

I. INTRODUCTION

This source has applied for a Clean Air Act Permit Program (CAAPP) operating permit for its existing operation. The CAAPP is the program established in Illinois for the operating permits for significant stationary sources required by the federal Clean Air Act, as amended in 1990. The conditions in a CAAPP permit are enforceable by both the Illinois Environmental Protection Agency (Illinois EPA) and the USEPA.

Morton International, Inc. is located at 2701 and 3000 East 170th Street, Lansing in Cook County. The source conducts operations for the manufacturing of paints for the automotive industry. Production is conducted on a batch basis. The materials used in the manufacturing of the paints generally include resin, organic solvent, and solid raw materials such as pigments. The operations at the plant are divided according to source categories and/or process operations. These operations are batchmaking, dispersion, resin manufacturing, storage tanks and solvent cleaning. Batchmaking is a process for the production of finished paint and intermediate coatings. Pigment dispersion involves the grinding (milling) of pigments from its aggregate state into dispersed particle sizes. The plant also manufactures its own resin, both for internal and external use.

II. EMISSION UNITS

Significant emission units at this source are as follows:

| Emission Unit | Description | Date Constructed | Emission Control Equipment |
|--|---|---|--|
| Coating/ Intermediate Production | Large Batchmaking Small Batchmaking Filling Operation | Before 1970 | Baghouses BH1 & BH2 Baghouse BH3 Baghouse BH3 |
| Dispersion Production | Green Room East Green Room West | 1993 pre-1970, 1989, 1992, 1994, 1999 | Baghouse BH2 Baghouse BH1 |
| Solvent Clean Up Operation | Solvent Clean Up | 1985, 1986, 1994 | Thermal Oxidizer |
| Bulk Storage Tanks | Outdoor Tanks Indoor Tanks | pre-1970, 1996 pre-1970, 1985, 1986, 1994, 1998 | Thermal Oxidizer |
| Waterbase Facility | Waterbased Paint Manufacturing | 1991, 1993, 1994, 1996, 2000 | Baghouse BH4 |

| Emission Unit | Description | Date Constructed | Emission Control Equipment |
|------------------|--|------------------------------------|---------------------------------|
| Resin Production | Polyester and Acrylic Resin Production | 1982, 1985, 1986, 1990, 1992, 1999 | Condensers and Thermal Oxidizer |

III. EMISSIONS

This source is required to have a CAAPP permit since it is a major source of emissions.

For purposes of fees, the source is allowed the following emissions:

| Pollutant | Tons/Year |
|------------------------------------|-----------|
| Volatile Organic Material (VOM) | 183.00 |
| Sulfur Dioxide (SO ₂) | ---- |
| Particulate Matter (PM) | 1.96 |
| Nitrogen Oxides (NO _x) | ---- |
| HAP, not included in VOM or PM | ---- |
| TOTAL | 184.96 |

This permit is a combined Title I/CAAPP permit that may contain terms and conditions which address the applicability, and compliance if determined applicable, of Title I of the Clean Air Act and regulations promulgated thereunder, including 40 CFR 52.21 - federal Prevention of Significant Deterioration (PSD) and 35 IAC Part 203 - Major Stationary Sources Construction and Modification. Any such terms and conditions are identified within the permit by T1, T1R, or T1N. The source has requested that the Illinois EPA establish or revise such conditions in a Title I permit, consistent with the information provided in the CAAPP application. Any conditions established in a construction permit pursuant to Title I and not revised or deleted in this permit, remain in effect pursuant to Title I provisions until such time that the Illinois EPA revises or deletes them.

IV. APPLICABLE EMISSION STANDARDS

All emission sources in Illinois must comply with the Illinois Pollution Control Board's emission standards. The Board's emission standards represent the basic requirements for sources in Illinois.

All emission sources in Illinois must comply with the federal New Source Performance Standards (NSPS). The Illinois EPA is administering NSPS in Illinois on behalf of the United States EPA under a delegation agreement.

All emission sources in Illinois must comply with the federal National Emission Standards for Hazardous Air Pollutants (NESHAP). The Illinois EPA is administering NESHAP in Illinois on behalf of the United States EPA under a delegation agreement.

V. PROPOSED PERMIT

CAAPP

A CAAPP permit contains all conditions that apply to a source and a listing of the applicable state and federal air pollution control regulations that are the origin of the conditions. The permit also contains emission limits and appropriate compliance procedures. The appropriate compliance procedures may include inspections, work practices, monitoring, record keeping, and reporting to show compliance with these requirements. The Permittee must carry out these procedures on an on-going basis.

Title I

A combined Title I/CAAPP permit contains terms and conditions established by the Illinois EPA pursuant to authority found in Title I provisions, e.g., 40 CFR 52.21 - federal Prevention of Significant Deterioration (PSD) and 35 IAC Part 203 - Major Stationary Sources Construction and Modification. Notwithstanding the expiration date on the first page of the permit, the Title I conditions remain in effect pursuant to Title I provisions until the Illinois EPA deletes or revises them in accordance with Title I procedures.

Because this source is located in the Chicago ozone non-attainment area and emits volatile organic material (VOM), the permit includes conditions to implement the Emissions Reduction Market System (ERMS). The ERMS is a market-based program designed to reduce VOM emissions from stationary sources to contribute to reasonable further progress toward attainment, as further described in Section 6.0 of the permit. The permit contains the Illinois EPA's determination of the source's baseline emissions and allotment of trading units under the ERMS, and identifies units not subject to further reductions. The permit also provides that the source must begin to operate under the ERMS following the initial issuance of allotment trading units to the source. This will occur for the 2000 seasonal allotment period (rather than the 1999 season as originally intended by the ERMS) due in part to delays in the initial issuance of CAAPP Permits. These delays, which have occurred nationally, are attributable to a variety of causes including the unforeseen complexity of processing these permits and gaps in national guidance. Even though operation under the ERMS will not officially start until the 2000 seasonal allotment period, detailed recordkeeping and reporting of seasonal emissions was required beginning in 1998,

which will document emissions reductions achieved by sources in 1999 in preparation for the ERMS.

VI. REQUEST FOR COMMENTS

It is the Illinois EPA's preliminary determination that this source's permit application meets the standards for issuance of a CAAPP permit. The Illinois EPA is therefore proposing to issue a CAAPP permit, subject to the conditions proposed in the draft permit.

Comments are requested on this proposed action by the Illinois EPA and the proposed conditions on the draft permit. If substantial public interest is shown in this matter, the Illinois EPA will consider holding a public hearing in accordance with 35 Ill. Adm. Code Part 164.

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