State of Ohio Environmental Protection Agency

RE: FINAL PERMIT TO INSTALL **CERTIFIED MAIL**
HAMILTON COUNTY

Street Address:
122 S. Front Street

Lazarus Gov. Center **TELE:** (614) 644-3020 **FAX:** (614) 644-2329

Mailing Address:
Lazarus Gov. Center
P.O. Box 1049

Application No: 14-05866
Fac ID: 1431050845
DATE: 11/2/2006

Smurfit-Stone Container Corporation
John Liggett
9960 Alliance Road
Cincinnati, OH 45242

Enclosed please find an Ohio EPA Permit to Install which will allow you to install the described source(s) in a manner indicated in the permit. Because this permit contains several conditions and restrictions, I urge you to read it carefully.

The Ohio EPA is urging companies to investigate pollution prevention and energy conservation. Not only will this reduce pollution and energy consumption, but it can also save you money. If you would like to learn ways you can save money while protecting the environment, please contact our Office of Pollution Prevention at (614) 644-3469.

You are hereby notified that this action of the Director is final and may be appealed to the Environmental Review Appeals Commission pursuant to Section 3745.04 of the Ohio Revised Code. The appeal must be in writing and set forth the action complained of and the grounds upon which the appeal is based. The appeal must be filed with the Commission within thirty (30) days after notice of the Director's action. The appeal must be accompanied by a filing fee of $70.00 which the Commission, in its discretion, may reduce if by affidavit you demonstrate that payment of the full amount of the fee would cause extreme hardship. Notice of the filing of the appeal shall be filed with the Director within three (3) days of filing with the Commission. Ohio EPA requests that a copy of the appeal be served upon the Ohio Attorney General's Office, Environmental Enforcement Section. An appeal may be filed with the Environmental Review Appeals Commission at the following address:

Environmental Review Appeals Commission
309 South Fourth Street, Room 222
Columbus, OH 43215

Sincerely,

Michael W. Ahern

Michael W. Ahern, Manager
Permit Issuance and Data Management Section
Division of Air Pollution Control

CC: USEPA **HCDES**

STATE OF OHIO ENVIRONMENTAL PROTECTION AGENCY

Permit To Install	**Issue Date: 11/2/2006**
Terms and Conditions	**Effective Date: 11/2/2006**

FINAL PERMIT TO INSTALL 14-05866

Application Number:	14-05866
Facility ID:	1431050845
Permit Fee:	**$200**
Name of Facility:	Smurfit-Stone Container Corporation
Person to Contact:	John Liggett
Address:	9960 Alliance Road Cincinnati, OH 45242

Location of proposed air contaminant source(s) [emissions unit(s)]:
9960 Alliance
Cincinnati, **Ohio**

Description of proposed emissions unit(s):
Six Color Flexographic Printing Press.

The above named entity is hereby granted a Permit to Install for the above described emissions unit(s) pursuant to Chapter 3745-31 of the Ohio Administrative Code. Issuance of this permit does not constitute expressed or implied approval or agreement that, if constructed or modified in accordance with the plans included in the application, the above described emissions unit(s) of environmental pollutants will operate in compliance with applicable State and Federal laws and regulations, and does not constitute expressed or implied assurance that if constructed or modified in accordance with those plans and specifications, the above described emissions unit(s) of pollutants will be granted the necessary permits to operate (air) or NPDES permits as applicable.

This permit is granted subject to the conditions attached hereto.

Ohio Environmental Protection Agency

Joseph P. Koncelik

Director

Part I - GENERAL TERMS AND CONDITIONS

A. Permit to Install General Terms and Conditions

1. Compliance Requirements

The emissions unit(s) identified in this Permit to Install shall remain in full compliance with all applicable State laws and regulations and the terms and conditions of this permit.

2. Reporting Requirements

The permittee shall submit required reports in the following manner:

a. Reports of any required monitoring and/or recordkeeping information shall be submitted to the appropriate Ohio EPA District Office or local air agency.

b. Except as otherwise may be provided in the terms and conditions for a specific emissions unit, quarterly written reports of (a) any deviations (excursions) from emission limitations, operational restrictions, and control device operating parameter limitations that have been detected by the testing, monitoring, and recordkeeping requirements specified in this permit, (b) the probable cause of such deviations, and (c) any corrective actions or preventive measures which have been or will be taken, shall be submitted to the appropriate Ohio EPA District Office or local air agency. If no deviations occurred during a calendar quarter, the permittee shall submit a quarterly report, which states that no deviations occurred during that quarter. The reports shall be submitted quarterly, i.e., by January 31, April 30, July 31, and October 31 of each year and shall cover the previous calendar quarters. (These quarterly reports shall exclude deviations resulting from malfunctions reported in accordance with OAC rule 3745-15-06.)

3. Records Retention Requirements

Each record of any monitoring data, testing data, and support information required pursuant to this permit shall be retained for a period of five years from the date the record was created. Support information shall include, but not be limited to, all calibration and maintenance records and all original strip-chart recordings for continuous monitoring instrumentation, and copies of all reports required by this permit. Such records may be maintained in computerized form.

4. Inspections and Information Requests

The Director of the Ohio EPA, or an authorized representative of the Director, may, subject to the safety requirements of the permittee and without undue delay, enter upon

the premises of this source at any reasonable time for purposes of making inspections, conducting tests, examining records or reports pertaining to any emission of air contaminants, and determining compliance with any applicable State air pollution laws and regulations and the terms and conditions of this permit. The permittee shall furnish to the Director of the Ohio EPA, or an authorized representative of the Director, upon receipt of a written request and within a reasonable time, any information that may be requested to determine whether cause exists for modifying, reopening or revoking this permit or to determine compliance with this permit. Upon verbal or written request, the permittee shall also furnish to the Director of the Ohio EPA, or an authorized representative of the Director, copies of records required to be kept by this permit.

5. Scheduled Maintenance/Malfunction Reporting

Any scheduled maintenance of air pollution control equipment shall be performed in accordance with paragraph (A) of OAC rule 3745-15-06. The malfunction of any emissions units or any associated air pollution control system(s) shall be reported to the appropriate Ohio EPA District Office or local air agency in accordance with paragraph (B) of OAC rule 3745-15-06. Except as provided in that rule, any scheduled maintenance or malfunction necessitating the shutdown or bypassing of any air pollution control system(s) shall be accompanied by the shutdown of the emissions unit(s) that is (are) served by such control system(s).

6. Permit Transfers

Any transferee of this permit shall assume the responsibilities of the prior permit holder. The appropriate Ohio EPA District Office or local air agency must be notified in writing of any transfer of this permit.

7. Air Pollution Nuisance

The air contaminants emitted by the emissions units covered by this permit shall not cause a public nuisance, in violation of OAC rule 3745-15-07.

8. Termination of Permit to Install

This Permit to Install shall terminate within eighteen months of the effective date of the Permit to Install if the owner or operator has not undertaken a continuing program of installation or modification or has not entered into a binding contractual obligation to undertake and complete within a reasonable time a continuing program of installation or modification. This deadline may be extended by up to 12 months if application is made to the Director within a reasonable time before the termination date and the party shows good cause for any such extension.

9. Construction of New Sources(s)

The proposed emissions unit(s) shall be constructed in strict accordance with the plans and application submitted for this permit to the Director of the Ohio Environmental Protection Agency. There may be no deviation from the approved plans without the express, written approval of the Agency. Any deviations from the approved plans or the above conditions may lead to such sanctions and penalties as provided under Ohio law. Approval of these plans does not constitute an assurance that the proposed facilities will operate in compliance with all Ohio laws and regulations. Additional facilities shall be installed upon orders of the Ohio Environmental Protection Agency if the proposed sources cannot meet the requirements of this permit or cannot meet applicable standards.

If the construction of the proposed emissions unit(s) has already begun or has been completed prior to the date the Director of the Environmental Protection Agency approves the permit application and plans, the approval does not constitute expressed or implied assurance that the proposed facility has been constructed in accordance with the approved plans. The action of beginning and/or completing construction prior to obtaining the Director's approval constitutes a violation of OAC rule 3745-31-02. Furthermore, issuance of the Permit to Install does not constitute an assurance that the proposed source will operate in compliance with all Ohio laws and regulations. Approval of the plans in any case is not to be construed as an approval of the facility as constructed and/or completed. Moreover, issuance of the Permit to Install is not to be construed as a waiver of any rights that the Ohio Environmental Protection Agency (or other persons) may have against the applicant for starting construction prior to the effective date of the permit. Additional facilities shall be installed upon orders of the Ohio Environmental Protection Agency if the proposed facilities cannot meet the requirements of this permit or cannot meet applicable standards.

10. Public Disclosure

The facility is hereby notified that this permit, and all agency records concerning the operation of this permitted source, are subject to public disclosure in accordance with OAC rule 3745-49-03.

11. Applicability

This Permit To Install is applicable only to the emissions unit(s) identified in the Permit To Install. Separate Permit To Install for the installation or modification of any other emissions unit(s) are required for any emissions unit for which a Permit To Install is required.

12. Best Available Technology

As specified in OAC Rule 3745-31-05, all new sources must employ Best Available Technology (BAT). Compliance with the terms and conditions of this permit will fulfill this requirement.

13. Source Operation and Operating Permit Requirements After Completion of Construction

This facility is permitted to operate each source described by this Permit to Install for a period of up to one year from the date the source commenced operation. This permission to operate is granted only if the facility complies with all requirements contained in this permit and all applicable air pollution laws, regulations, and policies. Pursuant to OAC Chapter 3745-35, the permittee shall submit a complete operating permit application within ninety (90) days after commencing operation of the emissions unit(s) covered by this permit.

14. Construction Compliance Certification

The applicant shall provide Ohio EPA with a written certification (see enclosed form) that the facility has been constructed in accordance with the Permit to Install application and the terms and conditions of the Permit to Install. The certification shall be provided to Ohio EPA upon completion of construction but prior to startup of the source.

15. Fees

The permittee shall pay fees to the Director of the Ohio EPA in accordance with ORC section 3745.11 and OAC Chapter 3745-78. The permittee shall pay all applicable Permit to Install fees within 30 days after the issuance of this Permit to Install.

B. Permit to Install Summary of Allowable Emissions

The following information summarizes the total allowable emissions, by pollutant, based on the individual allowable emissions of each air contaminant source identified in this permit.

SUMMARY (for informational purposes only)
TOTAL PERMIT TO INSTALL ALLOWABLE EMISSIONS

Pollutant	Tons Per Year
VOC	13.0

Emissions Unit ID: **K005**

PART II - SPECIAL TERMS AND CONDITIONS FOR SPECIFIC EMISSIONS UNIT(S)

A. Applicable Emissions Limitations and/or Control Requirements

1. The specific operations(s), property, and/or equipment which constitute this emissions unit are listed in the following table along with the applicable rules and/or requirements and with the applicable emissions limitations and/or control measures. Emissions from this unit shall not exceed the listed limitations, and the listed control measures shall be specified in narrative form following the table.

Operations, Property, and/or Equipment - (K005) - Six Color Flexographic Printing Press

Applicable Rules/Requirements	Applicable Emissions Limitations/Control Measures
OAC rule 3745-31-05(A)(3)	The Volatile Organic Compound (VOC) emissions shall not exceed 26.0 lbs/hour. See terms and conditions A.2.a, A.2.b, and A.2.d. The requirements of this rule also include compliance with the requirements of OAC rule 3745-21-09(Y)(1)(a), OAC rule 3745-31-05(C) and 40 CFR Part 63, Subpart KK.
OAC rule 3745-21-09(Y)(1)(a)	See term and condition A.2.c.
OAC rule 3745-31-05(C) Synthetic minor to avoid Non-attainment New Source Review and major source status for 40 CFR Part 63, Subpart KK	The VOC emissions shall not exceed 13.00 TPY of VOC as a rolling twelve month summation. See terms and conditions A.2.e and B.1.
40 CFR Part 63, Subpart KK	See term and condition A.2.f.

2. Additional Terms and Conditions

2.a Compliance with OAC rule 3745-31-05(A)(3) shall be demonstrated by the emissions limitations, VOC content limitations, and VOC input limitations.

2.b The hourly emission limitation outlined above is based on the emissions unit's potential to emit (PTE). Therefore, no records are required to demonstrate compliance with this limitation.

2.c The VOC content of the coatings and inks employed in this emissions unit shall not exceed the following:

i. forty percent VOC by volume of the coatings and inks, excluding water, and exempt solvents; or

ii. twenty-five percent VOC by volume of the volatile matter in the coatings and inks.

2.d The VOC content of the coatings and inks employed in this emissions unit shall not exceed 1.0 pound VOC per gallon, as applied, as a monthly, volume-weighted average.

2.e The total allowable usage of Hazardous Air Pollutants (HAPs), as identified in Section 112(b) of Title III of the Clean Air Act, from emissions unit K001 (6 color flexographic wide web press), emissions unit K002 (50 inch flexo folder gluer 2 color), emissions unit K003 (flexo folder gluer No. 2), deminimis emission unit (2 color flexo printer), deminimis emission unit (5 color flexo press), deminimis emission unit (flexo folder gluer No. 1), emissions unit K004 (5 color flexographic press) and emissions unit K005 (6 color flexographic press) shall not exceed 9.9* TPY for any single HAP and 24.9* TPY for any combination of HAPs. Compliance with the above limitations shall be based on a rolling, 12-month summation.

* This assumes the HAP's emitted are the same as the amount of HAP's used, since all HAP's used evaporate.

The permittee has existing records to demonstrate compliance with this limitation upon permit issuance.

2.f The permittee commits to and meets the criteria to be considered an area source for Hazardous Air Pollutants, and is subject only to the record keeping and reporting provisions in 40 CFR 63.829(d) and 40 CFR 63.830(b)(1).

B. Operational Restrictions

1. The permittee shall not employ more than 13.00 tons of VOC per year (VOC input) from coating and ink usage, as a rolling 12 month summation. The VOC input shall be determined by multiplying the number of gallons of coating and ink employed per month by the VOC content of each coating and ink, in pounds per gallon then dividing by 2000 pounds per ton.

Emissions Unit ID: **K005**

To ensure enforceability during the first 12 calendar months of operation or the first 12 calendar months following the issuance of this permit, the permittee shall not exceed the cumulative VOC input levels specified in the following table:

Month(s)	Maximum Allowable VOC Input (Tons)
1	2
1-2	4
1-3	5
1-4	6
1-5	7
1-6	8
1-7	9
1-8	10
1-9	11
1-10	12
1-11	13
1-12	13

After the first 12 calendar months of operation or the first 12 calendar months following the issuance of this permit, compliance with the annual total VOC input limitation for emissions unit K005 be based upon a rolling, 12 month summation of the total VOC input.

C. Monitoring and/or Recordkeeping Requirements

1. The permittee shall collect and record the following information each month for the emissions units identified in term and condition A.2.e:

   a. the name and identification number of each ink and coating, employed;

   b. the individual Hazardous Air Pollutant (HAP) content for each HAP of each ink and coating in pounds of individual HAP per gallon of coating, as applied;

   c. the total combined HAP content of each coating in pounds of combined HAPs per gallon of ink and coating, as applied [sum all the individual HAP contents from (b)];

   d. the number of gallons of each ink and coating employed;

   e. the name and identification of each cleanup material employed;

   f. the individual HAP content for each HAP of each cleanup material, in pounds of

individual HAP per gallon of cleanup material, as applied;

g. the total combined HAP content of each cleanup material, in pounds of combined HAPs per gallon of cleanup material, as applied [sum all the individual HAP contents from (f)];

h. the number of gallons of each cleanup material employed;

i. the total individual HAP usage for each HAP from all coatings and cleanup materials employed, in pounds or tons per month [for each HAP the sum of (b) times (d) for each coating plus the sum of (f) times (h) for each cleanup material];

j. the total combined HAP usage from all coatings and cleanup materials employed, in pounds or tons per month [the sum of (c) times (d) for each coating plus the sum of (g) times (h) for each cleanup material];

k. the updated rolling, 12-month summation of usage for each individual HAP emissions**, in pounds or tons. This shall include the information for the current month and the preceding eleven calender months; and

l. the updated rolling, 12-month summation of usage for total combined HAP emissions**, in pounds or tons. This shall include the information for the current month and the preceding eleven calender months.

* A listing of the HAPs can be found in Section 112(b) of the Clean Air Act or can be obtained by contacting your Hamilton County Department of Environmental Services contact. This information does not have to be kept on a individual emissions unit basis.

** This assumes the HAP(s) emitted are the same as the amounts of HAP(s) used since all HAP(s) used evaporated.

2. The permittee shall maintain monthly records which list the following information for each ink, coating, and cleanup material employed in emissions unit K005:

a. the company identification of each ink, coating, and cleanup material employed;

b. the percent VOC by volume of each ink and coating employed, excluding water and exempt solvents or the percent VOC by volume of the volatile matter in each coating and ink employed;

c. the VOC content of each ink, coating, and cleanup material employed, in pounds per gallon;

d. the total gallons of each ink, coating, and cleanup material employed;

e. the total VOC emissions and VOC input per month [the sum of (c) times (d) for all inks, coatings and cleanup materials employed].

f. the total rolling 12 month VOC emissions, and rolling 12 month VOC input, shall be the sum of monthly VOC emissions and VOC input, respectively. This shall include the information for the current month and the preceding eleven calender months.

g. the VOC content of the coatings and inks, as applied based on a monthly volume- weighted average [the sum of (c) times (d) for all inks and coatings employed divided by the total volume of all coatings and inks for the month].

3. The permit to install for emissions unit K005 was evaluated based on the actual materials(typically coatings and cleanup materials) and the design parameters of the emissions unit's exhaust system, as specified by the permittee in the permit to install application. The Ohio EPA's "Review of New Sources of Air Toxic Emissions" policy("Air Toxic Policy") was applied for each pollutant emitted by this emissions unit using data from the permit to install application and the SCREEN 3.0 model(or other Ohio EPA approved model). The predicted 1-hour maximum ground-level concentration from the use of the SCREEN 3.0 model was compared to the Maximum Ground-Level Concentration (MAGLC).

The following summarizes the results of the modeling for the "worst case" pollutant(s):

Pollutant: dimethylethanolamine

TLV (ug/m3): 18,229

Total Maximum Hourly Emission Rate (lbs/hr): 1.56

Predicted 1 Hour Maximum Ground-Level Concentration at the Fence line (ug/m3): 94

Maximum Acceptable Ground-Level Concentration (MAGLC) (ug/m3): 434

Physical changes to or in the method of operation of the emissions unit after it's installation or modification could affect the parameters used to determine whether or not the "Air Toxics Policy" is satisfied. Consequently, prior to making a change that could impact such parameters, the permittee shall conduct an evaluation to determine that the "Air Toxic Policy" will still be satisfied. If, upon evaluation, the permittee determines that the "Air Toxic Policy" will not be satisfied, the permittee will not make the change. Changes that can affect the parameters used in the "Air Toxic Policy" include the following:

a. changes in the composition of the materials used (typically for coatings or cleanup materials), or the use of new materials, that would result in the emission of a compound with a lower Threshold Limit Value (TLV), as indicated in the most recent version of the handbook entitled "American Conference of Governmental Industrial Hygienists (ACGIH)," than the lowest TLV value previously modeled;

b. changes in the composition of the materials, or use of new materials, that would result in an increase in emissions of any pollutant with a listed TLV that was proposed in the application and modeled; and

c. physical changes to the emissions unit or its exhaust parameters (e.g., increased/decreased exhaust flow, changes in stack height, changes in stack diameter, etc.).

If the permittee determines that the "Air Toxic Policy" will be satisfied for the above changes, the Ohio EPA will not consider the change(s) to be a "modification" under OAC rule 3745-31-01 solely due to the emissions of any type of toxic air contaminant not previously emitted, and a modification of the existing permit to install will not be required, even if the toxic air contaminant emissions are greater than the de minimis level in OAC rule 3745-15-05. If the change(s) is (are) defined as a modification under other provisions of the modification definition, then the permittee shall obtain a final permit to install prior to the change.

The permittee shall collect, record, and retain the following information when it conducts evaluations to determine that the changed emissions unit will satisfy the Air Toxic Policy:"

a. a description of the parameters changed(composition of materials, new pollutants emitted, change in stack/exhaust parameters, etc.);

b. documentation of it's evaluation and determination that the changed emissions

unit still satisfies the "Air Toxic Policy"; and

c. when the computer modeling is performed, a copy of the resulting computer model runs that show the results of the application of the "Air Toxic Policy" for the change.

D. Reporting Requirements

1. An affected source subject to this subpart shall submit an initial notification per the requirements of 40 CFR 63.9(b) which includes the following information:

   a. the name and mailing address of the permittee;

   b. the physical location of the source if it is different from the mailing address;

   c. identification of the relevant MACT standard and the permittee's compliance date;

   d. a brief description of the nature, design, size, and method of operation of the source, including the operating design capacity and an identification of each emission point of each hazardous air pollutant; and

   e. a statement of whether or not the permittee is a major source or an area source according to the promulgated MACT operating parameter and emissions exceedances.

   The notification shall be submitted within 120 days after initial start-up.

2. The permittee shall notify the Hamilton County Department of Environmental Services of any exceedance of the HAP emission limitations outlined in term and condition A.2.e. If no exceedances occurred, the permittee shall state so in the report. The reports shall be submitted by January 31, April 30, July 31 and October 31 of each year and shall cover the previous calendar quarters (October through December, January through March, April through June and July through September, respectively.)

3. The permittee shall notify the Hamilton County Department of Environmental Services in writing of any monthly record showing the use of noncomplying coatings and/or inks (i.e., the VOC content limitations in term A.2.c and A.2.d). The notification shall include a copy of such records and shall be sent to the Hamilton County Department of Environmental Services within 30 days after the exceedance occurs.

4. The permittee shall notify the Hamilton County Department of Environmental Services of any exceedance of the rolling 12 month VOC emissions limitation or the rolling 12 month VOC input limitation outlined in term and condition A.1 and B.1. If no exceedances occurred, the permittee shall state so in the report. The reports shall be submitted by January 31, April 30, July 31 and October 31 of each year and shall cover the previous calendar quarters (October through December, January through March, April through June and July through September, respectively.)

5. Unless otherwise noted in the above terms, the deviation reports shall be submitted in accordance with the reporting requirements of the General Terms and Conditions of this permit.

6. The permittee shall submit annual reports which specify the total volatile organic compound emissions, VOC input and the coating and ink usage from this emissions unit for the previous calendar year. These reports shall be submitted by January 31 of each year.

E. Testing Requirements

1. Compliance with the emission limitations in Section A of these terms and conditions shall be determined in accordance with the following methods:

   Emissions Limitation:

   26.0 lbs of VOC/hour**.**

   Applicable Compliance Method:

   The hourly VOC emission rate is based on the emissions unit potential to emit. The potential to emit was calculated by multiplying the maximum hourly square foot production rate by the maximum VOC emission rate per square foot or 0.194 million square feet/hour by 134.0 lbs of VOC/million square feet, as provided in PTI application number 14-05866 submitted on July 24, 2006.

   Emissions Limitation:

   13.00 TPY of VOC from inks and coatings.

   Applicable Compliance Method:

Compliance shall be determined by the record keeping required in term and condition C.2.

Emissions Limitations:

The total allowable emission of Hazardous Air Pollutants (HAPs) from the emissions units identified in term and condition A.2.e shall not exceed 9.9 TPY for any single HAP and 24.9 TPY for any combination of HAPs.

Applicable Compliance Method:

Compliance with the HAP emission limitations shall be based on the record keeping requirements established in term and condition C.1.

2. Compliance with the VOC input limitation of 13.0 tons of VOC per year (VOC input) from coating and ink usage shall be based on the record keeping requirements established in term and condition C.2.

3. Compliance with the VOC content limitations in terms and conditions A.2.c and A.2.d shall be based on the record keeping requirements established in term and condition C.2.

4. USEPA Methods 24 and 24A shall be used to determine the VOC contents for the coatings and cleanup materials employed in this emissions unit. If, pursuant to 40 CFR Part 60, Appendix A, an owner or operator determines that Method 24 or 24A cannot be used for a particular coating or ink, the permittee shall so notify the Administrator of the USEPA and shall use formulation data for that coating or ink to demonstrate compliance until the USEPA provides alternative analytical procedures or alternative precision statements for Method 24 or 24A.

5. Compliance with the requirements of term and condition A.2.f shall be demonstrated by the record keeping in term and condition C.1 and reporting in term and condition D.1 and D.2.

Emissions Unit ID: **K005**

F. Miscellaneous Requirements

1. The following terms and conditions of this permit are federally enforceable: A, B, C.1 - C.2, D and E.