

STATE OF MISSISSIPPI AIR POLLUTION CONTROL PERMIT

TO CONSTRUCT AIR EMISSIONS EQUIPMENT

THIS CERTIFIES THAT

Mississippi Railcar LLC
4115 Highway 19 South
Meridian, Mississippi
Lauderdale County

has been granted permission to construct air emissions equipment to comply with the emission limitations, monitoring requirements and other conditions set forth herein. This permit is issued in accordance with the provisions of the Mississippi Air and Water Pollution Control Law (Section 49-17-1 et. seq., Mississippi Code of 1972), and the regulations and standards adopted and promulgated thereunder.

MISSISSIPPI ENVIRONMENTAL QUALITY PERMIT BOARD

AUTHORIZED SIGNATURE

MISSISSIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY

Issued: XXXXX

Permit No.: 1460-00130

Draft/Proposed

SECTION 1

A. GENERAL CONDITIONS

1. This permit is for air pollution control purposes only. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.1.D.)
2. Any activities not identified in the application are not authorized by this permit. (Ref.: Miss. Code Ann. 49-17-29 1.b)
3. The knowing submittal of a permit application with false information may serve as the basis for the Permit Board to void the permit issued pursuant thereto or subject the applicant to penalties for operating without a valid permit pursuant to State Law. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(5).)
4. It is the responsibility of the applicant/permittee to obtain all other approvals, permits, clearances, easements, agreements, etc., which may be required including, but not limited to, all required local government zoning approvals or permits. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.1.D(6).)
5. The issuance of a permit does not release the permittee from liability for constructing or operating air emissions equipment in violation of any applicable statute, rule, or regulation of state or federal environmental authorities. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(7).)
6. It shall not be a defense for a 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 the permit, unless halting or reducing activity would create an imminent and substantial endangerment threatening the public health and safety of the lives and property of the people of this state. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(15)(a).)
7. The permit and/or any part thereof may be modified, revoked, reopened, and reissued, or terminated for cause. Sufficient cause for a permit to be reopened shall exist when an air emissions stationary source becomes subject to Title V. The filing of a request by the permittee for a permit modification, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not stay any permit condition. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(15)(b).)
8. The permit does not convey any property rights of any sort, or any exclusive privilege. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(15)(c).)
9. The permittee shall furnish to the DEQ within a reasonable time any information the DEQ may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating the permit or to determine compliance with the permit. Upon request, the permittee shall also furnish to the DEQ copies of records required to be kept by the permit or, for information claimed to be confidential, the permittee shall furnish such records to the DEQ along with a claim of confidentiality. The permittee may furnish such

records directly to the Administrator along with a claim of confidentiality. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(15)(d).)

10. Design and Construction Requirements: The stationary source shall be designed and constructed so as to operate without causing a violation of an Applicable Rules and Regulations, without interfering with the attainment and maintenance of State and National Ambient Air Quality Standards, and such that the emission of air toxics does not result in an ambient concentration sufficient to adversely affect human health and well-being or unreasonably and adversely affect plant or animal life beyond the stationary source boundaries. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.A.)
11. Solids Removal: The necessary facilities shall be constructed so that solids removed in the course of control of air emissions may be disposed of in a manner such as to prevent the solids from becoming windborne and to prevent the materials from entering State waters without the proper environmental permits. (Ref.: Miss. Code Ann. 49-17-29)
12. Diversion and Bypass of Air Pollution Controls: The air pollution control facilities shall be constructed such that diversion from or bypass of collection and control facilities is not needed except as provided for in 11 Miss. Admin. Code Pt. 2, R. 1.10., "Air Emission Regulations for the Prevention, Abatement, and Control of Air Contaminants." (Ref.: 11 Miss. Admin. Code Pt. 2, R. 1.10.)
13. Fugitive Dust Emissions from Construction Activities: The construction of the stationary source shall be performed in such a manner so as to reduce fugitive dust emissions from construction activities to a minimum. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.A(4).)
14. Right of Entry: The permittee shall allow the Mississippi Department of Environmental Quality Office of Pollution Control and the Mississippi Environmental Quality Permit Board and/or their representatives upon presentation of credentials:
 - a) To enter upon the permittee's premises where an air emission source is located or in which any records are required to be kept under the terms and conditions of this permit; and
 - b) At reasonable times to have access to and copy any records required to be kept under the terms and conditions of this permit; to inspect any monitoring equipment or monitoring method required in this permit; and to sample any air emissions. (Ref.: Miss. Code Ann. 49-17-21)
15. Permit Modification or Revocation: After notice and opportunity for a hearing, the Permit Board may modify the permit or revoke it in whole or in part for good cause shown including, but not limited to:
 - a) Persistent violation of any of the terms or conditions of this permit;

- b) Obtaining this permit by misrepresentation or failure to disclose fully all relevant facts;
or
- c) A change in federal, state, or local laws or regulations that require either a temporary or permanent reduction or elimination of previously authorized air emission.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.C.)

16. Public Record and Confidential Information: Except for data determined to be confidential under the Mississippi Air & Water Pollution Control Law, all reports prepared in accordance with the terms of this permit shall be available for public inspection at the offices of the Mississippi Department of Environmental Quality, Office of Pollution Control. (Ref.: Miss. Code Ann. 49-17-39)
17. Permit Transfer: This permit shall not be transferred except upon approval of the Permit Board. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.16.B)
18. Severability: The provisions of this permit are severable. If any provision of the permit, or the application of any provision of the permit to any circumstances, is challenged or held invalid, the validity of the remaining permit provisions and/or portions thereof or their application to other persons or sets of circumstances, shall not be affected thereby. (Ref. 11 Miss. Admin. Code Pt. 2, R. 2.1.D(7).)
19. Permit Expiration: The permit to construct will expire if construction does not begin within eighteen (18) months from the date of issuance or if construction is suspended for eighteen (18) months or more. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.C(1).)
20. Certification of Construction: A new stationary source issued a Permit to Construct cannot begin operation until certification of construction by the permittee. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.D(3).)
21. Beginning Operation: Except as prohibited in Section 1, Condition 24 of this permit, after certification of construction by the permittee, the Permit to Construct shall be deemed to satisfy the requirement for a permit to operate until the date the application for issuance or modification of the Title V Permit or the application for issuance or modification of the State Permit to Operate, whichever is applicable, is due. This provision is not applicable to a source excluded from the requirement for a permit to operate as provided by 11 Miss. Admin. Code Pt. 2, R. 2.13.G. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.D(4).)
22. Application for a Permit to Operate: Except as otherwise specified in Section 1, Condition 24 of this permit, the application for issuance or modification of the State Permit to Operate or the Title V Permit, whichever is applicable, is due twelve (12) months after beginning operation or such earlier date or time as specified in the Permit to Construct. The Permit Board may specify an earlier date or time for submittal of the application. Beginning operation will be assumed to occur upon certification of construction, unless the permittee specifies differently in writing. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.D(5).)

23. Operating Under a Permit to Construct: Except as otherwise specified in Section 1, Condition 24 of this permit, upon submittal of a timely and complete application for issuance or modification of a State Permit to Operate or a Title V Permit, whichever is applicable, the applicant may continue to operate under the terms and conditions of the Permit to Construct and in compliance with the submitted application until the Permit Board issues, modifies, or denies the Permit to Operate. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.D(6).)
24. Application Requirements for a Permit to Operate for Moderate Modifications: For moderate modifications that require contemporaneous enforceable emissions reductions from more than one emission point in order to “net” out of PSD/NSR, the applicable Title V Permit to Operate or State Permit to Operate must be modified prior to beginning operation of the modified facilities. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.D(7).)
25. General Duty: All air emission equipment shall be operated as efficiently as possible to provide the maximum reduction of air contaminants. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(10).)
26. Deviation Reporting: Except as otherwise specified herein, the permittee shall report all deviations from permit requirements, including those attributable to upsets, the probable cause of such deviations, and any corrective actions or preventive measures taken. Said report shall be made within five (5) working days of the time the deviation began. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(10).)
27. Compliance Testing: Regarding compliance testing:
- a) The results of any emissions sampling and analysis shall be expressed both in units consistent with the standards set forth in any Applicable Rules and Regulations or this permit and in units of mass per time.
 - b) Compliance testing will be performed at the expense of the permittee.
 - c) Each emission sampling and analysis report shall include but not be limited to the following:
 - (1) detailed description of testing procedures;
 - (2) sample calculation(s);
 - (3) results; and
 - (4) comparison of results to all Applicable Rules and Regulations and to emission limitations in the permit.
- (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.6.B(3), (4), and (6).)

B. GENERAL NOTIFICATION REQUIREMENTS

1. Within fifteen (15) days of beginning actual construction, the permittee must notify DEQ in writing that construction has begun. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.C(2).)
2. The permittee must notify DEQ in writing when construction does not begin within eighteen (18) months of issuance or if construction is suspended for eighteen (18) months or more. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.C(3).)
3. Upon the completion of construction or installation of an approved stationary source or modification, and prior to commencing operation, the applicant shall notify the Permit Board that construction or installation was performed in accordance with the approved plans and specifications on file with the Permit Board. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.D(1) and (3).)
4. The Permit Board shall be promptly notified in writing of any change in construction from the previously approved plans and specifications or permit. If the Permit Board determines the changes are substantial, it may require the submission of a new application to construct with “as built” plans and specifications. Notwithstanding any provision herein to the contrary, the acceptance of an “as built” application shall not constitute a waiver of the right to seek compliance penalties pursuant to State Law. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.D(2).)

**SECTION 2
EMISSION POINT DESCRIPTION**

The permittee is authorized to construct and operate, upon certification of construction, air emissions equipment, as described in the following table.

Emission Point	Description
AA-000	Entire Rail Car Repair Facility
AA-100	Line #1 Rail Car Repair Operations
AA-101a	Abrasive Blasting Booth #1 – particulate emissions from this unit are captured and controlled using an abrasive recovery system and dust collector. This booth has only one (1) spray nozzle.
AA-101b	Abrasive Blasting Booth #2 – particulate emissions from this unit are captured and controlled using an abrasive recovery system and dust collector. This booth has only one (1) spray nozzle.
AA-102	Rail Car Spray Painting Booth #1 - emissions from this unit are controlled via exhaust fans which route particulate matter through a dry filter.
AA-103	Rail Car Interior Lining Booth #1 – emissions from this unit are controlled via exhaust fans which route particulate matter through a dry filter.
AA-200	Line #2 Rail Car Repair Operations
AA-201a	Abrasive Blasting Booth #3 – particulate emissions from this unit are captured and controlled using an abrasive recovery system and dust collector. This booth has two (2) spray nozzles.
AA-201b	Abrasive Blasting Booth #4 – particulate emissions from this unit are captured and controlled using an abrasive recovery system and dust collector. This booth has two (2) spray nozzles.
AA-202a	Rail Car Spray Painting Booth #2 - emissions from this unit are controlled via exhaust fans which route particulate matter through a dry filter.
AA-202b	Rail Car Spray Painting Booth #3 - emissions from this unit are controlled via exhaust fans which route particulate matter through a dry filter.
AA-203a	Rail Car Interior Lining Booth #2 and #3 - emissions from this unit are controlled via exhaust fans which route particulate matter through a dry filter.
AA-203b	Rail Car Interior Lining Booth #4 and #5 - emissions from this unit are controlled via exhaust fans which route particulate matter through a dry filter.
AA-300	Facility-Wide Welding Operations – consists of 23 MIG welding stations and 12 stick welding stations
AA-400	Facility-Wide External Combustion Equipment – including, but not limited to, process heaters, space heaters, air handlers, etc.

**SECTION 3
EMISSION LIMITATIONS AND STANDARDS**

Emission Point	Applicable Requirement	Condition Number(s)	Pollutant/Parameter	Limitation/Standard
AA-000	11 Miss. Admin. Code Pt. 2, R. 1.3.A.	3.1	Opacity	Facility-wide opacity limitations
	11 Miss. Admin. Code Pt. 2, R. 1.3.B.	3.2		
AA-102 AA-103 AA-202a AA-202b AA-203a AA-203b	11 Miss. Admin. Code Pt. 2, R. 2.2.B(10).	3.3	VOC	90.0 tpy
		3.4	HAPs	9.0 tpy for any individual HAP 24.0 tpy for all combined HAPs
AA-400	11 Miss. Admin. Code Pt. 2, R. 1.3.D(1)(a).	3.5	PM <i>(filterable only)</i>	0.6 lbs/MMBTU/hr

- 3.1 Except as otherwise specified or limited herein, the permittee shall not cause, permit, or allow the emission of smoke from a point source into the open air from any manufacturing, industrial, commercial or waste disposal process which exceeds forty (40) percent opacity. Startup operations may produce emissions which exceed 40% opacity for up to fifteen (15) minutes per startup in any one hour and not to exceed three (3) startups per stack in any twenty-four (24) hour period. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 1.3.A.)
- 3.2 Except as otherwise specified or limited herein, the permittee shall not cause, allow, or permit the discharge into the ambient air from any point source or emissions, any air contaminant of such opacity as to obscure an observer's view to a degree in excess of 40% opacity, equivalent to that provided in Condition 3.1. This shall not apply to vision obscuration caused by uncombined water droplets. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 1.3.B.)
- 3.3 For Emission Points AA-102, AA-103, AA-202a, AA-202b, AA-203a, and AA-203b, the permittee shall limit the combined emissions of Volatile Organic Compounds (VOC) from all of the listed emission points to no more than 90.0 tons per year (tpy) for each consecutive 12-month period on a rolling basis. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(10).)
- 3.4 For Emission Points AA-102, AA-103, AA-202a, AA-202b, AA-203a, and AA-203b, the permittee shall limit the emissions of any individual hazardous air pollutant (HAP) from all of the listed emission points to no more than 9.0 tpy for each consecutive 12-month period on a rolling basis. The permittee shall limit the emissions of all combined HAPs from all of the listed emission points to no more than 24.0 tpy for each consecutive 12-month period on a rolling basis. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(10).)

- 3.5 For Emission Point AA-400, the maximum permissible emission of ash and/or particulate matter from each fossil fuel burning installation of less than 10 million BTU per hour heat input shall not exceed 0.6 pounds per million BTU per hour heat input. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 1.3.D(1)(a).)

**SECTION 4
WORK PRACTICES**

Emission Point	Applicable Requirement	Condition Number(s)	Pollutant/Parameter	Work Practice
AA-000	11 Miss. Admin. Code Pt. 2, R. 2.2.B(10).	4.1	---	<ul style="list-style-type: none">• Operate associated control equipment at all times during operation• Perform monthly inspections to ensure optimal performance

4.1 For the entire facility (AA-000), in order to minimize the emissions of airborne pollutants, the permittee shall operate all emissions control equipment at all times during operation. Furthermore, the permittee shall perform monthly inspections of all associated control equipment to ensure that the equipment is functioning optimally. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(10).)

**SECTION 5
MONITORING AND RECORDKEEPING REQUIREMENTS**

Emission Point	Applicable Requirement	Condition Number(s)	Pollutant/Parameter	Monitoring/Recordkeeping Requirement
AA-000	11 Miss. Admin. Code Pt. 2, R. 2.9.	5.1	Recordkeeping	Maintain records for a minimum of 5 years
AA-102 AA-103 AA-202a AA-202b AA-203a AA-203b	11 Miss. Admin. Code Pt. 2, R. 2.2.B(11).	5.2	VOC HAPs	Monitor and maintain monthly records of all VOC/HAP containing materials

5.1 The permittee shall retain all required records, monitoring data, supporting information and reports for a period of at least five (5) years from the date of the monitoring sample, measurement, report, or application. Support information includes all calibration and maintenance records, all original strip-chart recordings or other data for continuous monitoring instrumentation, and copies of all reports required by this permit. Copies of such records shall be submitted to MDEQ as required by Applicable Rules and Regulations or this permit upon request. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.9.)

5.1 For Emission Points AA-102, AA-103, AA-202a, AA-202b, AA-203a, and AA-203b, in order to demonstrate compliance with Conditions 3.3 and 3.4, the permittee shall monitor and record the following for each coating, adhesive, solvent, or other VOC and/or HAP containing material used:

- (a) The identification of each coating, adhesive, solvent, or other VOC/HAP containing material used and the total number of gallons of each coating, adhesive, solvent, or other VOC/HAP containing material was used on a monthly basis and in each consecutive 12-month period on a rolling basis;
- (b) The VOC/HAP content (in weight percent) of each coating, adhesive, solvent, or other VOC/HAP containing material. A description of the method used to determine the VOC/HAP content shall accompany this data;
- (c) The density (in lb/gal) of each coating, adhesive, solvent, or other VOC/HAP containing material used; and
- (d) The total VOC emission rate in tons per year for each consecutive 12-month period on a rolling basis.
- (e) The HAP emission rate of each individual HAP and all combined HAPs in tons per year for each consecutive 12-month period on a rolling basis.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(11).)

**SECTION 6
REPORTING REQUIREMENTS**

Emission Point	Applicable Requirement	Condition Number(s)	Reporting Requirement
AA-000	11 Miss. Admin. Code Pt. 2, R. 2.2.B(11).	6.1	Report permit deviations within five (5) working days.
		6.2	Submit certified annual monitoring report.
		6.3	All documents submitted to MDEQ shall be certified by a Responsible Official.

- 6.1 Except as otherwise specified herein, the permittee shall report all deviations from permit requirements, including those attributable to upsets, the probable cause of such deviations, and any corrective actions or preventive measures taken. Said report shall be made within five (5) working days of the time the deviation began. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(11).)
- 6.2 Except as otherwise specified herein, the permittee shall submit a certified annual monitoring report postmarked no later than 31st of January for the preceding calendar year. This report shall address any required monitoring specified in the permit, specifically the monitoring required by Condition 5.2. This report shall contain sufficient detail as to demonstrate whether or not compliance has been maintained with the emissions limitations outlined in Section 3 of this permit. Furthermore, this report shall include a summary of the monthly inspections required by Condition 4.1.
- All instances of deviations from permit requirements must be clearly identified in the report. Where no monitoring data is required to be reported and/or there are no deviations to report, the report shall contain the appropriate negative declaration. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(11).)
- 6.3 Any document required by this permit to be submitted to the MDEQ shall contain a certification signed by a responsible official stating that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate and complete. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(11).)