Mr. Paul Crozier President Paint & Chemicals Inc., dba Paragon Coatings Co. 211 Main St. South Houston, Tx. 77587

Re: Exemption Registration Request Paragon Coatings Co. South Houston, Harris County Account ID No. HG-0545-P

Dear Mr. Crozier:

This is in response to your request to register the pending installation of a paint manufacture facility under 30 Texas Administrative Code (TAC) Section 106.226 at your facility near 211 Main Street South Houston, Harris County. The information submitted in support of your request has been evaluated and found to be insufficient to determine whether a]] the exemption claimed in your registration requirements of the request and/or 30 TAC Chapter 106 have been met. Therefore, we cannot confirm your claim of this exemption at this time.

Deficiencies are summarized below:

- 1. Does the 40,000 gallons of solvent used in the process include the following solvents:
 - a. Lacquer thinner
 - b. VM & P (please describe what this is)
 - c. Xylene
 - d. Alkyd resin (or the solvent in the resin)
 - e. Mixed solvents

or is it xylene only, since the density of xylene only was used in your calculations?

2. Please provide MSDSs of all

Delete the following paragraph if not applicable

To assist you in your submittal, a copy of 30 TAC Chapter 106, Subchapter A, and applicable checklists (List exemption checklist(s) enclosed) are being provided under separate cover.

You may resubmit, with appropriate corrections, a revised letter and/or a new exemption registration request (PI-7) or a permit/amendment application (PI-1). Please include all previously-assigned Texas Natural Resource Conservation Commission Account ID, permit, or exemption registration numbers in your new submittal.

You are reminded that Sections 382.0518(a) and 382.057 of the Texas Clean Air Act, Texas Health and Safety Code, Chapter 382, provide that a construction permit must be obtained or a exemption fully complied with before work is begun on the construction of a new facility or modification of an existing facility that may emit air contaminants.