MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY AIR QUALITY DIVISION

REVISED: May 19, 2020 December 20, 2019

PERMIT TO INSTALL 511-89E

> ISSUED TO Morbark, LLC

LOCATED AT 8507 South Winn Road Winn, Michigan

IN THE COUNTY OF Isabella

STATE REGISTRATION NUMBER N1701

The Air Quality Division has approved this Permit to Install, pursuant to the delegation of authority from the Michigan Department of Environment, Great Lakes, and Energy. 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: August 20, 2019			
December 20, 2019	SIGNATURE:		
DATE PERMIT VOIDED:	SIGNATURE:		
DATE PERMIT REVOKED:	SIGNATURE:		

REVISED: May 19, 2020 Page 1 of 12

PERMIT TO INSTALL

Table of Contents

COMMON ACRONYMS	2
POLLUTANT / MEASUREMENT ABBREVIATIONS	3
GENERAL CONDITIONS	4
EMISSION UNIT SPECIAL CONDITIONS	6
EMISSION UNIT SUMMARY TABLE	6
FLEXIBLE GROUP SPECIAL CONDITIONS	6
FLEXIBLE GROUP SUMMARY TABLE	6
FGCOATINGS	7
FGFACILITY CONDITIONS	. 11

Morbark, LLC (N1701) REVISED: May 19, 2020 Permit No. 511-89E Page 2 of 12

COMMON ACRONYMS

AQD Air Quality Division

BACT Best Available Control Technology

CAA Clean Air Act

CAM Compliance Assurance Monitoring
CEMS Continuous Emission Monitoring System

CFR Code of Federal Regulations

COMS Continuous Opacity Monitoring System

Department/department/EGLE Michigan Department of Environment, Great Lakes, and Energy

EU Emission Unit FG Flexible Group

GACS Gallons of Applied Coating Solids

GC General Condition
GHGs Greenhouse Gases

HVLP High Volume Low Pressure*

ID Identification

IRSLInitial Risk Screening LevelITSLInitial Threshold Screening LevelLAERLowest Achievable Emission RateMACTMaximum Achievable Control TechnologyMAERSMichigan Air Emissions Reporting System

MAP Malfunction Abatement Plan MSDS Material Safety Data Sheet

NA Not Applicable

NAAQS National Ambient Air Quality Standards

NESHAP National Emission Standard for Hazardous Air Pollutants

NSPS New Source Performance Standards

NSR New Source Review
PS Performance Specification

PSD Prevention of Significant Deterioration

PTE Permanent Total Enclosure

PTI Permit to Install

RACT Reasonable Available Control Technology

ROP Renewable Operating Permit

SC Special Condition

SCR Selective Catalytic Reduction
SNCR Selective Non-Catalytic Reduction
SRN State Registration Number

TBD To Be Determined

TEQ Toxicity Equivalence Quotient

USEPA/EPA United States Environmental Protection Agency

VE Visible Emissions

^{*}For HVLP applicators, the pressure measured at the gun air cap shall not exceed 10 psig

Morbark, LLC (N1701) REVISED: May 19, 2020
Permit No. 511-89E Page 3 of 12

POLLUTANT / MEASUREMENT ABBREVIATIONS

acfm Actual cubic feet per minute

BTU British Thermal Unit °C Degrees Celsius CO Carbon Monoxide

CO2e Carbon Dioxide Equivalent dscf Dry standard cubic foot dscm Dry standard cubic meter Pegrees Fahrenheit

gr Grains

HAP Hazardous Air Pollutant

Hg Mercury hr Hour

HP Horsepower Hydrogen Sulfide

kW Kilowatt

lb Pound

m Meter

mg Milligram

mm Millimeter

MM Million

MW Megawatts

NMOC Non-Methane Organic Compounds

NO_x Oxides of Nitrogen

ng Nanogram

PM Particulate Matter

PM10 Particulate Matter equal to or less than 10 microns in diameter PM2.5 Particulate Matter equal to or less than 2.5 microns in diameter

pph Pounds per hour ppm Parts per million

ppmv Parts per million by volume ppmw Parts per million by weight

psia Pounds per square inch absolute psig Pounds per square inch gauge

scf Standard cubic feet

 $\begin{array}{ccc} \text{sec} & \text{Seconds} \\ \text{SO}_2 & \text{Sulfur Dioxide} \end{array}$

TAC Toxic Air Contaminant

Temp Temperature

THC Total Hydrocarbons tpy Tons per year Microgram

μm Micrometer or Micron

VOC Volatile Organic Compounds

yr Year

Morbark, LLC (N1701) REVISED: May 19, 2020 Permit No. 511-89E Page 4 of 12

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 Environment, Great Lakes, and Energy, 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 Rule 210 (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 Rule 219 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 Rule 219 and shall be sent to the District Supervisor, Air Quality Division, Michigan Department of Environment, Great Lakes, and Energy. (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.

Morbark, LLC (N1701) REVISED: May 19, 2020
Permit No. 511-89E Page 5 of 12

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 Rule 301, 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 Rule 303 (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 Rule 370(2). (R 336.1370)
- 13. The Department may require the permittee to conduct acceptable performance tests, at the permittee's expense, in accordance with Rule 1001 and Rule 1003, under any of the conditions listed in Rule 1001. (R 336.2001)

Morbark, LLC (N1701) Permit No. 511-89E

EMISSION UNIT SPECIAL CONDITIONS

REVISED: May 19, 2020

Page 6 of 12

EMISSION UNIT SUMMARY TABLE

The descriptions provided below are for informational purposes and do not constitute enforceable conditions.

	Emission Unit Description (Including Process Equipment & Control	Installation Date /	
Emission Unit ID	Device(s))	Modification Date	Flexible Group ID
EUPAINTBOOTH1	A miscellaneous metal parts paint spray	7-2010 /	FGCOATINGS,
	booth. The booth is equipped with dry	12-2019	FGFACILITY
	filters for overspray particulate control.		
EUPAINTBOOTH2	A miscellaneous metal parts paint spray	7-2010 /	FGCOATINGS,
	booth. The booth is equipped with dry	12-2019	FGFACILITY
	filters for overspray particulate control.		
EUPAINTBOOTH3	A miscellaneous metal parts paint spray	7-2010 /	FGCOATINGS,
	booth. The booth is equipped with dry	12-2019	FGFACILITY
	filters for overspray particulate control.		

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 336.1291.

FLEXIBLE GROUP SPECIAL CONDITIONS

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
FGCOATINGS	Operation of EUPAINTBOOTH1, EUPAINTBOOTH2, and EUPAINTBOOTH3 after stack modifications are complete. Three (3) miscellaneous metal parts paint spray booths. Each booth is equipped with dry filters for overspray particulate control.	EUPAINTBOOTH1, EUPAINTBOOTH2, EUPAINTBOOTH3

Morbark, LLC (N1701) REVISED: May 19, 2020
Permit No. 511-89E Page 7 of 12

FGCOATINGS FLEXIBLE GROUP CONDITIONS

DESCRIPTION

Operation of EUPAINTBOOTH1, EUPAINTBOOTH2, and EUPAINTBOOTH3 after stack modifications are complete. Three (3) miscellaneous metal parts paint spray booths. Each booth is equipped with dry filters for overspray particulate control.

Emission Units: EUPAINTBOOTH1, EUPAINTBOOTH2, and EUPAINTBOOTH3

POLLUTION CONTROL EQUIPMENT

Dry filters on all paint booths

I. <u>EMISSION LIMIT(S)</u>

Material	Limit	Time Period / Operating Scenario	Equipment	Monitoring / Testing Method	Underlying Applicable Requirements
VOCs and p-chlorobenzotrifluoride (PCBT, CAS# 98-56-6) combined	35.0 tpy	12-month rolling time period as determined at the end of each calendar month		SC VI.3	R 336.1224, R 336.1225, R 336.1702(a)
2. VOCs and PCBT (CAS# 98-56-6) combined	30.0 tpy	12-month rolling time period as determined at the end of each calendar month		SC VI.3	R 336.1224, R 336.1225, R 336.1702(a)
3. VOCs and PCBT (CAS# 98-56-6) combined	30.0 tpy	12-month rolling time period as determined at the end of each calendar month		SC VI.3	R 336.1224, R 336.1225, R 336.1702(a)
4. VOCs	3.5 lb/gal (minus water) ^a as applied	Daily volume- weighted average.	EUPAINTBOOTH1, EUPAINTBOOTH2, and EUPAINTBOOTH3, each separately		R 336.1702(d)
5. VOCs and PCBT (CAS# 98-56-6) combined	65.0 tpy	12-month rolling time period as determined at the end of each calendar month		SC VI.4	R 336.1224, R 336.1225, R 336.1702(a)

^a 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))

II. MATERIAL LIMIT(S)

NA

III. PROCESS/OPERATIONAL RESTRICTION(S)

1. The permittee shall capture all waste materials and shall store them in closed containers. The permittee shall dispose of all waste materials in an acceptable manner in compliance with all applicable state rules and federal regulations. (R 336.1224, R 336.1702(a))

Morbark, LLC (N1701) REVISED: May 19, 2020
Permit No. 511-89E Page 8 of 12

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 336.1225, R 336.1702(a))

IV. <u>DESIGN/EQUIPMENT PARAMETER(S)</u>

- 1. The permittee shall not operate EUPAINTBOOTH1, EUPAINTBOOTH2, or EUPAINTBOOTH3 unless the respective exhaust filters are installed, maintained and operated in a satisfactory manner. (R 336.1301, R 336.1910)
- 2. The permittee shall equip and maintain FGCOATINGS with HVLP applicators or comparable technology with equivalent transfer efficiency. For HVLP applicators, the permittee shall keep test caps available for pressure testing. (R 336.1702(a))
- 3. The permittee shall maintain labels on the paint spray booths according to their permit emission unit ID or a method acceptable to the AQD District Supervisor. (R 336.1201)

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 coating, 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 336.1225, R 336.1702, 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))

- The permittee shall complete all required calculations in a format acceptable to the AQD District Supervisor by the last day of the calendar month, for the previous calendar month, unless otherwise specified in any monitoring/recordkeeping special condition. (R 336.1224, R 336.1225, R 336.1702)
- 2. The permittee shall maintain a current listing from the manufacturer of the chemical composition of each material, 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 336.1702)
- 3. The permittee shall keep the following information on a monthly basis for EUPAINTBOOTH1, EUPAINTBOOTH2, and EUPAINTBOOTH3, each separately.
 - a) Gallons (with water) of each material used and, if applicable, reclaimed.
 - b) VOC content (with water) of each material as applied.
 - c) PCBT (CAS# 98-56-6) content of each material as applied.
 - d) Combined VOC and PCBT mass emission calculations determining the monthly emission rate in tons per calendar month.
 - e) Combined VOC and PCBT 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.

The permittee shall keep the records using mass balance or alternate method and format acceptable to 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 336.1702(a))

Morbark, LLC (N1701) REVISED: May 19, 2020 Permit No. 511-89E Page 9 of 12

4. The permittee shall keep the following information on a monthly basis for FGCOATINGS:

- a) Gallons (with water) of each material used and, if applicable, reclaimed.
- b) VOC content (with water) of each material as applied.
- c) PCBT (CAS# 98-56-6) content of each material as applied.
- d) Combined VOC and PCBT mass emission calculations determining the monthly emission rate in tons per calendar month.
- e) Combined VOC and PCBT 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.

The permittee shall keep the records using mass balance or an alternate method and format acceptable to 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 336.1702(a))

- 5. The permittee shall keep the following information on a daily basis for EUPAINTBOOTH1, EUPAINTBOOTH2, and EUPAINTBOOTH3, each separately:
 - a) Gallons (minus water) of each coating used and, if applicable, reclaimed.
 - b) VOC content (minus water) of each material as applied.
 - c) VOC content calculations determining the volume-weighted average VOC content of the coatings in pounds per gallon, minus water, as applied.

The permittee shall keep the records using mass balance or alternate method and format acceptable to the AQD District Supervisor. The permittee shall keep all records on file and make them available to the Department upon request. (R 336.1702(d))

VII. REPORTING

1. Within 30 days after completion of the installation, construction, reconstruction, relocation, or modification authorized by this Permit to Install, the permittee or the authorized agent pursuant to Rule 204, shall notify the AQD District Supervisor, in writing, of the completion of the activity. (R 336.1201(7)(a))

VIII. STACK/VENT RESTRICTION(S)

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. SV1 ^b	48	30	R 336.1225, 40 CFR 52.21(c) & (d)		
2. SV2N ^b	24	40	R 336.1225, 40 CFR 52.21(c) & (d)		
3. SV2Sb	24	40	R 336.1225, 40 CFR 52.21(c) & (d)		
4. SV3N ^b	24	40	R 336.1225, 40 CFR 52.21(c) & (d)		
5. SV3Sb	24	40	R 336.1225, 40 CFR 52.21(c) & (d)		
b SC IX.1 contains the date of compliance for the stack height					

Morbark, LLC (N1701)

Permit No. 511-89E

REVISED: May 19, 2020
Page 10 of 12

IX. OTHER REQUIREMENT(S)

1. The permittee shall comply with the stack parameters, including number of stacks, maximum exhaust diameter/dimensions (inches), and minimum height above ground (feet) within 30 days of issuance of this permit or other timeframe if requested by the permittee and approved by the AQD District Supervisor. (R 336.1225, 40 CFR 52.21(c) & (d))

Footnotes:

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

Morbark, LLC (N1701) REVISED: May 19, 2020
Permit No. 511-89E Page 11 of 12

FGFACILITY CONDITIONS

DESCRIPTION

The following conditions apply source-wide to all process equipment including equipment covered by other permits, grand-fathered equipment and exempt equipment.

POLLUTION CONTROL EQUIPMENT

Dry filters on coating booths.

I. EMISSION LIMIT(S)

	Pollutant	Limit	Time Period / Operating Scenario	Equipment	Monitoring / Testing Method	Underlying Applicable Requirements
1.	Each Individual HAP	Less than 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)
2.	Aggregate HAPs		12-month rolling time period as determined at the end of each calendar month	FGFACILITY	SC VI.3	R 336.1205(3)
3.	Ethylbenzene (CAS# 100-41-4)	7.9 tpy ¹	12-month rolling time period as determined at the end of each calendar month	FGFACILITY	SC VI.4	R 336.1225(2)

II. MATERIAL LIMIT(S)

NA

III. PROCESS/OPERATIONAL RESTRICTION(S)

NA

IV. DESIGN/EQUIPMENT PARAMETER(S)

NA

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 material as received and as applied, using manufacturer's formulation data. Upon request of the AQD District Supervisor, the permittee shall verify the manufacturer's HAP formulation data using EPA Test Method 311. (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 complete all required calculations in a format acceptable to the AQD District Supervisor by the last day of the calendar month, for the previous calendar month, unless otherwise specified in any monitoring/recordkeeping special condition. (R 336.1205(3), R 336.1225)

Morbark, LLC (N1701) REVISED: May 19, 2020 Permit No. 511-89E Page 12 of 12

 The permittee shall maintain a current listing from the manufacturer of the chemical composition of each material, 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 336.1205(3), R 336.1225)

- 3. The permittee shall keep the following information on a calendar month basis for FGFACILITY:
 - a) Gallons or pounds of each HAP containing material used.
 - b) Where applicable, gallons or pounds of each HAP containing material reclaimed.
 - c) HAP content, in pounds per gallon or pounds per pound, of each HAP containing 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 records using mass balance or an alternate method and format acceptable to the AQD District Supervisor. The permittee shall keep all records on file and make them available to the Department upon request. (R 336.1205(3))

- 4. The permittee shall keep the following information on a calendar month basis for FGFACILITY:
 - a) Gallons of each ethylbenzene (CAS# 100-41-4) containing material used.
 - b) Where applicable, gallons of each ethylbenzene containing material reclaimed.
 - c) The ethylbenzene content, in pounds per gallon of each ethylbenzene containing material used.
 - d) Ethylbenzene emission calculations determining the monthly emission rate in tons per calendar month.
 - e) Ethylbenzene emission calculations determining the annual emission rate in tons per 12-month rolling time period as determined at the end of each calendar month.

The permittee shall keep records using mass balance or an alternate method and format acceptable to the AQD District Supervisor. The permittee shall keep all records on file and make them available to the Department upon request. (R 336.1225(2))

VII. REPORTING

NA

VIII. STACK/VENT RESTRICTION(S)

NA

IX. OTHER REQUIREMENT(S)

NA

Footnotes:

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