

SUPPLEMENT TO PERMIT NO. 491-96A

Schenck Pegasus Corporation
Troy, Michigan

April 15, 1998

GENERAL CONDITIONS

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 which is subject to a Renewable Operating Permit pursuant to Rule 210, trial operation is allowed 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 as a modification pursuant to Rule 216 or upon renewal pursuant to Rule 217. Upon incorporation of the appropriate terms and conditions into the Renewable Operating Permit, this Permit to Install shall become void.
4. Rules 201(7)(a) or 216(1)(a)(v)(A) - Except as provided in General Condition No. 3, operation of the process or process equipment is allowed if, not more than 30 days after completion of the installation, construction, reconstruction, relocation, alteration, or modification authorized by this Permit to Install, the person to whom this Permit to Install was issued, or the authorized agent pursuant to Rule 204, notifies the District Supervisor, Air Quality Division, in writing, of the completion of the activity. Completion of the installation, construction, reconstruction, relocation, alteration, or modification is considered to occur not later than commencement of trial operation of the process or process equipment.
5. Rule 201(7)(b) - Except as provided in General Condition No. 3, not more than 18 months after completion of the installation, construction, reconstruction, relocation, alteration, or modification authorized by this Permit to Install, the person to whom this permit was issued, or the authorized agent pursuant to Rule 204, shall notify the District Supervisor, Air Quality Division, in writing, of the status of compliance of the process or process equipment with the terms and conditions of the Permit to Install. The notification shall include all of the following:
 - A. The results of all testing, monitoring, and recordkeeping performed to determine the actual emissions from the process or process equipment and to demonstrate compliance with the terms and conditions of the Permit to Install.
 - B. A schedule of compliance for the process or process equipment as described in Rule 119(a).
 - C. A statement, signed by the person owning or operating the process or process equipment, that, based on information and belief formed after reasonable inquiry, the statements and information in the notification are true, accurate, and complete.

6. 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.
7. Rule 219 - A new owner or operator of the process or process equipment covered by this Permit to Install shall immediately make a written request to the Department for a change of ownership or operational control. The request shall include all of the information required in Rule 219(1)(a), (b) and (c). If the request for a change in ownership or operational control is approved, the terms and conditions of this Permit to Install shall apply to the person or legal entity which hereafter owns or operates the process or process equipment for which this Permit to Install is issued. The written request shall be sent to the Supervisor, Permit Section, Air Quality Division, Michigan Department of Environmental Quality, P.O. Box 30260, Lansing, Michigan 48909.
8. 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.
9. 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.
10. Approval of this permit does not exempt the person to whom this permit was issued from complying with any future regulations which may be promulgated under Part 55 of Act 451, P.A. 1994.
11. Approval of this permit does not obviate the necessity of obtaining such permits or approvals from other units of government as required by law.
12. Operation of this equipment may be subject to other requirements of Part 55 of Act 451, P.A. 1994, and the rules promulgated thereunder.

SPECIAL CONDITIONS

13. The carbon monoxide emission rate from the test cells shall not exceed 7.49 pounds per hour nor 32.8 tons per year. This is based on an emission factor of 0.312 pounds of carbon monoxide emitted per gallon of fuel.
14. The sulfur dioxide emission rate from the test cells shall not exceed 1.2 pound per hour nor 5.26 tons per year. This is based on an emission factor of 0.04 pounds of sulfur dioxide emitted per gallon of fuel.
15. The air contaminant emission from the test cells shall not exceed any of the following emission limits:

Pollutant	Pounds per hour based on a 3-hour average	Tons per year
nitrogen oxides	5.76	25.2
volatile organic compounds	0.62	2.72
lead	0.003	0.013
benzene	0.036	0.16
1,3-butadiene	0.008	0.035

16. Visible emissions from the test cells shall not exceed a 6-minute average of 20% opacity, except as specified in Rule 301(1)(a).
17. Rules 1001, 1003 and 1004 - Verification of carbon monoxide, sulfur dioxide, nitrogen oxides, volatile organic compounds, lead, benzene and 1,3-butadiene emission rates from the test cells by testing, at owner's expense, in accordance with Department requirements, may be required. The testing shall be conducted within 60 days following the receipt of the written notification of the requirement. Verification of emission rates includes the submittal of a complete report of the test results. If testing is required, a complete test plan must be submitted to the Air Quality Division. The final plan must be approved by the Division prior to testing and a complete report of test results must be submitted to the Division within 60 days following the last date of testing.
18. Applicant shall not use more than 576 gallons of fuel per day and 210,400 gallons of fuel per year in the test cells. All fuel usage rates shall be kept on file for a period of at least two years and made available to the Air Quality Division upon request.
19. Applicant shall monitor and record the inlet temperature for each catalytic converter on an intermittent basis in a manner and with instrumentation acceptable to the Air Quality Division. All daily temperature readings shall be kept on file for a period of at least two years and made available to the Air Quality Division upon request.
20. Applicant shall not operate the dynamometer engine test cell unless a minimum inlet temperature of 350°F in the catalytic converter is maintained.

Schenck Pegasus Corporation

Permit No. 491-96A

Page 4

April 15, 1998

21. Applicant shall not operate the test cells unless the catalytic converter is installed and operating properly.
22. The exhaust gases from the two test cells located adjacent to each other shall be discharged vertically upwards to the ambient air from a stack with a maximum diameter of 4 inches at an exit point not less than 23 feet above ground level. The exhaust gases from the test cell located east of the aforementioned test cells may be discharged horizontally to the ambient air from an exhaust pipe with a maximum diameter of 4 inches.