

ORIGINAL

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

RECEIVED
CLERK'S OFFICE

NIELSEN & BAINBRIDGE, LLC,)
)
Petitioner,)
)
v.)
)
ILLINOIS ENVIRONMENTAL)
PROTECTION AGENCY,)
)
Respondent.)

JAN 08 2003
23

STATE OF ILLINOIS
Pollution Control Board

PCB 03-98
(CAAPP Permit Appeal)

NOTICE OF FILING

TO: Dorothy M. Gunn, Clerk
Illinois Pollution Control Board
100 West Randolph Street
Suite 11-500
Chicago, Illinois 60601
**(VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED)**

(PERSONS ON ATTACHED SERVICE LIST)

PLEASE TAKE NOTICE that I have today filed with the Office of the Clerk of the Illinois Pollution Control Board an original and nine copies each of an **ENTRY OF APPEARANCE OF KATHERINE D. HODGE, ENTRY OF APPEARANCE OF N. LADONNA DRIVER, PETITION FOR REVIEW and MOTION TO STAY EFFECTIVENESS OF CAAPP PERMIT**, copies of which are herewith served upon you.

Respectfully submitted,

NIELSEN & BAINBRIDGE, LLC,
Petitioner,

By: Kath D. Hodge
One of Its Attorneys

Dated: January 7, 2003

Katherine D. Hodge
N. LaDonna Driver
HODGE DWYER ZEMAN
3150 Roland Avenue
Post Office Box 5776
Springfield, Illinois 62705-5776
(217) 523-4900

THIS FILING SUBMITTED ON RECYCLED PAPER

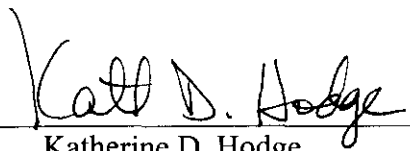
CERTIFICATE OF SERVICE

I, Katherine D. Hodge, the undersigned, hereby certify that I have served the attached ENTRY OF APPEARANCE OF KATHERINE D. HODGE, ENTRY OF APPEARANCE OF N. LADONNA DRIVER, PETITION FOR REVIEW and MOTION TO STAY EFFECTIVENESS OF CAAPP PERMIT upon:

Ms. Dorothy M. Gunn
Clerk of the Board
Illinois Pollution Control Board
100 West Randolph Street
Suite 11-500
Chicago, Illinois 60601

Julie K. Armitage, Esq.
Acting Deputy Counsel
Illinois Environmental Protection Agency
1021 North Grand Avenue East
Post Office Box 19276
Springfield, Illinois 62794-9276

by depositing said documents in the United States Mail, in Springfield, Illinois on
January 7, 2003.


Katherine D. Hodge

NIBA:001/Fil/NOF-COS

ORIGINAL

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

RECEIVED
CLERK'S OFFICE

JAN 09 2003
Dw

STATE OF ILLINOIS
Pollution Control Board

NIELSEN & BAINBRIDGE, LLC,)
)
 Petitioner,)
)
 v.)
)
 ILLINOIS ENVIRONMENTAL)
 PROTECTION AGENCY,)
)
 Respondent.)

PCB 03-98
(CAAPP Permit Appeal)

ENTRY OF APPEARANCE OF KATHERINE D. HODGE

NOW COMES Katherine D. Hodge, of the law firm of HODGE DWYER ZEMAN, and hereby enters her appearance on behalf of Petitioner, NIELSEN & BAINBRIDGE, LLC.

Respectfully submitted,

NIELSEN & BAINBRIDGE, LLC,
Petitioner,

By: Kath D. Hodge
Katherine D. Hodge

Dated: January 7, 2003

Katherine D. Hodge
N. LaDonna Driver
HODGE DWYER ZEMAN
3150 Roland Avenue
Post Office Box 5776
Springfield, Illinois 62705-5776
(217) 523-4900

NIBA:001/Fil/EOA-KDH

ORIGINAL

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

RECEIVED
CLERK'S OFFICE

NIELSEN & BAINBRIDGE, LLC,)
)
 Petitioner,)
)
 v.)
)
 ILLINOIS ENVIRONMENTAL)
 PROTECTION AGENCY,)
)
 Respondent.)

JAN 09 2003
D3
STATE OF ILLINOIS
Pollution Control Board

PCB03-98
(CAAPP Permit Appeal)

ENTRY OF APPEARANCE OF N. LADONNA DRIVER

NOW COMES N. LaDonna Driver, of the law firm of HODGE DWYER ZEMAN, and hereby enters her appearance on behalf of Petitioner, NIELSEN & BAINBRIDGE, LLC.

Respectfully submitted,

NIELSEN & BAINBRIDGE, LLC,
Petitioner,

By: N. LaDonna Driver
N. LaDonna Driver

Dated: January 7, 2003

Katherine D. Hodge
N. LaDonna Driver
HODGE DWYER ZEMAN
3150 Roland Avenue
Post Office Box 5776
Springfield, Illinois 62705-5776
(217) 523-4900

NIBA:001/Fil/EOA-NLD

ORIGINAL

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

RECEIVED
JAN 16 2003
STATE OF ILLINOIS
Pollution Control Board

NIELSEN & BAINBRIDGE, LLC,)
)
 Petitioner,)
)
 v.)
)
 ILLINOIS ENVIRONMENTAL)
 PROTECTION AGENCY,)
)
 Respondent.)

PCB03-98
(CAAPP Permit Appeal)

PETITION FOR REVIEW

NOW COMES, Petitioner, NIELSEN & BAINBRIDGE, LLC (hereinafter "Nielsen & Bainbridge" or "Petitioner"), by and through its attorneys, HODGE DWYER ZEMAN, pursuant to Section 40.2 of the Illinois Environmental Protection Act (415 ILCS 5/40.2) ("Act") and 35 Ill. Admin. Code § 105.Subpart C, and petitions the Illinois Pollution Control Board ("Board") for review of the Clean Air Act Permit Program ("CAAPP") permit granted to Nielsen & Bainbridge by the Illinois Environmental Protection Agency ("Illinois EPA") pursuant to Section 39.5 of the Act on December 3, 2002.

In support thereof, Nielsen & Bainbridge states as follows:

1. Nielsen & Bainbridge owns and operates a Plastic Foam Products Manufacturing Facility in Bridgeview, Illinois, which is classified as a "major source" for purposes of Title V of the Clean Air Act and Section 39.5 of the Act.
2. Pursuant to Section 504 of the Clean Air Act (42 U.S.C. § 7661b(c)) and Section 39.5(5) of the Act, Nielsen & Bainbridge's predecessor, Creative Industries, submitted an application for a CAAPP permit for its Bridgeview, Illinois facility to the

Illinois EPA on December 7, 1995. Thereafter, Nielsen & Bainbridge submitted several supplements updating the initial application.

3. On or about September 18, 2002, Illinois EPA sent to public notice a proposed CAAPP permit for this facility and also provided a copy of the proposed permit to the United States Environmental Protection Agency (“USEPA”).

4. During the 45-day comment period provided pursuant to Section 505d of the Clean Air Act (42 U.S.C. § 7661d) and Section 39.5 (8) and (9) of the Act, Illinois EPA received no written objection from the USEPA and, with the exception of Nielsen & Bainbridge’s comments (which are attached hereto as Exhibit A), received no comments from the public or any “affected states.”

5. On December 3, 2002, Illinois EPA granted a final CAAPP permit for the Nielsen & Bainbridge Bridgeview facility. (The December 3, 2002, permit is attached hereto as Exhibit B.) The Illinois EPA erred in establishing the “applicability provisions and applicable regulations” in Section 7.1.3 of the CAAPP permit, and the related ERMS ATU allotment and baseline determination in Section 6.8 of the CAAPP permit. (See Section 7.1.3 and Section 6.8 of Exhibit B.) The Illinois EPA’s determinations in these conditions are neither supported in the record before the Illinois EPA in this matter nor by applicable law and regulation.

6. In light of these errors, the CAAPP permit does not reflect the appropriate applicable requirements or the correct ATU allotment for the Bridgeview facility, and thus is not “consistent with the Clean Air Act and regulations promulgated thereunder and this Act and regulations promulgated thereunder.” Such conditions are not required to “accomplish the purposes and provisions of this Act and to assure compliance with all

applicable requirements.” As such, Illinois EPA has exceeded its authority and imposed conditions that violate Section 39.5 of the Act.

WHEREFORE, Nielsen & Bainbridge petitions the Board for a hearing on the Illinois EPA’s action to issue this CAAPP with the above-referenced erroneous conditions. And, as set forth in the accompanying Motion to Stay Effectiveness of CAAPP Permit, Nielsen & Bainbridge requests that the effectiveness of the CAAPP permit be stayed until the Board’s final determination in this matter.

Respectfully submitted,

NIELSEN & BAINBRIDGE, LLC,
Petitioner,

By: Kath D. Hodge
One of Its Attorneys

Dated: January 7, 2003

Katherine D. Hodge
N. LaDonna Driver
HODGE DWYER ZEMAN
3150 Roland Avenue
Post Office Box 5776
Springfield, Illinois 62705-5776
(217) 523-4900

NIBA:001/Fil/Petition for Review

ORIGINAL

RECEIVED
CLERK'S OFFICE

JAN 09 2003

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD STATE OF ILLINOIS
Pollution Control Board

NIELSEN & BAINBRIDGE, LLC,)
)
 Petitioner,)
)
 v.)
)
 ILLINOIS ENVIRONMENTAL)
 PROTECTION AGENCY,)
)
 Respondent.)

PCB 03-98
 (CAAPP Permit Appeal)

MOTION TO STAY EFFECTIVENESS OF CAAPP PERMIT

Petitioner, NIELSEN & BAINBRIDGE, LLC (“Nielsen & Bainbridge”), by and through its attorneys, HODGE DWYER ZEMAN, hereby moves the Board to stay the effectiveness of Nielsen & Bainbridge’s Clean Air Act Permit Program (“CAAPP”) permit in this matter, pursuant to 35 Ill. Adm. Code 105.304(b).

In support thereof, Nielsen & Bainbridge states as follows:

1. On December 3, 2002, the Illinois Environmental Protection Agency (“Illinois EPA”) issued a final CAAPP permit (No. 95120122) for Nielsen & Bainbridge’s Bridgeview, Illinois facility;
2. Today, January 7, 2003, Nielsen & Bainbridge has filed a Petition for Review in order to preserve its right to appeal in this matter;
3. A stay of effectiveness of the CAAPP permit is needed to prevent irreparable harm to the Petitioner and to protect a certain and clearly ascertainable right of the Petitioner, the right to appeal permit conditions.
4. The Illinois EPA, the public, and the environment will not be harmed if a stay is granted.

WHEREFORE, the Petitioner moves the Board to grant a stay of effectiveness of Nielsen & Bainbridge's CAAPP permit until the Board's final action in this matter.

Respectfully submitted,

NIELSEN & BAINBRIDGE, LLC,
Petitioner,

By: Kath D. Hodge
One of Its Attorneys

Dated: January 7, 2003

Katherine D. Hodge
N. LaDonna Driver
HODGE DWYER ZEMAN
3150 Roland Avenue
Post Office Box 5776
Springfield, Illinois 62705-5776
(217) 523-4900

NIBA:001/Fil/Motion to Stay

8301 S. 77th Avenue
Bridgeview, Illinois 60455
708-598-4200
FAX 708-598-4207

October 18, 2002

Mr. Bradley Frost
Illinois EPA
Division of Air Pollution Control- Permit Section
P.O. Box 19506
Springfield, IL 62794-9506

Re: *Nielsen & Bainbridge (Source ID# 031027ABS)*

Dear Mr. Frost:

By this letter, the authorized representative of the above-referenced source requests that the Illinois EPA consider the pending CAAPP application to be a joint Title I/CAAPP permit application. The information contained in the CAAPP application is the current and accurate information for the source.

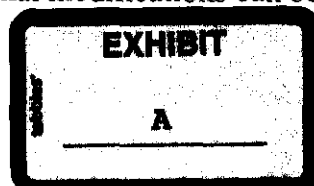
In cases where we are requesting a new emission limit or an emission limit greater than that in an existing construction permit, we have included an Attachment A which addresses applicability, and compliance where determined applicable, of relevant Title I provision, i.e. 40 CFR 52.21- Federal Prevention of Significant Deterioration (PSD) and 35 Ill. Adm. Code Part 203- Major Stationary Sources Construction and Modification.

In addition, we agree to waive the time frames contained in Section 39 of the Illinois Environmental Protection Act for processing of the Title I permit, and agree that Illinois EPA may process this request for a combined Title I/CAAPP permit within the time frames required for CAAPP permit issuance.

This letter is in response to the Public Notice of the Draft Permit and the related correspondence from Dan Punzak on September 26, 2002 regarding the proposed permit conditions contained in our CAAPP application. You have indicated that if Nielsen & Bainbridge wishes to modify conditions from a draft permit (carried over from a former permit) that a letter be sent to your office. Specifically, you highlighted that two phrases in the "Proposed Permit Conditions" found in our application were inconsistent.

Para. 2: "Nielsen & Bainbridge is currently preparing a Compliance Plan..." and Item #1: "The facility shall be in compliance so long as the annual..."

We note that a proposed Compliance Plan was included in the revised application (page 131). The draft permit prepared by the IEPA did not include a reference to the proposed plan, and we have not yet received a formal response from the IEPA enforcement group. A meeting has been scheduled with your office to discuss the outstanding issues on October 24, 2002, and based on your e-mail to Kathy Hodge on October 2, 2002 we are of the understanding that additional modifications can be requested shortly after the



OCTOBER 18, 2002

meeting. The Proposed Permit Conditions included on page 66 of the application are based on establishing parameters that are measurable and reportable on a routine basis; by using these parameters Nielsen & Bainbridge would be in compliance with the emissions limits detailed in the application.

We understand that additional issues must be resolved through the IEPA enforcement group, hence our desire to agree on a proposed Compliance Plan. Please note that the need for VOM emissions controls will be based on the completion of one of the tasks in the proposed compliance plan, i.e. the determination of grinding emissions that are actually subject to the control requirements from the grinding of scrap from the manufacture of foam containers. We have provided an explanation of our understanding of the Section 218, Subpart PP exemption beginning on page 62 of the permit amendment application.

The following is a list of our remaining comments on the draft permit. Note that we have also made suggested edits within an electronic copy of the document itself. The edits clearly show both the original language and the suggested revisions.

Section 6.8 Allotment of ATUs to the Source

Nielsen & Bainbridge has suggested a revision of the allotted ATU's from 77 to 96, and a change in the seasonal allowable VOM tons from 8.71 to 10.85. This is based on the interpretation of the Section 218, Subpart PP exemption as noted on page 62 of the permit amendment application. We have attached to this letter a copy of a mathematical explanation of the proposed change in ATU baseline and allotment. We have also addressed this issue with Robert Smet of your office.

Section 7.1.3 (c) Applicability Provisions and Applicable Regulations

Change "TT" to "PP"

Section 7.1.6 Emission Limitations

Although monthly and Annual Emissions are noted, we request that the permit specify that Nielsen & Bainbridge not exceed the annual limits, and note that the monthly rates are shown for comparison purposes.

We request a change in the Table to read as follows (which corresponds to the amendment application and the VOM emissions currently noted at section 5.5.1 of the draft permit):

MR. BRADLEY FROST
RE: NIELSEN & BAINBRIDGE
OCTOBER 18, 2002

- 3 -

| <u>Processes</u> | <u>VOM Emissions</u> | |
|--|----------------------|-------------------|
| | <u>(Lb/Month)</u> | <u>(Ton/Year)</u> |
| Extrusion, Roll Storage, Grinding, and Finished Product Storage | 11,667 | 70.0 |

This limit is based on the following annual production limits (monthly rates shown are for comparison purposes only):

| | <u>(Lb/Month)</u> | <u>(Ton/Yr)</u> |
|----------------------------|-------------------|-----------------|
| Total Foam Produced | 900,000 | 5,400 |
| VOM, e.g., n-Butane, Usage | 32,333 | 194 |
| Scrap Reprocessed | 180,000 | 1,080 |
| Finished Product Produced | 720,000 | 4,320 |

Nielsen & Bainbridge notes that the permit application incorrectly noted the "Scrap Reprocessed" quantity as 75% of the quantity of foam sheet produced, rather than the correct 25% (75% is the yield). Attached to this letter are revised pages 49 and 50 for the permit application. We also note that the "Scrap Reprocessed" limit is revised to 20%. The change to this table does not change the VOM emissions calculations, as they were based on the 20% figure.

Bullet 1: Change the VOM content of the resin with blowing agent prior to extrusion shall not exceed, from "4.25%" to "3.6%."

Bullet 3: Change to "At most 20% of the foam produced is scrap."

This is a deletion of a suggested requirement that the VOM content of scrap resin following processing and repelletizing shall be at least 2.6% by weight of the VOM content prior to initial extrusion. We note that Nielsen & Bainbridge is not familiar with the basis for this historical requirement, and that the VOM content after grinding and reprocessing (melting) is negligible, since almost all of the blowing agent gas is lost in the grinding and repelletizing process.

New Bullet 5: We request the addition of the following:

"VOM emissions shall be based on a mathematical calculation based on pounds of extruded material multiplied by a facility-wide VOM emission factor."

Final Paragraph of Section 7.1.6

OCTOBER 18, 2002

This paragraph indicates that the "above limitations were established in Permit 92030096" which was the Operating Permit issued pursuant to the January 1994 application by Creative Industries. We believe this should be modified to reflect the current application by Nielsen & Bainbridge.

Section 7.1.7 Testing Requirements

Delete "or of the scrap after repelletizing"

Section 7.1.9 Recordkeeping Requirements

Delete "each affected extruder, thermoformer, laminator or scrap reprocessor" and replace with "the facility." This change will allow for effective recordkeeping, while allowing for the appropriate calculation of VOM emissions from the facility.

Section 7.1.10 Reporting Requirements

Add "rolling average annual" before "permit requirements." This will clarify that the permit limits are based on rolling 12-month averages.

Section 7.1.13 Compliance Schedules

(a) Change Subpart "TT" to "PP."

We are unclear of the need for the final sentence of paragraph (a). It is our understanding that the permit amendment process, and the draft permit on which we are commenting, is intended to address the resolution of permit issues.

Regarding the ERMS ATU calculations, as noted above, we have also addressed the issue with Robert Smet of your office.

(b) Change Subpart "TT" to "PP."

Regarding "Milestone," Nielsen & Bainbridge has submitted a proposed Compliance Plan to the IEPA, but has not received approval, or held discussions with the Agency on the Plan as of the submittal date of these comments. Our meeting scheduled for October 24, 2002 will allow for a discussion, which we hope can provide for a resolution to outstanding issues.

Section 8.1 Permit Shield

Add "September 18, 2002" as the public notice start date.

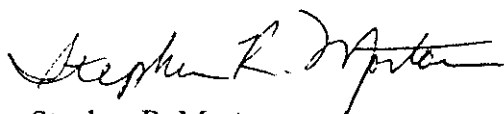
MR. BRADLEY FROST
RE: NIELSEN & BAINBRIDGE

- 5 -

OCTOBER 18, 2002

As noted above, we will be meeting with your office on October 24, 2002 to discuss the outstanding Violation Notice and our proposed Compliance Plan, and hope to reach some agreement at that time regarding resolution of the outstanding issues. As Dan Punzak suggested, we will submit additional comments shortly after that meeting for your consideration in preparing the final permit document.

Very truly yours,



Stephen R. Morton
Director of Operations October 18, 2002

Enclosure

cc: Dan Punzak, IEPA
G. Pikul, GAP Environmental
K. Hodge, Hodge, Dwyer & Zeman

Draft CAAPP comments.doc

217/782-2113

TITLE V - CLEAN AIR ACT PERMIT PROGRAM (CAAPP) PERMIT
and
TITLE I PERMIT¹

PERMITTEE

Nielsen & Bainbridge
Attn: Stephen Morton
8301 South 77th Avenue
Bridgeview, Illinois 60455

Application No.: 95120122 I.D. No.: 031027ABS
Applicant's Designation: Date Received: December 7, 1995
Operation of: Plastic Foam Products Manufacturing
Date Issued: December 3, 2002 Expiration Date²: December 3, 2007
Source Location: 8301 South 77th Avenue, Bridgeview, Cook County
Responsible Official: Stephen Morton, Director of Operations

This permit is hereby granted to the above-designated Permittee to OPERATE a plastic foam products manufacturing plant, pursuant to the above referenced permit application. This permit is subject to the conditions contained herein.

If you have any questions concerning this permit, please contact Dan Punzak at 217/782-2113.

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

DES:DGP:jar

cc: Illinois EPA, FOS, Region 1

¹ This permit may contain terms and conditions which address the applicability, and compliance if determined applicable, of Title I of the CAA and regulations promulgated thereunder, including 40 CFR 52.21 - federal PSD and 35 IAC Part 203 - Major Stationary Sources Construction and Modification. Any such terms and conditions are identified within this permit.

² Except as provided in Condition 8.7 of this permit.

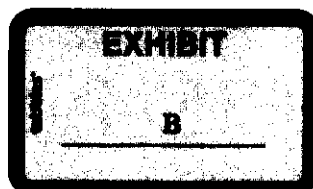


TABLE OF CONTENTS

| | <u>PAGE</u> |
|--|-------------|
| 1.0 SOURCE IDENTIFICATION | 4 |
| 1.1 Source | |
| 1.2 Owner/Parent Company | |
| 1.3 Operator | |
| 1.4 General Source Description | |
| 2.0 LIST OF ABBREVIATIONS/ACRONYMS USED IN THIS PERMIT | 5 |
| 3.0 INSIGNIFICANT ACTIVITIES | 6 |
| 3.1 Identification of Insignificant Activities | |
| 3.2 Compliance with Applicable Requirements | |
| 3.3 Addition of Insignificant Activities | |
| 4.0 SIGNIFICANT EMISSION UNITS AT THIS SOURCE | 8 |
| 5.0 OVERALL SOURCE CONDITIONS | 9 |
| 5.1 Source Description | |
| 5.2 Applicable Regulations | |
| 5.3 Non-Applicability of Regulations of Concern | |
| 5.4 Source-Wide Operational and Production Limits and Work Practices | |
| 5.5 Source-Wide Emission Limitations | |
| 5.6 General Recordkeeping Requirements | |
| 5.7 General Reporting Requirements | |
| 5.8 General Operational Flexibility/Anticipated Operating Scenarios | |
| 5.9 General Compliance Procedures | |
| 6.0 EMISSIONS REDUCTION MARKET SYSTEM (ERMS) | 15 |
| 6.1 Description of ERMS | |
| 6.2 Applicability | |
| 6.3 Obligation to Hold Allotment Trading Units (ATUs) | |
| 6.4 Market Transactions | |
| 6.5 Emissions Excursion Compensation | |
| 6.6 Quantification of Seasonal VOM Emissions | |
| 6.7 Annual Account Reporting | |
| 6.8 Allotment of ATUs to the Source | |
| 6.9 Recordkeeping for ERMS | |
| 6.10 Exclusions from Further Reductions | |
| 7.0 UNIT SPECIFIC CONDITIONS | 22 |
| 7.1 Unit: Polystyrene Foam Manufacturing Process | |
| Control: None | |

| | <u>PAGE</u> |
|---|-------------|
| 8.0 GENERAL PERMIT CONDITIONS | 29 |
| 8.1 Permit Shield | |
| 8.2 Applicability of Title IV Requirements | |
| 8.3 Emissions Trading Programs | |
| 8.4 Operational Flexibility/Anticipated Operating Scenarios | |
| 8.5 Testing Procedures | |
| 8.6 Reporting Requirements | |
| 8.7 Obligation to Comply with Title I Requirements | |
| 9.0 STANDARD PERMIT CONDITIONS | 34 |
| 9.1 Effect of Permit | |
| 9.2 General Obligations of Permittee | |
| 9.3 Obligation to Allow Illinois EPA Surveillance | |
| 9.4 Obligation to Comply with Other Requirements | |
| 9.5 Liability | |
| 9.6 Recordkeeping | |
| 9.7 Annual Emissions Report | |
| 9.8 Requirements for Compliance Certification | |
| 9.9 Certification | |
| 9.10 Defense to Enforcement Actions | |
| 9.11 Permanent Shutdown | |
| 9.12 Reopening and Reissuing Permit for Cause | |
| 9.13 Severability Clause | |
| 9.14 Permit Expiration and Renewal | |
| 10.0 ATTACHMENTS | |
| 10.1 Attachment 1 - Example Certification by a Responsible Official | 1-1 |
| 10.2 Attachment 2 - Guidance on Revising This Permit | 2-1 |
| 10.3 Attachment 3 - Form 199-CAAPP, Application For Construction Permit (For CAAPP Sources Only) | 3-1 |
| 10.4 Attachment 4 - Guidance on Renewing this Permit | 4-1 |

1.0 SOURCE IDENTIFICATION

1.1 Source

Nielsen & Bainbridge
8301 South 77th Avenue
Bridgeview, Illinois 60455
708/598-4200

I.D. No.: 031027ABS
Standard Industrial Classification: 3086

1.2 Owner/Parent Company

Nielsen & Bainbridge
17 South Middlesex Avenue
Cranbury, New Jersey 08521

1.3 Operator

Nielsen & Bainbridge
8301 South 77th Avenue
Bridgeview, Illinois 60455

Stephen Morton/Director of Operations
708/598-4200

1.4 General Source Description

Nielsen and Bainbridge is located at 8301 South 77th Avenue in Bridgeview, Cook County. The source manufactures foam products such as food service containers and foam board.

2.0 LIST OF ABBREVIATIONS/ACRONYMS USED IN THIS PERMIT

| | |
|------------------|--|
| ACMA | Alternative Compliance Market Account |
| Act | Illinois Environmental Protection Act [415 ILCS 5/1 et seq.] |
| AP-42 | Compilation of Air Pollutant Emission Factors, Volume 1, Stationary Point and Other Sources (and Supplements A through F), USEPA, Office of Air Quality Planning and Standards, Research Triangle Park, NC 27711 |
| ATU | Allotment Trading Unit |
| Btu | British thermal unit |
| CAA | Clean Air Act [42 U.S.C. Section 7401 et seq.] |
| CAAPP | Clean Air Act Permit Program |
| CAM | Compliance Assurance Monitoring |
| CFR | Code of Federal Regulations |
| ERMS | Emissions Reduction Market System |
| HAP | Hazardous Air Pollutant |
| hr | hour |
| IAC | Illinois Administrative Code |
| I.D. No. | Identification Number of Source, assigned by Illinois EPA |
| ILCS | Illinois Compiled Statutes |
| Illinois EPA | Illinois Environmental Protection Agency |
| kW | kilowatts |
| lb | pound |
| mmBtu | Million British thermal units |
| mo | month |
| NESHAP | National Emission Standards for Hazardous Air Pollutants |
| NO _x | Nitrogen Oxides |
| NSPS | New Source Performance Standards |
| PM | Particulate Matter |
| PM ₁₀ | Particulate matter with an aerodynamic diameter less than or equal to a nominal 10 microns as measured by applicable test or monitoring methods |
| ppm | parts per million |
| PSD | Prevention of Significant Deterioration |
| RMP | Risk Management Plan |
| SO ₂ | Sulfur Dioxide |
| T1 | Title I - identifies Title I conditions that have been carried over from an existing permit |
| T1N | Title I New - identifies Title I conditions that are being established in this permit |
| T1R | Title I Revised - identifies Title I conditions that have been carried over from an existing permit and subsequently revised in this permit |
| USEPA | United States Environmental Protection Agency |
| VOM | Volatile Organic Material |
| wt. % | weight percent |

3.0 INSIGNIFICANT ACTIVITIES

3.1 Identification of Insignificant Activities

The following activities at the source constitute insignificant activities as specified in 35 IAC 201.210:

- 3.1.1 Activities determined by the Illinois EPA to be insignificant activities, pursuant to 35 IAC 201.210(a)(1) and 201.211, as follows:

None

- 3.1.2 Activities that are insignificant activities based upon maximum emissions, pursuant to 35 IAC 201.210(a)(2) or (a)(3), as follows:

None

- 3.1.3 Activities that are insignificant activities based upon their type or character, pursuant to 35 IAC 201.210(a)(4) through (18), as follows:

Direct combustion units designed and used for comfort heating purposes and fuel combustion emission units as follows: (A) Units with a rated heat input capacity of less than 2.5 mmBtu/hr that fire only natural gas, propane, or liquefied petroleum gas; (B) Units with a rated heat input capacity of less than 1.0 mmBtu/hr that fire only oil or oil in combination with only natural gas, propane, or liquefied petroleum gas; and (C) Units with a rated heat input capacity of less than 200,000 Btu/hr which never burn refuse, or treated or chemically contaminated wood [35 IAC 201.210(a)(4)].

Storage tanks of organic liquids with a capacity of less than 10,000 gallons and an annual throughput of less than 100,000 gallons per year, provided the storage tank is not used for the storage of gasoline or any material listed as a HAP pursuant to Section 112(b) of the CAA [35 IAC 201.210(a)(10)].

- 3.1.4 Activities that are considered insignificant activities pursuant to 35 IAC 201.210(b).

3.2 Compliance with Applicable Requirements

Insignificant activities are subject to applicable requirements notwithstanding status as insignificant activities. In particular, in addition to regulations of general applicability, such as 35 IAC 212.301 and 212.123 (Condition 5.2.2), the Permittee shall comply with the following requirements, as applicable:

- 3.2.1 For each cold cleaning degreaser, the Permittee shall comply with the applicable equipment and operating requirements of 35 IAC 215.182, 218.182, or 219.182.
- 3.2.2 For each particulate matter process emission unit, the Permittee shall comply with the applicable particulate matter emission limit of 35 IAC 212.321 or 212.322. For example, the particulate matter emissions from a process emission unit shall not exceed 0.55 pounds per hour if the emission unit's process weight rate is 100 pounds per hour or less, pursuant to 35 IAC 266.110.
- 3.2.3 For each organic material emission unit that uses organic material, e.g., a mixer or printing line, the Permittee shall comply with the applicable VOM emission limit of 35 IAC 215.301, 218.301, or 219.301, which requires that organic material emissions not exceed 8.0 pounds per hour or do not qualify as photochemically reactive material as defined in 35 IAC 211.4690.
- 3.2.4 The particular storage tank that qualifies as insignificant under 35 IAC 201.210(a)(10) was indicated to be a pressure tank and must be operated under good engineering practice for that type of tank.

3.3 Addition of Insignificant Activities

- 3.3.1 The Permittee is not required to notify the Illinois EPA of additional insignificant activities present at the source of a type that is identified in Condition 3.1, until the renewal application for this permit is submitted, pursuant to 35 IAC 201.212(a).
- 3.3.2 The Permittee must notify the Illinois EPA of any proposed addition of a new insignificant activity of a type addressed by 35 IAC 201.210(a) and 201.211 other than those identified in Condition 3.1, pursuant to Section 39.5(12)(b) of the Act.
- 3.3.3 The Permittee is not required to notify the Illinois EPA of additional insignificant activities present at the source of a type identified in 35 IAC 201.210(b).

4.0 SIGNIFICANT EMISSION UNITS AT THIS SOURCE

| Emission Unit | Description | Date Constructed | Emission Control Equipment |
|--------------------|---|-----------------------|----------------------------|
| 1 | Two Extruders | Pre-1978 ^a | None |
| 2 | Roll Storage | Pre-1978 ^a | None |
| 3 | Six Thermoformers | Pre-1978 ^a | None |
| 4 | One Laminator | Pre-1978 ^a | None |
| 5 | Scrap Regrinding and One Repelletizing Machine | Pre-1978 ^a | None |
| 6 | Two Scrap (Fluff) Storage Bins, Four Scrap Pellet Storage Bins, One Virgin Pellet Storage Bin | Pre-1978 ^a | None |
| Fugitive Emissions | Road Dust | ---- | Cleaning |

^a The equipment was constructed prior to 1978 but in 1992 a "Construction" permit was issued to allow a change from freon-based blowing agents to a VOM-based blowing agent, i.e. n-butane/isopentane.

5.0 OVERALL SOURCE CONDITIONS

5.1 Source Description

5.1.1 This permit is issued based on the source requiring a CAAPP permit as a major source of VOM emissions.

5.1.2 This permit is issued based on the source not being a major source of HAPs.

5.2 Applicable Regulations

5.2.1 Specific emission units at this source are subject to particular regulations as set forth in Section 7 (Unit-Specific Conditions) of this permit.

5.2.2 In addition, emission units at this source are subject to the following regulations of general applicability:

- a. No person shall cause or allow the emission of fugitive particulate matter from any process, including any material handling or storage activity, that is visible by an observer looking generally overhead at a point beyond the property line of the source unless the wind speed is greater than 40.2 kilometers per hour (25 miles per hour), pursuant to 35 IAC 212.301 and 212.314.

Compliance with this requirement is considered to be assured by the inherent nature of operations at this source, as demonstrated by historical operation.

- b. 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 IAC 212.122, pursuant to 35 IAC 212.123(a), except as allowed by 35 IAC 212.123(b) and 212.124.

5.2.3 Fugitive Particulate Matter Operating Program

- a. This source shall be operated under the provisions of an operating program prepared by the Permittee and submitted to the Illinois EPA for its review. Such operating program shall be designed to significantly reduce fugitive particulate matter emissions [35 IAC 212.309(a)].
- b. The operating program shall be amended from time to time by the Permittee so that the operating program is current. Such amendments shall be consistent with the requirements set forth by this Condition and shall be submitted to the Illinois EPA [35 IAC 212.312].

- c. All normal traffic pattern roads and parking facilities located at this source 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 [35 IAC 212.306].

5.2.4 Ozone Depleting Substances

The Permittee shall comply with the standards for recycling and emissions reduction of ozone depleting substances pursuant to 40 CFR Part 82, Subpart F, except as provided for motor vehicle air conditioners in Subpart B of 40 CFR Part 82:

- a. Persons opening appliances for maintenance, service, repair, or disposal must comply with the required practices pursuant to 40 CFR 82.156.
- b. Equipment used during the maintenance, service, repair, or disposal of appliances must comply with the standards for recycling and recovery equipment pursuant to 40 CFR 82.158.
- c. Persons performing maintenance, service, repair, or disposal of appliances must be certified by an approved technician certification program pursuant to 40 CFR 82.161.

5.2.5 Risk Management Plan

Should this stationary source, as defined in 40 CFR Section 68.3, become subject to the Accidental Release Prevention regulations in 40 CFR Part 68, then the owner or operator shall submit [40 CFR 68.215(a)(2)(i) and (ii)]:

- a. A compliance schedule for meeting the requirements of 40 CFR Part 68 by the date provided in 40 CFR 68.10(a); or
- b. A certification statement that the source is in compliance with all requirements of 40 CFR Part 68, including the registration and submission of the Risk Management Plan (RMP), as part of the annual compliance certification required by 40 CFR Part 70 or 71.

5.2.6 Future Regulations

- a. Should this stationary source become subject to a regulation under 40 CFR Parts 60, 61, or 63, or 35 IAC after the date issued of this permit, then the owner or operator shall, in accordance with the applicable regulation(s), comply with the applicable requirements by the date(s) specified and shall certify compliance with the applicable requirements of such regulation(s) as part of the annual compliance certification, as required by 40 CFR Part 70 or 71.
- b. No later than upon the submittal for renewal of this permit, the owner or operator shall submit, as part of an application, the necessary information to address either the non-applicability of, or demonstrate compliance with all applicable requirements of any potentially applicable regulation which was promulgated after the date issued of this permit.

5.2.7 Episode Action Plan

- a. If the source is required to have an episode action plan pursuant to 35 IAC 244.142, the Permittee shall maintain at the source and have on file with the Illinois EPA a written episode action plan (plan) for reducing the levels of emissions during yellow alerts, red alerts, and emergencies, consistent with safe operating procedures. The plan shall contain the information specified in 35 IAC 244.144.
- b. The Permittee shall immediately implement the appropriate steps described in this plan should an air pollution alert or emergency be declared.
- c. If a change occurs at the source which requires a revision of the plan (e.g., operational change, change in the source contact person), a copy of the revised plan shall be submitted to the Illinois EPA for review within 30 days of the change. Such plans shall be further revised if disapproved by the Illinois EPA.
- d. For sources required to have a plan pursuant to 35 IAC 244.142, a copy of the original plan and any subsequent revisions shall be sent to:
 - i. Illinois EPA, Compliance Section; and
 - ii. For sources located in Cook County and outside of the city of Chicago: Cook County Department of Environmental Control; or

- iii. For sources located within the city of Chicago: Chicago Department of Environmental Control.

5.3 Non-Applicability of Regulations of Concern

5.3.1 This permit is issued based on the source not being subject to 40 CFR Part 64, Compliance Assurance Monitoring (CAM) for Major Stationary Sources, because the source does not have a pollutant-specific emissions unit that uses an add-on control device to achieve compliance with an emission limitation or standard.

5.4 Source-Wide Operational and Production Limits and Work Practices

In addition to the source-wide requirements in the Standard Permit Conditions in Section 9, the Permittee shall fulfill the following source-wide operational and production limitations and/or work practice requirements:

None

5.5 Source-Wide Emission Limitations

5.5.1 Permitted Emissions for Fees

The annual emissions from the source, not considering insignificant activities as addressed by Section 3.0 of this permit, shall not exceed the following limitations. The overall source emissions shall be determined by adding emissions from all emission units. Compliance with these limits shall be determined on a calendar year basis. These limitations (Condition 5.5.1) are set for the purpose of establishing fees and are not federally enforceable.

Permitted Emissions of Regulated Pollutants

| Pollutant | Tons/Year |
|------------------------------------|-----------|
| Volatile Organic Material (VOM) | 70.0 |
| Sulfur Dioxide (SO ₂) | --- |
| Particulate Matter (PM) | 4.2 |
| Nitrogen Oxides (NO _x) | --- |
| HAP, not included in VOM or PM | --- |
| Total | 74.2 |

5.5.2 Emissions of Hazardous Air Pollutants

This permit is issued based on the emissions of HAPs as listed in Section 112(b) of the CAA not being equal to or exceeding 10 tons per year of a single HAP or 25 tons per year of any combination of such HAPs, so that this source is considered a minor source for HAPs. Since the products

manufactured at this source are food grade materials, no materials that contain HAPs are used.

5.5.3 Other Source-Wide Emission Limitations

Other source-wide emission limitations are not set for this source pursuant to either the federal rules for Prevention of Significant Deterioration (PSD), 40 CFR 52.21, Illinois EPA rules for Major Stationary Sources Construction and Modification, 35 IAC Part 203, or Section 502(b)(10) of the CAA. However, there may be unit specific emission limitations set forth in Section 7 of this permit pursuant to these rules.

5.6 General Recordkeeping Requirements

5.6.1 Emission Records

The Permittee shall maintain records of the following items for the source to demonstrate compliance with Condition 5.5.1, pursuant to Section 39.5(7)(b) of the Act:

Total annual emissions on a calendar year basis for the emission units covered by Section 7 (Unit Specific Conditions) of this permit.

5.6.2 Records for Operating Scenarios

N/A

5.6.3 Retention and Availability of Records

- a. All records and logs required by this permit shall be retained for at least five years from the date of entry (unless a longer retention period is specified by the particular recordkeeping provision herein), shall be kept at a location at the source that is readily accessible to the Illinois EPA or USEPA, and shall be made available for inspection and copying by the Illinois EPA or USEPA upon request.
- b. The Permittee shall retrieve and print, on paper during normal source office hours, any records retained in an electronic format (e.g., computer) in response to an Illinois EPA or USEPA request for records during the course of a source inspection.

5.7 General Reporting Requirements

5.7.1 General Source-Wide Reporting Requirements

The Permittee shall promptly notify the Illinois EPA, Compliance Section, of deviations of the source with the

permit requirements as follows, pursuant to Section 39.5(7)(f)(ii) of the Act. Reports shall describe the probable cause of such deviations, and any corrective actions or preventive measures taken.

5.7.2 Annual Emissions Report

The annual emissions report required pursuant to Condition 9.7 shall contain emissions information for the previous calendar year.

5.7.3 Annual Reporting of HAP Emissions

The Permittee shall submit an annual report to the Illinois EPA, Compliance Section, on HAP emissions from the source.

5.8 General Operational Flexibility/Anticipated Operating Scenarios

N/A

5.9 General Compliance Procedures

5.9.1 General Procedures for Calculating Emissions

Compliance with the source-wide emission limits specified in Condition 5.5 shall be based on the recordkeeping and reporting requirements of Conditions 5.6 and 5.7, and compliance procedures in Section 7 (Unit Specific Conditions) of this permit.

6.0 EMISSIONS REDUCTION MARKET SYSTEM (ERMS)

6.1 Description of ERMS

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

The ERMS addresses VOM emissions during a seasonal allotment period from May 1 through September 30. Participating sources must hold "allotment trading units" (ATUs) for their actual seasonal VOM emissions. Each year participating sources are issued ATUs based on allotments set in the sources' 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 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 IAC 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 IAC 205.500 and 35 IAC 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 IAC 205.710). Sources may also transfer or sell the ATUs that they hold to other sources or participants (35 IAC 205.630).

6.2 Applicability

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

6.3 Obligation to Hold Allotment Trading Units (ATUs)

- a. Pursuant to 35 IAC 205.150(c)(1) and 35 IAC 205.720, and as further addressed by Condition 6.8, 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 6.5.
 - i. VOM emissions from insignificant emission units and activities as identified in Section 3 of this permit, in accordance with 35 IAC 205.220;
 - ii. Excess VOM emissions associated with startup, malfunction, or breakdown of an emission unit as authorized in Section 7.0 of this permit, in accordance with 35 IAC 205.225;
 - iii. Excess VOM emissions to the extent allowed by a Variance, Consent Order, or Compliance Schedule, in accordance with 35 IAC 205.320(e)(3);
 - iv. Excess VOM emissions that are a consequence of an emergency as approved by the Illinois EPA, pursuant to 35 IAC 205.750; and
 - v. VOM emissions from certain new and modified emission units as addressed by Condition 6.8(b), if applicable, in accordance with 35 IAC 205.320(f).
- b. Notwithstanding the above condition, in accordance with 35 IAC 205.150(c)(2), if a source commences operation of a major modification, pursuant to 35 IAC 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 in Section 7.0 of this permit.

6.4 Market Transactions

- 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 IAC 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 IAC 205.610(b).

- c. The source shall have at least one account officer designated for its Transaction Account, pursuant to 35 IAC 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 IAC 205.620, and the transfer must be submitted to the Illinois EPA for entry into the Transaction Account database.

6.5 Emissions Excursion Compensation

Pursuant to 35 IAC 205.720, if the source fails to hold ATUs in accordance with Condition 6.3, 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 IAC 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.

6.6 Quantification of Seasonal VOM Emissions

- a. The methods and procedures specified in Sections 5 and 7 of 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 IAC 205.315(b)]:

No exceptions

- b. The Permittee shall report emergency conditions at the source to the Illinois EPA, in accordance with 35 IAC 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 IAC 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.

6.7 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 IAC 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 IAC 205.337;
 - iv. If a source has experienced an emergency, as provided in 35 IAC 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 IAC 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 IAC 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 IAC 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 October 31 of each year, for the preceding seasonal allotment period.

6.8 Allotment of ATUs to the Source

- a.
 - i. The allotment of ATUs to this source is 77 ATUs per seasonal allotment period.
 - ii. This allotment of ATUs reflects the Illinois EPA's determination that the source's baseline emissions were 8.71 tons per season.
 - A. This determination includes the use of 1991 and 1994 as baseline seasons. This determination includes use of the 1991 season as a substitute for the 1995 or 1996 season due to non-representative conditions in this season, as allowed by 35 IAC 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 IAC 205.405, including units complying with MACT or using BAT, as identified in Condition 6.10 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 6.3(a) 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 IAC Part 205, including:
 - i. Transfer of ATUs by the source to another participant or the ACMA, in accordance with 35 IAC 205.630;

- ii. Deduction of ATUs as a consequence of emissions excursion compensation, in accordance with 35 IAC 205.720; and
- iii. Transfer of ATUs to the ACMA, as a consequence of shutdown of the source, in accordance with 35 IAC 205.410.

6.9 Recordkeeping for ERMS

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

- a. Seasonal component of the Annual Emissions Report;
- b. Information on actual VOM emissions, as specified in detail in Sections 5 and 7 of this permit and Condition 6.6(a); and
- c. Any transfer agreements for the purchase or sale of ATUs and other documentation associated with the transfer of ATUs.

6.10 Exclusions from Further Reductions

- a. VOM emissions from the following emission units shall be excluded from the VOM emissions reductions requirements specified in 35 IAC 205.400(c) and (e) as long as such emission units continue to satisfy the following [35 IAC 205.405(a)]:
 - i. Emission units that comply with any NESHAP or MACT standard promulgated pursuant to the CAA;
 - 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 IAC 205.405(a) and (c)]:

None

- 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 IAC 205.400(c) or (e) as long as such emission unit continues to use such BAT [35 IAC 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 IAC 205.405(b) and (c)]:

None

7.0 UNIT SPECIFIC CONDITIONS

7.1 Unit: Polystyrene Foam Manufacturing Process
Control: None

7.1.1 Description

Nielsen and Bainbridge's Bridgeview, Illinois facility is engaged in the manufacturing of polystyrene foam products (SIC 3086). These products include such items as ThermalCor board, insulating attic vents, food service containers and laminated foamboard.

Virgin polystyrene pellets are received in bulk trucks and stored in a storage silo onsite, while n-butane is stored onsite in a pressurized storage tank.

Virgin polystyrene pellets, a powder nucleating agent, and repelletized polystyrene scrap from onsite operations are blended and fed to one of two extruders. After these materials are melted, the n-butane is added to the mixture through an injection port in the extruder.

Each of the two extruders produce polystyrene foam sheet. The two extruders are designed to melt the polystyrene pellets using shearing, forwarding and mixing screws along with external electric heaters, which when mixed with the nucleator and injected with n-butane produces a thin sheet of polystyrene foam. This foam is rolled and stored for future processing in either the laminating or thermoforming processes.

After the polystyrene foam sheet is produced, the rolls are stored for a period time (typically 3 to 7 days) before thermoforming or lamination can occur. This time period is called the aging, or roll stock storage, process.

The process of thermoforming involves heating the polystyrene foam and forming of attic vents and various types of food service containers, while the laminating process consists of heating the polystyrene foam and attaching paper to each side of the foam (without an adhesive), forming the product.

During the polystyrene foam manufacturing process scrap is created from product trimming operations or from products not meeting quality specifications. The Bridgeview plant is equipped with a network of enclosed pipes that are used to transfer ground-up scrap from (fluff) from the product process areas to the repelletizing process area.

The repelletizing process transforms scrap fluff through an extrusion process into polystyrene pellets, which are ultimately mixed with virgin polystyrene pellets in the plant's foam sheet extruders.

7.1.2 List of Emission Units and Air Pollution Control Equipment

| Emission Unit | Description | Emission Control Equipment |
|---------------|---|----------------------------|
| 1 | Two Extruders | None |
| 2 | Roll Storage | None |
| 3 | Six Thermoformers | None |
| 4 | One Laminator | None |
| 5 | Scrap Regrinding and One Repelletizing Machine | None |
| 6 | Two Scrap (Fluff) Storage Bins, Four Scrap Pellet Storage Bins, One Virgin Pellet Storage Bin | None |

7.1.3 Applicability Provisions and Applicable Regulations

- a. The "affected foam manufacturing process" for the purpose of these unit-specific conditions, is a process for manufacturing foam products in several distinct units identified in Condition 7.1.2.
- b. Each affected foam manufacturing process is subject to the emission limits identified in Condition 5.2.2.
- c. The scrap regrinding process is subject to 35 IAC Part 218 Subpart PP or TT, specifically 35 IAC 218.926 or 218.986 which requires emissions capture and control equipment techniques which achieve an overall reduction in uncontrolled VOM emissions of at least 81% from each emission point. The distinction between applicability of Part 218 Subpart PP or TT is made on the basis of the material being manufactured. Pursuant to the definition of Miscellaneous Fabricated Products Manufacturing Process in 35 IAC 211.3790, plastic form scrap from the manufacture of foam containers and packaging material is subject to Subpart PP. Processes not subject to other specific types of processes such as Part PP are subject to Subpart TT, Other Emission Units. The 81% control requirements are the same.

Note that 35 IAC 218.920(d) and 218.980(d) do allow for an exclusion from control emission units of less than 1.0 ton per calendar year for Subpart PP and 2.5 ton per calendar year for Subpart TT provided that the total emissions from such excluded units does not exceed 5.0 tons per calendar year.

- d. Each unit is subject to 35 IAC 212.321. This rule states that 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, either alone or in combination with the emission of particulate

matter from all other similar process emission units for which construction and modification commenced after April 14, 1972, at a source or premises, exceeds the allowable emissions rates specified in subsection (b) of 35 IAC 212.321 [35 IAC 212.321(b)].

The emissions of particulate matter into the atmosphere in any one hour period from each of the affected rack cleaners shall not exceed the allowable emission rates specified in the following equation:

$$E = A(P)^B$$

Where:

P = Process weight rate; and

E = Allowable emission rate; and

- a. For process weight rates up to 27.2 MG/hr (450 ton/hr):

| | <u>Metric</u> | <u>English</u> |
|---|---------------|----------------|
| P | Mg/hr | ton/hr |
| E | kg/hr | lbs/hr |
| A | 1.214 | 2.54 |
| B | 0.534 | 0.534 |

[35 IAC 212.321]

- b. For process weight rates under 100 lb/hr, the allowable is 0.55 lb/hr. (35 IAC 266.110)

7.1.4 Non-Applicability of Regulations of Concern

- a. This permit is issued based on the affected polystyrene foam products plant not being subject to the New Source Performance Standards (NSPS) for Polymer Manufacturing, 40 CFR Part 60, Subpart DDD, because the affected source does not manufacture on-site the polystyrene that is used to make foam products but receives the material in pellet form from an off-site manufacturer.
- b. This permit is issued based on the affected polystyrene foam products plant not being subject to 35 IAC 215.301, because the affected process does not use a VOM that is photochemically reactive pursuant to the definition in 35 IAC 211.4690 and the source is not an odor nuisance.
- c. This permit is issued based on the affected lamination process not being subject to 35 IAC 218.204(c), because the affected process does not use adhesives.

7.1.5 Control Requirements

Upon implementation of the compliance schedule in Condition 7.1.13, the Permittee shall reduce VOM emissions from units deemed applicable by 81% as required by Condition 7.1.3(c) or (d).

7.1.6 Emission Limitations

In addition to Condition 5.2.2 and the source wide emission limitations in Condition 5.5, the affected foam manufacturing process is subject to the following:

Emissions from the affected foam manufacturing process shall not exceed the following limits:

| <u>Processes</u> | <u>VOM Emissions (Ton/Year)</u> |
|--|-------------------------------------|
| Extrusion, Scrap Regrinding, and Warehousing | 70.0 |

These limits are based on the following production limits:

| | <u>(Ton/Yr)</u> |
|----------------------------|-----------------|
| Total Foam Produced | 5,400 |
| VOM, e.g., n-Butane, Usage | 194 |
| Scrap Reprocessed | 1,080 |
| Finished Product Produced | 4,320 |

and the following requirements:

- The volatile organic material (VOM) content of the resin with blowing agent prior to extrusion shall not exceed 3.6 percent by weight.
- The VOM content of extruded foam following extrusion shall be at least 80% of the VOM content prior to extrusion.
- At most 20% of the foam produced is scrap.

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 (running 12 month total) [T1].

The above limitations contain revisions to previously issued Permit 92030096. The source has requested that the Illinois EPA establish conditions in this permit that allow various refinements from the conditions of this aforementioned permit, consistent with the information provided in the CAAPP

application. The source has requested these revisions and has addressed the applicability and compliance of Title I of the CAA, specifically 35 IAC Part 203, Major Stationary Sources Construction and Modification and/or 40 CFR 52.21, Prevention of Significant Deterioration (PSD). These limits continue to ensure that the construction and/or modification addressed in this permit does not constitute a new major source or major modification pursuant to these rules. These limits are the primary enforcement mechanism for the equipment and activities permitted in this permit and the information in the CAAPP application contains the most current and accurate information for the source. Specifically, the Permittee has requested lower values for the limitations based on a lower percent scrap reprocessing rate and a different blowing agent but the monthly value has been deleted since the annual value is a running total of 12 months of data.

7.1.7 Testing Requirements

Upon request by the Illinois EPA, pursuant to Section 39.5(7)(b) of the Act, the VOM content of foam produced shall be determined using methods approved by the Illinois EPA.

7.1.8 Inspection Requirements

None

7.1.9 Recordkeeping Requirements

In addition to the records required by Condition 5.6, the Permittee shall maintain records of the following items for the affected source to demonstrate compliance with Conditions 5.5.1 and 7.1.6, pursuant to Section 39.5(7)(b) of the Act:

- a. n-Butane or isopentane received and used (lb/mo);
- b. Virgin Polystyrene used (lb/mo);
- c. Scrap polystyrene reprocessed (lb/mo);
- d. Finished product produced (lb/mo);
- e. VOM content of foam as determined by material balance (wt. %);
- f. Analytical results of VOM content of foam or scrap (wt. %); and

- g. Monthly and aggregate annual VOM emissions from the affected foam manufacturing process.

7.1.10 Reporting Requirements

The Permittee shall promptly notify the Illinois EPA, Compliance Section, of deviations of an affected foam production process with the permit requirements as follows, pursuant to Section 39.5(7)(f)(ii) of the Act. Reports shall describe the probable cause of such deviations, and any corrective actions or preventive measures taken:

Production, usage of raw materials, VOM emissions or limits on "percent" in Condition 7.1.6 are exceeded.

7.1.11 Operational Flexibility/Anticipated Operating Scenarios

N/A

7.1.12 Compliance Procedures

VOM emissions shall be based on a mathematical calculation based on pounds of extruded material, multiplied by a facility-wide emission factor.

7.1.13 Compliance Schedules

- a. The Permittee was sent Violation Notice A-2000-00210 by the Illinois EPA for violation of 35 IAC 218 Subpart PP and 35 IAC 205 (ERMS Program). Therefore, the permit shield in Section 8.1 does not shield the Permittee from possible enforcement actions initiated by either USEPA or the Illinois EPA regarding the scrap grinding or the ERMS program. Compliance with the terms of this permit does not serve as proof of compliance for scrap grinding process operated at this location or the need to obtain ATUs. The Permittee shall, if needed, apply for revision of this permit to address the resolution of any such outstanding issue (e.g., include a new compliance schedule, identify appropriate applicable requirements, establish new requirements, and revise the ERMS baseline).
- b. The scrap grinding process and ERMS implementation shall comply with the following schedule of compliance to address compliance with the alleged violations of 35 IAC Part 218 Subpart PP, and 35 IAC Part 205:

| Milestone | Timing |
|--|---|
| The Permittee shall achieve full compliance with all requirements of any determination made relative to the above-referenced Violation Notice (VN) | No later than any schedule established pursuant to any determination made relative to the above-referenced VN |

c. Submittal of Progress Reports

A Progress Report shall be submitted every six months, beginning six months from the date of issuance of this permit. The Progress Report shall contain at least the following:

- i. The required timeframe for achieving the milestones in the schedules for compliance, and actual dates when such milestones were achieved.
- ii. An explanation of why any required timeframe in the schedule of compliance was not met, and any preventive or corrective measures adopted.

8.0 GENERAL PERMIT CONDITIONS

8.1 Permit Shield

Pursuant to Section 39.5(7)(j) of the Act, the Permittee has requested and has been granted a permit shield. This permit shield provides that compliance with the conditions of this permit shall be deemed compliance with applicable requirements which were applicable as of the date the proposed permit for this source was issued, provided that either the applicable requirements are specifically identified within this permit, or the Illinois EPA, in acting on this permit application, has determined that other requirements specifically identified are not applicable to this source and this determination (or a concise summary thereof) is included in this permit.

This permit shield does not extend to applicable requirements which are promulgated after September 18, 2002 (the date of issuance of the draft permit) unless this permit has been modified to reflect such new requirements.

8.2 Applicability of Title IV Requirements (Acid Deposition Control)

This source is not an affected source under Title IV of the CAA and is not subject to requirements pursuant to Title IV of the CAA.

8.3 Emissions Trading Programs

No permit revision shall be required for increases in emissions allowed under any USEPA approved economic incentives, marketable permits, emissions trading, and other similar programs or processes for changes that are provided for elsewhere in this permit and that are authorized by the applicable requirement [Section 39.5(7)(o)(vii) of the Act].

8.4 Operational Flexibility/Anticipated Operating Scenarios

8.4.1 Changes Specifically Addressed by Permit

Physical or operational changes specifically addressed by the Conditions of this permit that have been identified as not requiring Illinois EPA notification may be implemented without prior notice to the Illinois EPA.

8.4.2 Changes Requiring Prior Notification

The Permittee is authorized to make physical or operational changes that contravene express permit terms without applying for or obtaining an amendment to this permit, provided that [Section 39.5(12)(a)(i) of the Act]:

- a. The changes do not violate applicable requirements;

- b. The changes do not contravene federally enforceable permit terms or conditions that are monitoring (including test methods), recordkeeping, reporting, or compliance certification requirements;
- c. The changes do not constitute a modification under Title I of the CAA;
- d. Emissions will not exceed the emissions allowed under this permit following implementation of the physical or operational change; and
- e. The Permittee provides written notice to the Illinois EPA, Division of Air Pollution Control, Permit Section, at least 7 days before commencement of the change. This notice shall:
 - i. Describe the physical or operational change;
 - ii. Identify the schedule for implementing the physical or operational change;
 - iii. Provide a statement of whether or not any New Source Performance Standard (NSPS) is applicable to the physical or operational change and the reason why the NSPS does or does not apply;
 - iv. Provide emission calculations which demonstrate that the physical or operational change will not result in a modification; and
 - v. Provide a certification that the physical or operational change will not result in emissions greater than authorized under the Conditions of this permit.

8.5 Testing Procedures

Tests conducted to measure composition of materials, efficiency of pollution control devices, emissions from process or control equipment, or other parameters shall be conducted using standard test methods. Documentation of the test date, conditions, methodologies, calculations, and test results shall be retained pursuant to the recordkeeping procedures of this permit. Reports of any tests conducted as required by this permit or as the result of a request by the Illinois EPA shall be submitted as specified in Condition 8.6.

8.6 Reporting Requirements

8.6.1 Monitoring Reports

If monitoring is required by any applicable requirements or conditions of this permit, a report summarizing the required monitoring results, as specified in the conditions of this permit, shall be submitted to the Air Compliance Section of the Illinois EPA every six months as follows [Section 39.5(7)(f) of the Act]:

| <u>Monitoring Period</u> | <u>Report Due Date</u> |
|--------------------------|------------------------|
| January - June | September 1 |
| July - December | March 1 |

All instances of deviations from permit requirements must be clearly identified in such reports. All such reports shall be certified in accordance with Condition 9.9.

8.6.2 Test Notifications

Unless otherwise specified elsewhere in this permit, a written test plan for any test required by this permit shall be submitted to the Illinois EPA for review at least 60 days prior to the testing pursuant to Section 39.5(7)(a) of the Act. The notification shall include at a minimum:

- a. The name and identification of the affected unit(s);
- b. The person(s) who will be performing sampling and analysis and their experience with similar tests;
- c. The specific conditions under which testing will be performed, including a discussion of why these conditions will be representative of maximum emissions and the means by which the operating parameters for the source and any control equipment will be determined;
- d. The specific determination of emissions and operation which are intended to be made, including sampling and monitoring locations;
- e. The test method(s) which will be used, with the specific analysis method, if the method can be used with different analysis methods;
- f. Any minor changes in standard methodology proposed to accommodate the specific circumstances of testing, with justification; and

- g. Any proposed use of an alternative test method, with detailed justification.

8.6.3 Test Reports

Unless otherwise specified elsewhere in this permit, the results of any test required by this permit shall be submitted to the Illinois EPA within 60 days of completion of the testing. The test report shall include at a minimum [Section 39.5(7)(e)(i) of the Act]:

- a. The name and identification of the affected unit(s);
- b. The date and time of the sampling or measurements;
- c. The date any analyses were performed;
- d. The name of the company that performed the tests and/or analyses;
- e. The test and analytical methodologies used;
- f. The results of the tests including raw data, and/or analyses including sample calculations;
- g. The operating conditions at the time of the sampling or measurements; and
- h. The name of any relevant observers present including the testing company's representatives, any Illinois EPA or USEPA representatives, and the representatives of the source.

8.6.4 Reporting Addresses

- a. The following addresses should be utilized for the submittal of reports, notifications, and renewals:
 - i. Illinois EPA - Air Compliance Section

Illinois Environmental Protection Agency
Bureau of Air
Compliance Section (MC 40)
P.O. Box 19276
Springfield, Illinois 62794-9276
 - ii. Illinois EPA - Air Regional Field Office

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

iii. Illinois EPA - Air Permit Section

Illinois Environmental Protection Agency
Division of Air Pollution Control
Permit Section (MC 11)
P.O. Box 19506
Springfield, Illinois 62794-9506

iv. USEPA Region 5 - Air Branch

USEPA (AE - 17J)
Air & Radiation Division
77 West Jackson Boulevard
Chicago, Illinois 60604

- b. Unless otherwise specified in the particular provision of this permit, reports shall be sent to the Illinois EPA - Air Compliance Section with a copy sent to the Illinois EPA - Air Regional Field Office.

8.7 Obligation to Comply with Title I Requirements

Any term, condition, or requirement identified in this permit by T1, T1R, or T1N is established or revised pursuant to 35 IAC Part 203 or 40 CFR 52.21 ("Title I provisions") and incorporated into this permit pursuant to both Section 39.5 and Title I provisions. Notwithstanding the expiration date on the first page of this 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.

9.0 STANDARD PERMIT CONDITIONS

9.1 Effect of Permit

9.1.1 The issuance of this permit does not release the Permittee from compliance with State and Federal regulations which are part of the Illinois State Implementation Plan, as well as with other applicable statutes and regulations of the United States or the State of Illinois or applicable ordinances, except as specifically stated in this permit and as allowed by law and rule [Section 39.5(7)(j)(iv) of the Act].

9.1.2 In particular, this permit does not alter or affect the following:

- a. The provisions of Section 303 (emergency powers) of the CAA, including USEPA's authority under that Section;
- b. The liability of an owner or operator of a source for any violation of applicable requirements prior to or at the time of permit issuance;
- c. The applicable requirements of the acid rain program consistent with Section 408(a) of the CAA; and
- d. The ability of USEPA to obtain information from a source pursuant to Section 114 (inspections, monitoring, and entry) of the CAA.

9.1.3 Notwithstanding the conditions of this permit specifying compliance practices for applicable requirements, any person (including the Permittee) may also use other credible evidence to establish compliance or noncompliance with applicable requirements.

9.2 General Obligations of Permittee

9.2.1 Duty to Comply

The Permittee must comply with all terms and conditions of this permit. Any permit noncompliance constitutes a violation of the CAA and the Act, and is grounds for any or all of the following: enforcement action, permit termination, revocation and reissuance, modification, or denial of a permit renewal application [Section 39.5(7)(o)(i) of the Act].

The Permittee shall meet applicable requirements that become effective during the permit term in a timely manner unless an alternate schedule for compliance with the applicable requirement is established.

9.2.2 Duty to Maintain Equipment

The Permittee shall maintain all equipment covered under this permit in such a manner that the performance or operation of such equipment shall not cause a violation of applicable requirements.

9.2.3 Duty to Cease Operation

No person shall cause, threaten or allow the continued operation of any emission unit during malfunction or breakdown of the emission unit or related air pollution control equipment if such operation would cause a violation of an applicable emission standard, regulatory requirement, ambient air quality standard or permit limitation unless such malfunction or breakdown is allowed by a permit condition [Section 39.5(6)(c) of the Act].

9.2.4 Disposal Operations

The source shall be operated in such a manner that the disposal of air contaminants collected by the equipment operations, or activities shall not cause a violation of the Act or regulations promulgated thereunder.

9.2.5 Duty to Pay Fees

The Permittee must pay fees to the Illinois EPA consistent with the fee schedule approved pursuant to Section 39.5(18) of the Act, and submit any information relevant thereto [Section 39.5(7)(o)(vi) of the Act]. The check should be payable to "Treasurer, State of Illinois" and sent to: Fiscal Services Section, Illinois Environmental Protection Agency, P.O. Box 19276, Springfield, Illinois 62794-9276.

9.3 Obligation to Allow Illinois EPA Surveillance

Upon presentation of proper credentials and other documents, the Permittee shall allow the Illinois EPA, or an authorized representative to perform the following [Section 39.5(7)(a) and (p)(ii) of the Act and 415 ILCS 5/4]:

- a. Enter upon the Permittee's premises where an actual or potential emission unit is located; where any regulated equipment, operation, or activity is located or where records must be kept under the conditions of this permit;
- b. Have access to and copy, at reasonable times, any records that must be kept under the conditions of this permit;
- c. Inspect during hours of operation any sources, equipment (including monitoring and air pollution control

equipment), practices, or operations regulated or required under this permit;

- d. Sample or monitor any substances or parameters at any location:
 - i. At reasonable times, for the purposes of assuring permit compliance; or
 - ii. As otherwise authorized by the CAA, or the Act.
- e. Obtain and remove samples of any discharge or emission of pollutants authorized by this permit; and
- f. Enter and utilize any photographic, recording, testing, monitoring, or other equipment for the purposes of preserving, testing, monitoring, or recording any activity, discharge or emission at the source authorized by this permit.

9.4 Obligation to Comply with Other Requirements

The issuance of this permit does not release the Permittee from applicable State and Federal laws and regulations, and applicable local ordinances addressing subjects other than air pollution control.

9.5 Liability

9.5.1 Title

This permit shall not be considered as in any manner affecting the title of the premises upon which the permitted source is located.

9.5.2 Liability of Permittee

This permit does not release the Permittee from any liability for damage to person or property caused by or resulting from the construction, maintenance, or operation of the sources.

9.5.3 Structural Stability

This permit does not take into consideration or attest to the structural stability of any unit or part of the source.

9.5.4 Illinois EPA Liability

This permit in no manner implies or suggests that the Illinois EPA (or its officers, agents or employees) assumes any liability, directly or indirectly, for any

loss due to damage, installation, maintenance, or operation of the source.

9.5.5 Property Rights

This permit does not convey any property rights of any sort, or any exclusive privilege [Section 39.5(7)(o)(iv) of the Act].

9.6 Recordkeeping

9.6.1 Control Equipment Maintenance Records

A maintenance record shall be kept on the premises for each item of air pollution control equipment. As a minimum, this record shall show the dates of performance and nature of preventative maintenance activities.

9.6.2 Records of Changes in Operation

A record shall be kept describing changes made at the source that result in emissions of a regulated air pollutant subject to an applicable requirement, but not otherwise regulated under this permit, and the emissions resulting from those changes [Section 39.5(12)(b)(iv) of the Act].

9.6.3 Retention of Records

- a. Records of all monitoring data and support information shall be retained for a period of at least 5 years from the date of the monitoring sample, measurement, report, or application. Support information includes all calibration and maintenance records, original strip-chart recordings for continuous monitoring instrumentation, and copies of all reports required by this permit [Section 39.5(7)(e)(ii) of the Act].
- b. Other records required by this permit shall be retained for a period of at least 5 years from the date of entry unless a longer period is specified by a particular permit provision.

9.7 Annual Emissions Report

The Permittee shall submit an annual emissions report to the Illinois EPA, Compliance Section no later than May 1 of the following year, as required by 35 IAC Part 254.

9.8 Requirements for Compliance Certification

Pursuant to Section 39.5(7)(p)(v) of the Act, the Permittee shall submit annual compliance certifications. The compliance

certifications shall be submitted no later than May 1 or more frequently as specified in the applicable requirements or by permit condition. The compliance certifications shall be submitted to the Air Compliance Section, Air Regional Field Office, and USEPA Region 5 - Air Branch. The addresses for the submittal of the compliance certifications are provided in Condition 8.6.4 of this permit.

- a. The certification shall include the identification of each term or condition of this permit that is the basis of the certification; the compliance status; whether compliance was continuous or intermittent; the method(s) used for determining the compliance status of the source, both currently and over the reporting period consistent with the conditions of this permit.
- b. All compliance certifications shall be submitted to USEPA Region 5 in Chicago as well as to the Illinois EPA.
- c. All compliance reports required to be submitted shall include a certification in accordance with Condition 9.9.

9.9 Certification

Any document (including reports) required to be submitted by this permit shall contain a certification by a responsible official of the Permittee that meets the requirements of Section 39.5(5) of the Act [Section 39.5(7)(p)(i) of the Act]. An example Certification by a Responsible Official is included as an attachment to this permit.

9.10 Defense to Enforcement Actions

9.10.1 Need to Halt or Reduce Activity Not a Defense

It shall not be a defense for the Permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit [Section 39.5(7)(o)(ii) of the Act].

9.10.2 Emergency Provision

- a. An emergency shall be an affirmative defense to an action brought for noncompliance with the technology-based emission limitations under this permit if the following conditions are met through properly signed, contemporaneous operating logs, or other relevant evidence:
 - i. An emergency occurred as provided in Section 39.5(7)(k) of the Act and the Permittee can identify the cause(s) of the emergency.

Normally, an act of God such as lightning or flood is considered an emergency;

- ii. The permitted source was at the time being properly operated;
 - iii. The Permittee submitted notice of the emergency to the Illinois EPA within two working days of the time when emission limitations were exceeded due to the emergency. This notice must contain a detailed description of the emergency, any steps taken to mitigate emissions, and corrective actions taken; and
 - iv. During the period of the emergency the Permittee took all reasonable steps to minimize levels of emissions that exceeded the emission limitations, standards, or regulations in this permit.
- b. This provision is in addition to any emergency or upset provision contained in any applicable requirement. This provision does not relieve a Permittee of any reporting obligations under existing federal or state laws or regulations.

9.11 Permanent Shutdown

This permit only covers emission units and control equipment while physically present at the indicated source location(s). Unless this permit specifically provides for equipment relocation, this permit is void for the operation or activity of any item of equipment on the date it is removed from the permitted location(s) or permanently shut down. This permit expires if all equipment is removed from the permitted location(s), notwithstanding the expiration date specified on this permit.

9.12 Reopening and Reissuing Permit for Cause

9.12.1 Permit Actions

This permit may be modified, reopened, and reissued, for cause pursuant to Section 39.5(15) of the Act. The filing of a request by the Permittee for a permit modification, revocation, and reissuance, or of a notification of planned changes or anticipated noncompliance does not stay any permit condition [Section 39.5(7)(o)(iii) of the Act].

9.12.2 Reopening and Revision

This permit must be reopened and revised if any of the following occur [Section 39.5(15) (a) of the Act]:

- a. Additional requirements become applicable to the equipment covered by this permit and three or more years remain before expiration of this permit;
- b. Additional requirements become applicable to an affected source for acid deposition under the acid rain program;
- c. The Illinois EPA or USEPA determines that this permit contains a material mistake or inaccurate statement when establishing the emission standards or limitations, or other terms or conditions of this permit; and
- d. The Illinois EPA or USEPA determines that this permit must be revised to ensure compliance with the applicable requirements of the Act.

9.12.3 Inaccurate Application

The Illinois EPA has issued this permit based upon the information submitted by the Permittee in the permit application. Any misinformation, false statement or misrepresentation in the application shall be grounds for revocation under Section 39.5(15) (b) of the Act.

9.12.4 Duty to Provide Information

The Permittee shall furnish to the Illinois EPA, within a reasonable time specified by the Illinois EPA any information that the Illinois EPA may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating this permit, or to determine compliance with this permit. Upon request, the Permittee shall also furnish to the Illinois EPA copies of records required to be kept by this permit, or for information claimed to be confidential, the Permittee may furnish such records directly to USEPA along with a claim of confidentiality [Section 39.5(7) (o) (v) of the Act].

9.13 Severability Clause

The provisions of this permit are severable, and should any one or more be determined to be illegal or unenforceable, the validity of the other provisions shall not be affected. The rights and obligations of the Permittee shall be construed and enforced as if this permit did not contain the particular provisions held to be invalid and the applicable requirements

underlying these provisions shall remain in force [Section 39.5(7)(i) of the Act].

9.14 Permit Expiration and Renewal

The right to operate terminates on the expiration date unless the Permittee has submitted a timely and complete renewal application. For a renewal to be timely it must be submitted no later than 9 and no sooner than 12 months prior to expiration. The equipment may continue to operate during the renewal period until final action is taken by the Illinois EPA, in accordance with the original permit conditions [Section 39.5(5)(l), (n), and (o) of the Act].

10.0 ATTACHMENTS

10.1 Attachment 1 Example Certification by a Responsible Official

I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

Signature: _____

Name: _____

Official Title: _____

Telephone No.: _____

Date Signed: _____

10.2 Attachment 2 - Guidance on Revising This Permit

The Permittee must submit an application to the Illinois EPA using the appropriate revision classification in accordance with Sections 39.5(13) and (14) of the Act and 35 IAC 270.302. Specifically, there are currently three classifications for revisions to a CAAPP permit. These are:

1. Administrative Permit Amendment;
2. Minor Permit Modification; and
3. Significant Permit Modification.

The Permittee must determine, request, and submit the necessary information to allow the Illinois EPA to use the appropriate procedure to revise the CAAPP permit. A brief explanation of each of these classifications follows.

1. Administrative Permit Amendment

- Corrects typographical errors;
- Identifies a change in the name, address, or phone number of any person identified in the permit, or provides a similar minor administrative change at the source;
- Requires more frequent monitoring or reporting by the Permittee;
- Allows for a change in ownership or operational control of the source where no other change in the permit is necessary, provided that a written agreement containing a specific date for transfer of permit responsibility, coverage, and liability between the current and new Permittees has been submitted to the Illinois EPA;
- Incorporates into the CAAPP permit a construction permit, provided the conditions of the construction permit meet the requirements for the issuance of CAAPP permits; or
- Incorporates into the CAAPP permit revised limitations or other requirements resulting from the application of an approved economic incentives rule, marketable permits rule, or generic emissions trading rule.

2. Minor Permit Modification

- Do not violate any applicable requirement;

- Do not involve significant changes to existing monitoring, reporting, or recordkeeping requirements in the permit;
- Do not require a case-by-case determination of an emission limitation or other standard, or a source-specific determination of ambient impacts, or a visibility or increment analysis;
- Do not seek to establish or change a permit term or condition for which there is no corresponding underlying requirement and which avoids an applicable requirement to which the source would otherwise be subject. Such terms and conditions include:
 - A federally enforceable emissions cap assumed to avoid classification as a modification under any provision of Title I of the CAA; and
 - An alternative emissions limit approved pursuant to regulations promulgated under Section 112(i)(5) of the CAA.
- Are not modifications under any provision of Title I of the CAA; and
- Are not required to be processed as a significant permit modification.

An application for a minor permit modification shall include the following:

- A description of the change, the emissions resulting from the change, and any new applicable requirements that will apply if the change occurs;
- The source's suggested draft permit/conditions;
- Certification by a responsible official that the proposed modification meets the criteria for use of minor permit modification procedures and a request that such procedures be used; and
- Information as contained on form 271-CAAPP for the Illinois EPA to use to notify USEPA and affected States.

3. Significant Permit Modification

- Applications that do not qualify as either minor permit modifications or as administrative permit amendments;

- Applications requesting a significant change in existing monitoring permit terms or conditions;
- Applications requesting a relaxation of reporting or recordkeeping requirements; and
- Cases in which, in the judgment of the Illinois EPA, action on an application for modification would require decisions to be made on technically complex issues.

An application for a significant permit modification shall include the following:

- A detailed description of the proposed change(s), including all physical changes to equipment, changes in the method of operation, changes in emissions of each pollutant, and any new applicable requirements which will apply as a result of the proposed change. Note that the Permittee need only submit revised forms for equipment and operations that will be modified.

The Illinois EPA requires the information on the following appropriate forms to be submitted in accordance with the proper classification:

- Form 273-CAAPP, REQUEST FOR ADMINISTRATIVE PERMIT AMENDMENT FOR CAAPP PERMIT; or
- Form 271-CAAPP, MINOR PERMIT MODIFICATION FOR CAAPP PERMIT; or
- Form 200-CAAPP, APPLICATION FOR CAAPP PERMIT (for significant modification).

Application forms can be obtained from the Illinois EPA website at <http://www.epa.state.il.us/air/forms>.

Note that the request to revise the permit must be certified for truth, accuracy, and completeness by a responsible official.

Note that failure to submit the required information may require the Illinois EPA to deny the application. The Illinois EPA reserves the right to require that additional information be submitted as needed to evaluate or take final action on applications pursuant to Section 39.5(5)(g) of the Act and 35 IAC 270.305.



Illinois Environmental Protection Agency
 Division Of Air Pollution Control -- Permit Section
 P.O. Box 19506
 Springfield, Illinois 62794-9506

| | |
|---|----------------------------------|
| Application For Construction Permit (For CAAPP Sources Only) | For Illinois EPA use only |
| | I.D. number: |
| | Permit number: |
| Date received: | |

This form is to be used by CAAPP sources to supply information necessary to obtain a construction permit. Please attach other necessary information and completed CAAPP forms regarding this construction/modification project.

| Source Information | | |
|---|--------------|-----------------|
| 1. Source name: | | |
| 2. Source street address: | | |
| 3. City: | 4. Zip code: | |
| 5. Is the source located within city limits? <input type="checkbox"/> Yes <input type="checkbox"/> No | | |
| 6. Township name: | 7. County: | 8. I.D. number: |

| Owner Information | | |
|-------------------|------------|---------------|
| 9. Name: | | |
| 10. Address: | | |
| 11. City: | 12. State: | 13. Zip code: |

| Operator Information (if different from owner) | | |
|--|------------|---------------|
| 14. Name | | |
| 15. Address: | | |
| 16. City: | 17. State: | 18. Zip code: |

| Applicant Information | |
|---|--|
| 19. Who is the applicant? <input type="checkbox"/> Owner <input type="checkbox"/> Operator | 20. All correspondence to: (check one) <input type="checkbox"/> Owner <input type="checkbox"/> Operator <input type="checkbox"/> Source |
| 21. Attention name and/or title for written correspondence: | |
| 22. Technical contact person for application: | 23. Contact person's telephone number: |

This Agency is authorized to require and you must disclose this information under 415 ILCS 5/39. Failure to do so could result in the application being denied and penalties under 415 ILCS 5 et seq. It is not necessary to use this form in providing this information. This form has been approved by the forms management center.

| Summary Of Application Contents | |
|---|--|
| 24. Does the application address whether the proposed project would constitute a new major source or major modification under each of the following programs: a) Non-attainment New Source Review – 35 IAC Part 203; b) Prevention of Significant Deterioration (PSD) – 40 CFR 52.21; c) Hazardous Air Pollutants: Regulations Governing Constructed or Reconstructed Major Sources – 40 CFR Part 63? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 25. Does the application identify and address all applicable emissions standards, including those found in the following: a) Board Emission Standards – 35 IAC Chapter I, Subtitle B; b) Federal New Source Performance Standards – 40 CFR Part 60; c) Federal Standards for Hazardous Air Pollutants – 40 CFR Parts 61 and 63? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 26. Does the application include a process flow diagram(s) showing all emission units and control equipment, and their relationship, for which a permit is being sought? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 27. Does the application include a complete process description for the emission units and control equipment for which a permit is being sought? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 28. Does the application include the information as contained in completed CAAPP forms for all appropriate emission units and air pollution control equipment, listing all applicable requirements and proposed exemptions from otherwise applicable requirements, and identifying and describing any outstanding legal actions by either the USEPA or the Illinois EPA? Note: The use of "APC" application forms is not appropriate for applications for CAAPP sources. CAAPP forms should be used to supply information. | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 29. If the application contains TRADE SECRET information, has such information been properly marked and claimed, and have two separate copies of the application suitable for public inspection and notice been submitted, in accordance with applicable rules and regulations? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Not Applicable, No TRADE SECRET information in this application |

Note 1: Answering "No" to any of the above may result in the application being deemed incomplete.

| Signature Block | |
|--|--------------------|
| This certification must be signed by a responsible official. Applications without a signed certification will be returned as incomplete. | |
| 30. I certify under penalty of law that, based on information and belief formed after reasonable inquiry, the statements and information contained in this application are true, accurate and complete. Authorized Signature: | |
| BY: | _____ |
| AUTHORIZED SIGNATURE | TITLE OF SIGNATORY |
| _____ | _____/_____/_____ |
| TYPED OR PRINTED NAME OF SIGNATORY | DATE |

Note 2: An operating permit for the construction/modification permitted in a construction permit must be obtained by applying for the appropriate revision to the source's CAAPP permit, if necessary.

10.4 Attachment 4 - Guidance on Renewing This Permit

Timeliness - Pursuant to Section 39.5(5)(n) of the Act and 35 IAC 270.301(d), a source must submit to the Illinois EPA a complete CAAPP application for the renewal of a CAAPP permit not later than 9 months before the date of permit expiration of the existing CAAPP permit in order for the submittal to be deemed timely. Note that the Illinois EPA typically sends out renewal notices approximately 18 months prior to the expiration of the CAAPP permit.

The CAAPP application must provide all of the following information in order for the renewal CAAPP application to be deemed complete by the Illinois EPA:

1. A completed renewal application form 200-CAAPP, APPLICATION FOR CAAPP PERMIT.
2. A completed compliance plan form 293-CAAPP, COMPLIANCE PLAN/SCHEDULE OF COMPLIANCE FOR CAAPP PERMIT.
3. A completed compliance certification form 296-CAAPP, COMPLIANCE CERTIFICATION, signed by the responsible official.
4. Any applicable requirements that became effective during the term of the permit and that were not included in the permit as a reopening or permit revision.
5. If this is the first time this permit is being renewed and this source has not yet addressed CAM, the application should contain the information on form 464-CAAPP, COMPLIANCE ASSURANCE MONITORING (CAM) PLAN.
6. Information addressing any outstanding transfer agreement pursuant to the ERMS.
7. a. If operations of an emission unit or group of emission units remain unchanged and are accurately depicted in previous submittals, the application may contain a letter signed by a responsible official that requests incorporation by reference of existing information previously submitted and on file with the Illinois EPA. This letter must also include a statement that information incorporated by reference is also being certified for truth and accuracy by the responsible official's signing of the form 200-CAAPP, APPLICATION FOR CAAPP PERMIT and the form 296-CAAPP, COMPLIANCE CERTIFICATION. The boxes should be marked yes on form 200-CAAPP, APPLICATION FOR CAAPP PERMIT, as existing information is being incorporated by reference.

- b. If portions of current operations are not as described in previous submittals, then in addition to the information above for operations that remain unchanged, the application must contain the necessary information on all changes, e.g., discussion of changes, new or revised CAAPP forms, and a revised fee form 292-CAAPP, FEE DETERMINATION FOR CAAPP PERMIT, if necessary.
8. Information about all off-permit changes that were not prohibited or addressed by the permit to occur without a permit revision and the information must be sufficient to identify all applicable requirements, including monitoring, recordkeeping, and reporting requirements, for such changes.
9. Information about all changes made under 40 CFR 70.4(b)(12)(i) and (ii) that require a 7-day notification prior to the change without requiring a permit revision.

The Illinois EPA will review all applications for completeness and timeliness. If the renewal application is deemed both timely and complete, the source shall continue to operate in accordance with the terms and conditions of its CAAPP permit until final action is taken on the renewal application.

Notwithstanding the completeness determination, the Illinois EPA may request additional information necessary to evaluate or take final action on the CAAPP renewal application. If such additional information affects your allowable emission limits, a revised form 292-CAAPP, FEE DETERMINATION FOR CAAPP PERMIT must be submitted with the requested information. The failure to submit to the Illinois EPA the requested information within the time frame specified by the Illinois EPA, may force the Illinois EPA to deny your CAAPP renewal application pursuant to Section 39.5 of the Act.

Application forms may be obtained from the Illinois EPA website at <http://www.epa.state.il.us/air/forms.html>.

If you have any questions regarding this matter, please contact a permit analyst at 217/782-2113.

Mail renewal applications to:

Illinois Environmental Protection Agency
Division of Air Pollution Control
Permit Section (MC 11)
P.O. Box 19506
Springfield, Illinois 62794-9506

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.

Nielsen and Bainbridge is located at 8301 South 77th Avenue in Bridgeview, Cook County. The source manufactures foam products such as food service containers and foam board.

II. EMISSION UNITS

Significant emission units at this source are as follows:

| Emission Unit | Description | Date Constructed | Emission Control Equipment |
|--------------------|---|------------------|----------------------------|
| 1 | Two Extruders | Pre-1978 | None |
| 2 | Roll Storage | Pre-1978 | None |
| 3 | Six Thermoformers | Pre-1978 | None |
| 4 | One Laminator | Pre-1978 | None |
| 5 | Scrap Regrinding and One Repelletizing Machine | Pre-1978 | None |
| 6 | Two Scrap (Fluff) Storage Bins, Four Scrap Pellet Storage Bins, One Virgin Pellet Storage Bin | Pre-1978 | None |
| Fugitive Emissions | Road Dust | ---- | Cleaning |

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:

Permitted Emissions of Regulated Pollutants

| Pollutant | Tons/Year |
|------------------------------------|-----------|
| Volatile Organic Material (VOM) | 70.0 |
| Sulfur Dioxide (SO ₂) | --- |
| Particulate Matter (PM) | 4.2 |
| Nitrogen Oxides (NO _x) | --- |
| HAP, not included in VOM or PM | --- |
| Total | 74.2 |

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 166.