MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY AIR QUALITY DIVISION

June 13, 2017

PERMIT TO INSTALL 30-05C

ISSUED TO Zoetis, LLC

LOCATED AT 2605 East Kilgore Road Kalamazoo, Michigan

IN THE COUNTY OF Kalamazoo

RIS PENINSULA

STATE REGISTRATION NUMBER B7149

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: May 9, 2017			
DATE PERMIT TO INSTALL APPROVED: June 13, 2017	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			Actual cubic feet per minute	
BACT	Best Available Control Technology	acfm BTU	British Thermal Unit	
CAA	Clean Air Act	°C	Degrees Celsius	
CAM	Compliance Assurance Monitoring	co	Carbon Monoxide	
CEM	Continuous Emission Monitoring	CO ₂ e	Carbon Dioxide Equivalent	
CFR	Code of Federal Regulations	dscf	Dry standard cubic foot	
СОМ	Continuous Opacity Monitoring	dscm	Dry standard cubic neter	
Department/	Michigan Department of Environmental	°F	Degrees Fahrenheit	
department	Quality	gr	Grains	
EU	Emission Unit	HAP	Hazardous Air Pollutant	
FG	Flexible Group	Hg	Mercury	
GACS	Gallons of Applied Coating Solids	hr	Hour	
GC	General Condition	HP	Horsepower	
GHGs	Greenhouse Gases	H ₂ S	Hydrogen Sulfide	
HVLP	High Volume Low Pressure*	kW	Kilowatt	
ID	Identification	lb	Pound	
IRSL	Initial Risk Screening Level	m	Meter	
ITSL	Initial Threshold Screening Level	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	NMOC	Non-methane Organic Compounds	
MDEQ	Michigan Department of Environmental Quality	NOx	Oxides of Nitrogen	
MSDS	Material Safety Data Sheet	ng PM	Nanogram Particulate Matter	
NA NA	Not Applicable		Particulate Matter equal to or less than 10	
NAAQS	National Ambient Air Quality Standards	PM10	microns in diameter	
NESHAP	National Emission Standard for Hazardous Air Pollutants	PM2.5	Particulate Matter equal to or less than 2.5 microns in 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	Reasonable Available Control Technology	scf	Standard cubic feet	
ROP	Renewable Operating Permit	sec	Seconds	
SC	Special Condition	SO_2	Sulfur Dioxide	
SCR	Selective Catalytic Reduction	TAC	Toxic Air Contaminant	
SNCR	Selective Non-Catalytic Reduction	Temp	Temperature	
SRN	State Registration Number	THC	Total Hydrocarbons	
TEQ	Toxicity Equivalence Quotient	tpy	Tons per year	
USEPA/EPA	United States Environmental Protection	μg	Microgram	
\/=	Agency	μm	Micrometer or Micron	
VE	Visible Emissions	VOC	Volatile Organic Compounds	
		yr	Year	

^{*}For HVLP applicators, the pressure measured at the gun air cap shall not exceed 10 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.

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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	
EUCOMPOUNDING	All compounding equipment in or around Building 248, some of which is controlled by a filter and a condenser.	FGB248COMP	
EUFILLING	All filling equipment in or around Building 248, some of which is controlled by a filter and a condenser.	FGB248COMP	
EUWEIGHING	All weighing equipment in or around Building 248; this equipment is controlled by rotoclones.	FGB248COMP	
EUTANK-301	10,000 gallon storage tank located in or around Building 248; conservation vent(s).	FGB248COMP	
EUTANK-302	10,000 gallon storage tank located in or around Building 248; conservation vent(s).	FGB248COMP	
EUTANK-303	15,000 gallon storage tank located in or around Building 248; conservation vent(s).	FGB248COMP	
EUTANK-304	6000 gallon hazardous waste storage tank located in or around Building 248; conservation vent(s).	FGB248COMP	
EUTANK-305	2000 gallon aqueous waste storage tank located in or around Building 248; conservation vent(s).	FGB248COMP	
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
FGB248COMP	All equipment associated with the compounding process in Building 248.	EUCOMPOUNDING, EUFILLING, EUWEIGHING, EUTANK-301, EUTANK-302, EUTANK-303,
		EUTANK-304, and EUTANK-305.

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The following conditions apply to: FGB248COMP

<u>DESCRIPTION</u>: All equipment associated with the compounding process in Building 248.

Emission Units: EUCOMPOUNDING, EUFILLING, EUWEIGHING, EUSTORAGETANK, EUTANK-301, EUTANK-302, EUTANK-303, EUTANK-304, and EUTANK-305

POLLUTION CONTROL EQUIPMENT: A filter (50 micron maximum), a condenser, two wet centrifugal rotoclones, and conservation vents on all storage tanks and on two mixing vessels.

I. EMISSION LIMITS

Pollutant	Limit	Time Period/ Operating Scenario	Equipment	Testing / Monitoring Method	Underlying Applicable Requirements
1. VOC	17.5 tpy	12-month rolling time period	FGB248COMP	SC VII.3, VII.4	R 336.1702(d)
		as determined at the end of			
		each calendar month			

II. MATERIAL LIMITS

- 1. The permittee shall not use more than 3440 tons of isopropyl alcohol in FGB248COMP per 12-month rolling time period as determined at the end of each calendar month.¹ (R 336.1225)
- 2. The permittee shall not use more than 21 tons of ethyl alcohol per 12-month rolling time period as determined at the end of each calendar month. (R 336.1225)

III. PROCESS/OPERATIONAL RESTRICTIONS

- 1. The permittee shall not operate compounding tanks and filling equipment connected to the condenser unless the condenser exhaust gas temperature is 25°C or less. (R 336.1225, R 336.1702(d), R 336.1910)
- 2. The permittee shall not load solids to the compounding tanks unless the intermediate bulk containers are installed, maintained, and operated in a satisfactory manner. (R 336,1225, R 336,1331, R 336,1910)

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

- 1. The permittee shall not operate the compounding tanks and/or filling equipment operating in VOC service unless the pre-filter (50 micron maximum) to the condenser and the condenser are installed, maintained, and operated in a satisfactory manner. (R 336.1225, R 336.1702(d), R 336.1910)
- 2. The permittee shall not charge solids in the associated weigh areas FGB248COMP unless the rotoclones are installed and operating properly. (R 336.1331)
- 3. The permittee shall not load material to or unload material from the storage tanks unless the conservation vents on the storage tanks and mixers are installed and operating properly. (R 336.1702)

V. TESTING/SAMPLING

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

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VI. MONITORING/RECORDKEEPING

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

1. The permittee shall install, calibrate, maintain and operate in a satisfactory manner a device to monitor the exhaust gas temperature of the condenser on a continuous basis while the compounding tanks and/or filling equipment connected to the condenser is operating. (R 336.1225, R 336.1702(d), R 336.1910)

- 2. The permittee shall monitor, in a satisfactory manner, the isopropyl alcohol usage rate for FGB248COMP.¹ (R 336.1225)
- 3. The permittee shall monitor, in a satisfactory manner, the ethyl alcohol usage rate for FGB248COMP.¹ (R 336.1225)
- 4. All required calculations shall be completed in a format acceptable to the AQD District Supervisor and made available by the end of the following calendar month, unless otherwise specified in any recordkeeping, reporting or notification special condition. (R 336.1225, R 336.1702(d))
- 5. The permittee shall keep, in a satisfactory manner, daily records of the condenser exhaust gas temperature for FGB248COMP, as required by SC VI.1. All records shall be kept on file at the facility and made available to the Department upon request. (R 336.1225, R 336.1702(d), R 336.1910)
- 6. The permittee shall keep, in a satisfactory manner, monthly and 12-month rolling time period records of the amount of isopropyl alcohol used in FGB248COMP, as required by SC VI.2. All records shall be kept on file at the facility and made available to the Department upon request.¹ (R 336.1225)
- 7. The permittee shall keep, in a satisfactory manner, monthly and 12-month rolling time period records of the amount of ethyl alcohol used in FGB248COMP, as required by SC VI.2. All records shall be kept on file at the facility and made available to the Department upon request.¹ (R 336.1225)
- 8. The permittee shall calculate the VOC emission rates from FGB248COMP for each calendar month and 12-month rolling time period as determined at the end of each calendar month, using a method acceptable to the AQD District Supervisor. All records shall be kept on file at the facility and made available to the Department upon request. (R 336.1702(d))

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. SVEF-1	24 ¹	32 ¹	R 336.1225
2. SVEF-3	24 ¹	32 ¹	R 336.1225
3. SVKTNK	14 ¹	22 ¹	R 336.1225

IX. OTHER REQUIREMENTS

NA

Footnotes:

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