Under the authority of RSMo 643 and the Federal Clean Air Act the applicant is authorized to construct the air contaminant source(s) described below, in accordance with the laws, rules and conditions as set forth herein.

Permit Number: 052006-004  Project Number: 2006-01-080
Owner: The Procter & Gamble Company
Owner’s Address: 2 P&G Plaza, Cincinnati, OH 45202
Installation Name: The Procter & Gamble Paper Products Company
Installation Address: 14484 State Highway 177, Jackson, MO 63755
Location Information: Cape Girardeau County, S5, T32, R14

Application for Authority to Construct was made for:

Construction of three (3) new diaper lines. This review was conducted in accordance with Section (5), Missouri State Rule 10 CSR 10-6.060, Construction Permits Required.

☐ Standard Conditions (on reverse) are applicable to this permit.
☑ Standard Conditions (on reverse) and Special Conditions (listed as attachments starting on page 2) are applicable to this permit.

MAY - 3 2006
EFFECTIVE DATE

DIRECTOR OR DESIGNEE
DEPARTMENT OF NATURAL RESOURCES
STANDARD CONDITIONS:

Permission to construct may be revoked if you fail to begin construction or modification within two years from the effective date of this permit. Permittee should notify the Air Pollution Control Program if construction or modification is not started within two years after the effective date of this permit, or if construction or modification is suspended for one year or more.

You will be in violation of 10 CSR 10-6.060 if you fail to adhere to the specifications and conditions listed in your application, this permit and the project review. Specifically, all air contaminant control devices shall be operated and maintained as specified in the application, associated plans and specifications.

You must notify the Air Pollution Control Program of the anticipated date of start up of this (these) air contaminant source(s). The information must be made available not more than 60 days but at least 30 days in advance of this date. Also, you must notify the Department of Natural Resources Regional Office responsible for the area within which you are located within 15 days after the actual start up of this (these) air contaminant source(s).

A copy of this permit and permit review shall be kept at the installation address and shall be made available to Department of Natural Resources' personnel upon request.

You may appeal this permit or any of the listed Special Conditions as provided in RSMo 643.075. If you choose to appeal, the Air Pollution Control Program must receive your written declaration within 30 days of receipt of this permit.

If you choose not to appeal, this certificate, the project review, your application and associated correspondence constitutes your permit to construct. The permit allows you to construct and operate your air contaminant source(s), but in no way relieves you of your obligation to comply with all applicable provisions of the Missouri Air Conservation Law, regulations of the Missouri Department of Natural Resources and other applicable federal, state and local laws and ordinances.

The Department of Natural Resources has established the Outreach and Assistance Center to help in completing future applications or fielding complaints about the permitting process. You are invited to contact them at 1-800-361-4827 or (573) 526-6627, or in writing addressed to Outreach and Assistance Center, P.O. Box 176, Jefferson City, MO 65102-0176.

The Air Pollution Control Program invites your questions regarding this air pollution permit. Please contact the Construction Permit Unit at (573) 751-4817. If you prefer to write, please address your correspondence to the Air Pollution Control Program, P.O. Box 176, Jefferson City, MO 65102-0176, attention Construction Permit Unit.
SPECIAL CONDITIONS:
The permittee is authorized to construct and operate subject to the following special conditions:

The special conditions listed in this permit were included based on the authority granted the Missouri Air Pollution Control Program by the Missouri Air Conservation Law (specifically 643.075) and by the Missouri Rules listed in Title 10, Division 10 of the Code of State Regulations (specifically 10 CSR 10-6.060). For specific details regarding conditions, see 10 CSR 10-6.060 paragraph (12)(A)10. “Conditions required by permitting authority.”

The Procter & Gamble Paper Products Company
Cape Girardeau County, S5, T32, R14

1. Baghouse Conditions
   A. The Procter & Gamble Paper Products Company shall control emissions from the new diaper lines (Line 70, 71, and 72) using baghouses (ECD66, ECD67, and ECD68) as specified in the permit application. The baghouses shall be operated and maintained in accordance with the manufacturer’s specifications, locally prepared operating procedures, and good engineering practices. The baghouse shall be equipped with a gauge or meter, which indicates the pressure drop across the control device. These gauges or meters shall be located such that the Department of Natural Resource employees may easily observe them. Replacement filters for the baghouses shall be available at all times. The bags shall be made of fibers appropriate for operating conditions expected to occur (i.e. temperature limits, acidic and alkali resistance, and abrasion resistance).

   B. The Procter & Gamble Paper Products Company shall monitor and record the operating pressure drop across the baghouses at least once per operating day. The operating pressure drop ranges will be specified based on normal operation and manufacturer’s recommendations.

   C. The Procter & Gamble Paper Products Company shall maintain an operating and maintenance log for the baghouses which shall include the following:
      (1) Incidents of malfunction, with impact on emissions, duration of event, probable cause, and corrective actions; and
      (2) Maintenance activities, with inspection schedule, repair actions, and replacements, etc;
      (3) Records may be kept in either written or electronic format.
REVIEW SUMMARY

- The Procter & Gamble Paper Products Company has applied for authority to construct three (3) new diaper lines.

- Hazardous Air Pollutant (HAP) emissions are not expected from the proposed equipment.

- None of the New Source Performance Standards (NSPS) apply to the proposed equipment.

- None of the National Emission Standards for Hazardous Air Pollutants (NESHAPs) or currently promulgated Maximum Achievable Control Technology (MACT) regulations apply to the proposed equipment.

- Baghouses are being used to control the particulate matter less than ten microns in diameter (PM$_{10}$) emissions from the equipment in this permit.

- This review was conducted in accordance with Section (5) of Missouri State Rule 10 CSR 10-6.060, *Construction Permits Required*. Potential emissions of PM$_{10}$ are below de minimis levels.

- This installation is located in Cape Girardeau County, an attainment area for all criteria air pollutants.

- This installation is not on the List of Named Installations [10 CSR 10-6.020(3)(B), Table 2].

- Ambient air quality modeling was not performed since potential emissions of the
• Emissions testing are not required for the equipment.

• Addition of the equipment in this permit qualifies as an off-permit change to your Part 70 Operating Permit.

• Approval of this permit is recommended with special conditions.

INSTALLATION DESCRIPTION

P&G operates a sanitary disposable paper products manufacturing facility at Cape Girardeau, Missouri. This installation is considered an existing major source.

A Part 70 Operating Permit was issued by the Air Pollution Control Program on February 28, 2005. The following construction permits have been issued to P&G from the Air Pollution Control Program.

<table>
<thead>
<tr>
<th>Permit Number</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>0881-002A</td>
<td>Diaper production equipment</td>
</tr>
<tr>
<td>0585-003</td>
<td>Process D and E, converting process</td>
</tr>
<tr>
<td>0785-003</td>
<td>Process F</td>
</tr>
<tr>
<td>0487-010</td>
<td>Modification of Processes C and E</td>
</tr>
<tr>
<td>1292-017</td>
<td>Delivery system for raw materials</td>
</tr>
<tr>
<td>0695-021</td>
<td>Increase in capacity of Process B</td>
</tr>
<tr>
<td>0198-037</td>
<td>PSD papermaking process</td>
</tr>
<tr>
<td>1198-023</td>
<td>Temporary boiler</td>
</tr>
<tr>
<td>0999-020</td>
<td>Diaper production lines</td>
</tr>
<tr>
<td>032002-009</td>
<td>Diesel generators and pumps</td>
</tr>
<tr>
<td>042002-003</td>
<td>Diaper lines</td>
</tr>
<tr>
<td>102002-019</td>
<td>Bleach usage</td>
</tr>
<tr>
<td>032003-041</td>
<td>A Section (8) modification of Permit Number 0198-037 and installation of two (2) new air handling units, an emergency generator, and four (4) natural gas-fired space heaters</td>
</tr>
<tr>
<td>112004-010</td>
<td>Addition of four (4) new diaper lines and one absorbent delivery system</td>
</tr>
</tbody>
</table>

PROJECT DESCRIPTION

P&G has requested authority to construct three (3) new diaper lines, Line 70, 71, &72 (EP-42A). In addition, they will be removing one (1) old diaper line with the following emission points: L24 Cmod PA1 (EP-19A) and L24 Cmod PV (EP-19A).

P&G has identified the production throughputs, the maximum design rates, and the process flow diagrams submitted in this application as “Confidential.” The company believes that the information identified as confidential has competitive value since access to this data would put the company at a competitive disadvantage.
EMISSIONS/CONTROLS EVALUATION

The emission factors used in this analysis were developed though a combination of a mass balance and emission testing. Dust loading values for an existing diaper line were obtained from stack testing performed in August of 2004. Since dust loading and throughputs are known at various points on the existing diaper lines, a new emission factor was developed for the new diaper lines which accounts for differences between the new and old lines. The major differences include diaper throughputs and raw materials being added at the line rather than using separate delivery units as done with the existing lines. Safety factors of 25 to 30% were added to the emission factors. All dust is assumed to be handled by the emission control systems as particulate matter. A control efficiency of 99% was used for the diaper lines.

Existing potential emissions were taken from Permit Number 112004-010. Existing actual emissions were taken from the installation’s 2004 Emission Inventory Questionnaire (EIQ). Potential emissions of the application represent the potential of the new diaper lines, assuming continuous operation (8760 hours per year). The following table provides an emissions summary for this project.

Table 1: Emissions Summary (tons per year)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>PM$_{10}$</td>
<td>15.0 Major</td>
<td>75.60</td>
<td>5.97</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>SOx</td>
<td>40.0 N/D</td>
<td>0.86</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>NOx</td>
<td>40.0 Major</td>
<td>139.68</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>VOC</td>
<td>40.0 Major</td>
<td>160.35</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>CO</td>
<td>100.0 Major</td>
<td>230.51</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>HAPs</td>
<td>10.0/25.0 Major N/D</td>
<td>8.13</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

N/A = Not Applicable; N/D = Not Determined

PERMIT RULE APPLICABILITY

This review was conducted in accordance with Section (5) of Missouri State Rule 10 CSR 10-6.060, Construction Permits Required. Potential emissions of PM$_{10}$ are below de minimis levels.

APPLICABLE REQUIREMENTS

The Procter & Gamble Paper Products Company shall comply with the following applicable requirements. The Missouri Air Conservation Laws and Regulations should be consulted for specific record keeping, monitoring, and reporting requirements. Compliance with these emission standards, based on information submitted in the application, has been verified at the time this application was approved. For a complete list of applicable requirements for your installation, please consult your operating permit.
GENERAL REQUIREMENTS

- Submission of Emission Data, Emission Fees and Process Information, 10 CSR 10-6.110
  The emission fee is the amount established by the Missouri Air Conservation Commission annually under Missouri Air Law 643.079(1). Submission of an Emissions Inventory Questionnaire (EIQ) is required April 1 for the previous year's emissions.

- Operating Permits, 10 CSR 10-6.065

- Restriction of Particulate Matter to the Ambient Air Beyond the Premises of Origin, 10 CSR 10-6.170

- Restriction of Emission of Visible Air Contaminants, 10 CSR 10-6.220

- Restriction of Emission of Odors, 10 CSR 10-3.090

SPECIFIC REQUIREMENTS

- Restriction of Emission of Particulate Matter From Industrial Processes, 10 CSR 10-6.400

STAFF RECOMMENDATION

On the basis of this review conducted in accordance with Section (5), Missouri State Rule 10 CSR 10-6.060, Construction Permits Required, I recommend this permit be granted with special conditions.

Susan Heckenkamp Date
Environmental Engineer

PERMIT DOCUMENTS

The following documents are incorporated by reference into this permit:

- The Application for Authority to Construct form, dated January 20, 2006, received January 24, 2006, designating The Procter & Gamble Company as the owner and operator of the installation.


Mr. Matt Strain
Environmental Manager
The Procter & Gamble Paper Products Company
P.O. Box 400
Cape Girardeau, MO  63702-0400

RE:  New Source Review Permit - Project Number: 2006-01-080

Dear Mr. Strain:

Enclosed with this letter is your permit to construct. Please study it carefully. Also, note the special
conditions on the accompanying pages. The document entitled, "Review of Application for Authority to
Construct," is part of the permit and should be kept with this permit in your files. The reverse side of your
permit certificate has important information concerning standard permit conditions and your rights and
obligations under the laws and regulations of the State of Missouri. Operation in accordance with the
special conditions of this permit, your new source review permit application and with your operating
permit is necessary for continued compliance.

The installation of this equipment qualifies as an off-permit change for your Part 70 Operating Permit. As
specified in 10 CSR 10-6.065 paragraph (4)(K)2 for Basic, (5)(C)5.B for Intermediate or (6)(C)9.B for
Part 70, an off permit change requires "written notice of the change to the permitting authority and to the
administrator." This construction permit serves as notification to the operating permit authority. In order
to fulfill the notification requirement to the administrator, please send a written notice to Tamara
Freeman, Environmental Protection Agency Region VII, 901 N. 5th Street, Kansas City, KS 66101. As
detailed in 10 CSR 10-6.065 paragraph (6)(C) 9.B, "...the written notice shall describe each change,
including the date, any change in emissions, pollutants emitted and any applicable requirement that would
apply as a result of the change." Please send this notification at least 30 but not more than 60 days prior to
anticipated start up of this air contaminant source.

If you have any questions regarding this permit, please do not hesitate to contact me at (573) 751-4817, or
you may write to me at the Department of Natural Resources, Air Pollution Control Program, P.O. Box
176, Jefferson City, MO  65102. Thank you.

AIR POLLUTION CONTROL PROGRAM

Kendall B. Hale
New Source Review Unit Chief

KBH:shl

Enclosures

c:  Southeast Regional Office
    PAMS File 2006-01-080
    Permit Number: