

# COMMONWEALTH of VIRGINIA

DEPARTMENT OF ENVIRONMENTAL QUALITY

West Central Regional Office

3019 Peters Creek Road, Roanoke, Virginia 24019

Telephone (540) 562-6700, Fax (540) 562-6725

www.deq.virginia.gov

L. Preston Bryant, Jr  
Secretary of Natural Resources

David K. Paylor  
Director

Steven A. Dietrich  
Regional Director

August 22, 2007

C O P Y

Mr. W. Larry McDorman  
Tire Energy Corporation  
499 Industrial Park Drive  
Martinsville, VA 24148

Location: Martinsville, VA  
Registration No.: 21415  
County-Plant No.: 089-0130

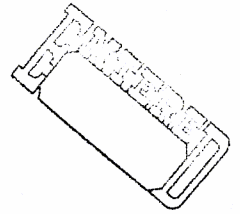
Dear Mr. McDorman:

In response to our recent discussions, the Virginia Department of Environmental Quality (VADEQ) is joining you in a mutual determination, pursuant to 9 VAC 5-20-220 of Virginia's Regulations for the Control and Abatement of Air Pollution, regarding the shutting down of a source. The Regulations provide that the VADEQ and the owner of a source may make a "mutual determination that a stationary source or emissions unit is shut down permanently." The Regulations also require that, upon making a final decision that the source is permanently shut down, the VADEQ terminate the permits.

In execution of this mutual determination of permanent shutdown, Tire Energy Corporation agrees that:

1. A mutual and final determination has been made that the Tire Energy Corporation facility at 499 Industrial Park Drive in Martinsville, Virginia is permanently shut down;
2. Mr. W. Larry McDorman is the President of Tire Energy Corporation;
3. The air permit issued for the Tire Energy Corporation facility, dated April 27, 2007, is terminated;

Mr. W. Larry McDorman  
August 22, 2007  
Page 2



4. The VADEQ will remove the Tire Energy Corporation facility from the air emission inventory and will consider its air pollutant emissions to be zero in any future air quality analysis to be conducted;
5. Upon signature of this document by the VADEQ and by Mr. W. Larry McDorman, the Tire Energy Corporation facility shall cease operations. No future operations shall occur until the owner has obtained a permit pursuant to 9 VAC 5 Chapter 80. Any use of the Tire Energy Corporation facility after execution of this document shall be considered equivalent to construction and operation of a new emissions unit and will subject Tire Energy Corporation to the requirement to obtain a permit pursuant to applicable provisions of 9 VAC 5 Chapter 80 in the Regulations;
6. The permanent shutdown of the Tire Energy Corporation facility will become effective upon signature of this document by both parties; and
7. The permanent shutdown of the Tire Energy Corporation facility is binding upon Tire Energy Corporation, its successors in interest, designees, and assigns, jointly and severally.

By authorized signature below, and in accordance with the Virginia Regulations for the Control and Abatement of Air Pollution, Tire Energy Corporation and the VADEQ, acting on behalf of the State Air Pollution Control Board, mutually determine that the Tire Energy Corporation facility is shut down permanently.

Date: 9-25-07

Steven A. Dietrich  
Steven A. Dietrich, P.E., Regional Director  
Virginia Department of Environmental Quality

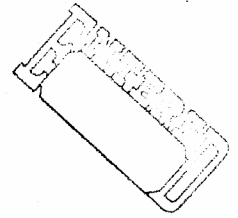
The terms and conditions of this determination are accepted by Tire Energy Corporation.

Date: 9/21/07

W. Larry McDorman, President  
W. Larry McDorman, President  
Tire Energy Corporation

State of Virginia  
City/County of HENRY

Mr. W. Larry McDorman  
August 22, 2007  
Page 3



The foregoing instrument was acknowledged before me this Sept. 21, 2007 by  
Date

W. Larry M. Dorman, President of  
W. Larry McDorman, President

Tire Energy Corporation, a Virginia corporation, on behalf of the corporation.

Sept. 21, 2007 Date Gwendolyn J. Eggleston  
Notary Public

My commission expires: Oct. 31, 2007  
Date

cc: Monica Harvey, Office of Air Permitting Programs, DEQ (electronic file submission)  
Dr. Michael J. Scanlan, Air Permitting Manager  
Frank Adams, Air Compliance and Enforcement Manager → Mary Monroe, Air  
Compliance Inspector  
Gail Taber Steele, Environmental Engineer