



STATE OF IDAHO
DEPARTMENT OF
ENVIRONMENTAL QUALITY

1410 North Hilton • Boise, Idaho 83706 • (208) 373-0502

C.L. "Butch" Otter, Governor
Toni Hardesty, Director

July 8, 2010

Mark Blankenship, President & General Manager
Recycling Equipment Manufacturing, Inc.
PO Box 310
Priest River, Idaho 38356

RE: Facility ID No. 017-00055, Recycling Equipment Manufacturing, Inc., Priest River
Final Permit Letter

Dear Mr. Blankenship:

The Department of Environmental Quality (DEQ) is issuing Permit to Construct (PTC) No. P-2010.0067 to Recycling Equipment Manufacturing, Inc. for an initial PTC at Priest River, in accordance with IDAPA 58.01.01.200 through 228 (Rules for the Control of Air Pollution in Idaho). This permit is based on your permit application received on May 17, 2010. This permit is effective immediately. This permit does not release Recycling Equipment Manufacturing, Inc. from compliance with all other applicable federal, state, or local laws, regulations, permits, or ordinances.

Pursuant to the Construction and Operation Notification General Provision of your permit, it is required that construction and operation notification be provided. Please provide this information as listed to DEQ's Coeur D'Alene Regional Office, 2110 Ironwood Parkway, Coeur d'Alene, Idaho 83814, Fax (208) 769-1404.

In order to fully understand the compliance requirements of this permit, DEQ highly recommends that you schedule a meeting with Almer Casile, Air Quality Analyst, at (208) 769-1422 to review and discuss the terms and conditions of this permit. Should you choose to schedule this meeting, DEQ recommends that the following representatives attend the meeting: your facility's plant manager, responsible official, environmental contact, and any other staff responsible for day-to-day compliance with permit conditions.

Pursuant to IDAPA 58.01.23, you, as well as any other entity, may have the right to appeal this final agency action within 35 days of the date of this decision. However, prior to filing a petition for a contested case, I encourage you to contact Eric Clark at (208) 373-0228 or Eric.Clark@deq.idaho.gov to address any questions or concerns you may have with the enclosed permit.

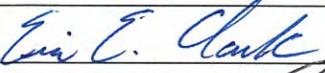
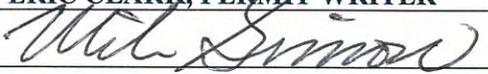
Sincerely,

A handwritten signature in cursive script that reads "Mike Simon".

Mike Simon
Stationary Source Program Manager
Air Quality Division

MS\EC

Project No. P-2010.0067

<p style="text-align: center;">Air Quality PERMIT TO CONSTRUCT State of Idaho Department of Environmental Quality</p>		PERMIT NUMBER	CLASS	SIC
		P-2010.0067	B	3535
		FACILITY ID	AQCR	NAICS
		017-00055	63	333922
		ZONE	UTM COORDINATES (km)	
11	504.3	5337		
PERMITTEE				
Recycling Equipment Manufacturing, Inc.				
PROJECT				
Initial Permit To Construct				
MAILING ADDRESS	CITY	STATE	ZIP	
PO Box 310	Priest River	ID	83856	
FACILITY CONTACT	TITLE	TELEPHONE		
Mark Blankenship	President & General Manager	(208) 448-4736		
RESPONSIBLE	TITLE	TELEPHONE		
Mark Blankenship	President & General Manager	(208) 448-4736		
EXACT PLANT LOCATION			COUNTY	
367 Shannon Lane, Priest River Idaho 83856			Bonner	
GENERAL NATURE OF BUSINESS & KINDS OF PRODUCTS				
Manufacturer of recycling equipment				
PERMIT AUTHORITY				
<p>This permit is issued according to the Rules for the Control of Air Pollution in Idaho, IDAPA 58.01.01.200 through 228, and pertains only to emissions of air contaminants regulated by the state of Idaho and to the sources specifically allowed to be constructed or modified by this permit.</p> <p>This permit (a) does not affect the title of the premises upon which the equipment is to be located; (b) does not release the permittee from any liability for any loss due to damage to person or property caused by, resulting from, or arising out of the design, installation, maintenance, or operation of the proposed equipment; (c) does not release the permittee from compliance with other applicable federal, state, tribal, or local laws, regulations, or ordinances; (d) in no manner implies or suggests that the Department of Environmental Quality (DEQ) or its officers, agents, or employees, assume any liability, directly or indirectly, for any loss due to damage to person or property caused by, resulting from, or arising out of design, installation, maintenance, or operation of the proposed equipment.</p> <p>This permit will expire if construction has not begun within two years of its issue date or if construction is suspended for one year.</p> <p>This permit has been granted on the basis of design information presented with its application. Changes in design, equipment or operations may be considered a modification. Modifications are subject to DEQ review in accordance with IDAPA 58.01.01.200 through 228 of the Rules for the Control of Air Pollution in Idaho.</p>				
		DATE ISSUED	July 8, 2010	
ERIC CLARK, PERMIT WRITER				
				
MIKE SIMON, STATIONARY SOURCE MANAGER				

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PERMIT TO CONSTRUCT SCOPE

Purpose

1. This is the initial permit to construct for a recycling equipment manufacturing facility.
2. The emission sources regulated by this permit are listed in the following table.

Table 1 REGULATED SOURCES

Source Descriptions	Emission Controls
<p><u>Propane Air Management Unit</u> Manufacturer: Bananza Model: B-3000 Maximum Rating: 3.0 MMBtu/hr Construction Date: 2010 Maximum Operating Hours: 8 hr/day, 2,920 hr/year</p>	None
<p><u>Propane Heating System</u> Manufacturer: Schwank (or equivalent)^a Model: STS-JZ Maximum Rating: 2.64 MMBtu/hr Construction Date: 2010 Maximum Operating Hours: 24 hr/day, 8,760 hr/year</p>	None
<p><u>Welding Operations</u> Method: Electric arc welding Processes: GMAW (gas metal arc welding) & FCAW (flux cored arc welding) Electrode Type: E70S, E71T & ER5154 Maximum electrode usages: 500 lb/yr (ER5154), 23,667 lb/yr (570S), 47,333 lb/yr (E71T)</p>	None
<p><u>Paint Sprav Booth Guns</u> Manufacturer: Binks, Superior & Graco Model: ISL HVLP, P200H & Airpro Type: all are HVLP Capacity Rating: 4 gal/hr Transfer Efficiency: 65% Maximum Operating Hours: 4 hr/day Maximum Usage: 1,600 gal/yr</p>	Filter System in booth (98% efficient filters)

a) For the purposes of the Propane Heating System, "or equivalent" is defined as having a maximum heating rating less than or equal to 2.64 MMBtu/hr and burning exclusively propane.

PAINT BOOTH

Process Description

3. Process Description

Recycling Equipment Manufacturing, Inc. (REM) paints metal welded on site and then sells the final products to recycling centers. REM identified three (3) series of paints from the Sherwin Williams Company that it will use for its products. A propane-fired Air Management Unit (AMU) is used for heating purposes within the paint booth.

4. Emission Controls Description

Table 2 PAINT BOOTH DESCRIPTION

Emissions Units / Processes	Emission Control Devices	Emission Points
Paint Booth Operations	Paint Booth with filters	Paint Booth Stack
Propane AMU	None	AMU

Emission Limits

5. Paint Booth Emission Limits

The emissions from the Paint Booth stack shall not exceed any emissions rate limit in the following table.

Table 3 PAINT BOOTH EMISSION LIMITS^a

Source Description	PM ₁₀ ^b		VOC	
	lb/hr ^c	T/yr ^d	lb/hr ^c	T/yr ^d
Paint Booth	0.15	0.03	21.12	4.22

- In absence of any other credible evidence, compliance is assured by complying with permit operating, monitoring, and record keeping requirements.
- Particulate matter with an aerodynamic diameter less than or equal to a nominal ten (10) micrometers, including condensable particulate as defined in IDAPA 58.01.01.006.81.
- Pounds per hour, as determined by a test method prescribed by IDAPA 58.01.01.157, EPA reference method, or DEQ-approved alternative.
- Tons per any consecutive 12-calendar month period.

6. Opacity Limit

Emissions from the paint booth stack, or any other stack, vent, or functionally equivalent opening associated with the paint booth, shall not exceed 20% opacity for a period or periods aggregating more than three minutes in any 60-minute period as required by IDAPA 58.01.01.625. Opacity shall be determined by the procedures contained in IDAPA 58.01.01.625.

7. Odors

No person shall allow, suffer, cause, or permit the emission of odorous gases, liquids, or solids into the atmosphere in such quantities as to cause air pollution in accordance with IDAPA 58.01.01.776.01.

Operating Requirements

8. Thinner, Primer, Solvent and Coating Use Limits

The thinner, primer, solvent and coating use in the metal parts and products coating process shall not exceed the following limits:

- 16 gallons per day of any combination of Sherwin Williams KEM 400 Enamel Series, Sherwin Williams Quick Dry Enamel Series, and Sherwin Williams POLANE G Plus Polyurethane Enamel Series or equivalent.
- 960 gallons per year in any consecutive 12-calendar months of Sherwin Williams KEM 400 Series or equivalent.

- 480 gallons per year in any consecutive 12-calendar months of Sherwin Williams Quick Dry Enamel Series or equivalent.
- 160 gallons per year in any consecutive 12-calendar months of Sherwin Williams POLANE G Plus Polyurethane Enamel Series or equivalent.

For the purposes of this permit condition, “or equivalent” is defined as the HAP, TAP, and VOC content for the new coating, as listed on the MSDS, which is equal to or less than the HAP, TAP, and VOC content, as listed on the MSDS, of the coating as listed in this permit.

9. Paint Spray Gun Requirements

All paint sprays guns used in the metal parts and product coating process shall have a minimum transfer efficiency of 65%. Only one (1) spray gun may be operating at a time. The spray guns shall not be operated concurrently.

10. Paint Booth Exhaust Filter System

All painting or coating at this facility shall be conducted in the paint booth. The permittee shall not conduct painting, or coating in the paint booth unless the paint booth exhaust filter system is installed and operating at a minimum control efficiency of 98%.

11. Air Management Unit Fuel Limit

The Air Management Unit (AMU) shall exclusively burn propane.

12. Air Management Unit Daily Operational Limit

The operation of the Air Management Unit (AMU) shall not exceed eight (8) hours per day.

Monitoring and Recordkeeping Requirements

13. Usage Records

To demonstrate compliance with the thinner, primer, solvent and coating and solvent use permit condition; the permittee shall monitor and record daily, in gallons, the usage of all thinner, primer, solvent and coating used in the metal parts and products coating process. Monthly usage of thinner, primer, solvent and coating shall be determined by summing daily usages over the previous month. Annual usage of thinner, primer, solvent and coating shall be determined by summing monthly usages over each previous consecutive 12-month period.

14. Material Purchase Records and Material Data Safety Sheets

For each thinner, primer, solvent and coating used in the metal parts and products coating processes, the permittee shall record and maintain the following records:

- Material purchase records
- Material Safety Data Sheets (MSDS)

15. Hours of Operation Monitoring

To demonstrate compliance with the hourly operations limit of the AMU, the permittee shall monitor and record daily operation, in hours of the AMU.

16. Visible Emissions Monitoring

The permittee shall monitor and record visible emissions from the spray booth filter system **once per day** when operating (for any day that a coating operation is performed in the paint spray booth) to demonstrate compliance with the opacity permit condition. The inspection shall consist of a see/no see evaluation for the paint spray booth exhaust system. If any visible emissions are present from the paint spray booth exhaust system, the permittee shall either take appropriate corrective action as expeditiously as practicable, or perform a Method 9 opacity test in accordance with the procedures outlined in IDAPA 58.01.01.625. A minimum of 30 observations shall be recorded when conducting the opacity test. If opacity is greater than 20% for a period or periods aggregating more than three minutes in any 60-minute period, the permittee shall take all necessary corrective action and report the exceedance in accordance with IDAPA 58.01.01.130-136.

The permittee shall maintain records of the results of each visible emissions inspection and each opacity test when conducted. The records shall include, at a minimum, the date and results of each inspection and opacity test and a description of the following: the permittee's assessment of the conditions existing at the time visible emissions are present (if observed), any corrective action taken in response to the visible emissions, and the date corrective action was taken.

17. Odor Complaints

The permittee shall maintain records of all odor complaints received to demonstrate compliance with IDAPA 58.01.01.776.01. The permittee shall take appropriate corrective action as expeditiously as practicable. The records shall include, at a minimum, the date each complaint was received and a description of the following: the complaint, the permittee's assessment of the validity of the complaint, any corrective action taken, and the date the corrective action was taken.

18. Recordkeeping

The permittee shall comply with the requirements of the recordkeeping General Provision.

FABRICATION OPERATIONS

19. Process Description

Steel is purchased and welding is performed using electric arc welding techniques. REM implements the use of three (3) different types of electrode. These include ER5154, which is used on a very limited basis on aluminum. The vast majority of welding implements the use of an E71T and E70S in a two to one ratio. REM's electrode selection is dictated by the welding applications and equipment.

Four (4) separate systems for particulate control from the welding operations are available at REM. Each system is designed with an air handler unit designed to draw ambient air from the indoor welding facilities and force it through a fabric or media filter in order to remove particulate materials. The PM control efficiency of these controls is expected to be highly variable. The equipment manufactured by REM is sometimes large and irregularly shaped, and actual welding operations may not take place in close proximity to the control device intake. Additionally, REM plans to use the devices on an "as needed" basis depending on the quantity of welding taking place. For these reasons, no reductions in particulate emissions were applied to the emissions estimates above. The welding emissions controls will be operated primarily to ensure the health and safety of REM's employees, and to prevent occurrences of visible welding fume emissions from the building.

20. Emission Controls Description

Table 4 FABRICATION OPERATIONS DESCRIPTION

Emissions Units / Processes	Emission Control Devices	Emission Points
Welding Operations	None	Welding Electrodes

Operating Requirements

21. Welding Rod Use Limit

The welding rod used in the welding process shall not exceed the following limits in any consecutive 12-calendar month period:

- 500 lb/yr of ER5154
- 23,667 lb/yr of E70S
- 47,333 lb/yr of E71T

Monitoring and Recordkeeping Requirements

22. Welding Rod Usage Records

To demonstrate compliance with the welding rod use limit permit condition, the permittee shall monitor and record monthly, in pounds, the usage of all welding rods used in the welding process.

PERMIT TO CONSTRUCT GENERAL PROVISIONS

General Compliance

23. The permittee has a continuing duty to comply with all terms and conditions of this permit. All emissions authorized herein shall be consistent with the terms and conditions of this permit and the Rules for the Control of Air Pollution in Idaho. The emissions of any pollutant in excess of the limitations specified herein, or noncompliance with any other condition or limitation contained in this permit, shall constitute a violation of this permit and the Rules for the Control of Air Pollution in Idaho, and the Environmental Protection and Health Act, Idaho Code §39-101, et seq.
- [Idaho Code §39-101, et seq.]**
24. The permittee shall at all times (except as provided in the Rules for the Control of Air Pollution in Idaho) maintain in good working order and operate as efficiently as practicable, all treatment or control facilities or systems installed or used to achieve compliance with the terms and conditions of this permit and other applicable Idaho laws for the control of air pollution.
- [IDAPA 58.01.01.211, 5/1/94]**
25. Nothing in this permit is intended to relieve or exempt the permittee from the responsibility to comply with all applicable local, state, or federal statutes, rules and regulations.
- [IDAPA 58.01.01.212.01, 5/1/94]**

Inspection and Entry

26. Upon presentation of credentials, the permittee shall allow DEQ or an authorized representative of DEQ to do the following:
- Enter upon the permittee's premises where an emissions source is located or emissions related activity is conducted, or where records are kept under conditions of this permit;
 - Have access to and copy, at reasonable times, any records that are kept under the conditions of this permit;
 - Inspect at reasonable times any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under this permit; and
 - As authorized by the Idaho Environmental Protection and Health Act, sample or monitor, at reasonable times, substances or parameters for the purpose of determining or ensuring compliance with this permit or applicable requirements.
- [Idaho Code §39-108]**

Construction and Operation Notification

27. The permittee shall furnish DEQ written notifications as follows in accordance with IDAPA 58.01.01.211:
- A notification of the date of initiation of construction, within five working days after occurrence;
 - A notification of the date of any suspension of construction, if such suspension lasts for one year or more;
 - A notification of the anticipated date of initial start-up of the stationary source or facility not more than sixty days or less than thirty days prior to such date;
 - A notification of the actual date of initial start-up of the stationary source or facility within fifteen days after such date; and

- A notification of the initial date of achieving the maximum production rate, within five working days after occurrence - production rate and date.

[IDAPA 58.01.01.211, 5/1/94]

Performance Testing

28. If performance testing (air emissions source test) is required by this permit, the permittee shall provide notice of intent to test to DEQ at least 15 days prior to the scheduled test date or shorter time period as approved by DEQ. DEQ, at its option, may have an observer present at any emissions tests conducted on a source. DEQ requests that such testing not be performed on weekends or state holidays.
29. All performance testing shall be conducted in accordance with the procedures in IDAPA 58.01.01.157. Without prior DEQ approval, any alternative testing is conducted solely at the permittee's risk. If the permittee fails to obtain prior written approval by DEQ for any testing deviations, DEQ may determine that the testing does not satisfy the testing requirements. Therefore, at least 30 days prior to conducting any performance test, the permittee is encouraged to submit a performance test protocol to DEQ for approval. The written protocol shall include a description of the test method(s) to be used, an explanation of any or unusual circumstances regarding the proposed test, and the proposed test schedule for conducting and reporting the test.
30. Within 30 days following the date in which a performance test required by this permit is concluded, the permittee shall submit to DEQ a performance test report. The written report shall include a description of the process, identification of the test method(s) used, equipment used, all process operating data collected during the test period, and test results, as well as raw test data and associated documentation, including any approved test protocol.

[IDAPA 58.01.01.157, 4/5/00]

Monitoring and Recordkeeping

31. The permittee shall maintain sufficient records to ensure compliance with all of the terms and conditions of this permit. Records of monitoring information shall include, but not be limited to the following: (a) the date, place, and times of sampling or measurements; (b) the date analyses were performed; (c) the company or entity that performed the analyses; (d) the analytical techniques or methods used; (e) the results of such analyses; and (f) the operating conditions existing at the time of sampling or measurement. All monitoring records and support information shall be retained for a period of at least five years from the date of the monitoring sample, measurement, report, or application. Supporting information includes, but is not limited to, all calibration and maintenance records and all original strip-chart recordings for continuous monitoring instrumentation and copies of all reports required by this permit. All records required to be maintained by this permit shall be made available in either hard copy or electronic format to DEQ representatives upon request.

[IDAPA 58.01.01.211, 5/1/94]

Excess Emissions

32. The permittee shall comply with the procedures and requirements of IDAPA 58.01.01.130-136 for excess emissions due to startup, shutdown, scheduled maintenance, safety measures, upsets and breakdowns.

[IDAPA 58.01.01.130-136, 4/5/00]

Certification

33. All documents submitted to DEQ, including, but not limited to, records, monitoring data, supporting information, requests for confidential treatment, testing reports, or compliance certification shall contain a certification by a responsible official. The certification shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the document(s) are true, accurate, and complete.

[IDAPA 58.01.01.123, 5/1/94]

False Statements

34. No person shall knowingly make any false statement, representation, or certification in any form, notice, or report required under this permit, or any applicable rule or order in force pursuant thereto.
[IDAPA 58.01.01.125, 3/23/98]

Tampering

35. No person shall knowingly render inaccurate any monitoring device or method required under this permit or any applicable rule or order in force pursuant thereto.
[IDAPA 58.01.01.126, 3/23/98]

Transferability

36. This permit is transferable in accordance with procedures listed in IDAPA 58.01.01.209.06.
[IDAPA 58.01.01.209.06, 4/11/06]

Severability

37. The provisions of this permit are severable, and if any provision of this permit to any circumstance is held invalid, the application of such provision to other circumstances, and the remainder of this permit, shall not be affected thereby.
[IDAPA 58.01.01.211, 5/1/94]