MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY AIR QUALITY DIVISION

February 18, 2014

PERMIT TO INSTALL 111-12A

ISSUED TOUS Graphite, Inc.

LOCATED AT 1620 East Holland Avenue Saginaw, Michigan

IN THE COUNTY OF Saginaw

STATE REGISTRATION NUMBER B1995

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: January 24, 2014			
DATE PERMIT TO INSTALL APPROVED: February 18, 2014	SIGNATURE:		
DATE PERMIT VOIDED:	SIGNATURE:		
DATE PERMIT REVOKED:	SIGNATURE:		

PERMIT TO INSTALL

Table of Contents

Section	Page
Alphabetical Listing of Common Abbreviations / Acronyms	2
General Conditions	3
Special Conditions	5
Emission Unit Summary Table	5
Special Conditions for EURESINTREAT	6

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	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 ≤ 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).

US Graphite, Inc. (B1995)

Permit No. 111-12A

February 18, 2014

Page 3 of 8

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.

US Graphite, Inc. (B1995)

Permit No. 111-12A

February 18, 2014

Page 4 of 8

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)	Installation Date / Modification Date	Flexible Group ID
EURESINTREAT	Seven (7) resin storage tanks, (8) pressure vessels, (3) wash tanks, and (5) electric curing ovens. Graphite parts are impregnated with resin in a pressure vessel, rinsed with water and detergent in a tank, then oven-cured. The five ovens share a common stack. Emissions from charging resin to the pressure vessels are released to the in-plant environment.		NA

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: EURESINTREAT

<u>DESCRIPTION</u>: (7) resin storage tanks, (8) pressure vessels, (3) wash tanks, and (5) electric curing ovens. Graphite parts are impregnated with resin in a pressure vessel, rinsed with water and detergent in a tank, then oven-cured. The five ovens share a common stack. Emissions from charging resin to the pressure vessels are released to the in-plant environment.

Flexible Group ID: NA

POLLUTION CONTROL EQUIPMENT: NA

I. EMISSION LIMITS

Pollutant	Limit	Time Period / Operating Scenario	Equipment	Testing / Monitoring Method	Underlying Applicable Requirements
1. VOC	4.5 tpy	12-month rolling time period as determined at the end of each calendar month	EURESINTREAT	SC VI.2, VI.3	R 336.1205(3), R 336.1225, R 336.1702(a)

II. MATERIAL LIMITS

Material	Limit	Time Period / Operating Scenario	Equipment	Testing / Monitoring Method	Underlying Applicable Requirements
1. Formaldehyde	630 lb/yr	12-month rolling time period as determined at the end of each calendar month	EURESINTREAT	SC VI.2, VI.4	R 336.1225(2)
2. Diallyl phthalate	9,525 lb/yr	12-month rolling time period as determined at the end of each calendar month	EURESINTREAT	SC VI.2, VI.4	R 336.1225(2)

III. PROCESS/OPERATIONAL RESTRICTIONS

NA

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

NA

V. TESTING/SAMPLING

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

NA

US Graphite, Inc. (B1995)

Permit No. 111-12A

February 18, 2014

Page 7 of 8

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)

- 2. The permittee shall maintain a current listing from the manufacturer of the chemical composition of each resin raw material, 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)
- 3. The permittee shall keep the following information on a monthly basis for EURESINTREAT:
 - a) Gallons of each resin raw material used.
 - b) Gallons of each resin raw material recycled to the resin storage tanks.
 - c) VOC content of each resin raw material
 - d) VOC mass emission calculations determining the monthly emission rate in tons per calendar month.
 - e) VOC mass emission calculations determining the annual emission rate in tons per 12-month rolling time period as determined at the end of each calendar month.
 - f) Hours of operation.

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)

- 4. The permittee shall keep the following information on a monthly basis for EURESINTREAT:
 - a) Gallons of each formaldehyde and diallyl phthalate containing material used.
 - b) Gallons of each formaldehyde and diallyl phthalate containing material recycled to the storage tanks.
 - c) The formaldehyde and diallyl phthalate content in pounds per gallon of each material used.
 - d) Calculations of formaldehyde and diallyl phthalate use in pounds on a calendar month basis.
 - e) Calculations of formaldehyde and diallyl phthalate use in pounds per year on a 12-month rolling time basis 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 request¹. **(R 336.1225)**

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. SVCUREOVENS	40	30	R 336.1225, 40 CFR 52.21(c) & (d)

US Graphite, Inc. (B1995) Permit No. 111-12A February 18, 2014 Page 8 of 8

IX. OTHER REQUIREMENTS

NA

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