

SUPPLEMENT TO PERMIT NO. 191-95C

MRM Industries, Inc.

Owosso, Michigan

December 15, 1998

1. Rule 201(1) - The process or process equipment covered by this permit shall not be reconstructed, relocated, altered, 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.
2. Rule 201(4) - If the installation, reconstruction, relocation, or alteration 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 person to whom this permit was issued, 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, reconstruction, relocation, or alteration of the equipment allowed by this Permit to Install.
3. Rule 201(6)(a) - If this Permit to Install is issued for a process or process equipment located at a stationary source that is subject to the Renewable Operating Permit program requirements pursuant to R 336.1210, trial operation is allowed by this permit if the equipment performs in accordance with the terms and conditions of this Permit to Install and until the appropriate terms and conditions of this Permit to Install have been incorporated into the Renewable Operating Permit. Upon incorporation of the appropriate terms and conditions into the Renewable Operating Permit, this Permit to Install shall become void.
4. Rules 201(6)(b) - 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.
5. Rule 201(8) and Section 5510 of Act 451, P.A. 1994 - 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 Departments' rules or the Clean Air Act.
6. Rule 219 - 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. The written request shall be sent to the District Supervisor, Air Quality Division, Michigan Department of Environmental Quality.
7. Rule 901 - 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.

8. Rule 912 - The owner or operator of a source, process, or process equipment shall provide notice of an abnormal condition, start-up, shutdown, or malfunction that results in emissions of a hazardous or toxic air pollutant in excess of standards for more than one hour, or of any air contaminant in excess of standards for more than two hours, as required in this rule, to the District Supervisor, Air Quality Division. 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 District Supervisor within 10 days, with the information required in this rule.
9. Approval of this permit does not exempt the person to whom this permit was issued from complying with any future applicable requirements which may be promulgated under Part 55 of Act 451, P.A. 1994 or the Clean Air Act.
10. Approval of this permit does not obviate the necessity of obtaining such permits or approvals from other units of government as required by law.
11. Operation of this equipment may be subject to other requirements of Part 55 of Act 451, P.A. 1994, and the rules promulgated thereunder.
12. Rule 301 - 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, a person 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.
 - a) A 6-minute average of 20% opacity, except for one 6-minute average per hour of not more than 27% 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.
13. Rule 370 - 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).

14. Rule 285 - Except as allowed by Rule 285 (a), (b), and (c), applicant shall not substitute any fuels, coatings, nor raw materials for those described in the application and allowed by this permit, nor make changes to the process or process equipment described in the application, without prior notification to and approval by the Air Quality Division.
15. The Department may require the applicant to conduct acceptable performance tests, at the applicant's expense, in accordance with R 336.2001 and R 336.2003, under any of the conditions listed in R 336.2001.

SPECIAL CONDITIONS

1. The total volatile organic compound (VOC) emission rate (including styrene) from the three stage fiberglass reinforced plastic (FRP) fabrication process, hereinafter "FRP fabrication process", shall not exceed 10.6 pounds per hour nor 13.65 tons per year, based on a 12-month rolling time period as determined at the end of each calendar month. This condition is necessary to assure compliance with Rules 205, 225, 702(a), 901, and 40 CFR Part 52.21 Subparts (c) and (d).
2. The acetone emission rate from the use of purge and cleanup solvents shall not exceed 17.5 pounds per hour nor 35.1 tons per year based on a 12-month rolling time period as determined at the end of each calendar month. This condition is necessary to assure compliance with Rules 224, 225, and 901.
3. The total styrene emission rate from the gelcoat spray booth and the seven resin transfer molded (RTM) machines shall not exceed 7.8 pounds per hour nor 9.0 tons per year based on a 12-month rolling time period as determined at the end of each calendar month. This condition is necessary to assure compliance with Rules 205, 225, and 702(a).
4. The styrene monomer content of all gelcoats (except for tooling gelcoats) used by the applicant shall not exceed a maximum of 40.0% by weight. This condition is necessary to assure compliance with Rules 225 and 702(a).
5. The styrene monomer content of all tooling gelcoats used by the applicant shall not exceed a maximum of 45.0% by weight. This condition is necessary to assure compliance with Rules 225 and 702(a).
6. The styrene monomer content of all resins used by the applicant shall not exceed a maximum of 47.0% by weight. This condition is necessary to assure compliance with Rules 225 and 702 (a).
7. The hazardous air pollutant (HAP) emissions, as defined pursuant to Section 112(b) of the Clean Air Act, shall be less than 9.0 tons per year for any individual HAP and 13.65 tons per year for any combination of HAPs at this stationary source. The annual limit shall be based upon a 12-month rolling time period as determined at the end of each calendar month. This condition is necessary to assure compliance with Rules 205 and 901.
8. Rule 331 - The particulate emission from the two fiberglass grinding booths, hereinafter "grinding booths", shall not exceed 0.10 pound per 1,000 pounds of exhaust gases, calculated on a dry gas basis, 7.4 pounds per hour, nor 32.6 tons per calendar year. This condition is necessary to assure compliance with Rules 205, 331, 901, and 40 CFR Part 52.21 Subparts (c) and (d).
9. Daily, monthly, and yearly records of the amount of and VOC/styrene monomer content of each gelcoat, resin, and catalysts, shall be maintained. Also maintained, shall be records of the amount of acetone purge/cleanup solvent used and the amount of acetone purge/cleanup solvent reclaimed. The gelcoat records shall be kept such that they distinguish between regular gelcoat and tooling gelcoat. Also maintained shall be the actual hours of operation of the gelcoat spray booth and each of the seven RTM machines. All such records shall be kept on file for a period of at least five years and made available to the Air Quality Division upon

request. This condition is necessary to assure compliance with Rules 205, 225, 702(a), 901, and 40 CFR Part 52.21 Subparts (c) and (d).

10. Based upon the data collect per Special Condition No. 9 and according to a method acceptable to the District Supervisor the applicant, shall calculate the following emissions on a monthly hourly average basis, a tons per month basis, and a monthly 12-month rolling time period basis as determined at the end of each calendar month:
 - A. Total VOC emissions (including styrene) from the FRP fabrication process
 - B. Acetone emissions from the use of purge/cleanup solvent
 - C. Styrene emissions from the gelcoat spray booth
 - D. Total styrene emissions from the seven RTM machines
 - E. Total individual and aggregate HAP emissions from MRM Industries facility at 1655 East Industrial Drive, Owosso, Michigan

Note, in calculating the styrene emissions from the gelcoat spraybooth an emission factor of 0.305 pounds of styrene emitted per pound of styrene monomer processed shall be used. In calculating the styrene emissions from the seven RTM machines an emission factor of 0.03 pounds of styrene emitted per pound of styrene monomer processed shall be used.

All calculations shall be kept on file for a period of at least five years and made available to the Air Quality Division upon request. This condition is necessary to assure compliance with Rules 205, 225, 702(a), 901, and 40 CFR Part 52.21 Subparts (c) and (d).

11. Applicant shall not operate the gelcoat spray booth unless all exhaust filters are in place and operating properly. This condition is necessary to assure compliance with Rules 224, 301, 901, and 910.
12. Applicant shall not operate either grinding booth unless their respective exhaust filters are in place and operating properly. This condition is necessary to assure compliance with Rules 224, 301, 901, and 910.
13. The disposal of collected air contaminants and/or spent filters shall be performed in a manner which minimizes the introduction of air contaminants to the outer air. This condition is necessary to assure compliance with Rules 225, 331, 702 (a), and 901.
14. The applicant shall only operate the seven RTM machines at room temperature. They shall not be heated. This condition is necessary to assure compliance with Rules 225 and 702(a).
15. All waste gelcoats, resins, and catalysts shall be disposed of in an acceptable manner in compliance with all applicable rules and regulations. This condition is necessary to assure compliance with Rules 225, 702 (a), and 901.
16. All waste acetone purge/cleanup solvents shall be captured and stored in closed containers and be disposed of in an acceptable manner in compliance with all applicable rules and regulations. This condition is necessary to assure compliance with Rules 225 and 901.

17. The exhaust gases from the gelcoat spray booth shall be discharged vertically upwards to the ambient air from a stack with a maximum diameter of 42 inches at an exit point not less than 50 feet above ground level. This condition is necessary to assure compliance with Rules 225 and 901.

18. The exhaust gases from the two grinding booths shall be discharged vertically upwards to the ambient air from two stacks (one per booth), each with a maximum diameter of 24 inches at an exit point not less than 36 feet above ground level. This condition is necessary to assure compliance with Rules 225 and 901.