STATE OF MISSISSIPPI AIR POLLUTION CONTROL PERMIT

TO CONSTRUCT AIR EMISSIONS EQUIPMENT

THIS CERTIFIES THAT

ADLAM Films LLC 62 County Road 520 Shannon, Mississippi Lee 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: DEC 2 1 2016 Permit No.: 1540-00136

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:
 - 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-003	One (1) 2.976 MMBtu/hr natural gas-fired Regenerative Thermal Oxidizer (RTO) controlling emissions from the two (2) Solvent-Based Press Dryers (AA-003a and AA-003b)
AA-003a	One (1) 1.2 MMBtu/hr natural gas-fired Solvent-Based Press Dryer 1 (P 3-5)
AA-003 _b	One (1) 1.2 MMBtu/hr natural gas-fired Solvent-Based Press Dryer 2 (P 3-5)

SECTION 3 EMISSION LIMITATIONS AND STANDARDS

Emission Point	Applicable Requirement	Condition Number(s)	Pollutant/ Parameter	Limitation/Standard
AA-003 (RTO Control)	11 Miss Admin. Code Pt. 2, R. 2.2.B(11).	3.1	Operational Ranges	Initial Stack Test for developing Operational Ranges
		3.2	VOC	VOC Destruction Efficiency ≥95%
		3.3	Temperature	Minimum Combustion Chamber Temperature
AA-003a and AA-003b (Solvent-Based Press Dryers)	11 Miss Admin. Code Pt. 2, R. 2.2.B(11).	3.4	Emissions Capture	Emissions from these units shall be routed to RTO at all times units are operating
AA-003 (RTO Control) and AA-003a and AA-003b (Solvent-Based Press Dryers)	(Ref.: 11 Miss. Admin. Code Pt. 2, R. 1.4.A(1).)	3.5	SO_2	4.8 lbs/MMBtu
	(Ref.: 11 Miss. Admin. Code Pt. 2, R. 1.3.D(1)(a).)	3.6	PM	0.6 lbs/MMBtu
	(Ref.: 11 Miss Admin. Code Pt. 2, R. 1.3.B.)	3.7	Opacity	<40%

- 3.1 For Emission Point AA-003 (Regenerative Thermal Oxidizer), the permittee shall perform an initial stack test for developing operational ranges. Operational ranges shall be derived from stack test data, vendor certification, operational history, and visual inspections, the combination of which demonstrates the proper operation of the equipment in compliance. (Ref.: 11 Miss Admin. Code Pt. 2, R. 2. 2.2.B(11).)
- 3.2 For Emission Point AA-003 (Regenerative Thermal Oxidizer), the permittee shall determine during the initial performance test a Destruction Efficiency for Volatile Organic Compounds (VOCs) equal to or greater than 95%. (Ref.: 11 Miss Admin. Code Pt. 2, R. 2.)

- 3.3 For Emission Point AA-003 (Regenerative Thermal Oxidizer), the permittee shall determine during the initial performance test a minimum combustion chamber temperature for determining the minimum Destruction Efficiency for VOCs as defined in Condition 3.2 for demonstrating compliance with the initial performance test required in Condition 3.1. (Ref.: 11 Miss Admin. Code Pt. 2, R. 2. 2.2.B(11).)
- 3.4 For Emission Points AA-003a and 003b (Solvent-Based Press Dryers), the emissions from these operations shall be routed to Emission Point AA-003 (RTO) at all times the units are operating. ((Ref.: 11 Miss Admin. Code Pt. 2, R. 2. 2.2.B(11).)
- 3.5 For Emission Points AA-003 (Regenerative Thermal Oxidizer), AA-003a and AA-003b (Solvent-Based Press Dryers) the maximum discharge of sulfur oxides from any fuel burning installation in which the fuel is burned primarily to produce heat or power by indirect heat transfer shall not exceed 4.8 pounds (measured as sulfur dioxide) per million BTU heat input. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 1.4.A(1).)
- 3.6 For Emission Points AA-003 (Regenerative Thermal Oxidizer), AA-003a and AA-003b (Solvent-Based Press Dryers) the maximum permissible emission of ash and/or particulate matter from fossil fuel burning installations 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).)
- 3.7 For Emission Points AA-003 (Regenerative Thermal Oxidizer) and, AA-003a and AA-003b (Solvent-Based Press Dryers), no person shall 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 Rule 1.3.A.(1). (Ref.: 11 Miss Admin. Code Pt. 2, R. 1.3.B.)

SECTION 4 MONITORING AND RECORDKEEPING REQUIREMENTS

Emission Point	Applicable Requirement	Condition Number(s)	Pollutant/ Parameter	Monitoring/Recordkeeping Requirement
AA-003 (RTO Control)	11 Miss Admin. Code Pt. 2, R. 2.2.B(11).	4.1	Performance Testing	Test Method 25/25A
		4.2	VOC Mass Emissions	Record Inlet and Outlet for Determining Destruction Efficiency
			Destruction Efficiency	Record utilizing the minimum combustion chamber Temperature
		4.3	Temperature	Continuously Record Combustion Chamber Temperature

- 4.1 For Emission Point AA-003 (Regenerative Thermal Oxidizer), the permittee shall utilize EPA Reference Method 25/25A or an approved equivalent during the performance test. The permittee shall measure the VOC emissions at the inlet and outlet of the add-on control simultaneously. (Ref.: 11 Miss Admin. Code Pt. 2, R. 2. 2.2.B(11).)
- 4.2 For Emission Point AA-003 (Regenerative Thermal Oxidizer), the permittee shall record the inlet and outlet mass emissions (lb/hr) during the performance test for determining the destruction efficiency. The permittee shall also record the destruction efficiency achieved utilizing the minimum combustion chamber Temperature. (Ref.: 11 Miss Admin. Code Pt. 2, R. 2. 2.2.B(11).)
- 4.3 For Emission Point AA-003 (Regenerative Thermal Oxidizer), the permittee shall continuously record the Combustion Chamber Temperature during operation. (Ref.: 11 Miss Admin. Code Pt. 2, R. 2. 2.2.B(11).)

SECTION 5 REPORTING REQUIREMENTS

Emission Point	Applicable Requirement	Condition Number	Pollutant/ Parameter	Reporting Requirement
AA-003 (RTO Control)	11 Miss Admin. Code Pt. 2, R. 2.2.B(11).	5.1	VOC Mass Emissions	Annual Reports providing the Inlet and Outlet Mass Emissions for Determining Destruction Efficiency
			Destruction Efficiency	
		5.2	Combustion Chamber Temperature	Annual Reports providing any exceedances of the Continuously Recorded Combustion Chamber Temperature
		5.3	Performance Test Protocol	Shall be submitted within 30 days prior to scheduled test
		5.4	Performance Test Results	Submitted within 60 days of Test
AA-003 (RTO Control) and AA-003a and AA-003b (Solvent-Based Press Dryers)		5.5	Reports	Upon Certification of Permit Herein

- 5.1 For Emission Point AA-003 (Regenerative Thermal Oxidizer), the permittee shall submit annual reports providing the inlet and outlet mass emissions (lb/hr) during the performance test for determining the destruction efficiency. The permittee shall also record the destruction efficiency achieved utilizing the minimum combustion chamber Temperature. (Ref.: 11 Miss Admin. Code Pt. 2, R. 2. 2.2.B(11).)
- 5.2 For Emission Points AA-003 (Regenerative Thermal Oxidizer), the permittee shall submit annual reports of any exceedance of Condition 4.3 (Continuously Recorded Combustion Temperature). These reports shall be submitted by the 31st of January for preceding calendar year. (Ref.: 11 Miss Admin. Code Pt. 2, R. 2.2.B(11).)
- 5.3 For Emission Point AA-003 (Regenerative Thermal Oxidizer), the permittee shall submit a written test protocol at least thirty (30) days prior to the scheduled test date(s) to ensure that all test methods and procedures are acceptable to MDEQ. If the permittee is proposing an alternative test method not previously approved by EPA, a cover letter indicating such must be attached and submitted with the test protocol. If the initial test protocol is acceptable, subsequent protocols may be waived if these protocols contain no

significant changes. Also, MDEQ must be notified at least ten (10) days prior to the scheduled test date so that an observer may be present to witness the test(s). (Ref.: 11 Miss Admin. Code Pt. 2, R. 2.2.B(11).)

- 5.4 For Emission Point AA-003 (Regenerative Thermal Oxidizer), the permittee shall submit the performance test results to MDEQ within sixty (60) days of completion of the performance test. (Ref.: 11 Miss Admin. Code Pt. 2, R. 2.2.B(11).)
- 5.6 For Emission Points AA-003 (Regenerative Thermal Oxidizer), AA-003a and AA-003b (Solvent-Based Press Dryers), upon certification of construction and startup of operations, the permittee is no longer required to comply with the reporting requirements of this permit and shall comply with the reporting requirements of the Synthetic Minor Operating Permit issued on {SMOP Permit Issuance Date}. (Ref.: 11 Miss Admin. Code Pt. 2, R. 2.2.B(11).)