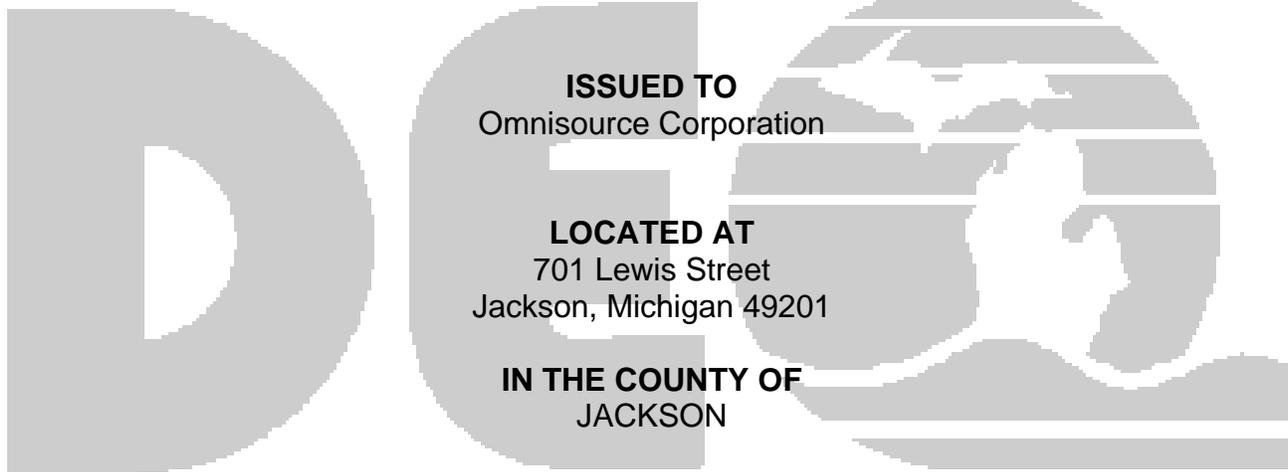


**MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION**

January 6, 2005

NEW SOURCE REVIEW PERMIT TO INSTALL

No. 93-04A



ISSUED TO
Omnisource Corporation

LOCATED AT
701 Lewis Street
Jackson, Michigan 49201

IN THE COUNTY OF
JACKSON

STATE REGISTRATION NUMBER

B2281

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 Part 5505(1) of Article II, Chapter I, Part 55 (Air Pollution Control) of P.A. 451 of 1994. 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: 12/9/2004	
DATE PERMIT TO INSTALL APPROVED: 1/6//2005	SIGNATURE:
DATE PERMIT VOIDED:	SIGNATURE:
DATE PERMIT REVOKED:	SIGNATURE:

PERMIT TO INSTALL

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Common Abbreviations / Acronyms

Common Acronyms		Pollutant/Measurement Abbreviations	
AQD	Air Quality Division	Btu	British Thermal Unit
ANSI	American National Standards Institute	°C	Degrees Celsius
BACT	Best Available Control Technology	CO	Carbon Monoxide
CAA	Clean Air Act	dscf	Dry standard cubic foot
CEM	Continuous Emission Monitoring	dscm	Dry standard cubic meter
CFR	Code of Federal Regulations	°F	Degrees Fahrenheit
COM	Continuous Opacity Monitoring	gr	Grains
EPA	Environmental Protection Agency	Hg	Mercury
EU	Emission Unit	hr	Hour
FG	Flexible Group	H ₂ S	Hydrogen Sulfide
GACS	Gallon of Applied Coating Solids	hp	Horsepower
GC	General Condition	lb	Pound
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	NO _x	Oxides of Nitrogen
MAP	Malfunction Abatement Plan	PM	Particulate Matter
MDEQ	Michigan Department of Environmental Quality	PM-10	Particulate Matter less than 10 microns diameter
MIOSHA	Michigan Occupational Safety & Health Administration	pph	Pound per hour
MSDS	Material Safety Data Sheet	ppm	Parts per million
NESHAP	National Emission Standard for Hazardous Air Pollutants	ppmv	Parts per million by volume
NSPS	New Source Performance Standards	ppmw	Parts per million by weight
NSR	New Source Review	psia	Pounds per square inch absolute
PS	Performance Specification	psig	Pounds per square inch gauge
PSD	Prevention of Significant Deterioration	scf	Standard cubic feet
PTE	Permanent Total Enclosure	sec	Seconds
PTI	Permit to Install	SO ₂	Sulfur Dioxide
RACT	Reasonable Available Control Technology	THC	Total Hydrocarbons
ROP	Renewable Operating Permit	tpy	Tons per year
SC	Special Condition Number	µg	Microgram
SCR	Selective Catalytic Reduction	VOC	Volatile Organic Compounds
SRN	State Registration Number	yr	Year
TAC	Toxic Air Contaminant		
VE	Visible Emissions		

* 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. **[R336.1201(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. **[R336.1201(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 R336.1210, 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. **[R336.1201(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. **[R336.1201(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 R336.1219 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 R336.1219. The written request shall be sent to the District Supervisor, Air Quality Division, Michigan Department of Environmental Quality. **[R336.1219]**
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. **[R336.1901]**
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). **[R336.1912]**
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 R336.1301, 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 R336.1303. **[R336.1301]**
 - 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 R336.1370(2). **[R336.1370]**
13. The Department may require the permittee to conduct acceptable performance tests, at the permittee's expense, in accordance with R336.2001 and R336.2003, under any of the conditions listed in R336.2001. **[R336.2001]**

SPECIAL CONDITIONS

Emission Unit Identification

Emission Unit ID	Emission Unit Description	Stack Identification
EU-SHREDDER	Scrap metal shredder with a cyclone and venturi scrubber air pollution control (APC) system, a magnetic (drum magnet) ferrous separation process, a closed-loop single air cascade system (z-box) with a cyclone, oscillators, eddy current separators, nonmagnetic materials separation, associated conveyors, material storage, and all associated process activities including but not limited to management of waste materials associated with the shredding operations.	SV-SHREDDER
Changes to the equipment described in this table are subject to the requirements of R336.1201, except as allowed by R336.1278 to R336.1290.		

Flexible Group Identification

Flexible Group ID	Emission Units Included in Flexible Group	Stack Identification
FG-SHREDDERAPC	Cyclone and venture scrubber in series to control emissions from the shredder portion of EU-SHREDDER.	SV-SHREDDER
FG-ZBOXAPC	A closed-loop cyclone to control emissions from the single air cascade system (z-box) portion of EU-SHREDDER.	N.A.

The following conditions apply to: EU-SHREDDER

Visible Emission Limits

- 1.1 Visible emissions from the enclosure hood portion of EU-SHREDDER shall not exceed a six-minute average of 10 percent opacity. [R336.1301, R336.1901]

Material Usage Limits

- 1.2 The permittee shall not process more than 1,300 tons per calendar day and 312,000 tons per 12-month rolling time period as determined at the end of each calendar month of material through EU-SHREDDER. [R336.1224, R336.1225, R336.1901]
- 1.3 The permittee shall not process any asbestos tailing or waste materials containing asbestos in EU-SHREDDER pursuant to the National Emission Standards for Hazardous Air Pollutants, 40 CFR Part 61, Subpart M. [R336.1224, R336.1225, R336.1901, 40 CFR Part 61 Subpart M]
- 1.4 The permittee shall not process gas tanks and batteries. [R336.1224, R336.1901]

Process/Operational Limits

- 1.5 The permittee shall not operate EU-SHREDDER for more than 13 hours per calendar day and 3,120 hours per 12-month rolling time period as determined at the end of each calendar month. **[R336.1224, R336.1225, R336.1901, 40 CFR 52.21(c) & (d)]**
- 1.6 The permittee shall drain and remove (to the extent possible) all fluids from vehicles, appliances, and industrial machinery prior to shredding (or inspect and/or document that this has been performed). Fluids shall include, at a minimum, gasoline, motor oil, antifreeze, transmission oil, brake oil, power steering fluid, hydraulic fluid, and differential fluid. **[R336.1224, R336.1702(a), R336.1901]**
- 1.7 The permittee shall remove and properly dispose of all freon or other CFCs/HCFCs from air conditioning units in vehicles, appliances, and industrial machinery prior to shredding (or inspect and/or document that this has been performed). **[R336.1224, R336.1901]**
- 1.8 The permittee shall remove (to the extent possible) and properly dispose of all mercury-containing devices from vehicles, appliances, and industrial machinery prior to shredding (or inspect and/or document that this has been performed). **[R336.1224, R336.1225, R336.1901]**
- 1.9 The permittee shall store all non-metal and waste materials (e.g., fluff) generated by EU-SHREDDER in a 3-sided covered bunker, the total volume of which shall not exceed 1,500 cubic yards. **[R336.1301, R336.1901]**
- 1.10 All fluids, non-metal, and waste materials generated by the EU-SHREDDER shall be contained and disposed of or recycled in an acceptable manner in compliance with all applicable state and federal rules and regulations. **[R336.1224, R336.1702(a), R336.1901]**
- 1.11 Prior to commencement of operations, the permittee shall develop a written waste management compliance plan for management of all waste materials and operations listed but not limited to materials included in Special Conditions 1.3, 1.4, 1.6, 1.7, 1.8, 1.9, and 1.10, subject to review and approval by the District Supervisor, Air Quality Division. The plan, at a minimum, shall address identifying, handling, storing, disposing, recycling, and record keeping of the materials and how the permittee will coordinate with other suppliers for responsible removal of waste items. The permittee shall not operate EU-SHREDDER unless the approved plan, or an alternate plan approved by the District Supervisor, is implemented and maintained. **[R336.1224, R336.1702(a), R336.1901]**
- 1.12 The permittee shall prevent fires from starting in the pile of non-metal and waste materials (e.g., fluff) through regular and frequent applications of water as needed. **[R336.1310, R336.1901]**
- 1.13 The permittee shall not operate EU-SHREDDER unless the program for continuous fugitive emissions control for all plant roadways, the plant yard, all material storage piles, and all material handling operations specified in APPENDIX A has been implemented and is maintained. **[R336.1371, R336.1372, R336.1901]**

Equipment

- 1.14 The permittee shall not operate the shredder portion of EU-SHREDDER unless the water spray on the shredder is installed, maintained, and operated in a satisfactory manner. **[R336.1301, R336.1901]**
- 1.15 The permittee shall not operate EU-SHREDDER unless the conveyor, which carries the dry non-metal and waste materials, is covered and a chute at the discharge end of the conveyor is in place. **[R336.1301, R336.1901]**

Recordkeeping/Reporting/Notification

- 1.16 All required calculations shall be completed in a format acceptable to the AQD District Supervisor and made available by the 15th day of the calendar month, for the previous calendar month, unless otherwise specified in any recordkeeping, reporting or notification special condition. [R336.1224, R336.1225, R336.1901]
- 1.17 The permittee shall keep a written record of the amount of material processed in EU-SHREDDER in tons per calendar day and tons per 12-month rolling time period as determined at the end of each calendar month. The records shall be kept in a format acceptable to the AQD District Supervisor. All records shall be kept on file for a period of at least five years and made available to the Department upon request. [R336.1224, R336.1225, R336.1901]
- 1.18 The permittee shall keep, in a satisfactory manner, a written log of the daily hours and hours per 12-month rolling time period as determined at the end of each calendar month of operation. All records shall be kept on file for a period of at least five years and made available to the Department upon request. [R336.1224, R336.1225, R336.1901, 40 CFR 52.21(c) & (d)]

The following conditions apply to: FG-SHREDDERAPC

Emission Limits

	Pollutant	Equipment	Limit	Time Period	Testing/ Monitoring Method	Applicable Requirement
2.1a	PM-10	FG-SHREDDERAPC	11.25 pounds per hour	Test Protocol	GC 13, SC 2.5	40 CFR 52.21(c) & (d)
2.1b	PM	FG-SHREDDERAPC	0.05 lbs/ 1000 lbs of exhaust gas*	Test Protocol	GC 13, SC 2.5	R336.1331
2.1c	Lead	FG-SHREDDERAPC	0.06 pounds per hour	Test Protocol	GC 13, SC 2.5	R336.1225
2.1d	Cadmium	FG-SHREDDERAPC	0.002 pounds per hour	Test Protocol	GC 13, SC 2.5	R336.1225
2.1e	Chromium	FG-SHREDDERAPC	0.02 pounds per hour	Test Protocol	GC 13, SC 2.5	R336.1225
2.1f	Copper	FG-SHREDDERAPC	0.03 pounds per hour	Test Protocol	GC 13, SC 2.5	R336.1225
2.1g	Nickel	FG-SHREDDERAPC	0.006 pounds per hour	Test Protocol	GC 13, SC 2.5	R336.1225
2.1h	Manganese	FG-SHREDDERAPC	0.01 pounds per hour	Test Protocol	GC 13, SC 2.5	R336.1225
2.1i	Mercury	FG-SHREDDERAPC	0.02 pounds per hour	Test Protocol	GC 13, SC 2.5	R336.1225
* Calculated on a dry gas basis.						

Visible Emission Limits

- 2.2 Visible emissions from FG-SHREDDERAPC exhaust shall not exceed a six-minute average of 10 percent opacity. [R336.1301, R336.1901]

Process/Operational Limits

2.3 Within 180 days after commencement of operation, a malfunction abatement plan subject to review and approval by the District Supervisor, Air Quality Division, shall be implemented and maintained. The malfunction abatement plan shall include, at a minimum, the optimum operating parameters for the cyclone and venturi scrubber (pressure drop, water recycle rate, water tank cleanout schedule, etc.), maintenance schedules (pumps, fans, scrubber and cyclone cleaning, duct cleaning, etc.), and contingency plans for equipment failure (cyclone, scrubber, management of non-metal and waste materials stockpiled due to failure, etc.). [R 336.1911]

Equipment

2.4 The permittee shall not operate the shredder unless the cyclone and venturi scrubber are installed, maintained, and operated in a satisfactory manner. [R336.1224, R336.1225, R336.1301, R336.1901, R336.1910, 40 CFR 52.21(c) and (d)]

Testing

2.5 Within 180 days after commencement of trial operation, verification of particulate, lead, cadmium, chromium, copper, nickel, manganese, and mercury emission rates from FG-SHREDDERAPC, by testing at owner's expense, in accordance with Department requirements, will be required. No less than 30 days prior to testing, a complete test plan shall be submitted to the AQD. The final plan must be approved by the AQD prior to testing. Verification of emission rates includes the submittal of a complete report of the test results to the AQD within 60 days following the last date of the test. [R336.1224, R336.1225, R336.2001, R336.2003]

Monitoring

2.6 The permittee shall install, calibrate, maintain and operate in a satisfactory manner devices to monitor the pressure drop and liquid flow rate on a continuous basis for the venturi scrubber portion of FG-SHREDDERAPC. [R336.1910]

Recordkeeping / Reporting / Notification

2.7 The permittee shall record at least once per calendar day (when operating) and keep, in a satisfactory manner, records of pressure drop and liquid flow rate for the venturi scrubber portion of FG-SHREDDERAPC. All records shall be kept on file for a period of at least five years and made available to the Department upon request. [R336.1910]

Stack/Vent Restrictions

	Stack & Vent ID	Maximum Diameter (inches)	Minimum Height Above Ground Level (feet)	Applicable Requirement
2.8	SV-SHREDDER	48.0	60.0	R336.1225, R336.1901, 40 CFR 52.21(c) & (d)
The exhaust gases shall be discharged unobstructed vertically upwards to the ambient air.				

The following conditions apply to: FG-ZBOXAPC

Process/Operational Limits

- 3.1 Within 180 days after commencement of operation, a malfunction abatement plan subject to review and approval by the District Supervisor, Air Quality Division, shall be implemented and maintained. The malfunction abatement plan shall include, at a minimum, the optimum operating parameters for the cyclone, maintenance schedules (fans, cleaning, duct cleaning, etc.), and contingency plans for equipment failure (cyclone, management of non-metal and waste materials stockpiled due to failure, etc.).
[R336.1911]

Stack/Vent Restrictions

- 3.2 The exhaust gases from FG-ZBOXAPC shall not be discharged to the ambient air at any time.
[R336.1224, R336.1225, R336.1901, 40 CFR 52.21(c) & (d)]

APPENDIX A

Fugitive Dust Control Plan

I. Plant

The drop distance at each transfer point throughout the plant shall be reduced to the minimum the equipment can achieve.

II. Truck Traffic

On-site vehicles shall be loaded to prevent their contents from dropping, leaking, blowing or otherwise escaping. This shall be accomplished by loading so that no part of the load shall come in contact within six inches of the top of any sideboard, side panel or tailgate, otherwise, the truck shall be tarped.

III. Site Roadways and the Plant Yard

- (a) The dust on the site roadways and the plant yard shall be controlled by applications of water, calcium chloride or other acceptable and approved fugitive dust control compounds. Applications of dust suppressants shall be done as often as necessary to meet an opacity limit of five percent.
- (b) All paved roadways/plant yard shall be swept, as needed, between applications of dust suppressants.
- (c) A record of all applications of dust suppressants, and roadway and the plant yard sweepings shall be kept on file for the most recent five-year period and be made available to the AQD upon request.

IV. Storage Piles

- (a) Stockpiling of all nonmetallic materials shall be performed to minimize drop distance and control potential dust problems.
- (b) Stockpiles shall be watered on an as needed basis in order to meet an opacity limit of five percent. Equipment to apply water or dust suppressant shall be available at the site, or on call for use at the site, within a given operating day.
- (c) A record of all watering shall be kept on file for the most recent five-year period and be made available to the AQD upon request.

V. AQD/MDEQ Inspection

The provisions and procedures of this plan are subject to adjustment by written notification from the AQD, if following an inspection, the AQD finds the fugitive dust requirements and/or the permitted opacity limits are not being met.