

MARICOPA COUNTY AIR QUALITY DEPARTMENT

Engineering and Permitting Division

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AIR QUALITY PERMIT TO OPERATE AND/OR CONSTRUCT

(As required by Title 49, Chapter 3, Article 2, Section 49-480, Arizona Revised Statutes)

ISSUED TO

**Shutterfly, Inc.
7195 S. Shutterfly Way
Tempe, 85283**

This air quality permit to operate and/or construct does not relieve the applicant of the responsibility of meeting all air pollution regulations.

THE PERMITTEE IS SUBJECT TO THE SPECIFIC AND GENERAL CONDITIONS IDENTIFIED IN THIS PERMIT.

REVISION NUMBER: _____

REVISION NUMBER: _____

DRAFT Todd Martin, Non-Title V Permit Supervisor

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Any cited regulatory paragraphs or section numbers refer to the version of the rules and regulations that were in effect on the first date of public notice of the applicable Permit Condition unless specified otherwise. However, in the event the rules and regulations are amended during the term of this Permit, the amended rules and regulations shall apply to this Permit. Whenever the term, Control Officer, is used in this Permit it shall be interpreted to mean, Control Officer or designated representative. Where the term “Rule” appears, it shall be construed to mean “Maricopa County Air Pollution Control Regulations” unless otherwise noted.

SPECIFIC CONDITIONS

GRAPHIC ARTS

1. Allowable Emissions:

- a. The Permittee shall not allow emissions into the atmosphere in excess of any of the following:

	Twelve Month Rolling Total Emission Limits
Volatile Organic Compounds (VOC)	37.5 TPY
Any Single Hazardous Air Pollutant (HAP)	1.5 TPY
Total Hazardous Air Pollutants (HAPs)	3 TPY

- b. The 12-month rolling total emissions shall be calculated monthly by the end of the following month by summing the emissions over the most recent 12 calendar months. The Permittee shall keep this emission record on-site for inspection or submittal upon request.
- c. Emissions shall equal the net usage, minus the amount recovered and shipped offsite as waste, of all VOC-containing chemicals such as, but not limited to, inks, imaging agents, recycling agents, imaging oil, coatings, adhesives, thinners, and cleaners multiplied by their respective VOC content as follows:

$$VOC\ Emitted\ (lbs) = \sum_i \left\{ \left[V_{Purchased}^i - \left(\frac{V_{Purchased}^i}{V_{Purchased}^T} \times V_{Waste\ Shipped}^T \right) \right] \times VOC^i \right\}$$

Where,

$V_{Purchased}^i$ = Gallons of chemical *i* purchased

$V_{Purchased}^T$ = Total gallons of all chemicals purchased

$V_{Waste\ Shipped}^T$ = Total gallons of waste shipped offsite from all chemicals

VOC^i = VOC content of chemical *i* in pounds per gallon

- d. Unless records show that VOC-containing material was sent offsite for legal disposal, it will be assumed that it evaporated on site.
- e. Records of the usage and disposal of all VOC and HAP containing materials shall be kept in accordance with Permit Condition 5.

[Rule 241 §302][Rule 220 §§ 302.2, 302.7][Locally Enforceable Only]

2. Work Practices – Storage, Handling and Disposal of VOC-Containing Material:

The Permittee shall comply with each of the following:

- a. Labeling of Containers: All containers that are 1 gallon or larger used for collection of VOC-containing material shall be clearly identified with their contents.
- b. Use of VOC-Containing Materials: The Permittee shall not leave containers of ink, oil, coating, adhesive, or any other VOC-containing material open when not in use.
- c. Storage and Disposal: The Permittee shall not use open containers for the storage or disposal of VOC-

containing materials.

- d. Spills: The Permittee shall implement procedures to minimize spills of any VOC-containing material during handling and transfer to and from containers, enclosed systems, waste receptacles and other equipment.
- e. Conveyance of VOC-Containing Materials: All VOC-containing materials including VOC-containing cleaning materials shall be conveyed from one location to another in labeled, closed containers or pipes.
[Rule 337 §306][Locally Enforceable Only]

3. Controls:

- a. The Permittee shall not operate the following printing presses unless the internal oil recycling system and its associated control device are properly functioning and operating in accordance with the Operation and Maintenance Plan required by Permit Condition 4.

Unit	Quantity	Control Device
HP Indigo 6000 Digital Printing Press	2	LAUDA Ultra Cool Chiller
HP Indigo 6600 Digital Printing Press	3	LAUDA Ultra Cool Chiller
HP Indigo 7200 Digital Printing Press	4	LAUDA Ultra Cool Chiller
HP Indigo 7250 Digital Printing Press	1	LAUDA Ultra Cool Chiller
HP Indigo 7500 Digital Printing Press	2	LAUDA Ultra Cool Chiller
HP Indigo 7600 Digital Printing Press	2	LAUDA Ultra Cool Chiller
HP Indigo 10000 Digital Printing Press	12	TRESU Americas DPC4 v2015 Chiller

- b. The Permittee shall achieve 80% VOC recovery from the presses listed in subsection [a] during each 12-month rolling period.
[Rule 241 §302][Locally Enforceable Only]

4. Operation and Maintenance (O & M) Plan Requirements:

- a. The Permittee shall comply with the most recently approved O&M Plan for the following devices. The Permittee shall revise the O&M Plan upon the request of the Department and whenever substantive changes are made to the equipment or plan, in accordance with the Department guidelines:
 - i. LAUDA Ultra Cool Chiller
 - ii. TRESU Americas DPC4 v2015 Chiller
- b. The Operation and Maintenance (O&M) Plan shall specify key system operating parameters necessary to determine compliance and describe in detail procedures to maintain the approved emission control system. The Permittee shall monitor, operate and maintain the equipment in accordance with the device's approved O&M Plan.
- c. Changes to an existing O&M Plan shall be made by submitting a complete, revised O&M Plan along with a cover letter identifying all changes and the reason for such changes. The Permittee may implement the changes addressed in the revised O&M plan after it submits the revision to the Department. Unless disapproved in writing by the Department, the Permittee shall continue to operate in accordance with the revised O&M plan.
- d. If any control device is found to be operating outside a specified range, the Permittee shall immediately take corrective action to bring the device back into the specified operating range or shut down the device and the associated equipment vented to it.
- e. If a pattern of excursions, as determined by the Department or the Permittee, of operation outside the specified operating range develops, the Permittee shall submit for Department approval a Corrective Action Plan to bring the devices back into the specified operating range. The Plan shall be submitted to the Department, Attn: Compliance Manager, within 30 days of the determination of the existence of

excursions.

[Rule 220 § 302.4][Locally Enforceable Only]

5. Recordkeeping:

The Permittee shall comply with the recordkeeping and reporting requirements of this Condition. Records can consist of but are not limited to purchase orders, invoices, receipts, usage records, MSDS, and hazardous wastes manifests. Any records required by this rule shall be retained for five (5) years and be made available to the Control Officer upon request. Records may be kept in either electronic or paper format.

- a. Current Materials List: The Permittee shall maintain a current list of inks, oils, coatings, adhesives, thinners, cleaners, and any other VOC and/or HAP containing materials used that includes at a minimum:
 - i. Material Name: Record the name/code/manufacturer and the appropriate material type category of each VOC and/or HAP containing material used in the graphic arts processes.
 - ii. VOC and/or HAP Content: The VOC and/or HAP content of each material listed as pounds per gallon or grams per liter, or percent by weight along with the specific gravity or density of the material.
 - iii. Product Data Sheet: Specific mixing instructions and the VOC content as applied for products requiring dilution.
- b. Material Usage/Disposal Records: The Permittee shall maintain monthly records showing the type and amount of each graphic arts ink, oil, coating, adhesive, cleaner, and any other VOC and/or HAP containing material consumed and disposed of.
- c. The Permittee shall maintain records of the monthly and 12-month rolling total emissions, as required by Permit Condition 1. The Permittee shall document the quantity of VOC and/or HAP containing material used and keep sufficient records of the basis of such calculations.
- d. To demonstrate compliance with Permit Condition 3.b the Permittee shall calculate the percentage of VOCs recovered for each rolling 12-month period as follows:

$$\% \text{ VOC Recovered} = \frac{V_{\text{Waste Shipped}}^T}{V_{\text{Purchased}}^T}$$

Where,

$V_{\text{Waste Shipped}}^T$ = Total gallons of waste from all chemicals shipped offsite in the preceding 12-months

$V_{\text{Purchased}}^T$ = Total gallons of all chemicals purchased in the preceding 12-months

[Rule 220 §302.7][Rule 337 §502.5][Locally Enforceable Only]

- e. Monitoring and maintenance records specified in the O&M Plan:
 - i. Monitoring Records shall consist of an operations log sheet to be completed for every day the process and/or control device is in operation. Operations log sheets shall, at a minimum, contain the following information: equipment identification; date and time of readings; identification of the individual recording the data; operating parameters to be monitored including units of measure, operating limits (upper and lower limits), and locations for recording measurements; measurement frequency; and if applicable, corrective action taken. An explanation shall be recorded for any periods of operation when the control device was not operating.
 - ii. Maintenance Records shall, at a minimum, contain the following information: equipment identification; date; identification of the individual performing the maintenance check; procedures to be performed including frequency of occurrence; results of inspection (acceptable, nozzle plugged, belt cracked, etc.); and corrective action taken (none, cleaned nozzle, replaced belt, etc.).
 - iii. Whenever the O&M Plan requires that maintenance be performed, a record shall be made of the

maintenance actions taken within 24 hours of maintenance completion.

- iv. An explanation shall be recorded for any scheduled maintenance that is not performed during the period designated in the O&M Plan.

[Rule 220 § 302.7][Locally Enforceable Only]

Fugitive Dust from Dust-Generating Operations

6. Operational Limitation:

The Permittee shall not conduct any dust-generating operation which occurs more than 4 times per year or last 30 cumulative days or more per year unless the Permittee complies with all applicable requirements of Rule 310 and Permit Condition 7.

[SIP Rule 310 §§102, 227]

7. Dust Control Plan Requirements:

The owner and/or operator of a dust-generating operation shall submit to the Control Officer a Dust Control Plan that involve dust-generating operations with a disturbed surface area that equals or exceeds 0.10 acre (4,356 square feet) before commencing any routine dust-generating operation. The Dust Control Plan shall be kept available onsite at all times.

[SIP Rule 310 §§ 301-310, 409]

GENERAL CONDITIONS

8. Posting of Permit:

This Permit shall be posted in a clearly visible and accessible location on the site where the equipment is installed.

[Rule 200 §312][Locally Enforceable Only]

9. Compliance:

- a. The issuance of any Permit or Permit revision shall not relieve the Permittee from compliance with any Federal laws, Arizona laws, or the County or SIP Rules, nor does any other law, regulation or permit relieve the Permittee from obtaining a Permit or Permit revision required under the County Rules.

[Rule 200 §§309, 310.3][Rule 220 §406.3][Locally Enforceable Only]

- b. The Permittee shall comply with all conditions of this Permit including all applicable requirements of Federal laws, Arizona laws, and Maricopa County Air Pollution Control Rules and Regulations now in effect and as amended in the future. Any Permit noncompliance is grounds for enforcement action, Permit termination or revocation, or for denial of a renewal application. In addition, non-compliance with any federally enforceable requirements constitutes a violation of the Clean Air Act.

[Rule 200 §310.4][Rule 220 §302.24][A.A.C. R18-2-306.A.8.a][Locally Enforceable Only]

- c. It shall not be a defense for the Permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with these Permit Conditions.

[Rule 220 §302.10][A.A.C. R18-2-306.A.8.b][Locally Enforceable Only]

- d. Rights and Privileges: This Permit does not convey any property rights or exclusive privilege of any sort.

[Rule 220 §302.12][Locally Enforceable Only]

- e. Fees: The Permittee shall pay all fees to the Control Officer in accordance with Rule 280. No permit or permit revision is valid until the applicable permit fee has been received and until the permit is issued by the Control Officer.

[Rule 200 §409][Rule 280 §302][A.R.S. 49-480(D)][SIP Rule 28]

10. Malfunctions, Emergency Upsets, and Excess Emissions:

An affirmative defense of an emergency, excess emission, and/or during startup and shutdown shall be demonstrated through properly signed, contemporaneous operating logs, or other relevant evidence as outlined in Rule 130 for emergencies and Rule 140 for excess emissions.

[Rule 130 §§201, 400][Rule 140 §§400, 500][SIP Rule 140]

11. Revision / Reopening / Revocation:

The Permit may be revised, reopened, revoked and reissued, or terminated for cause. The filing of a request by the Permittee for a permit revision, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not stay any Permit Condition.

[Rule 220 §302.11][Locally Enforceable Only]

12. Records:

a. The Permittee shall furnish information that the Control Officer may request in writing to determine whether cause exists for revising, revoking and reissuing this permit, or terminating this permit, or to determine compliance with this permit. The information shall be provided in a timeframe specified by the Control Officer. Upon request, the Permittee shall also furnish to the Control Officer copies of records required to be kept by this Permit. For information claimed to be confidential, the Permittee shall furnish a copy of such records directly to the Administrator along with a claim of confidentiality.

[Rule 220 §302.13][SIP Rule 40]

b. If the Permittee fails to submit any relevant facts or has submitted incorrect information in a permit application, the Permittee shall, upon becoming aware of such failure or incorrect submittal, promptly submit such supplementary facts or corrected information. In addition, the Permittee shall provide additional information as necessary to address any requirements that become applicable to the source after the date a complete application is filed but prior to release of a proposed permit. Willful misrepresentation of facts in a permit application is cause for revocation or denial of a permit.

[Rule 220 §§301.5, 301.6][Locally Enforceable Only]

13. Right to Entry:

a. The Control Officer during reasonable hours, for the purpose of enforcing and administering County or SIP Rules or the Clean Air Act, or any provision of the Arizona Revised Statutes relating to the emission or control prescribed pursuant thereto, may enter every building, premises, or other place, except the interior of structures used as private residences. Every person is guilty of a petty offense under A.R.S. 49-488 who in any way denies, obstructs or hampers such entrance or inspection that is lawfully authorized by warrant.

b. The Permittee shall allow the Control Officer or his designated representatives, upon presentation of proper credentials (e.g., Maricopa County Air Quality Department identification) and other documents as may be required by law, to:

i. Enter upon the Permittee's premises where a source is located or emissions-related activity is conducted, or where records are required to be kept pursuant to the conditions of the permit;

ii. Have access to and copy, at reasonable times, any records that are required to be kept pursuant to the conditions of the permit;

iii. Inspect, at reasonable times, any sources, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required pursuant to this permit;

iv. Sample or monitor, at reasonable times, substances or parameters for the purpose of assuring compliance with the Permit or other applicable requirements; and

v. Record any inspection by use of written, electronic, magnetic, and photographic media.

[Rule 100 §105][Rule 220 §302.17-21][SIP Rule 43]

14. Severability:

The rules, paragraphs, clauses, provisions, and/or sections of this Permit are severable, and, if any rule, paragraph, clause, provision, and/or section of this Permit is held invalid, the remainder of this Permit shall not be affected thereby.

[Rule 220 §302.9][SIP Rule 80]

Equipment List

SHUTTERFLY, INC.
Permit Number 150063

Issue Date: 11/20/15

Equipment Description	Rated Capacity	Quantity Exist/Future
1. PRINTING PRESS - HP INDIGO 10000 DIGITAL PRESS	584.91 SQ IN	12 /
2. PRINTING PRESS - HP INDIGO 6000 DIGITAL PRESS	481.50 SQ IN	2 /
3. PRINTING PRESS - HP INDIGO 6600 DIGITAL PRESS	481.50 SQ IN	3 /
4. PRINTING PRESS - HP INDIGO 7200 DIGITAL PRESS	481.50 SQ IN	4 /
5. PRINTING PRESS - HP INDIGO 7250 DIGITAL PRESS	481.50 SQ IN	1 /
6. PRINTING PRESS - HP INDIGO 7500 DIGITAL PRESS	227.90 SQ IN	2 /
7. PRINTING PRESS - HP INDIGO 7600 DIGITAL PRESS	481.50 SQ IN	2 /
8. CHILLER - LAUDA ULTRA COOL	.00	14 /
9. CHILLER - TRESU AMERICAS DPC4 V2015	.00	12 /
10. PRINTING PRESS - KIRK RUDY INKJET PRESS	21.25 SQ IN	2 /
11. COATER/DEVELOPER - UV COATER HARRIS BRUNO	907.50 SQ IN	3 /
12. COATER/DEVELOPER - UV COATER TEC LIGHTING TC2421	920.00 SQ IN	2 /
13. COATER/DEVELOPER - UV COATER TEC LIGHTING	920.00 SQ IN	2 /
14. EQUIPMENT - MULLER HORAUF CASE BINDER	457.60 SQ IN	1 /
15. WASHER - PARTS WASHER W/ HP IMAGING OIL; GRAYMILLS PL36-A	15.00 GALLON(S)	5 /