MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY AIR QUALITY DIVISION

August 3, 2012

PERMIT TO INSTALL 162-08A

ISSUED TO IAV Automotive Engineering, Inc.

LOCATED AT 15620 Technology Drive Northville, Michigan

IN THE COUNTY OF Wayne

PENINSUL

STATE REGISTRATION NUMBER N8055

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 29, 2012				
DATE PERMIT TO INSTALL APPROVED: August 3, 2012	SIGNATURE:			
DATE PERMIT VOIDED:	SIGNATURE:			
DATE PERMIT REVOKED:	SIGNATURE:			

PERMIT TO INSTALL

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Common Abbreviations / Acronyms

		Pollutant / Measurement Abbreviations		
A O D	Common Acronyms			
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_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 less than 10 microns diameter	
NESHAP	National Emission Standard for Hazardous Air Pollutants	PM2.5	PM less than 2.5 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 48909-7760, 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.
- 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	on Unit ID Emission Unit Description S (Process Equipment & Control Devices) Identification		Flexible Group ID
EU-TESTCELL1	Engine test cell #1.	SV-01	FG-TESTCELLS
EU-TESTCELL2	Engine test cell #2.	SV-02	FG-TESTCELLS
EU-TESTCELL3	Engine test cell #3.	SV-03	FG-TESTCELLS
EU-TESTCELL4	Engine test cell #4.	SV-04	FG-TESTCELLS

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
FG-TESTCELLS	Engine test cells 1-4, each emitting through their respective stacks, SV-01 – SV-04.	EU-TESTCELL1, EU-TESTCELL2, EU-TESTCELL3, EU-TESTCELL4

The following conditions apply to: FG-TESTCELLS

<u>DESCRIPTION</u>: Engine test cells 1-4, each emitting through their respective stacks, SV-01 – SV-04.

Emission Units: EU-TESTCELL1, EU-TESTCELL2, EU-TESTCELL3, EU-TESTCELL4

POLLUTION CONTROL EQUIPMENT: Integrated catalytic converter or other similar control device used 95% of the time.

I. <u>EMISSION LIMITS</u>

Pollutant	Limit	Time Period/ Operating Scenario		Equipment	Moni	ting / toring thod	Underlying Applicable Requirements
1. CO	34.0 tpy	12-month rolling time period as determined at the end of each calendar month.		FG-TESTCELLS	SC	VI.2	R 336.1205(1)(a) & (3), R 336.2804, 40 CFR 52.21(d)
CO Emission Factors:			led – 0.31 lb/gal rolled – 0.13 lb/gal	7	Low-use fuels: 7.94 lb/gal (always considered uncontrolled)		

II. MATERIAL LIMITS

- 1. The total combined fuel usage for FG-TESTCELLS shall not exceed 84,800 gallons of fuel (unleaded gasoline, diesel, and low-use fuels) per year based on a 12-month rolling time period as determined at the end of each calendar month. Of the 84,800 gallons, the permittee shall not use more than a total of 2,300 gallons of low-use fuel (off road low-sulfur [500 ppm] diesel, CARB cert fuel, European cert fuel, world market high sulfur [2,500 ppm] diesel, B5 blend bio-diesel, B20 blend bio-diesel, B100 blend bio-diesel, di-methyl ether, E85 blend ethanol, E100 blend ethanol, methanol, aviation fuel [low-lead 100 octane], and JP-8 [mil-spec diesel fuel]) per 12-month rolling time period as determined at the end of each calendar month. (R 336.1205(1)(a) & (3), R 336.1225, R 336.1702(a), R 336.2803, R 336.2804, 40 CFR 52.21(c) & (d))
- 2. The sulfur content of the fuel specified in SC II.1 shall not exceed 2,500 ppm (0.25 percent) by weight. (R 336.1402(3))

III. PROCESS/OPERATIONAL RESTRICTIONS

N/A

IV. DESIGN/EQUIPMENT PARAMETERS

1. A minimum of 95 percent of the total amount of unleaded gasoline and diesel burned in FG-TESTCELLS shall be in engines equipped and maintained with an integrated catalytic converter or other similar control device. (R 336.1205(1)(a) & (3), R 336.1225, R 336.1702(a), R 336.1910, R 336.2803, R 336.2804, 40 CFR 52.21(c) & (d))

V. TESTING/SAMPLING

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

N/A

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(1)(a) & (3), R 336.1225, R 336.1702(a), R 336.2803, R 336.2804, 40 CFR 52.21(c) & (d))
- 2. The permittee shall keep the following information on a monthly basis for FG-TESTCELLS:
 - a) A record of the days of operation.
 - b) A record of if the engine tested was equipped with an integrated catalytic converter or other similar control device.
 - c) Gallons of each fuel used per month and 12-month rolling time period.
 - d) Fuel use calculations determining the annual usage rate in gallons per 12-month rolling time period as determined at the end of each calendar month.
 - e) CO emission calculations determining the monthly emission rate in tons per calendar month.
 - f) CO 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 and make them available to the Department upon request. (R 336.1205(1)(a) & (3, R 336.1224, R 336.1225, R 336.1702(a), R 336.2803, R 336.2804, 40 CFR 52.21(c) & (d))

- 3. The permittee shall keep, in a satisfactory manner, records of the maximum lead content in the aviation fuel for each delivery. The permittee shall keep all records on file and make them available to the Department upon request. (R 336.1205(1)(a) & (3), R 336.2804, 40 CFR 52.21(d))
- 4. The permittee shall keep, in a satisfactory manner, records of the maximum sulfur content in the fuel for each delivery. The permittee shall keep all records on file and make them available to the Department upon request. (R 336.1205(1)(a) & (3), R 336.2803, R 336.2804, 40 CFR 52.21(c) & (d))

VII. REPORTING

N/A

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-01	34	45	R 336.1225, R 336.2803, R 336.2804, 40 CFR 52.21(c) & (d)
2. SV-02	24	45	R 336.1225, R 336.2803, R 336.2804, 40 CFR 52.21(c) & (d)
3. SV-03	24	45	R 336.1225, R 336.2803, R 336.2804, 40 CFR 52.21(c) & (d)
4. SV-04	24	45	R 336.1225, R 336.2803, R 336.2804, 40 CFR 52.21(c) & (d)

IX. OTHER REQUIREMENTS

N/A