

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

May 30, 2012

**PERMIT TO INSTALL**  
181-06C

**ISSUED TO**  
The Magni Group

**LOCATED AT**  
2771 Hammond Street  
Detroit, Michigan

**IN THE COUNTY OF**  
Wayne

**STATE REGISTRATION NUMBER**  
N1014

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: <b>April 4, 2012</b>	
DATE PERMIT TO INSTALL APPROVED: <b>May 30, 2012</b>	SIGNATURE:
DATE PERMIT VOIDED:	SIGNATURE:
DATE PERMIT REVOKED:	SIGNATURE:

**PERMIT TO INSTALL**

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**Common Abbreviations / Acronyms**

<b>Common Acronyms</b>		<b>Pollutant / Measurement Abbreviations</b>	
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
CO <sub>2</sub> e	Carbon Dioxide Equivalent	°F	Degrees Fahrenheit
COM	Continuous Opacity Monitoring	gr	Grains
EPA	Environmental Protection Agency	Hg	Mercury
EU	Emission Unit	hr	Hour
FG	Flexible Group	H <sub>2</sub> S	Hydrogen Sulfide
GACS	Gallon of Applied Coating Solids	hp	Horsepower
GC	General Condition	lb	Pound
GHGs	Greenhouse Gases	kW	Kilowatt
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	ng	Nanogram
MAP	Malfuction Abatement Plan	NO <sub>x</sub>	Oxides of Nitrogen
MDEQ	Michigan Department of Environmental Quality (Department)	PM	Particulate Matter
MSDS	Material Safety Data Sheet	PM10	PM less than 10 microns diameter
NESHAP	National Emission Standard for Hazardous Air Pollutants	PM2.5	PM less than 2.5 microns diameter
NSPS	New Source Performance Standards	pph	Pounds 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
ROP	Renewable Operating Permit	sec	Seconds
SC	Special Condition	SO <sub>2</sub>	Sulfur Dioxide
SCR	Selective Catalytic Reduction	THC	Total Hydrocarbons
SRN	State Registration Number	tpy	Tons per year
TAC	Toxic Air Contaminant	µg	Microgram
TEQ	Toxicity Equivalence Quotient	VOC	Volatile Organic Compound
VE	Visible Emissions	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 48909-7760, 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 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 and 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 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.

<b>Emission Unit ID</b>	<b>Emission Unit Description (Process Equipment &amp; Control Devices)</b>	<b>Flexible Group ID</b>
EU00001	Five mill tanks used for mixing solvents, resins, and pigments together. Includes: five (5) HCP HSD Immersion Mills.	FGFACILITY
EU00002	Production area. Process mixers premix paint pigments and catalyst materials. Five fugitive emission stacks service this area.	FGFACILITY
EU00003	Weigh-up area. Resins, pigments, additives, and solvents are measured out according to the formula and combined in a drum or tote. One fugitive emission stack services this area.	FGFACILITY
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.

<b>Flexible Group ID</b>	<b>Flexible Group Description</b>	<b>Associated Emission Unit IDs</b>
FGFACILITY	All process equipment source-wide including equipment covered by other permits, grand-fathered equipment and exempt equipment.	

**The following conditions apply Source-Wide to: FGFACILITY**

**POLLUTION CONTROL EQUIPMENT:** N/A

**I. EMISSION LIMITS**

Pollutant	Limit	Time Period / Operating Scenario	Equipment	Testing / Monitoring Method	Underlying Applicable Requirements
1. VOC	0.02 lb VOC per lb solvent used <sup>1</sup>	Test protocol*	FGFACILITY	GC 13	R 336.1901
2. VOC	32.1 pph <sup>1</sup>	Test protocol*	FGFACILITY	GC 13	R 336.1901
3. VOC	44.6 tpy	12-month rolling time period as determined at the end of each calendar month	FGFACILITY	SC VI.3	R 336.1702(a), R 336.1901
4. PM	0.10 lb per 1000 lbs of exhaust gas	Test protocol*	EU00003	GC 13	R 336.1331
5. Individual HAP	8.9 tpy	12-month rolling time period as determined at the end of each calendar month	FGFACILITY	SC VI.3	R 336.1205(3)
6. Aggregate HAPs	22.4 tpy	12-month rolling time period as determined at the end of each calendar month	FGFACILITY	SC VI.3	R 336.1205(3)

\* Test protocol shall specify averaging time

**II. MATERIAL LIMITS**

Material	Limit	Time Period / Operating Scenario	Equipment	Testing / Monitoring Method	Underlying Applicable Requirements
1. Solvent	4,550 gallons per day <sup>1</sup>	Daily	FGFACILITY	SC VI.1, VI.2	R 336.1901
2. Solvent	490,000 gallons per year <sup>1</sup>	12-month rolling time period as determined at the end of each calendar month	FGFACILITY	SC VI.1, VI.2	R 336.1901
3. Solvent	9.1 lb VOC per gallon <sup>1</sup>	Instantaneous	FGFACILITY	GC 13, SC VI.3	R 336.1901
4. Resin	310,000 gallons per year <sup>1</sup>	12-month rolling time period as determined at the end of each calendar month	FGFACILITY	SC VI.1, VI.2	R 336.1901

<b>Material</b>	<b>Limit</b>	<b>Time Period / Operating Scenario</b>	<b>Equipment</b>	<b>Testing / Monitoring Method</b>	<b>Underlying Applicable Requirements</b>
5. Solvent (Bulk storage tanks)	300,000 gallons per year <sup>1</sup>	12-month rolling time period as determined at the end of each calendar month	FGFACILITY	SC VI.1, VI.2	R 336.1901

6. The permittee shall not produce more than 6,500 gallons of paint per day. **(R 336.1205(3), R 336.1225, R 336.1702(a), R 336.1901)**
7. The permittee shall not produce more than 750,000 gallons of paint per 12-month rolling time period as determined at the end of each calendar month. **(R 336.1205(3), R 336.1225, R 336.1702(a), R 336.1901)**

### **III. PROCESS/OPERATIONAL RESTRICTIONS**

1. The permittee shall not operate the paint manufacturing equipment at FGFACILITY for more than 6,000 hours per 12-month rolling time period as determined at the end of each calendar month. **(R 336.1205, R 336.1225, R 336.1702, R 336.1901)**
2. The permittee shall not operate FGFACILITY unless all provisions of Rule 630 are met. **(R 336.1630, R 336.1702(a) and (d))**
3. The permittee shall handle all VOC-containing materials, including finished products, resins, and solvents, in a manner to minimize the generation of fugitive emissions. The permittee shall keep mixers, mills, and containers covered at all times except when operator access is necessary. **(R 336.1225, R 336.1702(a), R 336.1901)**

### **IV. DESIGN/EQUIPMENT PARAMETERS**

1. The permittee shall not operate EU00003 unless the fabric filter is installed, maintained, and operated in a satisfactory manner. Satisfactory operation includes, but is not limited to, maintaining and operating the unit in accordance with manufacturer's recommendations. **(R 336.1301, R 336.1331, R 336.1901, R 336.1910)**
2. The permittee shall not operate the FGFACILITY storage tanks unless the corresponding pressure-vacuum vent, vapor balance system, and submerged fill pipe are installed, maintained, and operated in a satisfactory manner. **(R 336.1225, R 336.1702(a), R 336.1901, R 336.1910)**

### **V. TESTING/SAMPLING**

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

NA

### **VI. MONITORING/RECORDKEEPING**

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

1. The permittee shall keep, in a satisfactory manner, daily records of the hours of operation, type and amount of raw materials used, and amount of paint produced for FGFACILITY. The permittee shall keep all records on file at the facility and make them available to the Department upon request. **(R 336.1225, R 336.1702(a), R 336.1901)**

2. The permittee shall keep, in a satisfactory manner, records of the raw materials in each FGFACILITY storage tank. The permittee shall keep all records on file at the facility and make them available to the Department upon request. **(R 336.1225, R 336.1702(a), R 336.1901)**
3. The permittee shall calculate the VOC, individual HAP, and aggregate HAPs emission rates from FGFACILITY monthly, for the preceding 12-month rolling time period, using a method acceptable to the AQD District Supervisor. The permittee shall keep all records on file at the facility and make them available to the Department upon request. **(R 336.1205(3), R 336.1225, R 336.1702(a), 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:

<b>Stack &amp; Vent ID</b>	<b>Maximum Exhaust Diameter/Dimensions (inches)</b>	<b>Minimum Height Above Ground (feet)</b>	<b>Underlying Applicable Requirements</b>
1. SVEF1	32 <sup>1</sup>	46 <sup>1</sup>	R 336.1901
2. SVEF2	32 <sup>1</sup>	46 <sup>1</sup>	R 336.1901
3. SVEF3	18 <sup>1</sup>	46 <sup>1</sup>	R 336.1901
4. SVEF4	18 <sup>1</sup>	46 <sup>1</sup>	R 336.1901
5. SVEF5	14 <sup>1</sup>	46 <sup>1</sup>	R 336.1901
6. SVEF14	22 <sup>1</sup>	28 <sup>1</sup>	R 336.1901
7. SVEF15	24 <sup>1</sup>	28 <sup>1</sup>	R 336.1901

**IX. OTHER REQUIREMENTS**

NA

**Footnotes:**

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