

217/785-1705

FEDERALLY ENFORCEABLE STATE OPERATING PERMIT -- RENEWAL

PERMITTEE

Skolnik Industries, Inc.
Attn: Joe Gaske
4900 South Kilbourn Avenue
Chicago, Illinois 60632

<u>Application No.:</u> 88020071	<u>I.D. No.:</u> 031600FHF
<u>Applicant's Designation:</u>	<u>Date Received:</u> October 9, 2009
<u>Subject:</u> Steel Drum Mfg. Facility	
<u>Date Issued:</u> March 16, 2012	<u>Expiration Date:</u> March 16, 2017
<u>Location:</u> 4900 South Kilbourn Avenue, Chicago, Cook County, 60632	

Permit is hereby granted to the above-designated Permittee to OPERATE emission unit(s) and/or air pollution control equipment consisting of seven (7) paint booths each controlled by a filter, two (2) conveyORIZED cold degreasers, one (1) 13.0 mmBtu/hour natural gas-fired boiler (Boiler #1), one (1) 6.5 mmBtu/hour natural gas-fired drum washer boiler, two (2) 0.75 mmBtu/hour natural gas-fired component oven, one (1) 1.5 mmBtu/hour natural gas-fired interior oven, one (1) 1.5 mmBtu/hour natural gas-fired exterior oven, two (2) natural gas-fired component dryers (1.0 mmBtu/hour total), and natural gas-fired heaters (office heating unit and warehouse unit heaters) 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), 10 tons/year for any single Hazardous Air Pollutant (HAP) and 25 tons/year for 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 establish federally enforceable production and operating limitations, which restrict the potential to emit to less than 10 tons/year for any individual Hazardous Air Pollutant (HAP) and 25 tons/year of any combination of such HAPs so that the source is not subject to the requirements of the National Emission Standards for Hazardous Air Pollutants (NESHAP) for Surface Coating of Miscellaneous Metal Parts and Products, 40 CFR 63 Subpart Mmmm.
 - iii. To limit emissions of VOM from the source during the seasonal allotment period from May 1 through September 30 of each year to less than 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 35 Ill. Adm. 205.300 which are described in Attachment B.

- b. Prior to issuance, a draft of this permit has undergone a public notice and comment period.
 - c. This permit supersedes all operating permits issued for this location.
- 2a. Pursuant to 35 Ill. Adm. Code 212.123(a), no person shall cause or allow the emission of smoke or other particulate matter, with an opacity greater than 30 percent, into the atmosphere from any emission unit other than those emission units subject to 35 Ill. Adm. Code 212.122.
- b. Pursuant to 35 Ill. Adm. Code 212.123(b), the emission of smoke or other particulate matter from any such emission unit may have an opacity greater than 30 percent but not greater than 60 percent for a period or periods aggregating 8 minutes in any 60 minute period provided that such opaque emissions permitted during any 60 minute period shall occur from only one such emission unit located within a 305 meter (1000 foot) radius from the center point of any other such emission unit owned or operated by such person, and provided further that such opaque emissions permitted from each such emission unit shall be limited to 3 times in any 24 hour period.
 - c. Pursuant to 35 Ill. Adm. Code 212.321(a), no person shall cause or allow the emission of particulate matter into the atmosphere in any one hour period from any new process emission unit which, either alone or in combination with the emission of particulate matter from all other similar process emission units for which construction or modification commenced on or after April 14, 1972, at a source or premises, exceeds the allowable emission rates specified in 35 Ill. Adm. Code 212.321(c).
3. Pursuant to 35 Ill. Adm. Code 214.301, no person shall cause or allow the emission of sulfur dioxide into the atmosphere from any process emission source to exceed 2000 ppm.
- 4a. Pursuant to 35 Ill. Adm. Code 218.181, the requirements of 35 Ill. Adm. Code 218.182, 218.183, 218.184, and 218.186 shall apply to all cold cleaning, open top vapor degreasing, and conveyORIZED degreasing operations which use volatile organic materials.
- b. Pursuant to 35 Ill. Adm. Code 218.204(j), except as provided in 35 Ill. Adm. Code 218.205, 218.207, 218.208, 218.212, 218.215 and 218.216, no owner or operator of a coating line shall apply at any time any coating in which the VOM content exceeds the following emission limitations for Miscellaneous Metal Parts and Products Coating. Except as otherwise provided in 35 Ill. Adm. Code 218.204(a), (c), (g), (h), (j), (l), (n), (p), and (q), compliance with the emission limitations is required on and after March 15, 1996. The following emission limitations are expressed in units of VOM per volume of coating (minus water and any

compounds which are specifically exempted from the definition of VOM) as applied at each coating applicator, except where noted. Compounds which are specifically exempted from the definition of VOM should be treated as water for the purpose of calculating the "less water" part of the coating composition. Compliance with 35 Ill. Adm. Code 218 Subpart F must be demonstrated through the applicable coating analysis test methods and procedures specified in 35 Ill. Adm. Code 218.105(a) and the recordkeeping and reporting requirements specified in 35 Ill. Adm. Code 218.211(c) except where noted. The emission limitations are as follows:

Prior to May 1, 2012: Miscellaneous Metal Parts and Products Coating		kg/l	lb/gal
i.	Extreme performance coating		
	A. Air dried	0.42	(3.5)
	B. Baked	0.40	(3.3)
ii.	Steel pail and drum interior coating	0.52	(4.3)
iii.	All other coatings		
	A. Air dried	0.40	(3.3)
	B. Baked	0.34	(2.8)
c.	Pursuant to 35 Ill. Adm. Code 218.204(q) (1), on and after May 1, 2012, the owner or operator of a miscellaneous metal or plastic parts coating line shall comply with the limitations in 35 Ill. Adm. Code 218.204(q). The limitations in 35 Ill. Adm. Code 218.204(q) shall not apply to aerosol coating products, powder coatings, or primer sealants and ejection cartridge sealants used in ammunition manufacturing. Primer sealants and ejection cartridge sealants shall instead be regulated under Subpart TT of this Part. For purposes of 35 Ill. Adm. Code 218.204(q) (1), "corrosion resistant basecoat" means a water-borne epoxy coating applied via an electrodeposition process to a metal surface prior to spray coating, for the purpose of enhancing corrosion resistance. The limitations in 35 Ill. Adm. Code 218.204(q) (1) shall not apply to stencil coats, safety-indicating coatings, solid-film lubricants, electric-insulating and thermal-conducting coatings, magnetic data storage disk coatings, and plastic extruded onto metal parts to form a coating. The limitations in 35 Ill. Adm. Code 218.219, however, shall apply to these coatings unless specifically excluded in 35 Ill. Adm. Code 218.219.		

		kg/l (lb/gal) coatings	kg/l (lb/gal) solids
i.	General one component coating		
	A. Air dried	0.34 (2.8)	0.54 (4.52)
	B. Baked	0.28 (2.3)	0.40 (3.35)
ii.	General multi-component coating		
	A. Air dried	0.34 (2.8)	0.54 (4.52)
	B. Baked	0.28 (2.3)	0.40 (3.35)
iii.	Extreme performance coating		
	A. Air dried	0.42 (3.5)	0.80 (6.67)
	B. Baked	0.36 (3.0)	0.61 (5.06)
iv.	Drum coating, new, exterior	0.34 (2.8)	0.54 (4.52)
v.	Drum coating, new, interior	0.42 (3.5)	0.8 (6.67)
vi.	Drum coating, reconditioned, exterior	0.42 (3.5)	0.80 (6.67)
vii.	Drum coating, reconditioned, interior	0.50 (4.2)	1.17 (9.78)
viii.	All other coatings		
	A. Air dried	0.42 (3.5)	0.80 (6.67)
	B. Baked	0.34 (2.8)	0.54 (4.52)
d.	Pursuant to 35 Ill. Adm. Code 218.301, no person shall cause or allow the discharge of more than 3.6 kg/hour (8 lbs/hour) of organic material		

into the atmosphere from any emission unit, except as provided in 35 Ill. Adm. Code 218.302, 218.303, or 218.304 and the following exception: If no odor nuisance exists the limitation of 35 Ill. Adm. Code 218 Subpart G shall only apply to photochemically reactive material.

- 5a. This permit is issued based on the two (2) conveyORIZED cold degreasers not being subject to the requirements of the National Emission Standards for Hazardous Air Pollutants (NESHAP) for Halogenated Solvent Cleaning, 40 CFR 63 Subpart T because the two (2) conveyORIZED cold degreasers do not use any solvent containing methylene chloride (CAS No. 75-09-2), perchloroethylene (CAS No. 127-18-4), trichloroethylene (CAS No. 79-01-6), 1,1,1-trichloroethane (CAS No. 71-55-6), carbon tetrachloride (CAS No. 56-23-5) or chloroform (CAS No. 67-66-3), or any combination of these halogenated HAP solvents, in a total concentration greater than 5 percent by weight, as a cleaning and/or drying agent.
- b. This permit is issued based upon the source not being subject to the requirements of the National Emission Standards for Hazardous Air Pollutants (NESHAP) for Surface Coating of Miscellaneous Metal Parts and Products, 40 CFR 63 Subpart MMMM. This is a result of the federally enforceable production and operating limitations, which restrict the potential to emit to less than 10 tons/year for any individual Hazardous Air Pollutant (HAP) and 25 tons/year of any combination of such HAPs.
- c. This permit is issued based on the paint booths not being subject to the National Emissions Standards for Hazardous Air Pollutants (NESHAP) for Paint Stripping and Miscellaneous Surface Coating Operations at Area Sources, 40 CFR 63 Subpart HHHHHH. Pursuant to 40 CFR 63.11170(a)(3), you are subject to 40 CFR 63 Subpart HHHHHH if you operate an area source of HAP as defined in 40 CFR 63.11170(b), including sources that are part of a tribal, local, State, or Federal facility and you perform spray application of coatings that contain the target HAP, defined in 40 CFR 63.11180, to a plastic and/or metal substrate on a part or product, except spray coating applications that meet the definition of facility maintenance or space vehicle in 40 CFR 63.11180.
- d. This permit is issued based on the source not being subject to the National Emissions Standards for Hazardous Air Pollutants (NESHAP) Area Source Standards for Nine Metal Fabrication and Finishing Source Categories, 40 CFR 63 Subpart XXXXXX because the source is not primarily engaged in the operations in one of the nine source categories listed in 40 CFR 63.11514(a)(1) through (9).
- 6a. Pursuant to 35 Ill. Adm. Code 218.187(a)(2)(A), notwithstanding 35 Ill. Adm. Code 218.187(a)(1), the following cleaning operations shall be exempt from the requirements of 35 Ill. Adm. Code 218.187(b), (c), (d), (e), (f), and (g);

- i. Cleaning operations subject to the limitations in 35 Ill. Adm. Code 218.182, 218.183, or 218.184;
 - ii. Janitorial cleaning;
 - iii. Stripping of cured coatings, inks, or adhesives;
- b. Pursuant to 35 Ill. Adm. Code 218.187(a)(2)(B)(x), notwithstanding 35 Ill. Adm. Code 218.187(a)(1), cleaning operations within the miscellaneous metal parts coating category shall be exempt from the requirements of 35 Ill. Adm. Code 218.187(b), (c), (d), (e), (f), and (g).
- c. Pursuant to 35 Ill. Adm. Code 218.208(d), prior to May 1, 2012, the limitations of 35 Ill. Adm. Code 218 Subpart F shall not apply to touch-up and repair coatings used by a coating source described by 35 Ill. Adm. Code 218.204(j), (n), and (o), provided that the source-wide volume of the coatings used does not exceed 0.95 liter (1 quart) per eight-hour period or exceed 209 liter/year (55 gallons/year) for any rolling 12 month period. Recordkeeping and reporting for touch-up and repair coatings shall be consistent with 35 Ill. Adm. Code 218.208(e).
- d. Pursuant to 35 Ill. Adm. Code 218.209, no owner or operator of a coating line subject to the limitations of 35 Ill. Adm. Code 218.204 is required to meet the limitations of 35 Ill. Adm. Code 218 Subpart G (35 Ill. Adm. Code 218.301 or 218.302), after the date by which the coating line is required to meet 35 Ill. Adm. Code 218.204.
- 7a. Pursuant to 35 Ill. Adm. Code 218.182(a), no person shall operate a cold cleaning degreaser unless:
- i. Waste solvent is stored in covered containers only and not disposed of in such a manner that more than 20% of the waste solvent (by weight) is allowed to evaporate into the atmosphere;
 - ii. The cover of the degreaser is closed when parts are not being handled; and
 - iii. Parts are drained until dripping ceases.
- b. Pursuant to 35 Ill. Adm. Code 218.182(b), no person shall operate a cold cleaning degreaser unless:
- i. The degreaser is equipped with a cover which is closed whenever parts are not being handled in the cleaner. The cover shall be designed to be easily operated with one hand or with the mechanical assistance of springs, counter-weights or a powered system if:
 - A. The solvent vapor pressure is greater than 2 kPa (15 mmHg or 0.3 psi) measured at 38°C (100°F);

- B. The solvent is agitated; or
- C. The solvent is heated above ambient room temperature.
- ii. The degreaser is equipped with a device for draining cleaned parts. The drainage device shall be constructed so that parts are enclosed under the cover while draining unless:
 - A. The solvent vapor pressure is less than 4.3 kPa (32 mmHg or 0.6 psi) measured at 38°C (100°F); or
 - B. An internal drainage device cannot be fitted into the cleaning system, in which case the drainage device may be external.
- iii. The degreaser is equipped with one of the following control devices if the vapor pressure of the solvent is greater than 4.3 kPa (32 mmHg or 0.6 psi) measured at 38°C (100°F) or if the solvent is heated above 50°C (120°F) or its boiling point:
 - A. A freeboard height of 7/10 of the inside width of the tank or 91 cm (36 in), whichever is less; or
 - B. Any other equipment or system of equivalent emission control as approved by the Illinois EPA and further processed consistent with 35 Ill. Adm. Code 218.108. Such a system may include a water cover, refrigerated chiller or carbon adsorber.
- iv. A permanent conspicuous label summarizing the operating procedure is affixed to the degreaser; and
- v. If a solvent spray is used, the degreaser is equipped with a solid fluid stream spray, rather than a fine, atomized or shower spray.
- c. Pursuant to 35 Ill. Adm. Code 218.182(c) (3) (B), on and after May 30, 2007 no person shall operate a cold cleaning degreaser with a solvent vapor pressure which exceeds 1.0 mmHg (0.019 psi) measured at 20°C (68°F), unless the person is in compliance with the control requirements of 35 Ill. Adm. Code 218.182(c) (4) or is exempt under 35 Ill. Adm. Code 218.182(f) or (g).
- d. Pursuant to 35 Ill. Adm. Code 218.184(a), no person shall operate a conveyORIZED degreaser unless:
 - i. Exhaust ventilation exceeding 20 cubic meters per minute per square meter (65 cubic feet per minute per square foot) of area of loading and unloading opening is not used, unless necessary to meet the requirements of the Occupational Safety and Health Act (29 U.S.C. Section 651 et seq.);

- ii. Solvent carryout emissions are minimized by:
 - A. Racking parts for best drainage; and
 - B. Maintaining the vertical conveyor speed at less than 3.3 m/min (11 ft/min);
 - iii. Waste solvent is stored in covered containers only and not disposed of in such a manner that more than 20% of the waste solvent (by weight) is allowed to evaporate into the atmosphere;
 - iv. Solvent leaks are repaired immediately;
 - v. Water is not visually detectable in solvent exiting from the water separator; and
 - vi. Downtime covers are placed over entrances and exits of conveyorized degreasers immediately after the conveyors and exhausts are shut down and not removed until just before start-up.
- e. Pursuant to 35 Ill. Adm. Code 218.184(b), no person shall operate a conveyorized degreaser unless:
- i. The degreaser is equipped with a drying tunnel, rotating (tumbling) basket or other equipment sufficient to prevent cleaned parts from carrying out solvent liquid or vapor;
 - ii. The degreaser is equipped with the following switches:
 - A. One which shuts off the sump heat source if the amount of condenser coolant is not sufficient to maintain the designed vapor level;
 - B. One which shuts off the spray pump or the conveyor if the vapor level drops more than 10 cm (4 in) below the bottom condenser coil; and
 - C. One which shuts off the sump heat source when the vapor level exceeds the design level.
 - iii. The degreaser is equipped with openings for entrances and exits that silhouette workloads so that the average clearance between the parts and the edge of the degreaser opening is less than 10 cm (4 in) or less than 10 percent of the width of the opening;
 - iv. The degreaser is equipped with downtime covers for closing off entrances and exits when the degreaser is shut down; and
 - v. The degreaser is equipped with one of the following control devices, if the air/vapor interface is larger than 2.0 square meters (21.6 square feet):

- A. A carbon adsorption system with ventilation greater than or equal to 15 cubic meters per minute per square meter (50 cubic feet per minute per square foot) of air/vapor area when downtime covers are open, and exhausting less than 25 ppm of solvent by volume averaged over a complete adsorption cycle; or
 - B. Any other equipment or system of equivalent emission control as approved by the Illinois EPA, and further processed consistent with 35 Ill. Adm. Code 218.108. Such equipment or system may include a refrigerated chiller.
- f. Pursuant to 35 Ill. Adm. Code 218.219(b), except as provided in 35 Ill. Adm. Code 218.219(c), every owner or operator of a coating line described in 35 Ill. Adm. Code 218.204(q) shall:
- i. Store all VOM-containing coatings, thinners, coating-related waste materials, cleaning materials, and used shop towels in closed containers;
 - ii. Ensure that mixing and storage containers used for VOM-containing coatings, thinners, coating-related waste materials, and cleaning materials are kept closed at all times except when depositing or removing these materials;
 - iii. Minimize spills of VOM-containing coatings, thinners, coating-related waste materials, and cleaning materials;
 - iv. Convey VOM-containing coatings, thinners, coating-related waste materials, and cleaning materials from one location to another in closed containers or pipes;
 - v. Minimize VOC emissions from cleaning of application, storage, mixing, and conveying equipment by ensuring that equipment cleaning is performed without atomizing the cleaning solvent and all spent solvent is captured in closed containers; and
 - vi. Apply all coatings using one or more of the following application methods:
 - A. Electrostatic spray;
 - B. High volume low pressure (HVLP) spray;
 - C. Flow coating. For the purposes of 35 Ill. Adm. Code 218.219(b)(6)(C), flow coating means a non-atomized technique of applying coating to a substrate with a fluid nozzle with no air supplied to the nozzle;
 - D. Roll coating;

- E. Dip coating, including electrodeposition. For purposes of 35 Ill. Adm. Code 218.219(b) (6) (E), electrodeposition means a water-borne dip coating process in which opposite electrical charges are applied to the substrate and the coating. The coating is attracted to the substrate due to the electrochemical potential difference that is created;
 - F. Airless spray;
 - G. Air-assisted airless spray; or
 - H. Another coating application method capable of achieving a transfer efficiency equal to or better than that achieved by HVLP spraying, if the method is approved in writing by the Illinois EPA.
- 8a. 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 odor nuisance.
- b. The Permittee shall, in accordance with the manufacturer(s) and/or vendor(s) recommendations, perform periodic maintenance on the paint booth filters such that the paint booth filters are kept in proper working condition and not cause a violation of the Illinois Environmental Protection Act or regulations promulgated therein.
 - c. The boiler, dryers and heaters shall only be operated with natural gas as the fuel. The use of any other fuel in the boiler, dryers and heaters requires that the Permittee first obtain a construction permit from the Illinois EPA and then perform stack testing to verify compliance with all applicable requirements.
- 9a. 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 shall comply with 35 Ill. Adm. Code Part 205, by holding allotment trading units (ATUs) for its VOM emissions during each seasonal allotment period.
- 10a. Emissions from and operation of the seven coating booths (combined) shall not exceed the following limits:

VOM Usage		VOM Emissions	
<u>(Tons/Month)</u>	<u>(Tons/Year)</u>	<u>(Tons/Month)</u>	<u>(Tons/Year)</u>
4.00	32.00	4.00	32.00

These limits are based on the maximum coating material usage and the maximum VOM content of coating materials. The VOM and HAP emissions shall be determined from the following equation:

$$E = \Sigma(M_i \times d_i \times C_i) / 2,000$$

Where:

E = VOM or HAP emissions (tons);

M_i = VOM or HAP-containing raw material usage (gallons);

d_i = Density of raw material (lbs/gallon);

C_i = VOM content of the raw material (% by Weight);

- b. The VOM usage and emissions from the two conveyORIZED degreasers (combined) shall not exceed the following limits:

VOM Usage		VOM Emissions	
<u>(Tons/Month)</u>	<u>(Tons/Year)</u>	<u>(Tons/Month)</u>	<u>(Tons/Year)</u>
0.40	3.30	0.40	3.30

- c. Operation and emissions of the natural gas fired equipment shall not exceed the following limits:

i. Natural Gas Usage: 6.25 mmscf/month, 50.0 mmscf/year;

ii. Emissions from the combustion of natural gas:

<u>Pollutant</u>	Emission Factor <u>(Lbs/mmscf)</u>	Emissions	
		<u>(Tons/Mo)</u>	<u>(Tons/Yr)</u>
Carbon Monoxide (CO)	84.0	0.27	2.10
Nitrogen Oxides (NO _x)	100.0	0.33	2.50
Particulate Matter (PM)	7.6	0.03	0.19
Sulfur Dioxide (SO ₂)	0.6	0.01	0.02
Volatile Organic Materials (VOM)	5.5	0.02	0.14

These limits are based on the maximum fuel usage and standard emission factors (Tables 1.4-1 and 1.4-2, AP-42, Fifth Edition, Volume I, Supplement D, July 1998).

- d. This permit is issued based on negligible emission of particulate matter from the seven coating booths. For this purpose emissions shall not exceed nominal emission rates of 0.1 lb/hour and 0.44 ton/year.
- e. The emissions of Hazardous Air Pollutants (HAPs) as listed in Section 112(b) of the Clean Air Act from this source shall not exceed 0.9 tons/month and 9.0 tons/year of any single HAP and 2.25 tons/month and

22.5 tons/year of any combination of such HAPs. As a result of this condition, this permit is issued based on the emissions of any HAP from this source not triggering the requirement to obtain a CAAPP permit from the Illinois EPA and the requirement of the NESHAP for Surface Coating of Miscellaneous Metal Parts and Products, 40 CFR 63 Subpart Mmmm.

- f. Compliance with the annual limits of this permit shall be determined on a monthly basis from the sum of the data for the current month plus the preceding 11 months (running 12 month total).
- 11a. Pursuant to 35 Ill. Adm. Code 201.282, every emission source or air pollution control equipment shall be subject to the following testing requirements for the purpose of determining the nature and quantities of specified air contaminant emissions and for the purpose of determining ground level and ambient air concentrations of such air contaminants:
- i. Testing by Owner or Operator. The Illinois EPA may require the owner or operator of the emission source or air pollution control equipment to conduct such tests in accordance with procedures adopted by the Illinois EPA, at such reasonable times as may be specified by the Illinois EPA and at the expense of the owner or operator of the emission source or air pollution control equipment. The Illinois EPA may adopt procedures detailing methods of testing and formats for reporting results of testing. Such procedures and revisions thereto, shall not become effective until filed with the Secretary of State, as required by the APA Act. All such tests shall be made by or under the direction of a person qualified by training and/or experience in the field of air pollution testing. The Illinois EPA shall have the right to observe all aspects of such tests.
 - ii. Testing by the Illinois EPA. The Illinois EPA shall have the right to conduct such tests at any time at its own expense. Upon request of the Illinois EPA, the owner or operator of the emission source or air pollution control equipment shall provide, without charge to the Illinois EPA, necessary holes in stacks or ducts and other safe and proper testing facilities, including scaffolding, but excluding instruments and sensing devices, as may be necessary.
- b. Testing required by Conditions 12 and 13 shall be performed upon a written request from the Illinois EPA by a qualified independent testing service.
12. Pursuant to 35 Ill. Adm. Code 212.110(c), upon a written notification by the Illinois EPA, the owner or operator of a particulate matter emission unit subject to 35 Ill. Adm. Code Part 212 shall conduct the applicable testing for particulate matter emissions, opacity, or visible emissions at such person's own expense, to demonstrate compliance. Such test results shall be submitted to the Illinois EPA

within thirty (30) days after conducting the test unless an alternative time for submittal is agreed to by the Illinois EPA.

- 13a. Pursuant to 35 Ill. Adm. Code 218.186, the following test methods shall be used to demonstrate compliance with 35 Ill. Adm. Code 218 Subpart E:
 - i. Vapor pressures shall be determined by using the procedure specified in 35 Ill. Adm. Code 218.110.
 - ii. Exhaust ventilation rates shall be determined by using the procedures specified in 35 Ill. Adm. Code 218.105(f)(3).
 - iii. The performance of control devices shall be determined by using the procedures specified in 35 Ill. Adm. Code 218.105(f).
 - b. Pursuant to 35 Ill. Adm. Code 218.211(a), the VOM content of each coating and the efficiency of each capture system and control device shall be determined by the applicable test methods and procedures specified in 35 Ill. Adm. Code 218.105 to establish the records required under 35 Ill. Adm. Code 218.211.
14. 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.

15. Pursuant to 35 Ill. Adm. Code 212.110(e), the owner or operator of an emission unit subject to 35 Ill. Adm. Code Part 212 shall retain records of all tests which are performed. These records shall be retained for at least three (3) years after the date a test is performed.
- 16a. Pursuant to 35 Ill. Adm. Code 218.182(d)(2), all persons subject to the requirements of 35 Ill. Adm. Code 218.182(c)(1)(B), (c)(2)(B), and (c)(3)(B) must maintain records which include for each purchase:
 - i. The name and address of the solvent supplier;
 - ii. The date of purchase;
 - iii. The type of solvent;
 - iv. The vapor pressure of the solvent measured in mmHg at 20°C (68°F); and
 - v. For any mixture of solvents, the vapor pressure of the mixture, as used, measured in mmHg at 20°C (68°F).
- b. Pursuant to 35 Ill. Adm. Code 218.182(e), all records required by 35 Ill. Adm. Code 218.182(d) shall be retained for three years and shall be made available to the Illinois EPA upon request.
- c. Pursuant to 35 Ill. Adm. Code 218.211(c)(2), any owner or operator of a coating line subject to the limitations of 35 Ill. Adm. Code 218.204 other than 35 Ill. Adm. Code 218.204(a)(1)(B), (a)(1)(C), (a)(2)(B), (a)(2)(C), or (a)(2)(D) and complying by means of 35 Ill. Adm. Code 218.204 shall comply with the following: On and after a date consistent with 35 Ill. Adm. Code 218.106, or on and after the initial start-up date, the owner or operator of a subject coating line shall collect and record all of the following information each day, unless otherwise specified, for each coating line and maintain the information at the source for a period of three years:
 - i. The name and identification number of each coating as applied on the coating lines.
 - ii. The weight of VOM per volume of each coating (minus water and any compounds which are specifically exempted from the definition of VOM) as applied each day on the coating lines.
 - iii. For coating lines subject to the limitations of 35 Ill. Adm. Code 218.204(q), the weight of VOM per volume of each coating, or the weight of VOM per volume of solids in each coating, as applicable, as applied each day on each coating line, and certified product data sheets for each coating.
- d. Pursuant to 35 Ill. Adm. Code 218.211(h)(3), on and after a date consistent with 35 Ill. Adm. Code 218.106, or on and after the initial

start-up date, whichever is later, the owner or operator of a coating line subject to the requirements of 35 Ill. Adm. Code 218.219 shall comply with the following: Maintain at the source all records required by this 35 Ill. Adm. Code 218.211(h) for a minimum of three years from the date the document was created and make those records available to the Illinois EPA upon request.

- 17a. The Permittee shall maintain records of the following items so as to demonstrate compliance with the conditions of this permit:
 - i. The name and amount of each VOM and/or HAP-containing material used (gallons/month and gallons/year);
 - ii. The density of each of each VOM and/or HAP-containing material (lbs/gallon)
 - iii. The VOM and/or HAP content of each VOM and/or HAP-containing material (% by weight);
 - iv. Natural gas consumption (mmscf/month and mmscf/year); and
 - iv. Monthly and annual emissions of CO, NO_x, PM, SO₂, VOM, and HAPs from the source, with supporting calculations (tons/mo and tons/year).
- b. The Permittee shall maintain the following records to determine compliance with the 15 tons VOM/ozone season limitation specified in Condition 9:
 - 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.
- c. 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 storage device) 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.

18. Pursuant to 35 Ill. Adm. Code 212.110(d), a person planning to conduct testing for particulate matter emissions to demonstrate compliance shall give written notice to the Illinois EPA of that intent. Such notification shall be given at least thirty (30) days prior to the initiation of the test unless a shorter period is agreed to by the Illinois EPA. Such notification shall state the specific test methods from 35 Ill. Adm. Code 212.110 that will be used.
- 19a. Pursuant to 35 Ill. Adm. Code 218.182(d)(5), all persons subject to the requirements of 35 Ill. Adm. Code 218.182(c) shall notify the Illinois EPA at least 30 days before changing the method of compliance between 35 Ill. Adm. Code 218.182(c)(3) and (c)(4). Such notification shall include a demonstration of compliance with the newly applicable subsection.
 - b. Pursuant to 35 Ill. Adm. Code 218.182(d)(6), all persons subject to the requirements of 35 Ill. Adm. Code 218.182(b) or (c) shall notify the Illinois EPA of any violation of 35 Ill. Adm. Code 218.182(b) or (c) by sending a description of the violation and copies of records documenting such violations to the Illinois EPA within 30 days following the occurrence of the violation.
 - c. Pursuant to 35 Ill. Adm. Code 218.211(c)(3), any owner or operator of a coating line subject to the limitations of 35 Ill. Adm. Code 218.204 other than 35 Ill. Adm. Code 218.204(a)(1)(B), (a)(1)(C), (a)(2)(B), (a)(2)(C), or (a)(2)(D) and complying by means of 35 Ill. Adm. Code 218.204 shall comply with the following: On and after a date consistent with 35 Ill. Adm. Code 218.106, the owner or operator of a subject coating line shall notify the Illinois EPA in the following instances:
 - i. Any record showing violation of 35 Ill. Adm. Code 218.204 shall be reported by sending a copy of such record to the Illinois EPA within 30 days following the occurrence of the violation.
 - ii. At least 30 calendar days before changing the method of compliance from 35 Ill. Adm. Code 218.204 to 35 Ill. Adm. Code 218.205 or 35 Ill. Adm. Code 218.207, the owner or operator shall comply with all requirements of 35 Ill. Adm. Code 218.211(d)(1) or (e)(1), as applicable. Upon changing the method of compliance from 35 Ill. Adm. Code 218.204 to 35 Ill. Adm. Code 218.205 or 35 Ill. Adm. Code 218.207, the owner or operator shall comply with all requirements of 35 Ill. Adm. Code 218.211(d) or (e), as applicable.
 - d. Pursuant to 35 Ill. Adm. Code 218.211(h), on and after a date consistent with 35 Ill. Adm. Code 218.106, or on and after the initial start-up date, whichever is later, the owner or operator of a coating line subject to the requirements of 35 Ill. Adm. Code 218.219 shall comply with the following:

- i. By May 1, 2012, or upon initial start-up, whichever is later, submit a certification to the Illinois EPA that includes:
 - A. A description of the practices and procedures that the source will follow to ensure compliance with the applicable requirements in 35 Ill. Adm. Code 218.219;
 - B. For sources subject to 35 Ill. Adm. Code 218.219(a)(6), the work practices plan specified in 35 Ill. Adm. Code 218.219;
 - C. For sources subject to 35 Ill. Adm. Code 218.219(b)(6), the application methods used to apply coatings on the subject coating line;
 - ii. Notify the Illinois EPA of any violation of 35 Ill. Adm. Code 218.219 by providing a description of the violation and copies of records documenting the violation to the Illinois EPA within 30 days following the occurrence of the violation;
- 20a. If there is an exceedance of or deviation from 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 or deviation. The report shall include the emissions released in accordance with the recordkeeping requirements, a copy of the relevant records, and a description of the exceedances or deviation and efforts to reduce emissions and future occurrences.
- b. The Permittee shall submit the seasonal emissions component of the Annual Emissions Report by October 31 of each year, reporting actual emissions of VOM during the seasonal allotment period, in accordance with 35 Ill. Adm. Code 205.205(a) and 35 Ill. Adm. Code 205.300.
 - c. 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, IL 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 60016

It should be noticed that this permit has been revised to include operations of two paint booths and two cold conveyerized degreasers.

Page 18

If you have any questions on this, please call Valeriy Brodsky at 217/785-1705.

Edwin C. Bakowski, P.E.
Manager, Permit Section
Division of Air Pollution Control

Date Signed: _____

ECB:VJB:psj

cc: Illinois EPA, FOS Region 1
Lotus Notes

Attachment A-Emissions Summary

This attachment provides a summary of the maximum emission from the drum manufacturing plant, operating in compliance with the requirements of this federally enforceable permit. In preparing this summary, the Illinois EPA used the annual operating scenario which results in maximum emissions from such a plant. The resulting maximum emissions are below the levels, (e.g., 100 tons/year for VOM, 10 tons/year for any single HAP and 25 tons/year for any combination of such HAP) 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, coatings used and control measures are more effective than in this permit.

<u>Emission Units</u>	E M I S S I O N S (Tons/Year)						Single <u>HAP</u>	Combined <u>HAPs</u>
	<u>CO</u>	<u>NO_x</u>	<u>PM</u>	<u>SO₂</u>	<u>VOM</u>	<u>HAP</u>		
Coating Operations			0.44		32.00			
Degreasing Operations					3.30			
Natural Gas-Fired Equipment	<u>2.10</u>	<u>2.50</u>	<u>0.19</u>	<u>0.02</u>	<u>0.14</u>	----	----	
Totals	<u>2.10</u>	<u>2.50</u>	<u>0.63</u>	<u>0.02</u>	<u>35.44</u>	<u>9.0</u>	<u>22.5</u>	

VJB:psj

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 Clean Air Act.

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 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 shall immediately comply with 35 Ill. Adm. Code Part 205, including holding allotment trading units (ATUs) for its VOM emissions during the first seasonal allotment period it exceeds 15 tons and each seasonal allotment period, thereafter, pursuant to 35 Ill. Adm. Code 205.150(c).

VJB:psj