MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY AIR QUALITY DIVISION

September 10, 2014

PERMIT TO INSTALL 86-14

ISSUED TO Packaging Corporation of America

> LOCATED AT 3251 Chicago Drive SW Grandville, Michigan

IN THE COUNTY OF

Kent

STATE REGISTRATION NUMBER B2561

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: July 14, 2014

DATE PERMIT TO INSTALL APPROVED: SIGNATURE: September 10, 2014 SIGNATURE: DATE PERMIT VOIDED: SIGNATURE: DATE PERMIT REVOKED: SIGNATURE:

PERMIT TO INSTALL

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Common Abbreviations /	Acronyms
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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	со	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			
СОМ	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	NOx	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

- 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 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.
- 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)

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
	All process equipment source-wide including equipment covered by other permits, grand-fathered equipment and exempt equipment.	

The following conditions apply Source-Wide to: FGFACILITY

POLLUTION CONTROL EQUIPMENT:

I. EMISSION LIMITS

Pollutant	Limit	Time Period / Operating Scenario	Equipment	Testing / Monitoring Method	Underlying Applicable Requirements
1. 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.3	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.3	R 336.1205(3)
3. PM	0.03 lb per 1000 lb of exhaust gas, calculated on a dry gas basis.	Test protocol*	Scrap collection cyclone	GC 13, SC VI.1	R 336.1331
4. PM	42 tpy	12-month rolling time period as determined at the end of each calendar month	FGFACILITY	SC VI.6	R 336.1205(3)
5. VOC	89 tpy	12-month rolling time period as determined at the end of each calendar month	FGFACILITY	SC VI.4	R 336.1205(3)

* Test protocol shall specify averaging time ** Beginning on PTI issuance date and continuing for the first 12 calendar months, this limit applies to the cumulative total HAP emissions. Thereafter, the limit shall become a 12-month rolling limit.

6. Visible emissions from the scrap collection cyclone shall not exceed a six-minute average of 10 percent opacity. (R 336.1301, R 336.1331)

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II. MATERIAL LIMITS

N/A

III. PROCESS/OPERATIONAL RESTRICTIONS

N/A

IV. DESIGN/EQUIPMENT PARAMETERS

N/A

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 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))

- The permittee shall verify the presence of visible emissions by taking six-minute visible emission readings for scrap collection cyclone a minimum of once per calendar month. Either a certified or non-certified reader shall take each visible emission reading during routine operating conditions. If the permittee observes any visible emissions, the permittee shall immediately implement the following procedures:
 - a) The permittee shall perform the six-minute visible emission readings at least once every 30 minutes until emissions are no longer visible or until emissions have been observed for more than two hours.
 - b) If visible emissions have been observed for more than two hours, a certified reader shall determine the opacity using Federal Reference Test Method 9 (40 CFR Part 60, Appendix A).
 - c) If the results of the Federal Reference Test Method 9 visible emission observation indicate a violation of the opacity standard specified in SC I.5, the permittee shall immediately initiate corrective actions. (R 336.1301)
- 2. 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))
- 3. The permittee shall keep the following information on a calendar month 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. For the first month following permit issuance, the calculations shall include the summation of emissions from the 11-month period immediately preceding the issuance date. For each month thereafter, calculations shall include the summation of emissions for the appropriate number of months prior to permit issuance plus the months following permit issuance for a total of 12 consecutive months.

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

- 4. The permittee shall keep the following information on a calendar month basis for FGFACILITY:
 - a) Gallons or pounds of each VOC containing material used.
 - b) Where applicable, gallons or pounds of each VOC containing material reclaimed.
 - c) VOC content, in pounds per gallon or pounds per pound, of each VOC containing material used.
 - d) VOC emission calculations determining the monthly emission rate of each in tons per calendar month.
 - e) VOC 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. For the first month following permit issuance, the calculations shall include the summation of emissions from the 11-month period immediately preceding the issuance date. For each month thereafter, calculations shall include the summation of emissions for the appropriate number of months prior to permit issuance plus the months following permit issuance for a total of 12 consecutive months.

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

- 5. The permittee shall keep, in a satisfactory manner, records of all visible emission readings for the scrap collection cyclone. At a minimum, records shall include the date, time, name of observer/reader, whether the reader is certified, and status of visible emissions. The permittee shall keep all records on file at the facility and make them available to the Department upon request. (**R 336.1301**)
- 6. The permittee shall calculate the PM emission rate for FGFACILITY monthly, for the preceding 12-month rolling time period, using the amount of scrap sent off-site and the scrap cyclone emission factor or the hours of operation of the cyclone and the scrap cyclone emission factor or a method acceptable to the AQD District Supervisor. The permittee shall keep all records on file at the facility and make them available to the Department upon request. (R 336.1205(3))

VII. <u>REPORTING</u>

N/A

VIII. STACK/VENT RESTRICTIONS

N/A

IX. OTHER REQUIREMENTS

N/A