MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY AIR QUALITY DIVISION

May 25, 2007

PERMIT TO INSTALL

No. 374-06

ISSUED TO

Chem-Trend Limited Partnership LP

LOCATED AT

3205 E. Grand River Howell, Michigan 48843

IN THE COUNTY OF

Livingston

STATE REGISTRATION NUMBER

B2303

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: 1/10/2007 | | | | |
|--|------------|--|--|--|
| DATE PERMIT TO INSTALL APPROVED: | SIGNATURE: | | | |
| 5/25/2007 | | | | |
| DATE PERMIT VOIDED: | SIGNATURE: | | | |
| DATE PERMIT REVOKED: | SIGNATURE: | | | |

Common Abbreviations / Acronyms

| Common Acronyms | | Pollutant/Measurement Abbreviations | | |
|--------------------------|--|-------------------------------------|--|--|
| AQD Air Quality Division | | Btu | British Thermal Unit | |
| ANSI | American National Standards Institute | °C | Degrees Celsius | |
| BACT | Best Available Control Technology | СО | Carbon Monoxide | |
| CAA | Clean Air Act | dscf | Dry standard cubic foot | |
| CEM | Continuous Emission Monitoring | dscm | • | |
| CFR | Code of Federal Regulations | °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 | lb | Pound | |
| 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 | | Megawatts | |
| | Technology Michigan Air Emissions Reporting | | 95.74.00 | |
| MAERS | System | ng | Nanogram | |
| MAP | Malfunction Abatement Plan | NOx | Oxides of Nitrogen | |
| MDEQ | Michigan Department of Environmental Quality | PM | Particulate Matter | |
| MIOSHA | Michigan Occupational Safety & Health Administration | PM- 10 | Particulate Matter less than 10 microns diameter | |
| MSDS | Material Safety Data Sheet | pph | Pound per hour | |
| NESHA P | National Emission Standard for Hazardous Air Pollutants | ppm | Parts per million | |
| NSPS | New Source Performance Standards | ppmv | Parts per million by volume | |
| NSR | New Source Review | ppmw | Parts per million by weight | |
| PS | Performance Specification | psia | Pounds per square inch absolute | |
| PSD | Prevention of Significant Deterioration | psig | Pounds per square inch gauge | |
| PTE | Permanent Total Enclosure | scf | Standard cubic feet | |
| PTI | Permit to Install | sec | sec Seconds | |
| RACT | Reasonably Available Control Technology | SO ₂ | Sulfur Dioxide | |
| ROP | Renewable Operating Permit | THC | Total Hydrocarbons | |
| SC | Special Condition | tpy | Tons per year | |
| SCR | Selective Catalytic Reduction | μg | Microgram | |
| SRN | State Registration Number | VOC | Volatile Organic Compounds | |
| TAC | Toxic Air Contaminant | yr | Year | |
| TEQ | Toxicity Equivalence Quotient | | | |
| VE | Visible Emissions | | | |
| | | | | |

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* 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 Pemit 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 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 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-790-80 | Equipment used for producing solvent-based | SV-J14, SV-J15 | | | |
| | lubricants, release agents, and other specialty mixtures. | | | | |
| EU-791-80 | Equipment used for producing water-based | SV-J5, SV-J6, SV-J7, | | | |
| | lubricants, release agents, and other specialty mixtures. | SV-J8, SV-J9 | | | |
| EU-676-85 | Equipment used for producing chemical specialty | SV-RE101 | | | |
| | lubricants. | | | | |
| EU-717-91 | Equipment used for producing water-based | SV-J4 | | | |
| | specialty lubricants and release agents. | | | | |
| EU-576-95A | Powdered lubricant manufacturing process. | In plant | | | |
| EU-577-95 | Equipment used for producing chemical specialty | SV-VS | | | |
| | lubricants. | | | | |
| EU-48-06 | Equipment used for producing mold lubricant. | In plant | | | |
| 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-577-95

Description: J-17, J-18, J-19, J-20

Pollution Control Equipment: Venturi Scrubber

Emission Limits

| | Pollutant | Limit | Time Period | Equipment | Testing/ Monitoring Method | Applicable Requirement | |
|-----|---------------------------------|--|----------------------|-----------|----------------------------------|---------------------------|--|
| 1.1 | PM10 | 0.01 lb per 1000 lbs exhaust gas* | Per testing protocol | EU-577-95 | GC 13 | R 336.1331 | |
| | * calculated on a dry gas basis | | | | | | |

Equipment

- 1.2 The permittee shall not operate EU-577-95 unless the venturi scrubber is installed, maintained, and operated in a satisfactory manner. (R 336.1331)
- 1.3 The permittee shall equip and maintain the venturi scrubber with a liquid flow indicator. (R 336.1910)

Monitoring

1.4 The permittee shall monitor, in a satisfactory manner, the scrubber liquid flow rate on a daily basis. (R 336.1910)

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Recordkeeping/Reporting/Notification

1.5 The permittee shall keep, in a satisfactory manner, daily scrubber flow rate recordings, as required by SC 1.4. The permittee shall keep all records on file at the facility for a period of at least five years and make them available to the Department upon request. (R 336.1910)