

SUPPLEMENT to PERMIT No. 150-01
Modular Power Systems, L.L.C.
Edmore, Michigan

May 14, 2001

GENERAL CONDITIONS

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. [R 336.1201(1)]
2. 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. [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 of the Clean Air Act. [R 336.1201(8), Section 5510 of Act 451, P.A. 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. The written request 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 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. [R 336.1912]

8. 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 of the 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 Act 451, P.A. 1994, 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, 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. [R 336.1301]
 - a) A six-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.
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. 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. [R 336.1201(1)]
14. 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. [R 336.2001]

SPECIAL CONDITIONS
 May 14, 2001

Emission Unit Identification

Emission Unit	Emission Unit Description	Stack Identification
EU-ENGINE1	1825 kW diesel engine and generator set	SV-ENGINE1
EU-ENGINE2	1825 kW diesel engine and generator set	SV-ENGINE2
EU-ENGINE3	1825 kW diesel engine and generator set	SV-ENGINE3
EU-ENGINE4	1825 kW diesel engine and generator set	SV-ENGINE4
EU-ENGINE5	1825 kW diesel engine and generator set	SV-ENGINE5
EU-ENGINE6	1825 kW diesel engine and generator set	SV-ENGINE6
EU-ENGINE7	1825 kW diesel engine and generator set	SV-ENGINE7
EU-ENGINE8	1825 kW diesel engine and generator set	SV-ENGINE8

Flexible Group Identification

Flexible Group	Emission Units Included in Flexible Group
FG-ENG1-8	EU-ENGINE 1 through EU-ENGINE8

FG-ENG1-8

Emission Limits

	Pollutant	Equipment	Limit	Time Period	Compliance Method	Applicable Requirement(s)
1.	Nitrogen Oxides (NOx)	FG-ENG1-8	221.0 tons per year	12-month rolling time period as determined at the end of each calendar month	Special Condition Nos. 5, 6 and 7	R336.1205 (1)(a), R336.1205 (3) and to ensure FG-ENG1-8 is not a major source as defined in the federal Prevention of Significant Deterioration Regulations, 40 CFR 52.21

The NOx limit is based on an emission factor of 492 pounds NOx per 1000 gallons of fuel oil used.

Material Usage Limits

2. The sulfur content of the fuel oil shall not exceed 0.05% by weight on an annual average. The annual average shall be calculated as specified in 40 CFR 72.7 (d)(3). **[To ensure FG-ENG1-8 is not subject to the federal Acid Rain Program, 40 CFR Part 72.7]**

Process/Operational Limits

3. The permittee shall not fire more than 892,080 gallons per year of fuel oil in FG-ENG1-8, based on a 12-month rolling time period as determined at the end of each calendar month. **[R336.1205 (1)(a), R336.1205 (3) and to ensure FG-ENG1-8 is not a major source as defined in 40 CFR 52.21]**
4. The total capacity from each unit included in FG-ENG1-8 shall not exceed 25 Megawatts. **[To ensure FG-ENG1-8 is not subject to 40 CFR Part 72.7]**

Testing

5. Within 180 days after commencement of trial operation, verification of NOx emission rates from one of the eight emission units by testing, at owner's expense, in accordance with Department requirements, will be required. Verification of emission rates includes the submittal of a complete report of the test results. No less than 45 days prior to testing, a complete stack-testing plan must be submitted to the Air Quality Division. The final plan must be approved by the Air Quality Division prior to testing. **[R336.2001, R336.2003, R336.2004]**

Monitoring

6. The permittee shall monitor and record the monthly fuel oil usage rate for FG-ENG1-8 in a manner and with instrumentation acceptable to the District Supervisor, Air Quality Division. All fuel use 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 Air Quality Division upon request. **[R336.1205 (1)(a), R336.1205 (3) and to ensure FG-ENG1-8 is not a major source as defined in 40 CFR 52.21]**

Recordkeeping/Reporting/Notification

7. Monthly NOx calculations and previous 12-month NOx emissions shall be kept on file for a period of at least five years and made available to the Air Quality Division upon request. **[R336.1205 (1)(a), R336.1205 (3) and to ensure FG-ENG1-8 is not a major source as defined in 40 CFR 52.21]**
8. The permittee shall keep a complete record of the percent sulfur content, by weight, for each delivery of fuel oil. These records shall be maintained for a period of at least five years and made available to the Air Quality Division upon request. The applicant shall collect and analyze a fuel oil sample once every 12 months for percent sulfur content, by weight, using an EPA approved test method. **[To ensure FG-ENG1-8 is not subject to 40 CFR Part 72.7]**

9. The permittee shall apply for a renewable operating permit within 12-months of commencing operation. A written notification shall be sent to the District Supervisor, Air Quality Division upon commencing operation. **[R336.1210]**

Stack/Vent Restrictions

	Stack & Vent ID	Maximum Diameter (inches)	Minimum Height Above Ground Level (feet)	Applicable Requirement(s)
10.	SV-ENGINE1	18	30	40 CFR 52.21 (c) and (d), R336.1224 and R336.1225
11.	SV-ENGINE2	18	30	40 CFR 52.21 (c) and (d), R336.1224 and R336.1225
12.	SV-ENGINE3	18	30	40 CFR 52.21 (c) and (d), R336.1224 and R336.1225
13.	SV-ENGINE4	18	30	40 CFR 52.21 (c) and (d), R336.1224 and R336.1225
14.	SV-ENGINE5	18	30	40 CFR 52.21 (c) and (d), R336.1224 and R336.1225
15.	SV-ENGINE6	18	30	40 CFR 52.21 (c) and (d), R336.1224 and R336.1225
16.	SV-ENGINE7	18	30	40 CFR 52.21 (c) and (d), R336.1224 and R336.1225
17.	SV-ENGINE8	18	30	40 CFR 52.21 (c) and (d), R336.1224 and R336.1225
The exhaust gases shall be discharged unobstructed vertically upwards to the ambient air.				