

217/782-2113

LIFETIME OPERATING PERMIT

PERMITTEE

Morton Grove Pharmaceuticals, Inc.
Attn: Merry Kruschke
6451 West Main Street
Morton Grove, Illinois 60053

Application No.: 96020089 I.D. No.: 031195ACZ
Applicant's Designation: PHARMACEUT Date Received: August 16, 2005
Subject: Pharmaceutical Manufacturing Operation
Date Issued: October 3, 2005 Expiration Date: See Condition 1.
Location: 6451 West Main Street, Morton Grove

This permit is hereby granted to the above-designated Permittee to OPERATE emission unit(s) and/or air pollution control equipment consisting of:

Twenty-Five Mixing Tanks
Thirty Storage/Holding Tanks
Eight Packaging Lines

pursuant to the above-referenced application. This permit is subject to standard conditions attached hereto and the following special condition(s):

- 1a. This permit shall expire 180 days after the Illinois EPA sends a written request for the renewal of this permit.
- b. This permit shall terminate if it is withdrawn or is superseded by a revised permit.
- 2a. This permit is issued based on this source not being a participating source in the Emissions Reduction Market System (ERMS), 35 Ill. Adm. Code Part 205, pursuant to 35 Ill. Adm. Code 205.200. This is based on the source's actual VOM emissions during the seasonal allotment period from May 1 through September 30 of each year being less than 10 tons and the source's baseline emissions also being less than 10 tons.
- b. The Permittee shall maintain the following records to allow the confirmation of actual VOM emissions during the seasonal allotment period:
 - i. Records of operating data and other information for each individual emission unit or group of related emission units at the source, as appropriate, to determine actual VOM emissions during the seasonal allotment period;
 - ii. Records of the VOM emissions, in tons, during the seasonal allotment period, with supporting calculations, for each individual emission unit or group of related emission units at the source, determined in accordance with the procedures that may be specified in this permit; and

- iii. Total VOM emissions from the source, in tons, during each seasonal allotment period, which shall be compiled by November 30 of each year.
- c. In the event that the source's VOM emissions during the seasonal allotment period equal or exceed 10 tons, the source shall become a participating source in the ERMS and beginning with the following seasonal allotment period, shall comply with 35 Ill. Adm. Code Part 205, by holding allotment trading units (ATUs) for its VOM emissions during each seasonal allotment period, unless the source obtains exemption from the ERMS by operating with seasonal VOM emissions of no more than 15 tons pursuant to a limitation applied for and established in a Clean Air Act Permit Program (CAAPP) permit or a Federally Enforceable State Operating Permit (FESOP).
- d. Pursuant to 35 Ill. Adm. Code 205.316(a), any participating or new participating source shall not operate without a CAAPP permit or FESOP. Pursuant to 35 Ill. Adm. Code 205.316(a)(2), if a participating or new participating source does not have a CAAPP permit containing ERMS provisions and the source elects to obtain a permit other than a CAAPP permit, the source shall apply for and obtain a FESOP that contains, in addition to other necessary provisions, federally enforceable ERMS provisions, including baseline emissions, allotment for each seasonal allotment period, identification of any units deemed to be insignificant activities for purposes of the ERMS, emissions calculation methodologies, and provisions addressing all other applicable requirements of 35 Ill. Adm. Code Part 205.
- 3. This permit is issued based upon mixing tanks and filling lines are not subject to the control requirements of 35 Ill. Adm. Code Section 218, Subpart T, since VOM emissions from each emission unit does not exceed applicability threshold of 100 lb/day or 2.50 tons/year, pursuant to 35 Ill. Adm. Code 218.480(a).
- 4. Emissions and operation of the pharmaceutical manufacturing equipment shall not exceed the following limits:

VOM Usage		Emission Factor	VOM Emissions	
<u>(Lb/Day)</u>	<u>(Tons/Yr)</u>	<u>(Wt. %)</u>	<u>(Lb/Day)</u>	<u>(Tons/Yr)</u>
13,500	2,500	0.5	67.5	12.5

These limits are based on ethanol being the only VOM used in the process in the concentration less than 5% by weight and standard emission factor for mixing operations (AP-42, Section 6.4.1). Compliance with annual limits shall be determined from a running total of 12 months of data.

- 5. This permit is issued based on negligible emissions of particulate matter (PM) from 25 mixing tanks. For this purpose emissions from each emission source, shall not exceed nominal emission rates of 0.1 lb/hour and 0.44 tons/year.

6. In the event that the operation of this emission unit results in an odor nuisance, the Permittee shall take appropriate and necessary actions to minimize odors, including but not limited to, changes in raw material or installation of controls, in order to eliminate the odor nuisance.
7. No person shall cause or allow any visible emissions of fugitive particulate matter from any process, including any material handling or storage activity beyond the property line of the emission source, pursuant to 35 Ill. Adm. Code 212.301.
8. The Permittee shall maintain the following records:
 - a. Ethanol usage (lb/day and tons/year); and
 - b. Detailed engineering calculations of the maximum daily and annual emissions for each emission unit showing that the emissions are below the applicability cutoffs in Section 218.480(a).
9. All records and logs required by this permit shall be retained at a readily accessible location at the source for at least three years from the date of entry and shall be made available for inspection and copying by the Illinois EPA upon request. Any records retained in an electronic format (e.g., computer) shall be capable of being retrieved and printed on paper during normal source office hours so as to be able to respond to an Illinois EPA request for records during the course of a source inspection.
10. If there is an exceedance of the requirements of this permit as determined by the records required by this permit, the Permittee shall submit a report to the Illinois EPA's Compliance Section in Springfield, Illinois within 30 days after the exceedance. The report shall include the emissions released in accordance with the recordkeeping requirements, a copy of the relevant records, and a description of the exceedance or violation and efforts to reduce emissions and future occurrences.
11. Two (2) copies of required reports and notifications concerning equipment operation or repairs, performance testing or a continuous monitoring system shall be sent to:

Illinois Environmental Protection Agency
Division of Air Pollution Control
Compliance Section (#40)
P.O. Box 19276
Springfield, Illinois 62794-9276

and one (1) copy shall be sent to the Illinois EPA's regional office at the following address unless otherwise indicated:

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Illinois Environmental Protection Agency
Division of Air Pollution Control
9511 West Harrison
Des Plaines, Illinois 60016

If you have any questions on this permit, please contact Valeriy Brodsky at 217/782-2113.

Donald E. Sutton, P.E.
Manager, Permit Section
Division of Air Pollution Control

DES:VJB:psj

cc: Region 1