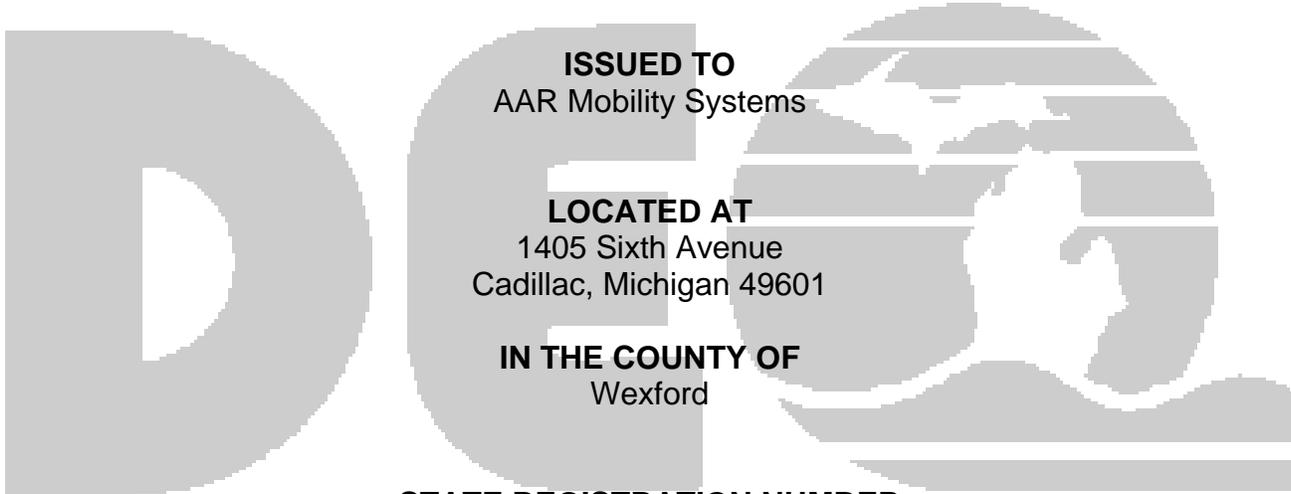


**MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION**

May 22, 2009

**PERMIT TO INSTALL
No. 27-98B**



ISSUED TO
AAR Mobility Systems

LOCATED AT
1405 Sixth Avenue
Cadillac, Michigan 49601

IN THE COUNTY OF
Wexford

STATE REGISTRATION NUMBER
N6420

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: 5/18/2009	
DATE PERMIT TO INSTALL APPROVED: 5/22/2009	SIGNATURE:
DATE PERMIT VOIDED:	SIGNATURE:
DATE PERMIT REVOKED:	SIGNATURE:

PERMIT TO INSTALL

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Common Abbreviations / Acronyms Used in this Permit to Install

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
COM	Continuous Opacity Monitoring	°F	Degrees Fahrenheit
EPA	Environmental Protection Agency	gr	Grains
EU	Emission Unit	Hg	Mercury
GACS	Gallon of Applied Coating Solids	hr	Hour
GC	General Condition	H ₂ S	Hydrogen sulfide
HAP	Hazardous Air Pollutant	HP	Horsepower
HVLP	High Volume Low Pressure *	lb	Pound
ID	Identification	m	Meter
LAER	Lowest Achievable Emission Rate	mg	Milligram
MACT	Maximum Achievable Control Technology	mm	Millimeter
MAERS	Michigan Air Emissions Reporting System	MM	Million
MAP	Malfunction Abatement Plan	MW	Megawatts
MDEQ	Michigan Department of Environmental Quality	NOx	Oxides of nitrogen
MSDS	Material Safety Data Sheet	PM	Particulate matter
NESHAP	National Emission Standard for Hazardous Air Pollutants	PM-10	Particulate matter less than or equal to 10 microns aerodynamic diameter
NSPS	New Source Performance Standards	pph	Pound 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
SC	Special Condition	sec	Seconds
SCR	Selective Catalytic Reduction	SO ₂	Sulfur dioxide
SRN	State Registration Number	THC	Total hydrocarbons
TAC	Toxic Air Contaminant	tpy	Tons per year
VE	Visible Emissions	µg	Microgram
		VOC	Volatile organic compounds
		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, 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 AQD District Supervisor shall be notified, in writing, of a change in ownership or operational control of the stationary source or emission unit(s) authorized by this Permit to Install pursuant to R 336.1219. The notification shall include all of the information required by R 336.1219(1)(a) and (b). In addition, a new owner or operator must submit a written statement pursuant to R 336.1219(1)(c), agreeing to and accepting the terms and conditions of this Permit to Install, and shall notify the AQD District Supervisor of any change in the contact person for this Permit to Install. **(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.

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
EUBOOTH1	Coating booth with a paint bake oven for cargo containers for extreme performance spray coating with two part epoxy paints water based paints and other coatings.	May 22, 2009	FGCOATING
EUBOOTH2	Coating booth with a paint bake oven for cargo containers for extreme performance spray coating with two part epoxy paints water based paints and other coatings.	May 22, 2009	FGCOATING
EUCLEANUP	Clean-up of equipment with VOC based solvents.		FGCOATING
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.			

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
FGCOATING	EUBOOTH1, EUBOOTH2, and EUCLEANUP.	
FGFACILITY	All process equipment source-wide including equipment covered by other permits, grand-fathered equipment and exempt equipment.	

The following conditions apply to: FGCOATING

DESCRIPTION: Two coating booths, each with a paint bake oven for cargo containers for extreme performance spray coating with two part epoxy paints water based paints and other coatings.

POLLUTION CONTROL EQUIPMENT: NA

I. EMISSION LIMITS

Pollutant	Limit	Time Period / Operating Scenario	Equipment	Testing / Monitoring Method	Underlying Applicable Requirements
1. VOCs	40 tpy	12-month rolling time period as determined at the end of each calendar month	FGCOATING	SC VI.3, SC VI.4	R 336.1205*, R 336.1702(a)
2. Acetone	7.2 tpy	12-month rolling time period as determined at the end of each calendar month	solvent usage for equipment cleaning	SC VI.4	R 336.1702(a)R 336.1224, R 336.1225, R 336.1901
3. p-chlorobenzotrifluoride	90 lb/day	Calendar Day	FGCOATING	SC VI.5 SC II.2	R 336.1224, R 336.1225, R 336.1901
4. VOCs	220 lb/day	Calendar Day	FGCOATING	SC VI.3, SC VI.4	R 336.1205, R 336.1702(a)

II. MATERIAL LIMITS

Material	Limit	Time Period / Operating Scenario	Equipment	Testing / Monitoring Method	Underlying Applicable Requirements
1. VOCs	3.5 lb/gal (minus water)* as applied	Instantaneous	FGCOATING	SC V.1	R 336.1702(a)
2. Gallons (with water) of all p-chlorobenzotrifluoride containing material used.	300 pounds per day throughput	Calendar Day	FGCOATING	SC VI.5	R 336.1224, R 336.1225, R 336.1901
* The phrase "minus water" shall also include compounds which are used as organic solvents and which are excluded from the definition of volatile organic compound. (R 336.1602(4))					

III. PROCESS/OPERATIONAL RESTRICTIONS

1. The permittee shall capture all waste coatings and cleanup solvents and shall store them in closed containers. The permittee shall dispose of all waste coatings in an acceptable manner in compliance with all applicable state rules and federal regulations. **(R 336.1224, R 336.1702(a))**
2. The permittee shall dispose of spent filters in a manner which minimizes the introduction of air contaminants to the outer air. **(R 336.1224, R 336.1370)**
3. The permittee shall handle all VOC and / or HAP containing materials, including coatings, reducers, solvents and thinners, in a manner to minimize the generation of fugitive emissions. The permittee shall keep containers covered at all times except when operator access is necessary. **(R 336.1205(3), R 336.1224, R 336.1225, R 336.1702(a), R 336.1901)**

IV. DESIGN/EQUIPMENT PARAMETERS

1. The permittee shall not operate EUBOOTH1 or EUBOOTH2 unless all respective exhaust filters are installed, maintained and operated in a satisfactory manner. **(R 336.1224, R 336.1301, R 336.1331, R 336.1901, R 336.1910)**
2. The permittee shall equip and maintain EUBOOTH1 and EUBOOTH2 with high volume low pressure (HVLP) or comparable technology with equivalent transfer efficiency. For HVLP applicators, the permittee shall keep test caps available for pressure testing. **(R 336.1702(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 VOC content, water content and density of any coatings, as applied and as received, using federal Reference Test Method 24. Upon prior written approval by the AQD District Supervisor, the permittee may determine the VOC content from manufacturer's formulation data. If the Method 24 and the formulation values should differ, the permittee shall use the Method 24 results to determine compliance. **(R 336.1224, R 336.1225, R 336.1702, R 336.1901, R 336.2001, R 336.2003, R 336.2004, R 336.2040(5))**

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 336.1224, R 336.1225, R 336.1299, R 336.1702, R 336.1901)**
2. The permittee shall maintain a current listing from the manufacturer of the chemical composition of each coating, 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 336.1299, R 336.1702, R 336.1901)**

3. The permittee shall keep the following information on a monthly basis for FGCOATING:
 - a) Gallons (with water) of each coating used.
 - b) VOC content (minus water and with water) of each coating as applied.
 - c) VOC mass emission calculations determining the monthly emission rate in tons per calendar month.
 - d) 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.
 - e) Hours of operation.

The permittee shall keep the records on file at the facility, in a format acceptable to the AQD District Supervisor, and make them available to the Department upon request. **(R 336.1224, R 336.1225, R 336.1702, R 336.1901)**

4. The permittee shall keep the following information on a monthly basis for the use of purge and clean-up solvents associated with FGCOATING:
 - a) Gallons of each solvent, including acetone, used and reclaimed.
 - b) VOC and/or acetone content, in pounds per gallon, of each solvent used.
 - c) VOC and/or acetone mass emission calculations determining the monthly emission rate in tons per calendar month.
 - d) VOC and/or acetone 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.
 - e) Calculation of the percentage of purge solvents recovered, reclaimed, recycled or disposed of.

The permittee shall keep the records on file at the facility, in a format acceptable to the AQD District Supervisor, and make them available to the Department upon request. **(R 336.1224, R 336.1225, R 336.1702, R 336.1901)**

5. The permittee shall keep the following information on a daily basis for FGCOATING:
 - a) Gallons (with water) of each p-chlorobenzotrifluoride containing material used.
 - b) Where applicable, gallons (with water) of each p-chlorobenzotrifluoride containing material reclaimed.
 - c) The p-chlorobenzotrifluoride content (with water) in pounds per gallon of each material used.
 - d) p-chlorobenzotrifluoride mass emission calculations determining the daily emission rate in pounds per calendar day.

The permittee shall keep the records on file at the facility, in a format acceptable to the AQD District Supervisor, and make them available to the Department upon request. **(R 336.1224, R 336.1225, R 336.1702, R 336.1901)**

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. SVOVENBOOTH1	42	70	R 336.1225, R 336.1901, R 336.2803, R 336.2804, 40 CFR 52.21(c) & (d)
2. SVOVENBOOTH2	42	70	R 336.1225, R 336.1901, R 336.2803, R 336.2804, 40 CFR 52.21(c) & (d)

IX. OTHER REQUIREMENTS

N/A

Footnotes:

¹This condition is state only enforceable and was established pursuant to Rule 201(1)(b).

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 tpy	12-month rolling time period as determined at the end of each calendar month	FGFACILITY	SC VI.2	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.2	R 336.1205(3)

II. MATERIAL LIMITS

N/A

III. PROCESS/OPERATIONAL RESTRICTIONS

NA

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 coating or cleaning solvent, as applied and as received, using EPA Test Method 311. Upon prior written approval by the AQD District Supervisor, the permittee may determine the HAP content from manufacturer's formulation data. If the Method 311 and the formulation values should differ, the permittee shall use the Method 311 results to determine compliance. **(R 336.1205(3))**

VI. MONITORING/RECORDKEEPING

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

1. The permittee shall maintain a current listing from the manufacturer of the chemical composition of each coating and cleaning solvent, including the weight percent of each component. The data may consist of Material Safety Data Sheets, manufacturer's formulation data, or both. All records are for the purpose of compliance demonstration and shall be kept on file for a period of at least five years and made available to the Department upon request. **(R 336.1205(3))**

2. The permittee shall keep the following information on a monthly basis for FGFACILITY:
- a) Gallons or pounds of each material used.
 - b) Where applicable, gallons or pounds of each material reclaimed.
 - c) HAP content, in pounds per gallon or pounds per pound, of each 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.

The permittee shall keep the records on file at the facility, in a format acceptable to the AQD District Supervisor, and make them available to the Department upon request. **(R 336.1205(3))**

VII. REPORTING

N/A

VIII. STACK/VENT RESTRICTIONS

N/A

IX. OTHER REQUIREMENTS

1. The permittee shall comply with all applicable provisions of the National Emission Standards for Hazardous Air Pollutants, as specified in 40 CFR Part 63, Subpart A and Subpart M for Surface Coating of Miscellaneous Metal parts & Products, by the initial compliance date. **(40 CFR Part 63, Subpart A and Subpart M)**

Footnotes:

¹This condition is state only enforceable and was established pursuant to Rule 201(1)(b).