ADEQ MINOR SOURCE AIR PERMIT

Permit #: 0735-AR-5

IS ISSUED TO:

Harvest Rice, Inc. 1232 High Street McGee, AR 71654 Desha County AFIN: 2100058

THIS PERMIT IS Harvest Rice, Inc.'s AUTHORITY TO CONSTRUCT, MODIFY, OPERATE, AND/OR MAINTAIN THE EQUIPMENT AND/OR FACILITY IN THE MANNER AS SET FORTH IN THE DEPARTMENT'S MINOR SOURCE AIR PERMIT AND THE APPLICATION. THIS PERMIT IS ISSUED PURSUANT TO THE PROVISIONS OF THE ARKANSAS WATER AND AIR POLLUTION CONTROL ACT (ARK. CODE ANN. SEC. 8-4-101 ET SEQ.) AND THE REGULATIONS PROMULGATED THEREUNDER, AND IS SUBJECT TO ALL LIMITS AND CONDITIONS CONTAINED HEREIN.

Signed:	
	November 28, 2006
Mike Bates	Date
Chief, Air Division	

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Section I: FACILITY INFORMATION

PERMITTEE: Harvest Rice, Inc.

AFIN: 2100058

PERMIT NUMBER: 735-AR-5

FACILITY ADDRESS: 1232 High Street

McGee, AR 71654

COUNTY: Desha County

CONTACT PERSON: DJ Woodson

CONTACT POSITION Mill Superintendent

TELEPHONE NUMBER: 870-222-5800

REVIEWING ENGINEER: Charles Hurt

UTM Zone 15

UTM North-South (Y): 3720352.75

UTM East-West (X): 649144.28

Section II: INTRODUCTION

Summary

Harvest Rice, Inc. operates a rice milling plant located at 1232 High Street, McGehee, Arkansas. The facility requested authorization to install two new rough rice storage bins (SN-20 and SN-21) and increase rough rice and clean rice receipts to 225,000 tons per year and 10,500 tons per year, respectively. Harvest Rice proposed revised emission estimates based on rice receipt. Permitted PM emission limit increased by 0.8 tpy and PM₁₀ emission limits decreased by 11.2 tpy.

Process Description

Rough rice is delivered to the facility via hopper truck. The rice is transferred into one three rough rice bin dump pits (SN-01, SN-02, and SN-03). The fourth dump pit (SN-04) is used for clean rice receipts. The rough rice is conveyed to either the internal mill bins or is conveyed into one of six rough rice storage bins (SN-16 through SN-21). Rice is shipped from the facility via truck and rail.

The rough rice is given a preliminary cleaning and then placed into the mill internal storage bins. Cleaning removes all foreign material and imperfect rice. The rice is then conveyed to milling process. The particulate matter emitted from the milling is routed to a baghouse (SN-06). Particulate matter from the milled rice storage bins is routed to a baghouse (SN-07). The outer part of the rice is removed and is used to produce bran. The bran baghouse (SN-05) controls the emissions from the bran handling.

Regulations

Source No.	Regulation Citations	
	Regulation No. 18, Arkansas Air Pollution Code	
Plantwide	Regulation No. 19, Regulations of the Arkansas Plan of Implementation for	
Plantwide	Air Pollution Control	
	40 CFR Part 60, Subpart DD – Standards of Performance for Grain Elevators	

This facility is an affected source under 40 CFR Part 60 Subpart DD since the permanent grain storage capacity of this facility is greater than 1 million bushels (1.148 million bushels).

Bin	Description	Capacity (cwts)	Capacity (bushels)
1	RR Internal Bin	1,800	4,000
2	RR Internal Bin	1,800	4,000
3	RR Internal Bin	1,800	4,000
4	RR Internal Bin	1,800	4,000
5	RR Internal Bin	1,800	4,000
6	RR Internal Bin	1,800	4,000
7	RR Internal Bin	1,800	4,000
8	RR Internal Bin	1,800	4,000

Bin	Description	Capacity (cwts)	Capacity (bushels)
9	RR Internal Bin	1,800	4,000
10	RR Internal Bin	1,900	4,222.22
11	RR Internal Bin	1,800	4,000
12	RR Internal Bin	1,800	4,000
13	RR Internal Bin	1,800	4,000
14	RR Internal Bin	1,800	4,000
15	RR Internal Bin	1,800	4,000
16	CR Internal Bin	2,950	6,555.56
17	CR Internal Bin	2,950	6,555.56
18	CR Internal Bin	2,950	6,555.56
19	CR Internal Bin	2,950	6,555.56
20	CR Internal Bin	2,950	6,555.56
21	RR Storage Bin	108,500	241,111.11
22	RR Storage Bin	108,500	241,111.11
23	RR Storage Bin	142,000	315,555.56
24	RR Storage Bin	142,000	315,555.56
25	RR Storage Bin	58,200	129,333.33
26	RR Storage Bin	58,200	129,333.33
	Total	659,250	1,465,000.00

The following table is a summary of the facility's total emissions.

Table 1 - Total Allowable Emissions

Total Allowable Emissions			
Dollartont	Emissions Rates		
Pollutant	lb/hr	tpy	
PM	56.4	53.3	
PM_{10}	39.8	40.8	

Section III: PERMIT HISTORY

0735-A was issued on May 25, 1984. Cotra Rice, Inc. purchased and modified an existing rice mill located in McGehee, Arkansas. This was the initial air permit for this facility.

0735-AR-1 was issued on November 25, 1987. This permit reflected the name change of Cotra Rice, Inc. to Sunrise Milling Inc, included two sources left out of the original permit, and several improvements made in emission control system.

0735-AR-2 was issued on August 23, 1993. Louis Dreyfus Corporation purchased the facility from Sunrise Milling Inc. in June 1992. Modification in this permit was the installation of one cyclone on the milling process.

0735-AR-3 was issued on February 14, 1994. The modification included the installation of two shellers, one grader, and an increase in the throughput of the milled rice.

The facility requested for change of ownership on November 12, 2003. The name was changed from Louis Dreyfus Natural Gas Corporation to Harvest Rice, Inc.

0753-AR-4 was issued on January 27, 2005. The modification permitted two storage bins, approximately 135,000 cwts (hundred weights or 100 pounds) each, a dump pit, and authorized the facility to reroute emissions from Cyclone "A" Precleaning/Handling and Cyclone "B" Precleaning/Handling to Baghouse "A" Precleaning/Handling.

Section IV: EMISSION UNIT INFORMATION

Specific Conditions

1. The permittee will not exceed the emission rates set forth in the following table. [§19.501 *et seq.* of the Regulations of the Arkansas Plan of Implementation for Air Pollution Control, effective May 28, 2006, (Regulation 19) and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311]

Table 2 - Criteria Pollutants

SN	Description	Pollutant	lb/hr	tpy
01	Receiving Area "A" (Truck)	PM_{10}	0.2	
02	Receiving Area "B" (Truck)	PM_{10}	0.2	0.9
03	Receiving Area "C" (Truck)	PM_{10}	0.2	
04	Receiving Area "D" (Rail Car)	PM_{10}	0.3	0.2
05	Bag House "A" (Bran Handling)	PM_{10}	1.9	2.0
06	Bag House "B" (Grain Handling, Milling, Paddy Cleaner, Aspirator)	PM ₁₀	16.8	17.5
07	Bag House "C" (Grain Handling, Milling, Paddy Cleaner, Aspirator)	PM_{10}	16.8	17.5
08	Shipping/Loading Area "A" (Rail)	PM_{10}	0.1	
09	Shipping/Loading Area "B" (Rail)	PM_{10}	0.1	0.1
10	Shipping/Loading Area "C" (Rail)	PM_{10}	0.1	
11	Shipping/Loading Area "D" (Truck)	PM_{10}	0.5	
12	Shipping/Loading Area "E" (Truck)	PM_{10}	0.5	
13	Shipping/Loading Area "F" (Truck)	PM ₁₀	0.5	1.9
14	Shipping/Loading Area "G" (Truck)	PM_{10}	0.5	
15	Shipping/Loading Area "H" (Truck)	PM ₁₀	0.5	

SN	Description	Pollutant	lb/hr	tpy
16	Tank Storage "A"	PM_{10}	0.1	
17	Tank Storage "B"	PM ₁₀	0.1	
18	Tank Storage "C"	PM_{10}	0.1	0.7
19	Tank Storage "D"	PM_{10}	0.1	0.7
20	Tank Storage "E"	PM ₁₀	0.1	
21	Tank Storage "F"	PM ₁₀	0.1	

2. The permittee will not exceed the emission rates set forth in the following table. [§18.801 of the Arkansas Air Pollution Control Code, effective February 15, 1999 (Regulation 18) and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311]

Table 3 - Non-Criteria Pollutants

SN	Description	Pollutant	lb/hr	tpy
01	Receiving Area "A" (Truck)	PM	0.9	
02	Receiving Area "B" (Truck)	PM	0.9	4.0
03	Receiving Area "C" (Truck)	PM	0.9	
04	Receiving Area "D" (Rail Car)	PM	1.2	0.8
05	Bag House "A" (Bran Handling)	PM	1.9	2.0
06	Bag House "B" (Grain Handling, Milling, Paddy Cleaner, Aspirator)	PM	18.2	19.0
07	Bag House "C" (Grain Handling, Milling, Paddy Cleaner, Aspirator)	PM	18.2	19.0
08	Shipping/Loading Area "A" (Rail)	PM	0.3	
09	Shipping/Loading Area "B" (Rail)	PM	0.3	0.1
10	Shipping/Loading Area "C" (Rail)	PM	0.3	

SN	Description	Pollutant	lb/hr	tpy
11	Shipping/Loading Area "D" (Truck)	PM	1.3	
12	Shipping/Loading Area "E" (Truck)	PM	1.3	
13	Shipping/Loading Area "F" (Truck)	PM	1.3	5.4
14	Shipping/Loading Area "G" (Truck)	PM	1.3	
15	Shipping/Loading Area "H" (Truck)	PM	1.3	
16	Tank Storage "A"	PM	2.6	
17	Tank Storage "B"	PM	2.6	
18	Tank Storage "C"	PM	0.4	2.9
19	Tank Storage "D"	PM	0.4	2.9
20	Tank Storage "E"	PM	0.4	
21	Tank Storage "F"	PM	0.4	

3. Visible emissions will not exceed the limits specified in the following table as measured by EPA Reference Method 9. [40 CFR §60.302 and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311]

Table 4 - Visible Emissions

SN	Limit	Regulatory Citation
05, 06, 07, 16, 17, 18, 19, 20, 21	0%	§60.302 (c)(2) (All Grain Handling Operations)
01, 02, 03, 04	5%	§60.302 (c)(1) (All Grain Unloading Operations)
08, 09, 10, 11, 12, 13, 14, 15	10%	§60.302 (c)(3) (All Grain Loading Operations)

- 4. The permittee will not cause or permit the emission of air contaminants, including odors or water vapor and including an air contaminant whose emission is not otherwise prohibited by Regulation #18, if the emission of the air contaminant constitutes air pollution within the meaning of A.C.A. §8-4-303. [§18.801 of Regulation 18, and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311]
- 5. The permittee will not conduct operations in such a manner as to unnecessarily cause air contaminants and other pollutants to become airborne. [§18.901 of Regulation 18, and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311]

6. The permittee shall not receive more than 225,000 tons of rough rice and shall not receive more than 43,875 tons clean rice per consecutive twelve (12) month period. [Regulation 19, §19.705 and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311]

7. The permittee shall maintain monthly records which demonstrate compliance with Specific Condition #6. The permittee shall update the records by the fifteenth day of the month following the month to which the records pertain. The permittee will keep the records onsite, and make the records available to Department personnel upon request. [Regulation 19, §19.705 and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311]

Section V: INSIGNIFICANT ACTIVITIES

There are no activities or emissions that are deemed insignificant on the basis of size, emission rate, production rate, or activity in accordance with Group A of the Insignificant Activities list found in Regulation 18 and 19 Appendix A.

Section VI: GENERAL CONDITIONS

- 1. Any terms or conditions included in this permit that specify and reference Arkansas Pollution Control & Ecology Commission Regulation 18 or the Arkansas Water and Air Pollution Control Act (A.C.A. §8-4-101 *et seq.*) as the sole origin of and authority for the terms or conditions are not required under the Clean Air Act or any of its applicable requirements, and are not federally enforceable under the Clean Air Act. Arkansas Pollution Control & Ecology Commission Regulation 18 was adopted pursuant to the Arkansas Water and Air Pollution Control Act (A.C.A. §8-4-101 *et seq.*). Any terms or conditions included in this permit that specify and reference Arkansas Pollution Control & Ecology Commission Regulation 18 or the Arkansas Water and Air Pollution Control Act (A.C.A. §8-4-101 *et seq.*) as the origin of and authority for the terms or conditions are enforceable under this Arkansas statute.
- 2. This permit does not relieve the owner or operator of the equipment and/or the facility from compliance with all applicable provisions of the Arkansas Water and Air Pollution Control Act and the regulations promulgated under the Act. [A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]
- 3. The permittee will notify the Department in writing within thirty (30) days after commencement of construction, completion of construction, first operation of equipment and/or facility, and first attainment of the equipment and/or facility target production rate. [§19.704 of the Regulations of the Arkansas Plan of Implementation for Air Pollution Control (Regulation 19) and/or A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]
- 4. Construction or modification must commence within eighteen (18) months from the date of permit issuance. [§19.410(B) of Regulation 19 and/or §18.309(B) of the Arkansas Air Pollution Control Code (Regulation 18) and A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]
- 5. The permittee must keep records for five years to enable the Department to determine compliance with the terms of this permit; such as hours of operation, throughput, upset conditions, and continuous monitoring data. The Department may use the records, at the discretion of the Department, to determine compliance with the conditions of the permit. [§19.705 of Regulation 19 and/or §18.1004 of Regulation 18 and A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]
- 6. A responsible official must certify any reports required by any condition contained in this permit and submit any reports to the Department at the address below. [§19.705 of Regulation 19 and/or §18.1004 of Regulation 18 and A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]

> Arkansas Department of Environmental Quality Air Division ATTN: Compliance Inspector Supervisor Post Office Box 8913 Little Rock, AR 72219

- 7. The permittee will test any equipment scheduled for testing, unless stated in the Specific Conditions of this permit or by any federally regulated requirements, within the following time frames: (1) newly constructed or modified equipment within sixty (60) days of achieving the maximum production rate, but no later than 180 days after initial start-up of the permitted source or (2) existing equipment already operating according to the time frames set forth by the Department. The permittee must notify the Department of the scheduled date of compliance testing at least fifteen (15) days in advance of such test. The permittee must submit compliance test results to the Department within thirty (30) days after the completion of testing. [§19.702 of Regulation 19 and/or §18.1002 of Regulation 18 and A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]
- 8. The permittee will provide: [§19.702 of Regulation 19 and/or §18.1002 of Regulation 18 and A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]
 - a. Sampling ports adequate for applicable test methods;
 - b. Safe sampling platforms;
 - c. Safe access to sampling platforms;
 - d. Utilities for sampling and testing equipment.
- 9. The permittee will operate equipment, control apparatus and emission monitoring equipment within their design limitations. The permittee will maintain in good condition at all times equipment, control apparatus and emission monitoring equipment. [§19.303 of Regulation 19 and/or §18.1104 of Regulation 18 and A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]
- 10. If the permittee exceeds an emission limit established by this permit, the permittee will be deemed in violation of said permit and will be subject to enforcement action. The Department may forego enforcement action for emissions exceeding any limits established by this permit provided the following requirements are met: [§19.601 of Regulation 19 and/or §18.1101 of Regulation 18 and A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]
 - a. The permittee demonstrates to the satisfaction of the Department that the emissions resulted from an equipment malfunction or upset and are not the result of negligence or improper maintenance, and the permittee took all reasonable measures to immediately minimize or eliminate the excess emissions.

- b. The permittee reports the occurrence or upset or breakdown of equipment (by telephone, facsimile, or overnight delivery) to the Department by the end of the next business day after the occurrence or the discovery of the occurrence.
- c. The permittee must submit to the Department, within five business days after the occurrence or the discovery of the occurrence, a full, written report of such occurrence, including a statement of all known causes and of the scheduling and nature of the actions to be taken to minimize or eliminate future occurrences, including, but not limited to, action to reduce the frequency of occurrence of such conditions, to minimize the amount by which said limits are exceeded, and to reduce the length of time for which said limits are exceeded. If the information is included in the initial report, the information need not be submitted again.
- 11. The permittee will allow representatives of the Department upon the presentation of credentials: [A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]
 - a. To enter upon the permittee's premises, or other premises under the control of the permittee, where an air pollutant source is located or in which any records are required to be kept under the terms and conditions of this permit;
 - b. To have access to and copy any records required to be kept under the terms and conditions of this permit, or the Act;
 - c. To inspect any monitoring equipment or monitoring method required in this permit;
 - d. To sample any emission of pollutants; and
 - e. To perform an operation and maintenance inspection of the permitted source.
- 12. The Department issued this permit in reliance upon the statements and presentations made in the permit application. The Department has no responsibility for the adequacy or proper functioning of the equipment or control apparatus. [A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]
- 13. The Department may revoke or modify this permit when, in the judgment of the Department, such revocation or modification is necessary to comply with the applicable provisions of the Arkansas Water and Air Pollution Control Act and the regulations promulgated the Arkansas Water and Air Pollution Control Act. [§19.410(A) of Regulation 19 and/or §18.309(A) of Regulation 18 and A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]
- 14. This permit may be transferred. An applicant for a transfer must submit a written request for transfer of the permit on a form provided by the Department and submit the disclosure statement required by Arkansas Code Annotated §8-1-106 at least thirty (30) days in advance of the proposed transfer date. The permit will be automatically

transferred to the new permittee unless the Department denies the request to transfer within thirty (30) days of the receipt of the disclosure statement. The Department may deny a transfer on the basis of the information revealed in the disclosure statement or other investigation or, deliberate falsification or omission of relevant information. [§19.407(B) of Regulation 19 and/or §18.307(B) of Regulation 18 and A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]

- 15. This permit shall be available for inspection on the premises where the control apparatus is located. [A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]
- 16. This permit authorizes only those pollutant emitting activities addressed herein. [A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311]
- 17. This permit supersedes and voids all previously issued air permits for this facility. [Regulation 18 and 19 and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311]
- 18. The permittee must pay all permit fees in accordance with the procedures established in Regulation No. 9. [A.C.A §8-1-105(c)]