

ADEQ OPERATING AIR PERMIT

Pursuant to the Regulations of the Arkansas Operating Air Permit Program, Regulation #26:

Permit #: 1677-AOP-R0

IS ISSUED TO:

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
411 Highway 19 North
Magnolia, AR 71753
Columbia County
CSN: 14-0124

THIS PERMIT AUTHORIZES THE ABOVE REFERENCED PERMITTEE TO INSTALL, OPERATE, AND MAINTAIN THE EQUIPMENT AND EMISSION UNITS DESCRIBED IN THE PERMIT APPLICATION AND ON THE FOLLOWING PAGES. THIS PERMIT IS VALID BETWEEN:

and

AND IS SUBJECT TO ALL LIMITS AND CONDITIONS CONTAINED HEREIN.

Signed:

Keith A. Michaels

Date

SECTION I: FACILITY INFORMATION

PERMITTEE: Petro-Chem Operating Co., Inc. dba
Grayson Smackover Unit

CSN: 14-0124

PERMIT NUMBER: 1677-AOP-R0

FACILITY ADDRESS: 411 Highway 19 North
Magnolia, AR 71753

COUNTY: Columbia

FIELD CONTACT
POSITION: Plant Manager - Stan Brackett

TELEPHONE NUMBER: (870)234-6592

PAGER NUMBER: (870)235-3906

FAX NUMBER: (870)234-6737

OFFICE CONTACT
POSITION: President - Larry L. Hock

TELEPHONE NUMBER: (318)221-1225

FAX NUMBER: (318)226-8974

REVIEWING ENGINEER: Paul Osmon

UTM North-South (Y): 3685.3 km N

UTM East-West (X): 475.2 km E

Zone 15

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
Permit #: 1677-AOP-R0
CSN #: 14-0124

SECTION II: INTRODUCTION

Summary

Petro-Chem Operating Company, Inc. operates a sour gas processing facility known as the Grayson Smackover Unit located on Arkansas Highway 19/US Highway 371, north of the US Highway 82 by-pass near Magnolia. The current SIP permit is being replaced with a Title V permit because the throughput of sour field gas through the facility has increased to where the sulfur dioxide emissions from the flare will exceed 100 tpy. The facility has also requested permission to install a second flare (SN-08) to be operated in parallel with the existing flare (SN-03). The Superior 6G825 engine driven 600 BHP injection compressor (SN-04) has been removed from the permit and gas is no longer being re-injected into the reservoir. The air fuel ratio controller and catalytic convertor have been removed from the Caterpillar G3306 engine driven 200 BHP refrigeration unit compressor (SN-05) due to start-up on high BTU unprocessed fuel causing catalytic convertor failure. The engine will now be operated uncontrolled.

Process Description

The oil and gas produced from the wells within the Grayson Smackover Lime Unit are separated at each well site. The gas is gathered from the wells by a 25 psig gathering system that delivers the wet gas to the inlet of the facility. The low pressure wet inlet gas is first compressed through a two stage gas compressor unit to approximately 500 psig. This low pressure compressor unit is driven by a 660 horsepower natural gas fired Superior 8G-825, naturally aspirated 4-cycle rich burn gas engine (SN-01). The engine exhaust is equipped with continuous air-fuel ratio controller and catalytic convertor to control NO_x, CO, and HAP emissions.

The 500 psig gas is then processed through an amine treating unit which will remove the H₂S and CO₂ that are contained in the inlet gas stream. The amine unit reboiler is a 1.5 MMBTU/Hr. natural gas fueled reboiler (SN-02). The H₂S and CO₂ removed in the amine treating unit are sent to two continuous flares (SN-03 & SN-08) for disposal where the H₂S is oxidized to SO₂ and H₂O. The flares are equipped with flame detection devices which will shutdown the plant if the flare flame is extinguished.

The now sweet gas enters a refrigeration plant for removal of natural gas liquids. The refrigeration is provided by a 200 horsepower G3306 Caterpillar, naturally aspirated gas engine (SN-05) driving a propane compressor unit. The engine exhaust was previously equipped with an air-fuel ratio controller and catalytic convertor to control NO_x and CO emissions. The control devices have been removed because high BTU fuel used during start-up of the facility ruins the convertor. The dehydration for the refrigeration plant is provided by a 5 gallon per minute triethylene glycol system which is regenerated by a 0.5 MMBTU/Hr natural gas fired reboiler (SN-

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
Permit #: 1677-AOP-R0
CSN #: 14-0124

06). The water vapors and potential BTEX (HAPS) vapors generated from the glycol regeneration are sent to the flares (SN-03 & SN-08) for thermal destruction. The natural gas liquids recovered in the refrigeration plant are stored in a pressurized storage tank, trucked, and sold off-site. The truck loading rack is equipped with a truck vapor return line to the storage tank and therefore will not emit VOCs during the loading process.

The now sweet dry natural gas is sent to a natural gas pipeline for sales.

Regulations

This facility will be subject to regulation under the *Clean Air Act* as amended, the *Arkansas Water and Air Pollution Control Act*, the *Arkansas Air Pollution Control Code* (Regulation 18), the *Arkansas Plan of Implementation for Air Pollution Control* (Regulation 19), and the *Regulations for the Arkansas Operating Air Permit Program* (Regulation 26). The facility is also subject to New Source Performance Standards 40 CFR 60 Subparts KKK, LLL, and VV except for SN-01 which is not subject to §60.482-3 of 40 CFR 60 Subpart VV because it is in wet gas service as defined by §60.632(f) of 40 CFR Subpart KKK (the compressor contains field gas prior to the natural gas liquids extraction process).

The following table is a summary of emissions from the facility. Specific conditions and emissions for each source can be found starting on the page cross referenced in the table. This table, in itself, is not an enforceable condition of the permit.

EMISSION SUMMARY					
Source No.	Description	Pollutant	Emission Rates		Cross Reference Page
			lb/hr	tpy	
Total Allowable Emissions		PM	0.6	1.9	
		PM ₁₀	0.6	1.9	
		SO ₂	43.0	187.7	
		VOC	0.8	21.7	
		CO	7.2	31.2	
		NO _x	14.2	61.6	

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
Permit #: 1677-AOP-R0
CSN #: 14-0124

EMISSION SUMMARY					
Source No.	Description	Pollutant	Emission Rates		Cross Reference Page
			lb/hr	tpy	
01	Low Pressure Compressor Superior 8G825 660 BHP	PM	0.1	0.1	8
		PM ₁₀	0.1	0.1	
		SO ₂	0.1	0.1	
		VOC	0.5	2.0	
		CO	1.5	6.5	
		NO _x	3.1	13.4	
02	Amine Reboiler 1.5 MMBTU/Hr	Insignificant Activity Group A1			
03 08	Flare No. 1 Flare No. 2	PM	0.4	1.7	12
		PM ₁₀	0.4	1.7	
		SO ₂	42.8	187.5	
		VOC	0.2	0.9	
		CO	5.3	23.0	
		NO _x	0.8	3.4	
04	Injection Compressor Superior 8G825	REMOVED FROM PERMIT (This compressor no longer in service - No gas recycling)			
05	Refrigeration Compressor Caterpillar G3306NA 200 BHP	PM	0.1	0.1	8
		PM ₁₀	0.1	0.1	
		SO ₂	0.1	0.1	
		VOC	0.1	0.3	
		CO	0.4	1.7	
		NO _x	10.3	44.8	
06	Glycol Reboiler	Insignificant Activity Group A1			
07	Fugitives	VOC	--	18.5	15

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
Permit #: 1677-AOP-R0
CSN #: 14-0124

SECTION III: PERMIT HISTORY

Permit No. 1677-A was issued to Petro-Chem Operating Company, Inc. - Grayson Smackover Lime Unit on March 26, 1996. This permit was for the initial construction of the facility. The permit limits were: PM/PM₁₀ - 1.3 tpy, SO₂ - 97.3 ty, VOC - 24.0 tpy, CO - 31.0 tpy, and NO_x - 28.4 tpy.

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
Permit #: 1677-AOP-R0
CSN #: 14-0124

SECTION IV: EMISSION UNIT INFORMATION

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
Permit #: 1677-AOP-R0
CSN #: 14-0124

SN-01 & SN-05
Low Pressure Compressor & Refrigeration Compressor

Source Description

A two stage gas compressor compresses the inlet gas from approximately 25 psig to 500 psig. The compressor is powered by a 600 BHP Superior 8G825 rich burn 4-cycle engine (SN-01) equipped with a continuous air fuel ratio controller and catalytic convertor. The low pressure compressor (SN-01) is not subject to §60.482-3 of 40 CFR 60 Subpart VV because it is in wet gas service as defined by §60.632(f) of 40 CFR Subpart KKK (the compressor contains field gas prior to the natural gas liquids extraction process).

A Caterpillar G3306 rich burn 4-cycle engine (SN-05) drives a compressor which compresses propane which is used as the refrigerant in the natural gas liquids removal plant. The engine previously operated with a continuous air fuel ratio controller and catalytic convertor. The control equipment has been removed because high BTU fuel used during start-up damages the catalyst. The propane compressor (SN-05) is subject to §60.482-3 of 40 CFR 60 Subpart VV because it is not in wet gas service as defined by §60.632(f) (propane is a VOC) of 40 CFR Subpart KKK.

Specific Conditions

1. Pursuant to §19.501 et seq of the Regulations of the Arkansas Plan of Implementation for Air Pollution Control (Regulation #19) effective February 15, 1999 and 40 CFR Part 52, Subpart E, the permittee shall not exceed the emission rates set forth in the following table. Compliance with this condition will be demonstrated by the initial compliance test required in Specific Condition No. 6 and Specific Condition No. 3 and 4.

SN	Pollutant	lb/hr	tpy
01	PM ₁₀	0.1	0.1
	SO ₂	0.1	0.1
	VOC ¹	0.5	2.0
	CO	1.5	6.5
	NO _x	3.1	13.4

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
Permit #: 1677-AOP-R0
CSN #: 14-0124

SN	Pollutant	lb/hr	tpy
05	PM ₁₀	0.1	0.1
	SO ₂	0.1	0.1
	VOC ¹	0.1	0.3
	CO	0.4	1.7
	NO _x	10.3	44.8

¹ - several de minimis HAPs are included in the VOC totals.

- Pursuant to §18.801 of the Arkansas Air Pollution Control Code (Regulation #18) effective February 15, 1999, and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311, the permittee shall not exceed the emission rates set forth in the following table. Compliance with this condition will be demonstrated by the initial compliance test required in Specific Condition No. 6 and Specific Condition No. 3 and 4.

SN	Pollutant	lb/hr	tpy
01	PM	0.1	0.1
05	PM	0.1	0.1

- Pursuant to §19.705 of Regulation 19, A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311, and 40 CFR 70.6, the permittee shall only use pipeline quality natural gas as a fuel in SN-01 and SN-05. Pipeline quality natural gas is defined as gas which contains less than 0.3 grain/100 SCF of H₂S and that H₂S constitutes greater than 50% by weight of the sulfur by weight in the natural gas. The permittee can fuel the engines during start-up with fuel gas which has not been processed through the refrigeration unit, but using fuel which has not been processed through the amine unit is not allowed at any time.
- Pursuant to §19.705 of Regulation 19, A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311, and 40 CFR 70.6, the permittee shall not operate SN-01 without a functional fuel air ratio controller and catalytic convertor.
- Pursuant to §18.501 of Regulation 18 and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311, the permittee shall not exceed 5% opacity from SN-01 and SN-05. Compliance with Specific Condition No. 3 shall be deemed compliance with the opacity limit set in this Specific Condition.
- Pursuant to §19.702 of Regulation 19 and 40 CFR Part 52, Subpart E, the permittee shall

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
Permit #: 1677-AOP-R0
CSN #: 14-0124

simultaneously conduct tests for CO and NO_x on each compressor engine (SN-01 & SN-05) in accordance with Plantwide Condition No. 4 and every 5 years thereafter. EPA Reference Method 7E shall be used to determine NO_x and EPA Reference Method 10 shall be used to determine CO. The permittee shall test engines within 90% of their rated capacity. If the tests are not performed within this range, the permittee shall be limited to operating within 10% above the tested range. If the tested emission rate for any pollutant is in excess of the permitted emission rate, all engines shall be tested for that pollutant. Testing shall be coordinated in advance with the Compliance Inspector Supervisor, at the address below:

Arkansas Department of Environmental Quality
Air Division
ATTN: Compliance Inspector Supervisor
P.O. Box 8913
Little Rock, AR 72219-8913

If prior testing has been performed on these engines and their associated control equipment within the past two years using the above test methods, the permittee can receive credit for initial testing by submitting the results to the above address with an explanatory cover letter.

7. Pursuant to §19.304 of Regulation #19 and 40 CFR §60.633(f), the low pressure compressor (SN-01) is exempt from the compressor control requirements of 40 CFR 60.482-3 because it is a reciprocating compressor in wet gas service (the compressor contains field gas prior to the natural gas liquids extraction process). In order to document this exemption, the permittee shall record, in a log that is kept in a readily accessible location, information and data used to demonstrate that a reciprocating compressor is in wet gas service.
8. Pursuant to §19.304 of Regulation #19 and 40 CFR §60.482-3, the propane refrigeration compressor (SN-05) shall either be equipped as follows:
 - a. The seal is equipped with a closed vent system connected to the plant flare system capable of capturing and destroying any leakage as described in §60.482-3(h).
 - or
 - b. Is demonstrated to be operating with no detectable emissions, as indicated by an instrument of reading of less than 500 ppm above background by an initial test and annually thereafter as described in §60.482-3(i).

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
Permit #: 1677-AOP-R0
CSN #: 14-0124

SN-03 & SN-08
Flare No. 1 and Flare No. 2

Source Description

The H₂S and CO₂ removed in the amine treating unit is sent to a continuous flare, Flare No.1, for where the H₂S is oxidized to SO₂ and H₂O and the acid gases are vented. The Flare No. 1 is equipped with a flame detection device which will initiate a plant shutdown if the flare flame is extinguished. Flare No. 2 is a backup flare system for No. 1 which will be installed on this permit to assist Flare No. 1's duty of flaring inlet gas when the entire feed stream is flared due the amine plant being down. The sulfur dioxide emission rates will remain the same whether the hydrogen sulfide is flared with the feed stream or as the removed impurity vented from the amine still column.

Specific Conditions

9. Pursuant to §19.501 of Regulation #19 and 40 CFR Part 52, Subpart E, the permittee shall not exceed the emission rates set forth in the following table. Compliance with this condition will be demonstrated by the material balance required in Specific Condition No. 15.

SN	Pollutant	lb/hr	tpy
03	PM ₁₀	0.4	1.7
08	SO ₂	42.8	187.5
	VOC	0.2	0.9
	CO	5.3	23.0
	NO _x	0.8	3.4

10. Pursuant to §18.801 of the Arkansas Air Pollution Control Code (Regulation #18) effective February 15, 1999, and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311, the permittee shall not exceed the emission rates set forth in the following table. Compliance with this condition will be demonstrated by the material balance required in Specific Condition No. 15.

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
Permit #: 1677-AOP-R0
CSN #: 14-0124

SN	Pollutant	lb/hr	tpy
03 08	PM	0.4	1.7

11. Pursuant to §19.304 of Regulation #19 and NSPS Subpart LLL §60.647(c), the permittee shall meet the following requirements to show compliance with NSPS-Subpart LLL- Standards of performance for OnShore Natural Gas Processing: SO2 Emissions (Appendix A of this permit):
 - (a) to certify that this facility is exempt from the control requirements of Subpart LLL, the owner or operator of this facility shall keep, for the life of the facility, an analysis demonstrating that the facility's design capacity is less than 2 long tons per day of hydrogen sulfide in the acid gas expressed as sulfur.
12. Pursuant to §19.304 of Regulation #19 and 40 CFR §60.18, The permittee shall ensure that the flare complies with all applicable requirements of 40 CFR §60.18. 40 CFR §60.18 can be found in Appendix D of this permit.
13. Pursuant to §19.705 of Regulation #19 and 40 CFR Part 52, Subpart E, the permittee shall install, maintain, and operate a device to continuously measure the flow rate of sour field gas to the amine sweetening unit. The monitoring device reading shall be recorded at least once per hour during each 24-hour period. The average acid gas flow rate shall be computed from the individual readings. Records shall be kept on the amount of sour field gas processed daily. These records shall be kept on site and made available to Department personnel upon request.
14. Pursuant to §19.705 of Regulation #19 and 40 CFR Part 52, Subpart E, the concentration of hydrogen sulfide in the sour gas entering the facility shall be measured at least once per month. This sample shall be analyzed by the Tutwiler procedure in 40 CFR 60.648. These records shall be kept on site and be made available to Department personnel upon request.
15. Pursuant to §19.705 of Regulation #19 and 40 CFR Part 52, Subpart E, this facility shall not emit more than 16.0 tons per month of sulfur dioxide from the flares. The permittee shall calculate the amount of sulfur dioxide emitted from the flares each month by using the following equation:

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
Permit #: 1677-AOP-R0
CSN #: 14-0124

$(0.8425)(S)(\text{MMSCF gas processed that month}) = \text{tons/month SO}_2$.
where: S is the most recent H₂S content of the sour gas, in mole or volume percent.
(1700 ppm = 0.17 mole percent)

The permittee shall keep all records of the monthly emissions of SO₂ from the flares on site and available for inspection by Department personnel. Copies of these records shall be submitted with the semi-annual report required in General Provision No. 7. The facility shall not emit more than 187.5 tons of SO₂ during any 12-month consecutive period.

16. Pursuant to §19.705 of Regulation 19 and 40 CFR 52, Subpart E and 40 CFR §60.18(b), the permittee shall not exceed 0% opacity from SN-03 and SN-08, except for periods not to exceed a total of 5 minutes during any consecutive 2 hour period. Reference Method 22 shall be used to determine compliance with the visible emissions portions of this permit for SN-03 and SN-08. The observation period is 2 hours and shall be used according to Method 22.
17. Pursuant to §19.705 of Regulation 19 and 40 CFR 52, Subpart E, observations of the opacity from these sources shall be conducted by personnel familiar with the permittee's visible emissions at least six days per week. The permittee shall maintain personnel familiar with EPA Reference Method 9 and 22. If visible emissions which appear to be in excess of the permitted opacity are detected, the permittee shall immediately take action to identify the cause of the visible emissions, implement corrective action, and document that visible emissions did not appear to be in excess of the permitted opacity following the corrective action. The permittee shall maintain records which contain the following items in order to demonstrate compliance with this Specific Condition. These records shall be updated weekly, kept on site, and made available to Department personnel upon request.
 - a. The date and time of the observation.
 - b. If visible emissions which appeared to be above the permitted limit were detected.
 - c. If visible emissions which appeared to be above the permitted limit were detected, the cause of the exceedance of the opacity limit, the corrective action taken, and if the visible emissions appeared to be below the permitted limit after the corrective action was taken.
 - d. The name of the person conducting the opacity observations.

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
Permit #: 1677-AOP-R0
CSN #: 14-0124

SN-07
Fugitive Emissions

Source Description

The valves, pumps, compressor seals, flanges and relief valves periodically have leaks which escape to atmosphere. The volume of these leaks are based on EPA 453/R-93-026, Factors for Gas Plants, EPA AP-42, Factors for Petroleum Refineries, and good operating practices.

Specific Conditions

18. Pursuant to §19.501 of Regulation #19 and 40 CFR Part 52, Subpart E, the permittee shall not exceed the emission rates set forth in the following table. Compliance with this condition will be demonstrated by the good operating practices which are in the other Specific Conditions for this Source.

SN	Pollutant	lb/hr	tpy
07	VOC	--	18.5

19. Pursuant to §19.304 of Regulation #19 and 40 CFR §60.482-2 paragraphs (a)2, (b)2, (c)1, and c(2), each pump shall be checked by visual inspection each calendar week for indications of liquids dripping from the pump seal. If there are indications of liquids dripping from the pump seal a leak is detected. When a leak is detected, it shall be repaired as soon as practicable, but not later than 15 calendar days after it is detected. A first attempt at repair shall be made no later than 5 calendar days after each leak is detected. Delay of repair for pumps will be allowed if repair requires the use of a dual mechanical seal system that includes a barrier fluid system, and repair is completed as soon as practicable, but not later than 6 months after the leak was detected.
20. Pursuant to §19.304 of Regulation #19 and 40 CFR §60.482-6 paragraphs (a)1, (b), and (c), each open-ended valve or line shall be equipped with a cap, blind flange, plug, or a second valve. The cap, blind flange, plug, or second valve shall seal the open end at all times except during operations requiring process fluid flow through the open-ended valve or line. Each open-ended valve or line equipped with a second valve shall be operated in a manner such that the valve on the process fluid end is closed before the second valve is closed. When a double block-and-bleed system is being used, the bleed valve or line may

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
Permit #: 1677-AOP-R0
CSN #: 14-0124

remain open during operations that require venting the line between the block valves but shall comply with the first two sentences in this Specific Condition.

21. Pursuant to §19.304 of Regulation #19 and 40 CFR §60.633(d), the pumps, valves, and pressure relief devices are exempt from the routine monitoring requirements of 40 CFR 60.482-2(a)(1) and 60.482-7(a), and 60.633(b)(1) because this facility does not have the design capacity to process more than 10 million standard cubic feet per day of field gas.
22. Pursuant to §19.304 of Regulation #19 and 40 CFR §60.487, the permittee shall submit semiannual reports to the Compliance Inspector Supervisor, Arkansas Department of Environmental Quality, 8001 National Drive, P.O. Box 8913, Little Rock, AR 72219, accompanying the reporting required in General Provision No. 7. Each report to this Department shall include the following information:
 - a. Process unit identification.
 - b. Number of pumps subject to the requirements of Specific Condition 19 of this permit.
 - c. Number of pumps for which leaks were detected as described in Specific Condition No. 19 of this permit.
 - d. Number of pumps for which leaks were not repaired as required in Specific Condition No. 19 of this permit.
 - e. The facts that explain each delay of repair and, where appropriate, why a process unit shutdown was technically infeasible.
 - f. Dates of process unit shutdowns which occurred within the semiannual reporting period.
 - g. Revisions to items reported in the semiannual report if changes have occurred since the initial report or subsequent revisions to the initial report.
23. Pursuant to §19.304 of Regulation #19 and 40 CFR §60.486, the permittee shall comply with the following record keeping requirements:
 - a. When each leak is detected on a pump, a weatherproof and readily visible identification, marked with equipment identification number, shall be attached to the leaking pump.
 - b. The identification may be removed after the leak has been repaired.
 - c. When each leak is detected as specified in Specific Condition No. 19, the following information shall be kept for 2 years in a readily accessible location:
 1. The equipment identification number.
 2. The date the leak was detected and the dates of each attempt to repair the

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
Permit #: 1677-AOP-R0
CSN #: 14-0124

- leak.
 3. Repair methods applied in each attempt to repair the leak.
 4. "Repair Delayed" and the reason for the delay if a leak is not repaired within 15 calendar days after discovery of the leak.
 5. The signature of the owner or operator (or designate) whose decision it was that repair could not be effected without a process shutdown.
 6. The expected date of successful repair of the leak if a leak is not repaired within 15 days.
 7. Dates of process unit shutdown that occur while the equipment is unrepaired.
 8. The date of successful repair of the leak.
- d. The following information pertaining to the design requirements for the flare as described in 40 CFR 60.18 and in Specific Condition No. 12 of this permit shall be recorded and kept in a readily accessible location:
1. Detailed schematics, design specifications, and piping and instrumentation diagrams.
 2. The dates and description of any changes in the design specifications.
- e. A description of the parameters monitored, as required in 40 CFR 60.18 and Specific Condition No. 12 of this permit to ensure that the flare is operated And maintained in conformance with its design and an explanation of why that parameter (or parameters) was selected for the monitoring.
1. Periods when the flare is not operated as designed, including periods when the flare pilot light does not have a flame.
 2. Dates of startups and shutdowns of the flare.
- f. The following information pertaining to all pumps and the flare shall be recorded in a log that is kept in a readily accessible location.
1. A list of identification numbers for the flare and pumps.
24. Pursuant to §19.705 of Regulation 19, A.C.A. §8-4-203 as referenced by §8-4-304 and

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
Permit #: 1677-AOP-R0
CSN #: 14-0124

§8-4-311, and 40 CFR 70.6, the permittee shall insure that all VOC and HAP vapors produced by the regeneration of the glycol solution in the dehydration unit still column are routed to the flares (SN-03 & SN-08) for thermal destruction. The permittee shall also bottom load all NGL products trucked for sale from this facility into a truck rated at least 200 psig MWP with a properly connected vapor return line resulting in no detectable VOC and HAP loading losses.

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
Permit #: 1677-AOP-R0
CSN #: 14-0124

SECTION V: COMPLIANCE PLAN AND SCHEDULE

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit is in compliance with the applicable regulations cited in the permit application. Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit will continue to operate in compliance with those identified regulatory provisions. The facility will examine and analyze future regulations that may apply and determine their applicability with any necessary action taken on a timely basis.

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
Permit #: 1677-AOP-R0
CSN #: 14-0124

SECTION VI: PLANTWIDE CONDITIONS

1. Pursuant to §19.704 of Regulation 19, 40 CFR Part 52, Subpart E, and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311, the Director shall be notified in writing within thirty (30) days after construction has commenced, construction is complete, the equipment and/or facility is first placed in operation, and the equipment and/or facility first reaches the target production rate.
2. Pursuant to §19.410(B) of Regulation 19, 40 CFR Part 52, Subpart E, the Director may cancel all or part of this permit if the construction or modification authorized herein is not begun within 18 months from the date of the permit issuance if the work involved in the construction or modification is suspended for a total of 18 months or more.
3. Pursuant to §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, any equipment that is to be tested, unless stated in the Specific Conditions of this permit or by any federally regulated requirements, shall be tested with the following time frames: (1) Equipment to be constructed or modified shall be tested within sixty (60) days of achieving the maximum production rate, but in no event later than 180 days after initial start-up of the permitted source or (2) equipment already operating shall be tested according to the time frames set forth by the Department. The permittee shall notify the Department of the scheduled date of compliance testing at least fifteen (15) days in advance of such test. Compliance test results shall be submitted to the Department within thirty (30) days after the completed testing.
4. Pursuant to §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, the permittee shall provide:
 - 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
5. Pursuant to §19.303 of Regulation 19 and A.C.A. §8-4-203 as referenced by A.C. A. §8-4-304 and §8-4-311, the equipment, control apparatus and emission monitoring equipment shall be operated within their design limitations and maintained in good condition at all times.
6. Pursuant to Regulation 26 and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311, this permit subsumes and incorporates all previously issued air permits for this facility.

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
Permit #: 1677-AOP-R0
CSN #: 14-0124

Title VI Provisions

7. The permittee shall comply with the standards for labeling of products using ozone depleting substances pursuant to 40 CFR Part 82, Subpart E:
 - a. All containers containing a class I or class II substance stored or transported, all products containing a class I substance, and all products directly manufactured with a class I substance must bear the required warning statement if it is being introduced to interstate commerce pursuant to §82.106.
 - b. The placement of the required warning statement must comply with the requirements pursuant to §82.108.
 - c. The form of the label bearing the required warning must comply with the requirements pursuant to §82.110.
 - d. No person may modify, remove, or interfere with the required warning statement except as described in §82.112.

8. The permittee shall comply with the standards for recycling and emissions reduction pursuant to 40 CFR Part 82, Subpart F, except as provided for MVACs in Subpart B:
 - a. Persons opening appliances for maintenance, service, repair, or disposal must comply with the required practices pursuant to §82.156.
 - b. Equipment used during the maintenance, service, repair, or disposal of appliances must comply with the standards for recycling and recovery equipment pursuant to §82.158.
 - c. Persons performing maintenance, service repair, or disposal of appliances must be certified by an approved technician certification program pursuant to §82.161.
 - d. Persons disposing of small appliances, MVACs, and MVAC-like appliances must comply with record keeping requirements pursuant to §82.166. (“MVAC-like appliance” as defined at §82.152.)
 - e. Persons owning commercial or industrial process refrigeration equipment must comply with leak repair requirements pursuant to §82.156.
 - f. Owners/operators of appliances normally containing 50 or more pounds of

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
Permit #: 1677-AOP-R0
CSN #: 14-0124

refrigerant must keep records of refrigerant purchased and added to such appliances pursuant to §82.166.

9. If the permittee manufactures, transforms, destroys, imports, or exports a class I or class II substance, the permittee is subject to all requirements as specified in 40 CFR part 82, Subpart A, Production and Consumption Controls.
10. If the permittee performs a service on motor (fleet) vehicles when this service involves ozone-depleting substance refrigerant (or regulated substitute substance) in the motor vehicle air conditioner (MVAC), the permittee is subject to all the applicable requirements as specified in 40 CFR part 82, Subpart B, Servicing of Motor Vehicle Air Conditioners.

The term “motor vehicle” as used in Subpart B does not include a vehicle in which final assembly of the vehicle has not been completed. The term “MVAC” as used in Subpart B does not include the air-tight sealed refrigeration system used as refrigerated cargo, or the system used on passenger buses using HCFC-22 refrigerant.

11. The permittee shall be allowed to switch from any ozone-depleting substance to any alternative that is listed in the Significant New Alternatives Program (SNAP) promulgated pursuant to 40 CFR part 82, Subpart G, Significant New Alternatives Policy Program.

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
Permit #: 1677-AOP-R0
CSN #: 14-0124

SECTION VII: INSIGNIFICANT ACTIVITIES

Pursuant to §26.3(d) of Regulation 26, the following sources are insignificant activities. Insignificant and trivial activities will be allowable after approval and federal register notice publication of a final list as part of the operating air permit program. Any activity for which a state or federal applicable requirement applies is not insignificant even if this activity meets the criteria of §3(d) of Regulation 26 or is listed below. Insignificant activity determinations rely upon the information submitted by the permittee in an application dated April, 2000.

Description	Category
SN-02 - Amine Reboiler - 1.5 MMBTU/Hr - natural gas fuel	A1
SN-06 - Glycol Reboiler - 0.5 MMBTU/Hr - natural gas fuel	A1

Pursuant to §26.3(d) of Regulation 26, the following emission units, operations, or activities have been determined by the Department to be insignificant activities. Activities included in this list are allowable under this permit and need not be specifically identified.

1. Combustion emissions from propulsion of mobile sources and emissions from refueling these sources unless regulated by Title II and required to obtain a permit under Title V of the federal Clean Air Act, as amended. This does not include emissions from any transportable units, such as temporary compressors or boilers. This does not include emissions from loading racks or fueling operations covered under any applicable federal requirements.
2. Air conditioning and heating units used for comfort that do not have applicable requirements under Title VI of the Act.
3. Ventilating units used for human comfort that do not exhaust air pollutants into the ambient air from any manufacturing/industrial or commercial process.
4. Non-commercial food preparation or food preparation at restaurants, cafeterias, or caterers, etc.
5. Consumer use of office equipment and products, not including commercial printers or business primarily involved in photographic reproduction.
6. Janitorial services and consumer use of janitorial products.

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
Permit #: 1677-AOP-R0
CSN #: 14-0124

7. Internal combustion engines used for landscaping purposes.
8. Laundry activities, except for dry-cleaning and steam boilers.
9. Bathroom/toilet emissions.
10. Emergency (backup) electrical generators at residential locations.
11. Tobacco smoking rooms and areas.
12. Blacksmith forges.
13. Maintenance of grounds or buildings, including: lawn care, weed control, pest control, and water washing activities.
14. Repair, up-keep, maintenance, or construction activities not related to the sources' primary business activity, and not otherwise triggering a permit modification. This may include, but is not limited to such activities as general repairs, cleaning, painting, welding, woodworking, plumbing, re-tarring roofs, installing insulation, paved/paving parking lots, miscellaneous solvent use, application of refractory, or insulation, brazing, soldering, the use of adhesives, grinding, and cutting.¹
15. Surface-coating equipment during miscellaneous maintenance and construction activities. This activity specifically does not include any facility whose primary business activity is surface-coating or includes surface-coating or products.
16. Portable electrical generators that can be "moved by hand" from one location to another.²
17. Hand-held equipment for buffing, polishing, cutting, drilling, sawing, grinding, turning, or machining wood, metal, or plastic.
18. Brazing or soldering equipment related to manufacturing activities that do not result in

¹ Cleaning and painting activities qualify if they are not subject to VOC or HAP control requirements. Asphalt batch plant owners/operators must get a permit.

² "Moved by hand" means that it can be moved by one person without assistance of any motorized or non-motorized vehicle, conveyance, or device.

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
Permit #: 1677-AOP-R0
CSN #: 14-0124

emission of HAPs.³

19. Air compressors and pneumatically operated equipment, including hand tools.
20. Batteries and battery charging stations, except at battery manufacturing plants.
21. Storage tanks, vessels, and containers holding or storing liquid substances that do not contain any VOCs or HAPs.⁴
22. Storage tanks, reservoirs, and pumping and handling equipment of any size containing soaps, vegetable oil, grease, animal fat, and no volatile aqueous salt solutions, provided appropriate lids and covers are used and appropriate odor control is achieved.
23. Equipment used to mix and package soaps, vegetable oil, grease, animal fat, and non-volatile aqueous salt solutions, provided appropriate lids and covers are used and appropriate odor control is achieved.
24. Drop hammers or presses for forging or metalworking.
25. Equipment used exclusively to slaughter animals, but not including other equipment at slaughter-houses, such as rendering cookers, boilers, heating plants, incinerators, and electrical power generating equipment.
26. Vents from continuous emissions monitors and other analyzers.
27. Natural gas pressure regulator vents, excluding venting at oil and gas production facilities.
28. Hand-held applicator equipment for hot melt adhesives with no VOCs in the adhesive.
29. Lasers used only on metals and other materials which do not emit HAPs in the process.
30. Consumer use of paper trimmers/binders.

³ Brazing, soldering, and welding equipment, and cutting torches related to manufacturing and construction activities that emit HAP metals are more appropriate for treatment as insignificant activities based on size or production thresholds. Brazing, soldering, and welding equipment, and cutting torches related directly to plant maintenance and upkeep and repair or maintenance shop activities that emit HAP metals are treated as trivial and listed separately in this appendix.

⁴ Exemptions for storage tanks containing petroleum liquids or other volatile organic liquids are based on size and limits including storage tank capacity and vapor pressure of liquids stored and are not appropriate for this list.

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
Permit #: 1677-AOP-R0
CSN #: 14-0124

31. Electric or steam-heated drying ovens and autoclaves, but not the emissions from the articles or substances being processed in the ovens or autoclaves or the boilers delivering the steam.
32. Salt baths using non-volatile salts that do not result in emissions of any air pollutant covered by this regulation.
33. Laser trimmers using dust collection to prevent fugitive emissions.
34. Bench-scale laboratory equipment used for physical or chemical analysis not including lab fume hoods or vents.
35. Routine calibration and maintenance of laboratory equipment or other analytical instruments.
36. Equipment used for quality control/assurance or inspection purposes, including sampling equipment used to withdraw materials for analysis.
37. Hydraulic and hydrostatic testing equipment.
38. Environmental chambers not using hazardous air pollutant gases.
39. Shock chambers, humidity chambers, and solar simulators.
40. Fugitive emissions related to movement of passenger vehicles, provided the emissions are not counted for applicability purposes and any required fugitive dust control plan or its equivalent is submitted.
41. Process water filtration systems and demineralizers.
42. Demineralized water tanks and demineralizer vents.
43. Boiler water treatment operations, not including cooling towers.
44. Emissions from storage or use of water treatment chemicals, except for hazardous air pollutants or pollutants listed under regulations promulgated pursuant to Section 112(r) of the Act, for use in cooling towers, drinking water systems, and boiler water/feed systems.
45. Oxygen scavenging (de-aeration) of water.

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
Permit #: 1677-AOP-R0
CSN #: 14-0124

46. Ozone generators.
47. Fire suppression systems.
48. Emergency road flares.
49. Steam vents and safety relief valves.
50. Steam leaks.
51. Steam cleaning operations.
52. Steam and microwave sterilizers.
53. Site assessment work to characterize waste disposal or remediation sites.
54. Miscellaneous additions or upgrades of instrumentation.
55. Emissions from combustion controllers or combustion shutoff devices but not combustion units itself.
56. Use of products for the purpose of maintaining motor vehicles operated by the facility, not including air cleaning units of such vehicles (i.e. antifreeze, fuel additives).
57. Stacks or vents to prevent escape of sanitary sewer gases through the plumbing traps.
58. Emissions from equipment lubricating systems (i.e. oil mist), not including storage tanks, unless otherwise exempt.
59. Residential wood heaters, cookstoves, or fireplaces.
60. Barbecue equipment or outdoor fireplaces used in connection with any residence or recreation.
61. Log wetting areas and log flumes.
62. Periodic use of pressurized air for cleanup.
63. Solid waste dumpsters.

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
Permit #: 1677-AOP-R0
CSN #: 14-0124

64. Emissions of wet lime from lime mud tanks, lime mud washers, lime mud piles, lime mud filter and filtrate tanks, and lime mud slurry tanks.
65. Natural gas odoring activities unless the Department determines that emissions constitute air pollution.
66. Emissions from engine crankcase vents.
67. Storage tanks used for the temporary containment of materials resulting from an emergency reporting of an unanticipated release.
68. Equipment used exclusively to mill or grind coatings in roll grinding rebuilding, and molding compounds where all materials charged are in paste form.
69. Mixers, blenders, roll mills, or calenders for rubber or plastic for which no materials in powder form are added and in which no organic solvents, diluents, or thinners are used.
70. The storage , handling, and handling equipment for bark and wood residues not subject to fugitive dispersion offsite (this applies to the equipment only).
71. Maintenance dredging of pulp and paper mill surface impoundments and ditches containing cellulosic and cellulosic derived biosolids and inorganic materials such as lime, ash, or sand.
72. Tall oil soap storage, skimming, and loading.
73. Water heaters used strictly for domestic (non-process) purposes.
74. Facility roads and parking areas, unless necessary to control offsite fugitive emissions.
75. Agricultural operations, including onsite grain storage, not including IC engines or grain elevators.
76. The following natural gas and oil exploration production site equipment: separators, dehydration units, natural gas fired compressors, and pumping units. This does not include compressors located on natural gas transmission pipelines.

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
Permit #: 1677-AOP-R0
CSN #: 14-0124

SECTION VIII: GENERAL PROVISIONS

1. Pursuant to 40 C.F.R. 70.6(b)(2), any terms or conditions included in this permit which 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 which 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. Pursuant to 40 C.F.R. 70.6(a)(2) and §26.7 of the Regulations of the Arkansas Operating Air Permit Program (Regulation 26), this permit shall be valid for a period of five (5) years beginning on the date this permit becomes effective and ending five (5) years later.
3. Pursuant to §26.4 of Regulation #26, it is the duty of the permittee to submit a complete application for permit renewal at least six (6) months prior to the date of permit expiration. Permit expiration terminates the permittee's right to operate unless a complete renewal application was submitted at least six (6) months prior to permit expiration, in which case the existing permit shall remain in effect until the Department takes final action on the renewal application. The Department will not necessarily notify the permittee when the permit renewal application is due.
4. Pursuant to 40 C.F.R. 70.6(a)(1)(ii) and §26.7 of Regulation #26, where an applicable requirement of the Clean Air Act, as amended, 42 U.S.C. 7401, *et seq* (Act) is more stringent than an applicable requirement of regulations promulgated under Title IV of the Act, both provisions are incorporated into the permit and shall be enforceable by the Director or Administrator.
5. Pursuant to 40 C.F.R. 70.6(a)(3)(ii)(A) and §26.7 of Regulation #26, records of monitoring information required by this permit shall include the following:
 - a. The date, place as defined in this permit, and time of sampling or measurements;
 - b. The date(s) analyses were performed;
 - c. The company or entity that performed the analyses;
 - d. The analytical techniques or methods used;
 - e. The results of such analyses; and

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
Permit #: 1677-AOP-R0
CSN #: 14-0124

- f. The operating conditions existing at the time of sampling or measurement.
- 6. Pursuant to 40 C.F.R. 70.6(a)(3)(ii)(B) and §26.7 of Regulation #26, records of all required monitoring data and support information shall be retained for a period of at least 5 years from the date of the monitoring sample, measurement, report, or application. Support information includes all calibration and maintenance records and all original strip-chart recordings for continuous monitoring instrumentation, and copies of all reports required by this permit.
- 7. Pursuant to 40 C.F.R. 70.6(a)(3)(iii)(A) and §26.7 of Regulation #26, the permittee shall submit reports of all required monitoring every 6 months. If no other reporting period has been established, the reporting period shall end on the last day of the anniversary month of this permit. The report shall be due within 30 days of the end of the reporting period. Even though the reports are due every six months, each report shall contain a full year of data. All instances of deviations from permit requirements must be clearly identified in such reports. All required reports must be certified by a responsible official as defined in §26.2 of Regulation #26 and must be sent to the address below.

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

- 8. Pursuant to 40 C.F.R. 70.6(a)(3)(iii)(B), §26.7 of Regulation #26, and §19.601 and 19.602 of Regulation #19, all deviations from permit requirements, including those attributable to upset conditions as defined in the permit shall be reported to the Department. An initial report shall be made to the Department by the next business day after the occurrence. The initial report may be made by telephone and shall include:
 - a. The facility name and location,
 - b. The process unit or emission source which is deviating from the permit limit,
 - c. The permit limit, including the identification of pollutants, from which deviation occurs,
 - d. The date and time the deviation started,
 - e. The duration of the deviation,
 - f. The average emissions during the deviation,
 - g. The probable cause of such deviations,
 - h. Any corrective actions or preventive measures taken or being taken to prevent such deviations in the future, and

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
Permit #: 1677-AOP-R0
CSN #: 14-0124

- i. The name of the person submitting the report.

A full report shall be made in writing to the Department within five (5) business days of discovery of the occurrence and shall include in addition to the information required by initial report a schedule of actions to be taken to eliminate future occurrences and/or to minimize the amount by which the permits limits are exceeded and to reduce the length of time for which said limits are exceeded. If the permittee wishes, they may submit a full report in writing (by facsimile, overnight courier, or other means) by the next business day after discovery of the occurrence and such report will serve as both the initial report and full report.

9. Pursuant to 40 C.F.R. 70.6(a)(5) and §26.7 of Regulation #26, and A.C.A. §8-4-203, as referenced by §8-4-304 and §8-4-311, if any provision of the permit or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications hereof which can be given effect without the invalid provision or application, and to this end, provisions of this Regulation are declared to be separable and severable.
10. Pursuant to 40 C.F.R. 70.6(a)(6)(i) and §26.7 of Regulation #26, the permittee must comply with all conditions of this Part 70 permit. Any permit noncompliance with applicable requirements as defined in Regulation #26 constitutes a violation of the Clean Air Act, as amended, 42 U.S.C. 7401, *et seq.* and is grounds for enforcement action; for permit termination, revocation and reissuance, or modification; or for denial of a permit renewal application. Any permit noncompliance with a state requirement constitutes a violation of the Arkansas Water and Air Pollution Control Act (A.C.A. §8-4-101 *et seq.*) and is also grounds for enforcement action; for permit termination, revocation and reissuance, or modification; or for denial of a permit renewal application.
11. Pursuant to 40 C.F.R. 70.6(a)(6)(ii) and §26.7 of Regulation #26, it shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.
12. Pursuant to 40 C.F.R. 70.6(a)(6)(iii) and §26.7 of Regulation #26, this permit may be modified, revoked, reopened, and reissued, or terminated for cause. The filing of a request by the permittee for a permit modification, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not stay any permit condition.
13. Pursuant to 40 C.F.R. 70.6(a)(6)(iv) and §26.7 of Regulation #26, this permit does not

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
Permit #: 1677-AOP-R0
CSN #: 14-0124

convey any property rights of any sort, or any exclusive privilege.

14. Pursuant to 40 C.F.R. 70.6(a)(6)(v) and §26.7 of Regulation #26, the permittee shall furnish to the Director, within the time specified by the Director, any information that the Director may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating the permit or to determine compliance with the permit. Upon request, the permittee shall also furnish to the Director copies of records required to be kept by the permit. For information claimed to be confidential, the permittee may be required to furnish such records directly to the Administrator along with a claim of confidentiality.
15. Pursuant to 40 C.F.R. 70.6(a)(7) and §26.7 of Regulation #26, the permittee shall pay all permit fees in accordance with the procedures established in Regulation #9.
16. Pursuant to 40 C.F.R. 70.6(a)(8) and §26.7 of Regulation #26, no permit revision shall be required, under any approved economic incentives, marketable permits, emissions trading and other similar programs or processes for changes that are provided for elsewhere in this permit.
17. Pursuant to 40 C.F.R. 70.6(a)(9)(i) and §26.7 of Regulation #26, if the permittee is allowed to operate under different operating scenarios, the permittee shall, contemporaneously with making a change from one operating scenario to another, record in a log at the permitted facility a record of the scenario under which the facility or source is operating.
18. Pursuant to 40 C.F.R. 70.6(b) and §26.7 of Regulation #26, all terms and conditions in this permit, including any provisions designed to limit a source's potential to emit, are enforceable by the Administrator and citizens under the Act unless the Department has specifically designated as not being federally enforceable under the Act any terms and conditions included in the permit that are not required under the Act or under any of its applicable requirements.
19. Pursuant to 40 C.F.R. 70.6(c)(1) and §26.7 of Regulation #26, any document (including reports) required by this permit shall contain a certification by a responsible official as defined in §26.2 of Regulation #26.
20. Pursuant to 40 C.F.R. 70.6(c)(2) and §26.7 of Regulation #26, the permittee shall allow an authorized representative of the Department, upon presentation of credentials, to perform the following:

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
Permit #: 1677-AOP-R0
CSN #: 14-0124

- a. Enter upon the permittee's premises where the permitted source is located or emissions-related activity is conducted, or where records must be kept under the conditions of this permit;
 - b. Have access to and copy, at reasonable times, any records that must be kept under the conditions of this permit;
 - c. Inspect at reasonable times any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under this permit; and
 - d. As authorized by the Act, sample or monitor at reasonable times substances or parameters for the purpose of assuring compliance with this permit or applicable requirements.
21. Pursuant to 40 C.F.R. 70.6(c)(5) and §26.7 of Regulation #26, the permittee shall submit a compliance certification with terms and conditions contained in the permit, including emission limitations, standards, or work practices. This compliance certification shall be submitted annually and shall be submitted to the Administrator as well as to the Department. All compliance certifications required by this permit shall include the following:
- a. The identification of each term or condition of the permit that is the basis of the certification;
 - a. The compliance status;
 - b. Whether compliance was continuous or intermittent;
 - c. The method(s) used for determining the compliance status of the source, currently and over the reporting period established by the monitoring requirements of this permit; and
 - d. Such other facts as the Department may require elsewhere in this permit or by §114(a)(3) and 504(b) of the Act.
22. Pursuant to §26.7 of Regulation #26, nothing in this permit shall alter or affect the following:
1. The provisions of Section 303 of the Act (emergency orders), including the authority of the Administrator under that section;
 2. The liability of the permittee for any violation of applicable requirements prior to or at the time of permit issuance;
 3. The applicable requirements of the acid rain program, consistent with §408(a) of the Act; or
 4. The ability of EPA to obtain information from a source pursuant to §114 of the Act.

Petro-Chem Operating Co., Inc. dba Grayson Smackover Unit
Permit #: 1677-AOP-R0
CSN #: 14-0124

23. Pursuant to A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311, this permit authorizes only those pollutant emitting activities addressed herein.

APPENDIX A
40 CFR 60, Subpart LLL

APPENDIX B
40 CFR 60 , Subpart KKK

APPENDIX C
40 CFR 60, Subpart VV

APPENDIX D
40 CFR §60.18

INVOICE REQUEST FORM

PDS- _____

Date October 8, 2001

- | | |
|-------------------------------------|----------------------|
| <input checked="" type="checkbox"/> | Air |
| <input type="checkbox"/> | NPDES |
| <input type="checkbox"/> | Stormwater |
| <input type="checkbox"/> | State Permits Branch |
| <input type="checkbox"/> | Solid Waste |

CSN 14-0124

Facility Name Petro-Chem Operating Co., Inc.
dba Grayson Smackover Unit

Invoice Mailing Address 411 Highway 371 North
Magnolia, Arkansas 71753

- | | |
|-------------------------------------|--------------|
| <input checked="" type="checkbox"/> | Initial |
| <input type="checkbox"/> | Modification |
| <input type="checkbox"/> | Annual |

Permit Number 1677-AOP-R0

Permit Description Title 5

Permit Fee Code A

Amount Due \$ 3421.00

Engineer Paul Osmon

Paid? GNo GYes Check # _____

Comments: Air Permit Fee Calculation

initial fee = [\$/ton factor x tons/year chargeable emissions] - amount of last annual air permit fee invoice
= [\$19.12 x (1.9 tpy PM + 187.7 tpy SO₂ + 21.7 tpy VOC + 61.6 tpy NO_x)] - \$1797
= \$3421

Public Notice

Pursuant to the Arkansas Operating Air Permit Program (Regulation #26) Section 6(b), the Air Division of the Arkansas Department of Environmental Quality gives the following notice:

Petro-Chem Operating Company dba Grayson Smackover Lime Unit (CSN:14-0124) located at 411 Highway 19 North north of Magnolia has made application for a Title V air permit for an existing sour gas processing plant. This facility plans to add a second flare, increase the amount of hydrogen sulfide removed and flared, discontinue the operation of the reinjection compressor, and remove the catalytic convertor from the engine driving the refrigeration compressor. The increase in permit limits over the current Minor Source permit are: particulate matter - 0.6 tons per year, sulfur dioxide - 90.4 tons per year, carbon monoxide - 0.2 tons per year, and oxides of nitrogen - 33.2 tons per year. The permit limit for volatile organic compounds will decrease 2.3 tons per year in the new permit.

The application has been reviewed by the staff of the Department and has received the Department's tentative approval subject to the terms of this notice.

Citizens wishing to examine the permit application and staff findings and recommendations may do so by contacting Suzanne Carswell, Information Officer. Citizens desiring technical information concerning the application or permit should contact Paul Osmon, Engineer. Suzanne Carswell can be reached at the Department's central office, 8001 National Drive, Little Rock, Arkansas 72209, telephone: (501) 682-0744. Paul Osmon can be reached at the Department's Springdale office, 1810 West Sunset, Building A, Suite 2, Springdale, Arkansas 72766, telephone: (501) 927-3257, Extension 12.

The draft permit and permit application are available for copying at the above address. A copy of the draft permit has also been placed at the Magnolia Public Library, 220 East Main, Magnolia Arkansas 71753. This information may be reviewed during normal business hours.

Interested or affected persons may also submit written comments or request a hearing on the proposal, or the proposed modification, to the Department at the above address - Attention: Suzanne Carswell. In order to be considered, the comments must be submitted within thirty (30) days of publication of this notice. Although the Department is not proposing to conduct a public hearing, one will be scheduled if significant comments on the permit provisions are received. If a hearing is scheduled, adequate public notice will be given in the newspaper of largest circulation in the county in which the facility in question is, or will be, located.

The Director shall make a final decision to issue or deny this application or to impose special conditions in accordance with Section 2.1 of the Arkansas Pollution Control and Ecology Commission's Administrative Procedures (Regulation #8) and Regulation #26.

Dated this

Randall Mathis
Director