

217/782-2113

FEDERALLY ENFORCEABLE STATE OPERATING PERMIT - REVISED

PERMITTEE

Universal Chemicals & Coatings, Inc.
Attn: Frederick V. Chin
1975 Fox Lane
Elgin, Illinois 60123

Application No.: 86010079
Applicant's Designation:
Subject: Coating Manufacturer
Date Issued: March 22, 2005
Location: 1975 Fox Lane, Elgin

I.D. No.: 089438AEU
Date Received: February 28, 2005
Expiration Date: August 23, 2007

This permit is hereby granted to the above-designated Permittee to OPERATE emission unit(s) and/or air pollution control equipment consisting of sixty-three mixers, eighteen raw materials, intermediate and final product storage tanks, mixers cleaning operations, two sandmills all controlled by a baghouse and laboratory spray booth 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 to limit the emissions of air pollutants from the source to less than major source thresholds (i.e., 25 tons/year for volatile organic material (VOM), 10 tons/year for a single hazardous air pollutant (HAP) and 25 tons/year for totaled HAP). As a result, the source is excluded from the requirements 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.
- 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.
2. This permit is issued based upon the paint manufacturing operations not being subject to the requirements of 35 Ill. Adm. Code Part 218, Subpart AA: Paint and Ink Manufacturing per applicability criteria of Section 218.620(b). This is consequence of the potential emissions of VOM being limited to less than 25 tons/year through the federally enforceable conditions of this permit and solvent based paints production rate being less than 500,000 gallons per year.
3. Plant-wide VOM usage in raw materials and clean-up solvents and plant-wide VOM emissions from the coating manufacturing operations shall not exceed the following limits:

| VOM Usage | | Emission Factor | VOM Emissions | |
|------------------|------------------|-----------------|------------------|------------------|
| <u>(Tons/Mo)</u> | <u>(Tons/Yr)</u> | <u>(Wt. %)</u> | <u>(Tons/Mo)</u> | <u>(Tons/Yr)</u> |
| 60 | 590 | 3.4 | 2.0 | 20.0 |

These limits define the potential emissions of VOM and are based on the actual emissions determined from the maximum production rate and standard emission factors given by Emission Inventory Improvement System (EIIP), Volume II, Chapter 8. Compliance with annual limits shall be determined on a monthly basis from the sum of the data for the current month plus the preceding 11 months.

- 4a. This permit is issued based upon the laboratory test painting operations being exempt from control requirements of 35 Ill. Adm. Code 218.204 due to compliance with exemption level of 218.208(a): daily VOM emission from coating operations never exceeding 15 lbs/day before the application of capture systems and control devices.
- b. VOM emissions from the test painting operations shall not exceed 15 pounds per day and 1.0 tons per year. Compliance with the annual limit shall be determined on a monthly basis from the sum of the data for the current month plus the preceding 11 months.
5. The emissions of HAPs as listed in Section 112(b) of the Clean Air Act shall not equal or exceed 10 tons per year of any single HAP or 25 tons per year of any combination of such HAPs, or such lesser quantity as USEPA may establish by rule which would require the Permittee to obtain a CAAPP permit from the Illinois EPA. 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.
6. This permit is issued based on negligible emissions of particulate matter from the coating manufacturing process and laboratory equipment. For this purpose, emissions shall not exceed nominal emission rates of 0.1 lb/hour and 0.44 tons/year.
7. The Permittee shall maintain monthly records of the following items:
 - a. Names and amount of VOM-containing raw materials and solvents used (tons/month and tons/year);
 - b. VOM and HAP content of the materials in item (a) (weight %); and
 - c. VOM and HAP emission calculations (tons/month and tons/year).
8. All records and logs required by this permit shall be retained at a readily accessible location at the source for at least three years from the date of entry and shall be made available for inspection and copying by the Illinois EPA and 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 request for records during the course of a source inspection.

9. If there is an exceedance of the requirements of this permit as determined by the record required by this permit, the Permittee shall submit a report to the Illinois EPA's Compliance Section in Springfield, Illinois within 30 days after the exceedance. The report shall include the emissions released in accordance with the recordkeeping requirements, a copy of the relevant records, and a description of the exceedance or violation and efforts to reduce emissions and future occurrences.
10. Two (2) copies of required reports and notifications concerning equipment operation or repairs, performance testing or a continuous monitoring system shall be sent to:

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

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

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

It should be noted that this permit has been revised to correct the permitted number of mixers and storage tanks.

This revision does not relax monitoring, recordkeeping, or reporting requirements contained in federally enforceable conditions of this permit. These permit conditions assure that this source would not be a major source for purpose of CAAPP.

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

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

DES: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 Paint Manufacturing Facility 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. This is use of 590 tons of VOM in paint manufacturing per year. The resulting maximum emissions are well below the levels, e.g., 25 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 material is handled, and control measures are more effective than required in this permit.

| <u>Emission Units</u> | <u>Emissions (Tons/Year)</u> | | | |
|-----------------------|------------------------------|-------------|-------------------|------------------|
| | <u>VOM</u> | <u>PM</u> | <u>Single HAP</u> | <u>Total HAP</u> |
| Coating Manufacturing | 20.0 | 0.44 | | |
| Paint Booth | <u>1.0</u> | | | |
| Plant-wide total | 21.0 | <u>0.44</u> | <u>< 10</u> | <u>< 25</u> |

VJB:psj