FACT SHEET

Draft Air Pollution Control Permits

For

AFE/SIO INTERNATIONAL WISCONSIN, INC (FOXCONN TECHNOLOGY GROUP)

Located At

11111 BRAUN ROAD AND 4217 COUNTY ROAD H, MOUNT PLEASANT (RACINE COUNTY) Construction Permit Nos.: 17-JJW-207, 18-JJW-017, 18-JJW-022, and 18-JJW-036

Background:

- On October 4, 2017, Foxconn Technology Group announced it will be locating its first U.S. manufacturing facility in the village of Mount Pleasant in Racine County.
- The Foxconn Technology Group (Hon Hai Precision Industry Co., Ltd.) is a multinational electronics manufacturing company headquartered in Taiwan. The company is the world's largest contract electronics manufacturer and the fourth-largest information technology company.
- In September 2017, the state legislature passed 2017 Wisconsin Act 58, authorizing the state to create an electronics and information technology manufacturing zone, within which Foxconn will be operating. Wisconsin Act 58 did not have any effect on applicable air pollution or air permitting requirements. The Foxconn air permit applications are being reviewed as required under the Clean Air Act and Wisconsin Administrative Code and Statutes.

Proposed Project Details and Draft Air Pollution Control Permits:

- Foxconn submitted four air permit applications for different parts of the manufacturing campus, including a flat panel display fabrication facility, a liquid crystal module (LCM) assembly plant, a nitrogen plant, and an energy facility. These applications are being reviewed as a single project for a single facility.
- The project is being reviewed as a major source under the federal Prevention of Significant Deterioration (PSD) permit program. PSD requires pollutants with a significant emission increase to be controlled using best available control technology (BACT).
- The four facilities and associated permit numbers are as follows:
 - AFE Inc./SIO International Flat Panel Display Fabrication Facility Permit Number 18-JJW-036
 - The fabrication facility will be for the main flat panel display fabrication and ancillary operations. The fabrication facility will manufacture thin-film-transistor liquid crystal displays (TFT-LCD). The application also lists ancillary operations associated with the fabrication facility, including the purified water plant; the wastewater treatment plant; liquid chemical receiving, storage and dispensing areas; and gas receiving, storage and dispensing areas.
 - o AFE, Inc. Liquid Crystal Module (LCM) Assembly Plant Permit Number 17-JJW-207
 - The LCM assembly plant will be for the assembly of light emitting diode (LED) lights, reflective and other films, metal frames, and other components and parts for flat panel displays, including television units.
 - AFE Inc./SIO International Nitrogen Plant Permit Number 18-JJW-022
 - The nitrogen plant will house an air separation unit that produces gaseous and liquid nitrogen as well as gaseous and liquid oxygen and liquid argon. The gaseous and liquid products will be produced through cryogenic distillation and refrigeration of air that has been compressed and purified via an adsorption system. Pipelines will supply the products to various parts of the manufacturing campus.

o AFE, Inc./SIO International - Energy Facility - Permit Number 18-JJW-017

• The energy facility will provide heating, cooling, and process steam to the fabrication plant. The facility will also include a substation, which will house emergency generators that will provide back-up power during power outages.

Ozone Nonattainment:

- Racine County is currently designated as attainment/unclassifiable for all criteria air pollutants (carbon
 monoxide, lead, ground-level ozone, particulate matter, nitrogen dioxide, and sulfur dioxide). In a letter
 dated December 20, 2017, EPA proposed nonattainment under the 2015 ozone standard for parts of eastern
 Wisconsin including Racine County.
- DNR and the Governor's office have recommended to EPA that the entire state be designated as attainment with respect to the 2015 ozone standard. At this time, EPA has not yet finalized any nonattainment designations for the 2015 ozone standard for Wisconsin. EPA is expected to make final designations by the end of April, with an effective date 30 to 60 days thereafter (June or July).
- Per the Clean Air Act and ch. NR 405, Wis. Adm. Code, new major sources of air pollution in attainment areas are reviewed under the Prevention of Significant Deterioration (PSD) permit program. If Racine County is designated as nonattainment for the 2015 ozone standard, then any air permits issued to this facility after the designations are effective would be reviewed under the nonattainment area new source review (NNSR) rules, per the Clean Air Act and ch. NR 408, Wis. Adm. Code.

Public Process:

- The Air Management Program has made a preliminary determination that the proposed project meets the criteria for air permit approval, provided the emission limits and conditions included in the draft permits are met. A final decision regarding emission limits and conditions will be made after the department has reviewed and evaluated all comments received during the public comment period. An air pollution control permit must be issued if it is determined that the source can meet all applicable state and federal air pollution regulations and emission limitations.
- The public comment period opened on 03/17/2018 and will close at the end of the business day on 04/16/2018.
- The DNR welcomes comments on the draft permits and the analysis documents. Comments could address the following:
 - o Technical accuracy of the DNR's review of the permit application
 - Inclusion of all emission sources and control devices
 - Application of air pollution rules and statutes
 - Methods required for demonstrating compliance
 - o Adequacy of the best available control technology (BACT) determinations
- Comments may be faxed (920-424-4404), e-mailed (jonathan.wright@wisconsin.gov), or mailed (Wisconsin Department of Natural Resources, Attn.: Jonathan Wright, Northeast Region Air Program, Oshkosh Service Center, 625 E County Road Y, Suite 700, Oshkosh, WI 54901-9731).