STATE OF MISSOURI

DEPARTMENT OF NATURAL RESOURCES

MISSOURI AIR CONSERVATION COMMISSION

PERMIT TO CONSTRUCT

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: 012007-015 Project Number: 2006-10-050

Parent Company: EaglePicher Technologies, LLC

Parent Company Address: P.O. Box 47, Joplin, MO 64802

Installation Name: EaglePicher Technologies, LLC

Installation Address: 8035 E. 26th Street, Joplin, MO 64804

Location Information: Jasper County, S14, T27N, R32W

Application for Authority to Construct was made for:
Installation of a new 24,000 square feet Li-Ion cells and batteries manufacturing facility located in the Crossroad Industrial Park in Joplin, Missouri (ID. 097-0160). 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 are applicable to this permit.

JAN 2 4 2007
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. In the event that there is a discrepancy between the permit application and this permit, the conditions of this permit shall take precedence. Specifically, all air contaminant control devises shall be operated and maintained as specified in the application, associated plans and specifications.

You must notify the department’s Air Pollution Control Program of the anticipated date of start up of this (these) air contaminant sources(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 with 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 to the Administrative Hearing Commission (AHC), P.O. Box 1557, Jefferson City, MO 65102, as provided in RSMo 643.075.6 and 621.250.3. If you choose to appeal, you must file a petition with the AHC within 30 days after the date this decision was mailed or the date it was delivered, whichever date was earlier. If any such petition is sent by registered mail or certified mail, it will be deemed filed on the date it is mailed. If it is sent by any method other than registered mail or certified mail, it will be deemed filed on the date it is received by the AHC.

If you choose not to appeal, this certificate, the project review and your application and associated correspondence constitutes your permit to construct. The permit allows you to construct and operate your air contaminant sources(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 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 Missouri Department of Natural Resources, 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.”

EaglePicher Technologies, LLC (097-0160)
Jasper County, S14, T27N, R32W

1. EaglePicher Technologies, LLC shall keep the solvents and cleaning solutions in sealed containers whenever the materials are not in use. EaglePicher Technologies, LLC shall provide and maintain suitable, easily read, permanent markings on all solvent and cleaning solution containers used with this facility.
REVIEW OF APPLICATION FOR AUTHORITY TO CONSTRUCT AND OPERATE
SECTION (5) REVIEW
Project Number: 2006-10-050
Installation ID Number: 097-0160 (097-0117)
Permit Number:

EaglePicher Technologies, LLC Complete: November 20, 2006
8035 E. 26th Street Reviewed: December 7, 2006
Joplin, MO 64804

Parent Company:
EaglePicher Technologies, LLC
P.O. Box 47
Joplin, MO 64802

Jasper County, S14, T27N, R32W

REVIEW SUMMARY

- EaglePicher Technologies, LLC has applied for authority to install a new 24,000 square feet Li-Ion cells and batteries manufacturing facility located in the Crossroad Industrial Park in Joplin, Missouri.

- 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 applies to the proposed equipment.

- No air pollution control equipment is being used in association with the new equipment.

- This review was conducted in accordance with Section (5) of Missouri State Rule 10 CSR 10-6.060, Construction Permits Required. Potential emissions of Volatile Organic Compounds (VOCs) are below the de minimis level.

- This installation is located in Jasper 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 application are below de minimis levels.

• Emissions testing is not required for the equipment/source.

• A revision to the installation’s Intermediate Operating Permit application is required for this installation within 30 days of equipment startup.

• Approval of this permit is recommended with a special condition.

INSTALLATION DESCRIPTION

EaglePicher Technologies, LLC. – Defense and Space Power Division (097-0117) operates a special purpose batteries manufacturing plant at C & Porter Street, Joplin, Missouri. In this application, EaglePicher Technologies, LLC proposed to construct a new facility located in the Crossroads Industrial Park in Joplin, Missouri (097-0160). These two sites (019-0117 & 019-0160) would be reviewed as one installation for permitting purpose.

The installation submitted a renewal of their Intermediate Operating Permit application (Project Number 2002-06-145) on June 27, 2002. The following construction permit has been issued to EaglePicher Technologies, LLC. from the Air Pollution Control Program.

Table 1: Previously Issued Construction Permits

<table>
<thead>
<tr>
<th>Permit Number</th>
<th>Site ID.</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>0797-011</td>
<td>097-0117</td>
<td>Addition of a lithium ion battery process.</td>
</tr>
<tr>
<td>122005-012</td>
<td>097-0117</td>
<td>Installation of a new trichloroethylene solvent degreaser.</td>
</tr>
</tbody>
</table>

PROJECT DESCRIPTION

EaglePicher Technologies, LLC has applied for authority to install a new 24,000 square feet facility located in the Crossroad Industrial Park in Joplin, Missouri (ID. 097-0160). EaglePicher will use the new building for the development and production of Lithium-Ion (Li-Ion) cells and batteries for U.S. Military critical applications. Various cell sizes from 6Ah up to 300+ Ah cells will be built. Potential emissions of concern from this process are VOCs. VOC emissions are expected from the materials used in process equipment cleaning (EP11 & 12) and battery production (EP13). There are no control associated with these emission points.

EMISSIONS/CONTROLS EVALUATION

VOC emissions are analyzed using information from the Material Safety Data Sheet (MSDS) submitted with the permit application and through the use of a mass balance around the process. Potential emissions of the application represent the worst case potential of the equipment, assuming continuous operation (8760 hours per year). Existing actual emissions are evaluated from the 2005 Emissions Inventory
The following table provides an emissions summary for this project.

Table 2: Emissions Summary (tons per year)

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>PM$_{10}$</td>
<td>15.0</td>
<td>N/D</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>SOx</td>
<td>40.0</td>
<td>N/D</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>NOx</td>
<td>40.0</td>
<td>N/D</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>VOC</td>
<td>40.0</td>
<td>N/D</td>
<td>5.3</td>
<td>24.56</td>
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</tr>
<tr>
<td>CO</td>
<td>100.0</td>
<td>N/D</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>HAPs</td>
<td>10.0/25.0</td>
<td>N/D</td>
<td>1.4</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 VOCs are below the de minimis level.

APPLICABLE REQUIREMENTS

EaglePicher Technologies, LLC 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 *

**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 condition.

Fuad Wadud
Environmental Engineer

PERMIT DOCUMENTS

The following documents are incorporated by reference into this permit:

• The Application for Authority to Construct form, dated October 9, 2006, received October 12, 2006, designating EaglePicher Technologies, LLC as the owner and operator of the installation.

• Material Safety Data Sheets (MSDS).

• Southwest Regional Office Site Survey, dated December 11, 2006.
Mr. Steve Westfall  
President  
EaglePicher Technologies, LLC  
PO Box 47  
Joplin, MO 64802

RE: New Source Review Permit - Project Number: 2006-10-050

Dear Mr. Westfall:

Enclosed with this letter is your permit to construct. Please study it carefully. Also, note the special conditions, if any, 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.

Operation in accordance with these conditions, your new source review permit application and with your amended operating permit is necessary for continued compliance.

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.

If you have any questions, please contact me at (573) 751-4817, or write to the Department of Natural Resources’ Air Pollution Control Program, PO Box 176, Jefferson City, MO 65102. Thank you for your time and consideration.

Sincerely,

AIR POLLUTION CONTROL PROGRAM

Kendall B. Hale  
New Source Review Unit Chief

KBH: fwk

Enclosures

c: Southwest Regional Office  
PAMS File 2006-10-050

Permit Number: