PERMIT BOOK

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: 052010-007
Project Number: 2010-03-075
Installation Number: 047-0185

Parent Company: Industrial Hardware Distributors, Inc.
Parent Company Address: 1201 Burlington, North Kansas City, MO 64116
Installation Name: Industrial Hardware Distributors, Inc.
Installation Address: 1201 Burlington, North Kansas City, MO 64116
Location Information: Clay County, S23, T50N, R33W

Application for Authority to Construct was made for:
Installation of a Controlled Pyrolysis II Cleaning Furnace. 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.

MAY 12 2010

EFFECTIVE DATE

DIRECTOR OR DESIGNEEN
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 Departments’ Air Pollution Control Program of the anticipated date of start up of this (these) air contaminant sources(s). The information must be made available within 30 days of actual startup. 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 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.”

Industrial Hardware Distributors, Inc.
Clay County, S23, T50N, R33W

1. Process Requirements
   A. Industrial Hardware Distributors, Inc. shall operate the Controlled Pyrolysis II Cleaning Furnace in accordance with the manufacture’s specifications.
   
   B. Loading the furnace between cleaning cycles is prohibited.
   
   C. The furnace shall be equipped with a continuous recorder that monitors, displays and records the temperature in the afterburner with an accuracy of two percent (±2%).
   
   D. Industrial Hardware Distributors, Inc. shall maintain the temperature in the afterburner at or above 1500 degrees Fahrenheit.

2. Operating Permit Application
   A. Industrial Hardware Distributors, Inc. shall submit calculations that show the potential to emit of the entire installation within 30 days of the issuance of this permit. Industrial Hardware Distributors, Inc. shall submit the appropriate operating permit application within the timeframe specified in 10 CSR 10-6.065 Operating Permits.
REVIEW OF APPLICATION FOR AUTHORITY TO CONSTRUCT AND OPERATE
SECTION (5) REVIEW
Project Number: 2010-03-075
Installation ID Number: 047-0185
Permit Number:

Industrial Hardware Distributors, Inc.  Complete: March 24, 2010
1201 Burlington
North Kansas City, MO 64116

Parent Company:
Industrial Hardware Distributors, Inc.
1201 Burlington
North Kansas City, MO 64116

Clay County, S23, T50N, R33W

REVIEW SUMMARY

- Industrial Hardware Distributors, Inc. has applied for authority to construct a
  Controlled Pyrolysis II Cleaning Furnace.

- Hazardous Air Pollutant (HAP) emissions are expected from the proposed
  equipment. HAPs are emitted as products of incomplete combustion.

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

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

- An afterburner is being used to control the VOC and HAP 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 all
  pollutants are below de minimis levels.

- This installation is located in Clay County, a maintenance area for ozone and an
  attainment area for all other criteria pollutants.

- This installation is not on the List of Named Installations found in 10 CSR 10-
  6.020(3)(B), Table 2. The installation’s major source level is 250 tons per year and
  fugitive emissions are not counted toward major source applicability.

- 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.

• A Basic Operating Permit application is required for this installation within 30 days of equipment startup.

• Approval of this permit is recommended with special conditions.

INSTALLATION DESCRIPTION

Industrial Hardware Distributors, Inc. is an existing installation located in North Kansas City. They are primarily a distributor of industrial component parts, but also operate powder coating and conveyor manufacturing operations.

No permits have been issued to Industrial Hardware Distributors, Inc. from the Air Pollution Control Program.

PROJECT DESCRIPTION

Industrial Hardware Distributors, Inc. will install a Controlled Pyrolysis II Cleaning Furnace. This furnace is designed to remove cured paint from metal parts, specifically steel jigs, hangers, fixtures and hanging trees used to hold parts during paint operations on continuous coating lines. The furnace combusts natural gas and is equipped with an afterburner to control emissions. The furnace burners have a combined heat input of 0.75 MMBtu/hr. Industrial Hardware Distributors, Inc. did not provide the existing potential emissions of the installation as part of the application. This information was not necessary to determine permit applicability since the furnace is considered an incinerator as defined in 10 CSR 10-6.020 and is required to obtain a permit regardless of the project’s or installation’s emissions. However the installation’s potential to emit must be calculated to determine operating permit applicability. Industrial Hardware Distributors, Inc. is required to obtain at least a basic operating permit due to the furnace. Industrial Hardware Distributors, Inc. shall submit this application within 30 days of receiving this permit. In addition to the operating permit application, Industrial Hardware Distributors, Inc. must submit emission calculations describing the potential to emit of the entire installation. If the calculations show that the installation’s potential to emit is greater than 10.0 tons per year of any single HAP, 25.0 tons per year of total HAPs or 100.0 tons per year of any other pollutant, the installation may submit either a Part 70 or intermediate operating permit application.

EMISSIONS/CONTROLS EVALUATION

The emission factors and control efficiencies used in this analysis were obtained from the Environmental Protection Agency (EPA) document AP-42, Compilation of Air Pollutant Emission Factors, Fifth Edition, Section 1.4 “Natural Gas Combustion,” July 1998. Emissions were calculated from the combustion of natural gas. While the combustion of cured paint will also produce some emissions, these emissions are very small compared to emissions from natural gas. Any HAPs formed from incomplete combustion of the paint will be destroyed at an efficiency greater than 99%. The
material safety data sheets for the powder coats that will be cleaned do not contain any hazardous air pollutants. Potential emissions of the application represent the potential of the new equipment, assuming continuous operation (8760 hours per year.) The following table provides an emissions summary for this project.

### Table 2: Emissions Summary (tons per year)

<table>
<thead>
<tr>
<th>Pollutant</th>
<th>Regulatory De Minimis Levels</th>
<th>Existing Potential Emissions</th>
<th>Existing Actual Emissions</th>
<th>Potential Emissions of the Application</th>
<th>New Installation Conditioned Potential</th>
</tr>
</thead>
<tbody>
<tr>
<td>PM$_{10}$</td>
<td>15.0</td>
<td>N/D</td>
<td>N/D</td>
<td>0.02</td>
<td>N/A</td>
</tr>
<tr>
<td>SOx</td>
<td>40.0</td>
<td>N/D</td>
<td>N/D</td>
<td>0.00</td>
<td>N/A</td>
</tr>
<tr>
<td>NOx</td>
<td>40.0</td>
<td>N/D</td>
<td>N/D</td>
<td>0.32</td>
<td>N/A</td>
</tr>
<tr>
<td>VOC</td>
<td>40.0</td>
<td>N/D</td>
<td>N/D</td>
<td>0.02</td>
<td>N/A</td>
</tr>
<tr>
<td>CO</td>
<td>100.0</td>
<td>N/D</td>
<td>N/D</td>
<td>0.27</td>
<td>N/A</td>
</tr>
<tr>
<td>HAPs</td>
<td>10.0/25.0</td>
<td>N/D</td>
<td>N/D</td>
<td>0.01</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 all pollutants are below de minimis levels.

APPLICABLE REQUIREMENTS

Industrial Hardware Distributors, Inc. 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 June 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 10-2.070
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.

________________________________  ________________________________
Michael Mittermeyer Date
Environmental Engineer

PERMIT DOCUMENTS

The following documents are incorporated by reference into this permit:

- The Application for Authority to Construct form, dated March 18, 2010, received March 24, 2010, designating Industrial Hardware Distributors, Inc. as the owner and operator of the installation.


- Kansas City Regional Office Site Survey, dated April 5, 2010.

- MSDS