217/782-2113

FEDERALLY ENFORCEABLE STATE OPERATING PERMIT -- REVISED

PERMITTEE

Weber Marking Systems, Inc.
Attn: Brian Gallagher
711 West Algonquin Road
Arlington Heights, Illinois 60005

Application No.: 04070058 I.D. No.: 031009AAS
Applicant's Designation: Date Received: September 6, 2007
Subject: Label Manufacturing and Printing Plant
Date Issued: March 3, 2008 Expiration Date: December 29, 2009
Location: 711 West Algonquin Road, Arlington Heights, Cook County, 60005

This permit is hereby granted to the above-designated Permittee to OPERATE emission source(s) and/or air pollution control equipment consisting of thirty-five (35) flexographic printing presses, two cold degreasers, one glue applicator, five ink mixing tanks, photo developing equipment with recovery still, and natural gas fired heating equipment as described in 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 a single hazardous air pollutant (HAP) and 25 tons/year for totaled HAPs). As a result, the source is excluded from the requirement to obtain a Clean Air Act Permit Program (CAAPP) permit.

ii. To establish federally enforceable Emission Reduction Market System (ERMS) provisions, including baseline emissions, allotment for each seasonal allotment period, identification of any units deemed to be insignificant activities for the purposes of the ERMS, emissions calculation methodologies, and provisions addressing all other applicable requirements of 35 Ill. Adm. Code Part 205, 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 permit(s) for this location.

2a. The paper coating lines are subject to the New Source Performance Standards (NSPS) for Pressure Sensitive Tape and Label Surface Coating Operations, 40 CFR 60, Subparts A and RR. The Illinois EPA is administering these standards in Illinois on behalf of the United States EPA under a delegation agreement.

b. Pursuant to 40 CFR 60.11(d), at all times, including periods of startup, shutdown, and malfunction, owners and operators shall to the extent practicable, maintain and operate any affected facility including associated air pollution control equipment in a manner consistent with good air pollution control practice for minimizing emissions. Determination of whether acceptable operating and maintenance procedures are being used will be based on information available to the Illinois EPA or USEPA which may include, but is not limited to, monitoring results, opacity observations, review of operating and maintenance procedures, and inspection of the source.

c. Pursuant to 40 CFR 60.440(b), any affected facility which inputs to the coating process 45 Mg (50 tons) of VOC or less per 12 month period is not subject to the emission limits of 40 CFR 60.442(a), however, the affected facility is subject to the requirements of all other applicable sections of 40 CFR 60 Subpart RR. If the amount of VOC input exceeds 45 Mg (50 tons) per 12 month period, the coating line will become subject to 40 CFR 60.442(a) and all other sections of 40 CFR 60 Subpart RR.

3a. 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 the requirements of 35 Ill. Adm. Code 212.122, pursuant to 35 Ill. Adm. Code 212.123(a), except as allowed by 35 Ill. Adm. Code 212.123(b) and 212.124.

b. 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 unless the wind speed is greater than 40.2 kilometers per hour (25 miles per hour), pursuant to 35 Ill. Adm. Code 212.301 and 212.314.

c. Pursuant to 35 Ill. Adm. Code 212.306, all normal traffic pattern access areas surrounding storage piles specified in 35 Ill. Adm. Code 212.304 and all normal traffic pattern roads and parking facilities which are located on mining or manufacturing property shall be paved or treated with water, oils or chemical dust suppressants. All paved areas shall be cleaned on a regular basis. All areas treated with water, oils or chemical dust suppressants shall have the treatment applied on a regular basis, as needed, in accordance with the operating program required by 35 Ill. Adm. Code 212.309, 212.310 and 212.312.

d. Pursuant to 35 Ill. Adm. Code 212.309(a), the emission units described in 35 Ill. Adm. Code 212.304 through 212.308 shall be operated under the provisions of an operating program, consistent with the requirements set forth in 35 Ill. Adm. Code 212.310 and 212.312, and prepared by the owner or operator and submitted to the Illinois EPA for its review. Such operating program shall be designed to significantly reduce fugitive particulate matter emissions.

e. Pursuant to 35 Ill. Adm. Code 212.310, as a minimum the operating program shall include the following:

   i. The name and address of the source;

   ii. The name and address of the owner or operator responsible for execution of the operating program;

   iii. A map or diagram of the source showing approximate locations of storage piles, conveyor loading operations, normal traffic pattern access areas surrounding storage piles and all normal traffic patterns within the source;

   iv. Location of unloading and transporting operations with pollution control equipment;

   v. A detailed description of the best management practices utilized to achieve compliance with 35 Ill. Adm. Code 212 Subpart K, including an engineering specification of particulate collection equipment, application systems for water, oil, chemicals and dust suppressants utilized and equivalent methods utilized;

   vi. Estimated frequency of application of dust suppressants by location of materials; and

   vii. Such other information as may be necessary to facilitate the Illinois EPA's review of the operating program.

f. 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 subsection (c) of 35 Ill. Adm. Code 212.321.

4. 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 excess 2000 ppm.

5a. 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 a freeboard height of 7/10 of the inside width of the tank or 91 cm (36 in), whichever is less, 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;

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)(2)(B), on and after March 15, 2001, 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).

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, 218.304 and the following exception: If no odor nuisance exists the limitation of this 35 Ill. Adm. Code 218 Subpart G shall apply only to photochemically reactive material.

e. Pursuant to 35 Ill. Adm. Code 218.401(a), no owner or operator of a subject flexographic, packaging rotogravure or publication rotogravure printing line shall apply at any time any coating or ink unless the VOM content does not exceed the limitation specified in either 35 Ill. Adm. Code 218.401(a)(1) or (a)(2). Compliance with this 35 Ill. Adm. Code 218.401 must be demonstrated through the applicable coating or ink 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 218.404(c). As an alternative to compliance with 35 Ill. Adm. Code 218.401(a), a subject printing line may meet the requirements of 35 Ill. Adm. Code 218.401(b) or (c).

i. Forty percent VOM by volume of the coating and ink (minus water and any compounds which are specifically exempted from the definition of VOM), or

ii. Twenty-five percent VOM by volume of the volatile content in the coating and ink.

f. Pursuant to 35 Ill. Adm. Code 218.401(b), no owner or operator of a subject flexographic, packaging rotogravure or publication rotogravure printing line shall apply coatings or inks on the subject printing line unless the weighted average, by volume, VOM content of all coatings and inks as applied each day on the subject printing line does not exceed the limitation specified in either 35 Ill. Adm. Code 218.401(a)(1) (as determined by 35 Ill. Adm. Code 218.401(b)(1)) or 35 Ill. Adm. Code 218.401(a)(2) (as determined by 35 Ill. Adm. Code 218.401(b)(2)). Compliance with this 35 Ill. Adm. Code 218.401(b) must be demonstrated through the applicable coating or ink 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 218.404(d).

6. This permit is issued based upon the source not being subject to the National Emission Standards for Hazardous Air Pollutants (NESHAP) for the Printing and Publishing Industry, 40 CFR 63, Subpart KK. The flexographic printing presses are not wide-web flexographic printing presses, as defined in 40 CFR 63.822(a).

7a. Pursuant to 35 Ill. Adm. Code 218.204(c), the paper coating limitation shall not apply to any owner or operator of any paper coating line on which flexographic or rotogravure printing is performed if the paper coating line complies with the emissions limitations in 35 Ill. Adm. Code 218.401.

b. Pursuant to 35 Ill. Adm. Code 218.402(b), upon achieving compliance with 35 Ill. Adm. Code 218 Subpart H, the flexographic and rotogravure printing lines are not required to meet 35 Ill. Adm. Code 218 Subpart G (35 Ill. Adm. Code 218.301 or 218.302). Flexographic and rotogravure printing lines exempt from this Subpart are subject to 35 Ill. Adm. Code 218 Subpart G (35 Ill. Adm. Code 218.301 or 218.302). Rotogravure

or flexographic equipment used for both roll printing and paper coating is subject to 35 Ill. Adm. Code 218 Subpart H.

c. 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.

8a. The usage VOM materials and VOM emissions from the thirty-two flexographic printing presses constructed prior to 2007 shall not exceed the following limits 2.5 tons/month and 22.0 tons/year.

b. Emissions and operation of the three flexographic printing presses (constructed in 2007 or later) shall not exceed the following limits:

Emission Unit	VOM Usage and Emissions (Tons/Month)	(Tons/Year)
Mark Andy Press Group (3 Presses)	0.3	3.0

i. These limits are based on the maximum production rate and the VOM content of raw materials. Note that there is a "nested" limit on the emissions of the combination of HAPs as a result of the limit on VOM emissions. The HAPs emitted at this source have been determined to be VOMs and therefore limiting VOM emissions also limits HAP emissions.

ii. The above limitations were established in Permit 07090016, pursuant to 35 Ill. Adm. Code Part 203. These limits ensure that the construction and/or modification addressed in the aforementioned permit does not constitute a new major source or major modification pursuant to Title I of the Clean Air Act, specifically 35 Ill. Adm. Code Part 203.

c. The usage of VOM materials and VOM emissions from two cold degreasers operations shall not exceed 0.1 ton/mo and 1.0 ton/yr.

d. VOM and HAP emissions shall be calculated using the following equation:

$$E = \Sigma M_i \times V_i,$$

where:

E - VOM/HAP emissions (tons);

M_i - VOM/HAP-containing raw materials usage (tons); and

V_i - VOM/HAP content of raw materials (fraction).

e. Emissions and operation of the natural gas fired heating equipment shall not exceed the following limits:

i. Natural Gas Usage: 10 mmscf/month, 60 mmscf/year

ii. Emissions for the combustions of natural gas:

Pollutant	Emission Factor (Lbs/mmscf)	Emissions (Tons/Mo)	Emissions (Tons/Yr)
Nitrogen Oxides (NO_x)	100	0.5	3.0
Carbon Monoxide (CO)	84	0.4	2.5
Volatile Organic Materials (VOM)	5.5	0.03	0.2

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

f. This permit is issued based on negligible emissions of volatile organic materials from the glue applicator, ink mixing tanks and photo developing equipment. For this purpose, emissions from each emission source or group of emission sources shall not exceed nominal emission rates of 0.1 lb/hour and 0.44 ton/year.

g. 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 of total).

9. Pursuant to 40 CFR 60.466(a), the VOC content per unit of coating solids applied and compliance with 40 CFR 60.422(a)(1) shall be determined by either Method 24 and the equations specified in 40 CFR 60.443 or by manufacturers' formulation data. In the event of any inconsistency between a Method 24 test and manufacturers' formulation data, the Method 24 test will govern. The Illinois EPA or USEPA may require an owner or operator to perform Method 24 tests during such months as he deems appropriate. For Method 24, the coating sample must be a one liter sample taken into a one liter container at a point where the sample will be representative of the coating applied to the web substrate.

10a. 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 Condition 12 shall be performed upon a written request from the Illinois EPA by a qualified independent testing service.

11a. Pursuant to 35 Ill. Adm. Code 212.107, for both fugitive and nonfugitive particulate matter emissions, a determination as to the presence or absence of visible emissions from emission units shall be conducted in accordance with Method 22, 40 CFR Part 60, Appendix A, except that the length of the observing period shall be at the discretion of the observer, but not less than one minute. This Condition shall not apply to 35 Ill. Adm. Code 212.301.

b. Pursuant to 35 Ill. Adm. Code 212.109, except as otherwise provided in 35 Ill. Adm. Code Part 212, and except for the methods of data reduction when applied to 35 Ill. Adm. Code 212.122 and 212.123, measurements of opacity shall be conducted in accordance with Method 9, 40 CFR Part 60, Appendix A, and the procedures in 40 CFR 60.675(c) and (d), if applicable, except that for roadways and parking areas the number of readings required for each vehicle pass will be three taken at 5-second intervals. The first reading shall be at the point of maximum opacity and second and third readings shall be made at the same point, the observer standing at right angles to the plume at least 15 feet away from the plume and observing 4 feet above the surface of the roadway or parking area. After four vehicles have passed, the 12 readings will be averaged.

c. Pursuant to 35 Ill. Adm. Code 212.110(a), measurement of particulate matter emissions from stationary emission units subject to 35 Ill. Adm. Code Part 212 shall be conducted in accordance with 40 CFR Part 60, Appendix A, Methods 5, 5A, 5D, or 5E.

d. Pursuant to 35 Ill. Adm. Code 212.110(b), the volumetric flow rate and gas velocity shall be determined in accordance with 40 CFR Part 60, Appendix A, Methods 1, 1A, 2, 2A, 2C, 2D, 3, and 4.

e. 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.

12. Pursuant to 35 Ill. Adm. Code 218.404(a), the VOM content of each coating and ink 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 218.404.

13a. Pursuant to 40 CFR 60.445(a), the owner or operator of an affected facility subject to 40 CFR 60 Subpart RR shall maintain a calendar month record of all coatings used and the results of the reference test method specified in 40 CFR 60.446(a) or the manufacturer's formulation data used for determining the VOC content of those coatings.

b. Pursuant to 40 CFR 60.445(d), the owner or operator of an affected facility operating at the conditions specified in 40 CFR 60.440(b) shall maintain a 12 month record of the amount of solvent applied in the coating at the facility.

c. Pursuant to 40 CFR 60.445(h), records of the measurements required in 40 CFR 60.443 and 60.445 must be retained for at least two years following the date of the measurements.

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), on and after March 15, 1999, all persons subject to the requirements of 35 Ill. Adm. Code 218.182(c)(1)(B) and (c)(2)(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; and

iv. The vapor pressure of the solvent measured in mmHg at 20°C (68°F).

b. Pursuant to 35 Ill. Adm. Code 218.404(c)(2), any owner or operator of a printing line subject to the limitations of 35 Ill. Adm. Code 218.401 and complying by means of 35 Ill. Adm. Code 218.401(a) shall collect and record all of the following information each day 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 and ink as applied on each printing line.

ii. The VOM content of each coating and ink as applied each day on each printing line.

c. Pursuant to 35 Ill. Adm. Code 218.404(d)(2), any owner or operator of a printing line subject to the limitations of 35 Ill. Adm. Code 218.401 and complying by means of 35 Ill. Adm. Code 218.401(b) shall collect and record all of the following information each day for each printing line and maintain the information at the source for a period of three years:

i. The name and identification number of each coating and ink as applied on each printing line.

ii. The VOM content and the volume of each coating and ink as applied each day on each printing line.

iii. The daily-weighted average VOM content of all coatings and inks as applied on each printing line.

17a. The Permittee shall maintain records of the following items so as to demonstrate compliance with the conditions of this permit:

i. The Permittee shall maintain a list of all emission units to which it is applying the 5.0 ton/yr exclusion from 35 Ill. Adm. Code 218 Subpart PP that includes:

A. Name and identification of each emission unit.

B. Annual volatile organic material emissions (tons/year), with supporting documentation.

ii. Monthly and annual usage of the inks, coatings, adhesives and clean-up solvents (tons/month, tons/year);

iii. The VOM content and the HAP content of the materials used (weight %);

iv. Natural gas usage (mmscf/month, mmscf/year); and

v. Monthly and annual CO, NO_x, PM, SO_2, VOM and HAP emissions (tons/month, tons/year) with supporting calculations.

b. 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.

18. 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 and Enforcement Section in Springfield, Illinois within 30 days after the exceedance/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 exceedance or deviation and efforts to reduce emissions and future occurrences.

19. 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.

20a. Pursuant to 35 Ill. Adm. Code 218.404(c)(3), any owner or operator of a printing line subject to the limitations of 35 Ill. Adm. Code 218.401 and complying by means of 35 Ill. Adm. Code 218.401(a) shall notify the Illinois EPA in the following instances:

i. Any record showing violation of 35 Ill. Adm. Code 218.401(a) 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 with 35 Ill. Adm. 218.401 from 35 Ill. Adm. Code 218.401(a) to 35 Ill. Adm. Code 218.401(b) or (c), the owner or operator shall comply with all requirements of 35 Ill. Adm. Code 218.404(d)(1) or (e)(1), respectively. Upon changing the method of compliance with 35 Ill. Adm. Code 218.401 from 35 Ill. Adm. Code 218.401(a) to 35 Ill. Adm. Code 218.401(b) or (c), the owner or operator shall comply with all requirements of 35 Ill. Adm. Code 218.404(d) or (e), respectively.

b. Pursuant to 35 Ill. Adm. Code 218.404(d)(3), any owner or operator of a printing line subject to the limitations of 35 Ill. Adm. Code 218.401 and complying by means of 35 Ill. Adm. Code 218.401(b) shall notify the Illinois EPA in the following instances:

i. Any record showing violation of 35 Ill. Adm. Code 218.401(b) 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 with 35 Ill. Adm. Code 218.401 from 35 Ill. Adm. Code 218.401(b) to 35 Ill. Adm. Code 218.401(a) or 218.401(c), the owner or operator shall comply with all requirements of 35 Ill. Adm. Code 218.404(c)(1) or (e)(1), respectively. Upon changing the method of compliance with 35 Ill. Adm. Code 218.401 from 35 Ill. Adm. Code 218.401(b) to 35 Ill. Adm. Code 218.401(a) or (c), the owner or operator shall comply with all requirements of 35 Ill. Adm. Code 218.404(c) or (e), respectively.

c. Pursuant to 35 Ill. Adm. Code 218.990, upon request by the Illinois EPA, the owner or operator of an emission unit which is exempt from the requirements of 35 Ill. Adm. Code 218 Subparts PP, QQ, RR, TT or 35 Ill. Adm. Code 218.208(b) shall submit records to the Illinois EPA within 30 calendar days from the date of the request that document that the emission unit is exempt from those requirements.

21. Two (2) copies of required reports and notifications shall be sent to:

Illinois Environmental Protection Agency
Division of Air Pollution Control
Compliance and Enforcement 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

This permit has been revised to include operations of three flexographic printing presses described in Construction Permit 07090016 and to implement the source participation in Emissions Reduction Market System (ERMS).

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

Edwin C. Bakowski, P.E. Date Signed: _____
Acting Manager, Permit Section
Division of Air Pollution Control

ECB:VJB:psj

cc: IEPA, FOS Region 1
Lotus Notes

Attachment A - Emissions Summary

This attachment provides a summary of the maximum emissions from printing 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 per year of VOM, 10 tons per year for a single HAP, and 25 tons per year for totaled 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 less material is used and control measures are more effective than required in this permit.

	Emissions (Tons/Year)					
Emission Units	VOM	NO_x	CO	PM	Single HAP	Total HAP
32 Flexoraphic presses	22.00	----	----	----	----	----
Mark Andy Press Group (3 Presses)	3.00	----	----	----	----	----
Two cold degreasers	1.00	----	----	----	----	----
Glue applicator	0.44	----	----	----	----	----
Five ink mixers	0.44	----	----	----	----	----
Two photo developers	0.44	----	----	----	----	----
Six laser itchers	----	----	----	0.44	----	----
Natural Gas Combustion	0.20	3.0	2.5	----	----	----
Total	26.52	3.0	2.5	0.44	9.0	22.5

ECB:VJB:psj

Attachment B -- EMISSION 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' 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 shall 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

This source is considered a "participating source" for purposes of the ERMS, 35 Ill. Adm. Code Part 205.

3. Obligation to Hold Allotment Trading Units (ATUs)

a. Pursuant to 35 Ill. Adm. Code 205.150(c)(1) and 35 Ill. Adm. Code 205.720, and as further addressed by Condition 8 of this Attachment, as of December 31 of each year, this source shall hold ATUs in its account in an amount not less than the ATU equivalent of its VOM emissions during the preceding seasonal allotment period (May 1 - September 30), not including VOM emissions from the following, or the source shall be subject to "emissions excursion compensation," as described in Condition 5 of this Attachment.

i. VOM emissions from emission units that the Illinois EPA determines would qualify as insignificant activities under 35 Ill. Adm. Code 201.Subpart F if the source were a CAAPP source and for which a statement to this effect is contained in the FESOP for a participating or new participating source are exempt from the requirements of 35 Ill. Adm. Code Part 205, in accordance with 35 Ill. Adm. Code 205.220(b);

ii. Excess VOM emissions associated with startup, malfunction, or breakdown of an emission unit for sources permitted to operate during startup, malfunction or breakdown pursuant to 35 Ill. Adm. Code 201.262, in accordance with 35 Ill. Adm. Code 205.225;

iii. Excess VOM emissions to the extent allowed by a Variance, Consent Order, or Compliance Schedule, in accordance with 35 Ill. Adm. Code 205.320(e)(3);

iv. Excess VOM emissions that are a consequence of an emergency as approved by the Illinois EPA, pursuant to 35 Ill. Adm. Code 205.750; and

v. VOM emissions from certain new and modified emission units as addressed by Condition 8(b) of this Attachment, if applicable, in accordance with 35 Ill. Adm. Code 205.320(f).

b. Notwithstanding the above condition, in accordance with 35 Ill. Adm. Code 205.150(c)(2), if a source commences operation of a major modification, pursuant to 35 Ill. Adm. Code Part 203, the source shall hold ATUs in an amount not less than 1.3 times its seasonal VOM emissions attributable to such major modification during the seasonal allotment period, determined in accordance with the construction permit for such major modification or applicable provisions of this permit.

4. Market Transaction

a. The source shall apply to the Illinois EPA for and obtain authorization for a Transaction Account prior to conducting any

market transactions, as specified at 35 Ill. Adm. Code 205.610(a).

b. The Permittee shall promptly submit to the Illinois EPA any revisions to the information submitted for its Transaction Account, pursuant to 35 Ill. Adm. Code 205.610(b).

c. The source shall have at least one account officer designated for its Transaction Account, pursuant to 35 Ill. Adm. Code 205.620(a).

d. Any transfer of ATUs to or from the source from another source or general participant must be authorized by a qualified Account Officer designated by the source and approved by the Illinois EPA, in accordance with 35 Ill. Adm. Code 205.620, and the transfer must be submitted to the Illinois EPA for entry into the Transaction Account database.

5. Emission Excursion Compensation

Pursuant to 35 Ill. Adm. Code 205.720, if the source fails to hold ATUs in accordance with Condition 3 of this Attachment, it shall provide emissions excursion compensation in accordance with the following:

a. Upon receipt of an Excursion Compensation Notice issued by the Illinois EPA, the source shall purchase ATUs from the ACMA in the amount specified by the notice, as follows:

i. The purchase of ATUs shall be in an amount equivalent to 1.2 times the emissions excursion; or

ii. If the source had an emissions excursion for the seasonal allotment period immediately before the period for the present emissions excursion, the source shall purchase ATUs in an amount equivalent to 1.5 times the emissions excursion.

b. If requested in accordance with paragraph (c) below or in the event that the ACMA balance is not adequate to cover the total emissions excursion amount, the Illinois EPA will deduct ATUs equivalent to the specified amount or any remaining portion thereof from the ATUs to be issued to the source for the next seasonal allotment period.

c. Pursuant to 35 Ill. Adm. Code 205.720(c), within 15 days after receipt of an Excursion Compensation Notice, the owner or operator may request that ATUs equivalent to the amount specified be deducted from the source’s next seasonal allotment by the Illinois EPA, rather than purchased from the ACMA.

6. Quantification of Seasonal VOM Emissions

a. The methods and procedures specified in this permit for determining VOM emissions and compliance with VOM emission limitations shall be used for determining seasonal VOM emissions for purposes of the ERMS, with the following exceptions [35 Ill. Adm. Code 205.315(b)]:

No exceptions

b. The Permittee shall report emergency conditions at the source to the Illinois EPA, in accordance with 35 Ill. Adm. Code 205.750, if the Permittee intends to deduct VOM emissions in excess of the technology-based emission rates normally achieved that are attributable to the emergency from the source's seasonal VOM emissions for purposes of the ERMS. These reports shall include the information specified by 35 Ill. Adm. Code 205.750(a), and shall be submitted in accordance with the following:

i. An initial emergency conditions report within two days after the time when such excess emissions occurred due to the emergency; and

ii. A final emergency conditions report, if needed to supplement the initial report, within 10 days after the conclusion of the emergency.

7. Annual Account Reporting

a. For each year in which the source is operational, the Permittee shall submit, as a component of its Annual Emissions Report, seasonal VOM emissions information to the Illinois EPA for the seasonal allotment period. This report shall include the following information [35 Ill. Adm. Code 205.300]:

i. Actual seasonal emissions of VOM from the source;

ii. A description of the methods and practices used to determine VOM emissions, as required by this permit, including any supporting documentation and calculations;

iii. A detailed description of any monitoring methods that differ from the methods specified in this permit, as provided in 35 Ill. Adm. Code 205.337;

iv. If a source has experienced an emergency, as provided in 35 Ill. Adm. Code 205.750, the report shall reference the associated emergency conditions report that has been approved by the Illinois EPA;

v. If a source's baseline emissions have been adjusted due to a Variance, Consent Order, or CAAPP permit Compliance Schedule, as provided for in 35 Ill. Adm. Code

205.320(e)(3), the report shall provide documentation quantifying the excess VOM emissions during the season that were allowed by the Variance, Consent Order, or Compliance Schedule, in accordance with 35 Ill. Adm. Code 205.320(e)(3); and

vi. If a source is operating a new or modified emission unit for which three years of operational data is not yet available, as specified in 35 Ill. Adm. Code 205.320(f), the report shall specify seasonal VOM emissions attributable to the new emission unit or the modification of the emission unit.

b. This report shall be submitted by November 30 of each year, for the preceding seasonal allotment period.

8. Allotment of ATUs to the Source

a. i. The allotment of ATUs to this source is 174 ATUs per seasonal allotment period.

ii. This allotment of ATUs reflects the Illinois EPA's determination that the source's baseline emissions were 19.67 tons per season.

This determination includes the use of 1993 and 1994 as baseline seasons. This determination includes use of the 1993 season as a substitute for the 1995 and 1996 seasons due to non-representative conditions in these seasons, as allowed by 35 Ill. Adm. Code 205.320(a)(2).

iii. The source's allotment reflects 88% of the baseline emissions (12% reduction), except for the VOM emissions from specific emission units excluded from such reduction, pursuant to 35 Ill. Adm. Code 205.405, including units complying with MACT or using BAT, as identified in Condition 10 of this Attachment of this permit.

iv. ATUs will be issued to the source's Transaction Account by the Illinois EPA annually. These ATUs will be valid for the seasonal allotment period following issuance and, if not retired in this season, the next seasonal allotment period.

v. Condition 3(a) of this Attachment becomes effective beginning in the seasonal allotment period following the initial issuance of ATUs by the Illinois EPA into the Transaction Account for the source.

b. Contingent Allotments for New or Modified Emission Units

Not applicable.

c. Notwithstanding the above, part or all of the above ATUs will not be issued to the source in circumstances as set forth in 35 Ill. Adm. Code Part 205, including:

i. Transfer of ATUs by the source to another participant or the ACMA, in accordance with 35 Ill. Adm. Code 205.630;

ii. Deduction of ATUs as a consequence of emissions excursion compensation, in accordance with 35 Ill. Adm. Code 205.720; and

iii. Transfer of ATUs to the ACMA, as a consequence of shutdown of the source, in accordance with 35 Ill. Adm. Code 205.410.

9. Recordkeeping for ERMS

The Permittee shall maintain copies of the following documents as its Compliance Master File for purposes of the ERMS [35 Ill. Adm. Code 205.700(a)]:

a. Seasonal component of the Annual Emissions Report;

b. Information on actual VOM emissions, as recorded and as required by Condition 18 of this permit and Condition 6(a) of this Attachment; and

c. Any transfer agreements for the purchase or sale of ATUs and other documentation associated with the transfer of ATUs.

10. Exclusions from Further Reductions

a. VOM emissions from the following emission units shall be excluded from the VOM emissions reductions requirements specified in 35 Ill. Adm. Code 205.400(c) and (e) as long as such emission units continue to satisfy the following [35 Ill. Adm. Code 205.405(a)]:

i. Emission units that comply with any NESHAP or MACT standard promulgated pursuant to the Clean Air Act;

ii. Direct combustion emission units designed and used for comfort heating purposes, fuel combustion emission units, and internal combustion engines; and

iii. An emission unit for which a LAER demonstration has been approved by the Illinois EPA on or after November 15, 1990.

The source has demonstrated in its ERMS application and the Illinois EPA has determined that the following emission units qualify for exclusion from further reductions because they meet the criteria as indicated above [35 Ill. Adm. Code 205.405(a) and (c)]:

Fuel Combustion Emission Units

b. VOM emissions from emission units using BAT for controlling VOM emissions shall not be subject to the VOM emissions reductions requirement specified in 35 Ill. Adm. Code 205.400(c) or (e) as long as such emission unit continues to use such BAT [35 Ill. Adm. Code 205.405(b)].

The source has demonstrated in its ERMS application and the Illinois EPA has determined that the following emission units qualify for exclusion from further reductions because these emission units use BAT for controlling VOM emissions as indicated above [35 Ill. Adm. Code 205.405(b) and (c)]:

None