STATE OF MISSISSIPPI AIR POLLUTION CONTROL PERMIT

TO CONSTRUCT AIR EMISSIONS EQUIPMENT

THIS CERTIFIES THAT

Masonite Corporation 1001 South 4th Avenue Laurel, Mississippi Jones 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 MISSI\$SIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY

 Issued: January 14, 2009
 Permit No.: 1360-00028

 Modified: June 25, 2009, January 11, 2010, and
 DEC 0 2 2010

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A. GENERAL CONDITIONS

- 1. This permit is for air pollution control purposes only. (Ref.: APC-S-2, Section I.D)
- 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.: APC-S-2, Section II.B.5)
- 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.: APC-S-2, Section I.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.: APC-S-2, Section II.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.: APC-S-2, Section II.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.: APC-S-2, Section II.B.15(b))

- 8. The permit does not convey any property rights of any sort, or any exclusive privilege. (Ref.: APC-S-2, Section II.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.: APC-S-2, Section II.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.: APC-S-2, Section V.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 Regulation APC-S-1, "Air Emission Regulations for the Prevention, Abatement, and Control of Air Contaminants", Section 10 or as provided in the DEQ approved Startup, Shutdown, and Malfunction (SMM) Plan pursuant to 40 CFR Part 63. (Ref.: APC-S-1, Section 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.: APC-S-2, Section

V.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.: APC-S-2, Section II.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.: APC-S-2, Section XVI.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. APC-S-2, Section I.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.: APC-S-2, Section V.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.: APC-S-2, Section V.D.3)
- 21. Beginning Operation: Except as prohibited in Part I, 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 APC-S-2, Section XIII.G. (Ref.: APC-S-2, Section V.D.4)
- 22. Application for a Permit to Operate: Except as otherwise specified in Part I, 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.: APC-S-2, Section V.D.5)
- 23. Operating Under a Permit to Construct: Except as otherwise specified in Part I, 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.: APC-S-2, Section V.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.: APC-S-2, Section V.D.7)
- 25. 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.: APC-S-2, Section VI.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.: APC-S-2, Section V.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.: APC-S-2, Section V.C.3)

- 3. Upon the completion of construction or installation of an approved stationary source or modification, 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.: APC-S-2, Section V.D.1)
- 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.: APC-S-2, Section V.D.2)

EMISSION LIMITATIONS AND MONITORING REQUIREMENTS

Beginning January 14, 2009, the permittee is authorized to construct air emissions equipment and emit air contaminants from Emission Point BS-001, a Scheuch SABA Bioscrubber.

Such emissions shall be limited by the permittee as specified below:

EMISSIONS LIMITATIONS

Particulate Matter	49.7 lbs/hr and 200.8 tons/year, as determined by EPA Test Methods 1-5, 40 CFR 60, Appendix A.
PM_{10}	49.7 lbs/hr and 200.8 tons/year as determined by EPA Test Methods 1-5, 40 CFR 60, Appendix A.
Volatile Organic Compounds	58.1 lbs/hr and 218.8 tons/year, as determined by EPA Test Method 25, 40 CFR 60, Appendix A.
Nitrogen Oxides	50.0 lbs/hr and 219.0 tons/year, as determined by EPA Test Method 7, 40 CFR 60, Appendix A.
Opacity	40% as determined by EPA Test Method 9, 40 CFR 60, Appendix A.

All test methods specified above shall be those versions, or their approved equivalents, which are in effect January 14, 2009.

NESHAP 40 CFR PART 63

The permittee is subject to 40 CFR 63, Subpart DDDD – National Emission Standards for Hazardous Air Pollutants: Plywood and Composite Wood Products.

EMISSION LIMITATIONS AND MONITORING REQUIREMENTS

Beginning June 25, 2009, the permittee is authorized to construct air emissions equipment and emit air contaminants from BS-002, Energy Plant with by-pass stack using an electrostatic precipitator for control of particulate matter.

Such emissions shall be limited by the permittee as specified below:

EMISSIONS LIMITATIONS

Opacity

40% as determined by EPA Test Method 9, 40 CFR 60, Appendix A.

OPERATIONAL LIMITATIONS

- 1. For Emission Points BB-001, BB-003, and BB-004, the permittee shall comply with all applicable limitations and requirements contained in the Title V Permit to Operate Ref. No. 1360-00028, issued September 30, 2008, through such time as the permittee certifies construction of the Energy Plant, BS-002.
- 2. The permittee shall remove from service one (1) of the three existing Boilers (BB-003, or BB-004) prior to initial start-up of the Energy Plant (BS-002).
- 3. The permittee shall not operate the by-pass stack associated with emission point BS-002 unless the associated emission control equipment is operating unless covered by a DEQ approved Startup, Shutdown, and Malfuntion (SSM) Plan pursuant to 40 CFR Part 63..
- 4. If required to achieve NOx emissions below the limits specified for the Bioscrubber, Emission Point BS-001, the permittee shall install Selective non-catalytic reduction (SNCR) unit on Energy Plant, BS-002.
- After certification of construction of BS-002, Energy Plant, and until certification of construction of BS-001, Bioscrubber, Energy Plant emissions that exhaust from AB-001, AB-002, AC-001, AC-002, AI-001 and/or AI-002, shall comply with emissions limitations for PM, PM10, Volatile Organic Compounds, Nitrogen Oxides, and Opacity applicable to BS-001.
- 6. Wood fuel is restricted to uncontaminated wood (all forms and species), wood fiber (including wood fiber from pollution control devices and waste water treatment units), and bark. All wood products manufactured at the Masonite, Laurel facility may be utilized as fuel in the wood fired heater.

NESHAP 40 CFR PART 63

The permittee is subject to 40 CFR 63, Subpart DDDD – National Emission Standards for Hazardous Air Pollutants: Plywood and Composite Wood Products.

All test methods specified above shall be those versions, or their approved equivalents, which are in effect June 25, 2009.

EMISSION LIMITATIONS AND MONITORING REQUIREMENTS

Beginning January 14, 2009, the permittee is authorized to construct air emissions equipment and emit air contaminants from the following emission points:

Emission Point	Description
AB-001	Line $1 - 1^{st}$ stage Dryer will exhaust to the bio-scrubber, BS-001.
AB-002	Line $1 - 2^{nd}$ stage Dryer will exhaust to be recycled to AB-001 inlet.
AB-007	Line 1 – Press exhaust to bio-scrubber, BS-001.
AC-001	Line $2 - 1^{st}$ stage Dryer will exhaust to the bio-scrubber, BS-001.
AC-002	Line $2 - 2^{nd}$ stage Dryer will exhaust to be recycled to AC-001 inlet.
AC-007	Line 2 – Press exhaust to bio-scrubber, BS-001.
AI-001	Line $3 - 1^{st}$ stage Dryer will exhaust to the bio-scrubber, BS-001.
AI-002	Line $3 - 2^{nd}$ stage Dryer will exhaust to be recycled to AI-001 inlet.
AI-005	Line 3 – Press exhaust to bio-scrubber, BS-001.

OPERATIONAL LIMITATION

For Emission Points AB-001, AB-002, AB-007, AC-001, AC-002, AC-007, AI-001, AI-002, AI-005, upon certification of construction, all emissions shall be discharged through the bioscrubber, BS-001, except in accordance with the MDEQ approved SSM Plan.

NESHAP 40 CFR PART 63

The permittee is subject to 40 CFR 63, Subpart DDDD – National Emission Standards for Hazardous Air Pollutants: Plywood and Composite Wood Products.

EMISSION LIMITATIONS AND MONITORING REQUIREMENTS

Beginning January 14, 2009, the permittee is authorized to construct air emissions equipment and emit air contaminants from Emission Point BS-003, the Energy Plant Dust System.

Such emissions shall be limited by the permittee as specified below:

EMISSIONS LIMITATIONS

Particulate Matter	3.0 lbs/hr and 13.0 tons/year, as determined by EPA Test Methods 1-5, 40 CFR 60, Appendix A.
PM ₁₀	3.0 lbs/hr and 13.0 tons/year tons/year, as determined by EPA Test Method 201 or 201A in conjunction with Test Method 202, 40 CFR 51, Appendix M.
Opacity	40% as determined by EPA Test Method 9, 40 CFR 60, Appendix A.

All test methods specified above shall be those versions, or their approved equivalents, which are in effect January 14, 2009.

EMISSION LIMITATIONS AND MONITORING REQUIREMENTS

Beginning January 11, 2010, the permittee is authorized to construct air emissions equipment and emit air contaminants from Emission Point BS-004, the Ash Bag House.

Such emissions shall be limited by the permittee as specified below:

EMISSIONS LIMITATIONSParticulate Matter0.4 lbs/hr and 1.8 tons/year, as determined
by EPA Test Methods 1-5, 40 CFR 60,
Appendix A.PM100.4 lbs/hr and 1.8 tons/year tons/year, as
determined by EPA Test Method 201 or
201A in conjunction with Test Method 202,
40 CFR 51, Appendix M.Opacity40% as determined by EPA Test Method 9,

All test methods specified above shall be those versions, or their approved equivalents, which are in effect January 11, 2010.

40 CFR 60, Appendix A.

Part III OTHER REQUIREMENTS

- 1. For emission points BS-001, the permittee shall demonstrate compliance with all PM, PM_{10} , and VOC, and NOx emission limitations by stack testing in accordance with the specified methods and the procedures outlined below:
 - a. The initial performance test shall be performed within 180 days after initial start-up of the permitted equipment.
 - b. A notification of intent to conduct the performance test must be submitted to the Office of Pollution Control sixty (60) days prior to the scheduled test date.
 - c. A written test protocol must be submitted at least thirty (30) days prior to the intended test date(s) to ensure that all test methods and procedures are acceptable to the office of pollution control. If needed, the permittee may request a pretest conference to discuss the test methods and procedures. The pretest conference should be scheduled at least thirty (30) days prior to the test date.
 - d. A notification of the scheduled test date(s) should be submitted ten (10) days prior to the scheduled date(s) so that an observer may be afforded the opportunity to witness the test(s).
 - e. Testing must be performed at full operating capacity of the system unless otherwise approved in writing by the Department of Environmental Quality (Department).

In the event the Department approves testing at reduced capacity, the permittee shall notify Department in writing **no less than 30 days** prior to increasing the operating capacity and shall conduct follow-up testing within 90 days of the system achieving operations at full capacity. Reports shall be submitted in accordance with Condition III.1.g.

- f. The test must consist of three test runs of at least one(1) hour each.
- g. The performance test results must be submitted to the Office of Pollution Control (OPC) within 60 days following compliance demonstration test.
- h. Testing shall be performed on a biennial basis following the initial compliance demonstration subject to further determination.
- 2. For Emission Points BS-003 and BS-004, the permittee shall demonstrate compliance with all PM and PM_{10} , emission limitations through a one time stack test in accordance with the specified methods and the procedures outlined below:
 - a. The performance test shall be performed within 180 days after initial start-up of the permitted equipment.
 - b. A notification of intent to conduct the performance test must be submitted to the Office of Pollution Control sixty (60) days prior to the scheduled test date.

- c. A written test protocol must be submitted at least thirty (30) days prior to the intended test date(s) to ensure that all test methods and procedures are acceptable to the office of pollution control. If needed, the permittee may request a pretest conference to discuss the test methods and procedures. The pretest conference should be scheduled at least thirty (30) days prior to the test date.
- d. A notification of the scheduled test date(s) should be submitted ten (10) days prior to the scheduled date(s) so that an observer may be afforded the opportunity to witness the test(s)
- e. Testing must be performed at full operating capacity of the system unless otherwise approved in writing by the Department of Environmental Quality (Department).

In the event the Department approves testing at reduced capacity, the permittee shall notify Department in writing **no less than 30 days** prior to increasing the operating capacity and shall conduct follow-up testing within 90 days of the system achieving operations at full capacity. Reports shall be submitted in accordance with Condition III.2.g.

- f. The test must consist of three test runs of at least one(1) hour each.
- g. The performance test results must be submitted to the Office of Pollution Control (OPC) within 60 days following compliance demonstration test.
- 3. The permittee shall provide written notification to the Department certifying removal of one (1) boiler, in accordance with Part II.2 for Emission Point BS-002, as specified herein.
- 4. For Emission Points BS-003 and BS-004, the permittee shall conduct weekly inspections for visible emissions. If visible emissions are observed from the emission point (one-minute interval), the permittee shall conduct an observation in accordance with EPA Reference Method 9. The permittee shall maintain records of weekly visible emissions inspections and any VEEs that are performed in log book form. A summary report shall be submitted by January 31 and July 31for the preceding six month period.