i.e. resin, gelcoat, cleanup solvent, etc.) as received and as applied, using manufacturer's formulation data. Upon request of the AQD District Supervisor, the permittee shall verify the manufacturer's HAP formulation data using EPA Test Method 311. (R 336.1205(3))

VI. MONITORING/RECORDKEEPING

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

1. 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 monitoring/recordkeeping special condition. (R 336.1205(3))

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- 2. The permittee shall keep the following information on a monthly basis for FGFACILITY:
 - a. Gallons or pounds of each HAP containing material used.
 - b. Where applicable, gallons or pounds of each HAP containing material reclaimed.
 - c. HAP content, in pounds per gallon or pounds per pound, of each HAP containing material used.
 - d. Individual and aggregate HAP emission calculations determining the monthly emission rate of each in tons per calendar month.
 - e. Individual and aggregate HAP emission calculations determining the annual emission rate of each in tons per 12-month rolling time period as determined at the end of each calendar month, using mass balance or an alternate method as approved by the AQD District Supervisor.

The permittee shall keep the records in a format acceptable to the AQD District Supervisor. The permittee shall keep all records on file and make them available to the Department upon request. (R 336.1205(3))

VII. REPORTING

NA

VIII. STACK/VENT RESTRICTIONS

NA

IX. OTHER REQUIREMENTS

NA

Footnotes:

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