

217/782-2113

FEDERALLY ENFORCEABLE STATE OPERATING PERMIT -- RENEWAL

PERMITTEE

CPI Packaging Inc.
Attn: Joe Mormando
240 Boundary Road
Marlboro, New Jersey 07746

<u>Application No.:</u> 90020086	<u>I.D. No.:</u> 031045ANG
<u>Applicant's Designation:</u>	<u>Date Received:</u> January 11, 2006
<u>Subject:</u> Packaging Filling Manufacturing Plant	
<u>Date Issued:</u>	<u>Expiration Date:</u>
<u>Location:</u> 1225 Arnold Street, Chicago Heights	

This permit is hereby granted to the above-designated Permittee to OPERATE emission source(s) and/or air pollution control equipment consisting of four polystyrene expanders, polyethylene foam extruder line and two plastic pellets storage silos controlled by a filter pursuant to the above-referenced application. This Permit is subject to standard conditions attached hereto and the following special condition(s):

- 1a. This federally enforceable state operating permit is issued:
 - i. To limit the emissions of air pollutants from the source to less than major source thresholds (i.e., 100 tons/year for volatile organic material (VOM) and 10 tons/year for a single HAP and 25 tons/year of any combination of such HAPs). As a result, the source is excluded from the requirement to obtain a Clean Air Act Permit Program (CAAPP) permit. The maximum emissions of this source, as limited by the conditions of this permit, are described in Attachment A.
 - ii. To limit emissions of VOM from the source during the seasonal allotment period from May 1 through September 30 of each year shall not exceed 15 tons. This limitation is established at the request of the source to exempt it from the requirements of 35 Ill. Adm. Code Part 205, Emissions Reduction Market System (ERMS), pursuant to 35 Ill. Adm. Code 205.205, except reporting requirements of Section 205.300.
- b. Prior to issuance, a draft of this permit has undergone a public notice and comment period.
- c. This permit supersedes all operating permits for this location.

- 2a. Emissions of VOM from the source during the seasonal allotment period from May 1 through September 30 of each year shall not exceed 15 tons. This limitation is established at the request of the source to exempt it from the requirements of 35 Ill. Adm. Code Part 205, Emissions Reduction Market System (ERMS), pursuant to 35 Ill. Adm. Code 205.205.
- b. In the event that the source's VOM emissions during the seasonal allotment period exceed 15 tons, the source shall no longer be exempt from 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.
- 3. This permit is issued based upon the Polystyrene resin expanders and Polyethylene foam extruder being subject to the requirements of 35 Ill. Adm. Code Part 218.980 Subpart TT: Other Emission Units. These units are exempt from control requirements pursuant to 35 Ill. Adm. Code 218.980(f) because scrap is not used in this process.
- 4a. Pursuant to 35 Ill. Adm. Code 218.301, no person shall cause or allow the discharge of more than 3.6 kg/hr (8 lbs/hr) of organic material into the atmosphere from any emission source, except as provided in 35 Ill. Adm. Code 218.302, 218.303, 218.304 and the following exception: If no odor nuisance exists the limitation of 35 Ill. Adm. Code 218 Subpart K: Use of Organic Material, shall apply only to photochemically reactive material.
- b. In the event that the operation of this source 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 nuisance.
- 5a. Usage of raw materials (expendable polystyrene pellets) and VOM emissions shall not exceed the following limits:

Usage of Raw Material		Pentane	Emission	VOM Emissions	
<u>(Tons/Mo)</u>	<u>(Tons/Yr)</u>	<u>Content</u>	<u>Factor</u>	<u>(Tons/Mo)</u>	<u>(Tons/Yr)</u>
		<u>(Wt. %)</u>	<u>(% of Pentane)</u>		
60	600	6.5	61	2.4	23.9

These limits define the potential emissions of the VOM and are based on the actual emissions determined from maximum production capacity and pellets manufacture's emissions data. Compliance with annual limits shall be determined on a monthly basis from the sum of the data for the current month plus the preceding 11 months.

- b. The blowing agent usage and VOM emissions from the Polyethylene foam extruder shall not exceed 3.7 tons/month and 43.8 tons/year.

These limits define the potential emission of the VOM and are based on the actual emissions determined from maximum production capacity and

associated blowing agent use. Compliance with the annual limits shall be determined on a monthly basis from the sum of the data for the current month plus the preceding 11 months.

6. This permit is issued based on negligible emission of particulate matter from two pellets storage silos. For this purpose, emission shall not exceed nominal emission rates of 0.1 lb/hour and 0.44 tons/year.
7. The emissions of hazardous air pollutants (HAP) as listed in Section 112(b) of the Clean Air Act shall not equal or exceed 10 tons per year of any single hazardous air pollutant or 25 tons per year of any combination of such hazardous air pollutants, or such lesser quantity as USEPA may establish by rule which would require the Permittee to obtain a Clean Air Act Permit Program permit from the Illinois EPA. As a result of this condition, this permit is issued based on the emissions of any hazardous air pollutants from this source not triggering the requirement to obtain a Clean Air Act Permit Program permit from the Illinois EPA.
- 8a. Pursuant to 40 CFR 63.10(b)(3), if an owner or operator determines that his or her stationary source that emits (or has the potential to emit, without considering controls) one or more hazardous air pollutants regulated by any standard established pursuant to section 112(d) or (f) of the Clean Air Act, and that stationary source is in the source category regulated by the relevant standard, but that source is not subject to the relevant standard (or other requirement established under 40 CFR Part 63) because of limitations on the source's potential to emit or an exclusion, the owner or operator must keep a record of the applicability determination on site at the source for a period of 5 years after the determination, or until the source changes its operations to become an affected source, whichever comes first. The record of the applicability determination must be signed by the person making the determination and include an analysis (or other information) that demonstrates why the owner or operator believes the source is unaffected (e.g., because the source is an area source). The analysis (or other information) must be sufficiently detailed to allow the USEPA and/or Illinois EPA to make a finding about the source's applicability status with regard to the relevant standard or other requirement. If relevant, the analysis must be performed in accordance with requirements established in relevant subparts of 40 CFR Part 63 for this purpose for particular categories of stationary sources. If relevant, the analysis should be performed in accordance with USEPA guidance materials published to assist sources in making applicability determinations under Section 112 of the Clean Air Act, if any. The requirements to determine applicability of a standard under 40 CFR 63.1(b)(3) and to record the results of that determination under 40 CFR 63.10(b)(3) shall not by themselves create an obligation for the owner or operator to obtain a Title V permit.
- b. The Permittee shall maintain monthly records of the following items:

- i. Amount of expendable polystyrene pellets used (tons/month, tons/year);
 - ii. Pentane content in pellets (weight %);
 - iii. Amount of VOM blowing agent used in the polyethylene extruder (tons/month, tons/year);and
 - iv. Monthly and annual VOM and HAP emissions with supporting calculations (tons/month and tons/year).
 - c. The Permittee shall maintain the following records to determine compliance with the 15 tons VOM/ozone season limitation specified in Condition 2:
 - i. Records of operating data and other information for each individual emission unit or group of related emission units at the source, as specified in this permit, 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 specified in this permit; and
 - iii. Total VOM emissions from the source, in tons, during each seasonal allotment period.
9. All records and logs required by this permit shall be retained at a readily accessible location at the source for at least five (5) years from the date of entry and shall be made available for inspection and copying by the Illinois EPA or USEPA 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 or USEPA 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 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:

Illinois Environmental Protection Agency
Division of Air Pollution Control
9511 West Harrison
Des Plaines, Illinois 600169

It should be noted that the boiler is exempt from state permit requirements pursuant to 35 Ill. Adm. Code 201.146(d).

It should be noted that this permit was revised to incorporate the construction of a Polyethylene foam extruder line.

If you have any questions on this, please call Dwayne Booker at 217/782-2113.

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

DES:DLB:psj

cc: IEPA, FOS Region 1
Lotus Notes

Attachment A - Emissions Summary

This attachment provides a summary of the maximum emission from the maintenance facility operating in compliance with the requirements of this federally enforceable permit. In preparing this summary, the Agency used the annual operating scenario which results in maximum emissions from such a plant. This is a usage of 600 tons of expendable polystyrene pellets per year. The resulting maximum emissions are well below the levels, (e.g., 100 tons per year of VOM) at which this source would be considered a major source for purposes of the Clean Air Act Permit Program. Actual emissions from this source will be less than predicted in this summary to the extent that material is handled, and control measures are more effective than required in this permit.

<u>Emissions Unit</u>	E M I S S I O N S (Tons/Year)		
	<u>VOM</u>	<u>Single HAP</u>	<u>Combined HAPs</u>
Four Polystyrene Expanders	23.9		
Polyethylene Foam Extruder	<u>43.8</u>		
Total	67.7	<u>< 10</u>	<u>< 25</u>

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Attachment B - Emissions Reduction Market System (ERMS)

1. Description of ERMS

The ERMS is a "cap and trade" market system for major stationary sources located in the Chicago ozone nonattainment area. It is designed to reduce VOM emissions from stationary sources to contribute to reasonable further progress toward attainment, as required by Section 182(c) of the CAA.

The ERMS addresses VOM emissions during a seasonal allotment period from May 1 through September 30. Participating sources must hold "allotment trading units" (ATUs) for their actual seasonal VOM emissions. Each year participating sources are issued ATUs based on allotments set in the sources' FESOP or CAAPP permits. These allotments are established from historical VOM emissions or "baseline emissions" lowered to provide the emissions reductions from stationary sources required for reasonable further progress.

By December 31 of each year, the end of the reconciliation period following the seasonal allotment period, each source should have sufficient ATUs in its transaction account to cover its actual VOM emissions during the preceding season. A transaction account's balance as of December 31 will include any valid ATU transfer agreements entered into as of December 31 of the given year, provided such agreements are promptly submitted to the Illinois EPA for entry into the transaction account database. The Illinois EPA will then retire ATUs in sources' transaction accounts in amounts equivalent to their seasonal emissions. When a source does not appear to have sufficient ATUs in its transaction account, the Illinois EPA will issue a notice to the source to begin the process for Emissions Excursion Compensation.

In addition to receiving ATUs pursuant to their allotments, participating sources may also obtain ATUs from the market, including ATUs bought from other participating sources and general participants in the ERMS that hold ATUs (35 Ill. Adm. Code 205.630) and ATUs issued by the Illinois EPA as a consequence of VOM emissions reductions from an Emissions Reduction Generator or an Intersector Transaction (35 Ill. Adm. Code 205.500 and 35 Ill. Adm. Code 205.510). During the reconciliation period, sources may also buy ATUs from a secondary reserve of ATUs managed by the Illinois EPA, the "Alternative Compliance Market Account" (ACMA) (35 Ill. Adm. Code 205.710). Sources may also transfer or sell the ATUs that they hold to other sources or participants (35 Ill. Adm. Code 205.630).

2. Applicability

Emissions of VOM from the source during the seasonal allotment period from May 1 through September 30 of each year shall not exceed 15 tons, not including VOM emissions from insignificant emission units and activities. This limitation is established at the request of the source to exempt it from the requirements of 35 Ill. Adm. Code Part 205, Emissions Reduction Market System (ERMS), pursuant to 35 Ill. Adm. Code 205.205.

3. Recordkeeping and Reporting

- a. The Permittee shall maintain the following records to determine compliance with the above limitation:
 - i. Records of operating data and other information for each individual emission unit or group of related emission units at the source, as specified in this permit, 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, which may be specified in this permit; and
 - iii. Total VOM emissions from the source, in tons, during each seasonal allotment period.
- b. The Permittee shall submit the seasonal emissions component of the Annual Emissions Report by **[October 31 OR November 30]** of each year, reporting actual emissions of VOM during the seasonal allotment period, in accordance with 35 Ill. Adm. Code 205.205(b) and 35 Ill. Adm. Code 205.300.
- c. In the event that the source's VOM emissions during the seasonal allotment period exceed 15 tons, the source shall no longer be exempt from 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.