#### STATEMENT OF BASIS

For the issuance of Draft Air Permit # 0378-AR-16 AFIN: 04-00111

### 1. PERMITTING AUTHORITY:

Arkansas Department of Environmental Quality 5301 Northshore Drive North Little Rock, Arkansas 72118-5317

### 2. APPLICANT:

TGRC The Gates Corporation 1801 North Lincoln Siloam Springs, Arkansas 72761

### 3. PERMIT WRITER:

Adam McDaniel

### 4. NAICS DESCRIPTION AND CODE:

NAICS Description: Rubber and Plastics Hoses and Belting Manufacturing

NAICS Code: 326220

#### 5. SUBMITTALS:

5/5/2014

#### 6. REVIEWER'S NOTES:

Gates Corporation of 1801 North Lincoln Street, Siloam Springs, Benton County, Arkansas owns and operates a rubber belt manufacturing facility. The facility submitted a modification application to update their permit to add some insignificant activities (milling, extruding, and calendaring), increase the HAP limit for the belt builder by 4.8 tpy, and add a 4.5 tpy acetone limit to belt building. The total annual permitted emission rate limit changes associated with this application includes: +1.41 tpy Single HAP, +4.81 Total HAPs, and +4.5 tpy acetone.

### 7. COMPLIANCE STATUS:

The following summarizes the current compliance of the facility including active/pending enforcement actions and recent compliance activities and issues.

The facility was last inspected on April 30, 2014. Gas analysis by the facility revealed that they have been underreporting toluene usage and emissions. Specifically, the toluene being used as a component of the belt builder cement was not being reported in their total toluene calculation. As a result they have exceeded the toluene permit limit of 3.7 tpy at SN-08 and 3.82 tpy total for over 1 year. Gates personnel have met with ADEQ Air Division engineering and enforcement staff regarding this discrepancy.

### 8. PSD APPLICABILITY:

- a) Did the facility undergo PSD review in this permit (i.e., BACT, Modeling, etc.)? N
- b) Is the facility categorized as a major source for PSD?

N

• Single pollutant  $\geq 100$  tpy and on the list of 28 or single pollutant  $\geq 250$  tpy and not on list, or

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•  $CO_2e$  potential to emit  $\geq 100,000$  tpy and  $\geq 100$  tpy/ $\geq 250$ tpy of combined GHGs?

### 9. GHG STATUS:

| 100 | 110 | ate | 010 | 0 |
|-----|-----|-----|-----|---|
|     | 116 | n   | ()) | _ |
|     |     |     |     |   |

|             | Fa  | cility | is cla | ssified | as a 1 | najo | r so | our | ce f | or G | HC | 3 an | d the | pe | ermit includes this | ; |
|-------------|-----|--------|--------|---------|--------|------|------|-----|------|------|----|------|-------|----|---------------------|---|
|             | des | signa  | tion   |         |        |      |      |     |      |      |    |      |       |    |                     |   |
| <b>S</b> 21 | _   |        |        |         |        |      |      | •   |      |      |    |      |       |    | CIIC                |   |

☐ Facility does not have the physical potential to be a major GHG source

| Facility has re | strictions on GHG or throughput rates that limit facility to a minor |
|-----------------|--|
| GHG source.     | Describe these restrictions:   |

### 10. SOURCE AND POLLUTANT SPECIFIC REGULATORY APPLICABILITY:

| Source | Pollutant | Regulation (NSPS, NESHAP or PSD)   |
|--------|-----------|------------------------------------|
| 15     | N/A       | NSPS 40 CFR Part 60 Subpart Dc     |
| 16, 17 | HAPs      | NESHAP 40 CFR Part 63 Subpart ZZZZ |

SN-01, SN-02, and SN-15 are not subject to NESHAP 40 CFR Part 63 Subpart JJJJJJ because they meet the definition of gas-fired boilers due to Specific Conditions #6 and #17.

### 11. EMISSION CHANGES AND FEE CALCULATION:

See emission change and fee calculation spreadsheet in Appendix A.

### 12. NAAQS EVALUATIONS AND NON-CRITERIA POLLUTANTS:

## a) NAAQS:

Pursuant to Act 1302 of the Regular Session of the 89th General Assembly of the State of Arkansas, no dispersion modeling was performed by ADEQ because it was not voluntarily proposed and agreed to by the facility. No other information was submitted by the applicant. Criteria pollutants were not evaluated for impacts on the NAAQS.

### b) Non-Criteria Pollutants:

1<sup>st</sup> Tier Screening (PAER)

Estimated hourly emissions from the following sources were compared to the Presumptively Acceptable Emission Rate (PAER) for each compound. The Department has deemed the PAER to be the product, in lb/hr, of 0.11 and the Threshold Limit Value (mg/m³), as listed by the American Conference of Governmental Industrial Hygienists (ACGIH).

The PAER table was not updated in permit modification #0378-AR-16 because there were no hourly HAP emission changes.

| Pollutant    | TLV (mg/m <sup>3</sup> ) | PAER (lb/hr) = $0.11 \times TLV$ | Proposed lb/hr | Pass? |
|--------------|--------------------------|----------------------------------|----------------|-------|
| Acetophenone | 49.14                    | 5.406                            | 12.301         | N     |
| Acrolein     | 0.23                     | 0.025                            | 0.068          | N     |
| Aniline      | 7.62                     | 0.838                            | 0.13           | Y     |

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| Pollutant  | TLV (mg/m <sup>3</sup> ) | PAER (lb/hr) = $0.11 \times TLV$ | Proposed lb/hr | Pass? |
|--|--------------------------|----------------------------------|----------------|-------|
| Benzene  | 1.60                     | 0.176                            | 0.32           | N     |
| 1,3-Butadiene                                    | 4.42                     | 0.487                            | 0.36           | Y     |
| Carbon Disulfide                                 | 3.11                     | 0.34                             | 28.38          | N     |
| Cumene   | 245.79                   | 27.04                            | 0.239          | Y     |
| DEHP (Bis(2-ethylhexyl) phthalate)               | 5.00                     | 0.55                             | 0.57           | N     |
| Isooctane ( 2,2,4-<br>Trimethylpentane)          | 1400.27                  | 154.03                           | 0.12           | Y     |
| Methylene Chloride (dichloromethane)             | 173.68                   | 19.11                            | 0.84           | Y     |
| 4-Methyl-2-Pentanone<br>(Methyl Isobutyl Ketone) | 81.93                    | 9.01                             | 1.05           | Y     |
| Hexane   | 176.24                   | 19.39                            | 0.91           | Y     |
| Phenol   | 19.25                    | 2.12                             | 0.132          | Y     |
| Propylene oxide                                  | 1.42                     | 0.16                             | 0.872          | N     |
| Styrene  | 85.20                    | 9.37                             | 0.0289         | Y     |
| Tetrachloroethylene                              | 169.53                   | 18.65                            | 1.4587         | Y     |
| Toluene  | 188.40                   | 20.73                            | 7.7806693      | Y     |
| 2-Chloro-1,3-Butadiene (chloroprene)             | 36.21                    | 3.98                             | 0.832          | Y     |
| Nickel   | 1.50                     | 0.17                             | 0.0934281      | Y     |
| m-Xylene + p-Xylene                              | 434.19                   | 47.76                            | 1.0929         | Y     |
| Cadmium Compounds                                | 0.002                    | 2.2E-4                           | 0.0015495      | N     |
| Lead   | 0.05                     | 6.03E-3                          | 0.0162         | N     |
| Carbonyl Sulfide                                 | 12.28                    | 1.35                             | 3.3229         | N     |

<sup>2&</sup>lt;sup>nd</sup> Tier Screening (PAIL)

AERMOD air dispersion modeling was performed on the estimated hourly emissions from the following sources, in order to predict ambient concentrations beyond the property boundary. The Presumptively Acceptable Impact Level (PAIL) for each compound has been deemed by the Department to be one one-hundredth of the Threshold Limit Value as listed by the ACGIH.

The PAIL table was not updated in permit modification #0378-AR-16 because there were no hourly HAP emission changes.

| Pollutant                          | PAIL (μg/m³) = 1/100 of<br>Threshold Limit Value | Modeled<br>Concentration (μg/m <sup>3</sup> ) | Pass? |
|------------------------------------|--|---|-------|
| Acetophenone                       | 491.4  | 81.67   | Yes   |
| Acrolein                           | 2.3  | 0.41  | Yes   |
| Benzene                            | 16.0   | 1.86  | Yes   |
| DEHP (Bis(2-ethylhexyl) phthalate) | 50.0   | 3.36  | Yes   |
| Carbon Disulfide*                  | 175  | 169.10  | Yes   |

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| Pollutant         | PAIL (μg/m³) = 1/100 of<br>Threshold Limit Value | Modeled<br>Concentration (μg/m <sup>3</sup> ) | Pass? |
|-------------------|--|---|-------|
| Propylene Oxide   | 14.2   | 4.77  | Yes   |
| Cadmium Compounds | 0.02   | 0.0105  | Yes   |
| Lead              | 0.5  | 0.149   | Yes   |
| Carbonyl Sulfide  | 122.8  | 18.13   | Yes   |

<sup>\*</sup>The PAIL for Carbon Disulfide is based on an  ${}^{1}\!\!/\!\!^{th}$  of the RFC Value (which is 700  $\mu g/m^3$ ).  ${}^{1}\!\!/\!\!^{th}$  of the RFC = 175  $\mu g/m^3$ . The Pail in this instance is compared to the annual concentration – which is equal to 169.10  $\mu g/m^3$ .

# 13. CALCULATIONS:

| SN     | Emission Factor<br>Source<br>(AP-42, testing, etc.)             | Emission Factor (lb/ton, lb/hr, etc.)  | Control<br>Equipment | Control<br>Equipment<br>Efficiency | Comments                                |
|--------|---|--|----------------------|------------------------------------|---|
| 01, 02 | AP-42 1.4<br>(Natural Gas)<br>HAPs Calculated in<br>Application | $NO_X$ = 100 lb/MMscf<br>CO= 84 lb/MMscf<br>PM10= 7.6 lb/MMscf<br>$SO_2$ = 0.6 lb/MMscf<br>VOC= 5.5 lb/MMscf | None                 | NA                                 | 40.8<br>MMBtu/hr                        |
| 01, 02 | AP-42 1.3<br>(#2 Fuel Oil) HAPs<br>Calculated in<br>Application | $NO_X$ = 20 lb/kgal $CO$ = 5 lb/kgal $PM/PM_{10}$ = 3.3 lb/kgal $SO_2$ = 71 lb/kgal $VOC$ = 0.252 lb/kgal    | None                 | NA                                 | 40.8<br>MMBtu/hr                        |
| 08     | Material balance  | -  | -                    | -                                  | -                                       |
| 09     | AP-42 Table 4.12-9 HAPs Calculated in Application`              | Listed in excel spreadsheet<br>on EPA website. Worst Case<br>factors were used.                              | None                 | NA                                 |   |
| 10     | AP-42<br>Table 4.12-10  | VOC – 2.94E-03<br>HAPS – Listed in excel<br>spreadsheet on EPA<br>website.                                   | None                 | NA                                 | Units are<br>lbs/lb rubber<br>processed |
| 11     | AP-42<br>Table 4.12-12  | EF's listed in excel<br>spreadsheet on EPA<br>website.   | Cyclones +<br>ESP    | 99%                                |   |
| 15     | AP-42 1.4<br>(Natural Gas)<br>HAPs Calculated in<br>Application | $NO_X$ = 100 lb/MMscf<br>CO= 84 lb/MMscf<br>PM10= 7.6 lb/MMscf<br>$SO_2$ = 0.6 lb/MMscf<br>VOC= 5.5 lb/MMscf | None                 |                                    | 29.2<br>MMBtu/hr                        |

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| SN | Emission Factor<br>Source<br>(AP-42, testing, etc.) | Emission Factor (lb/ton, lb/hr, etc.)   | Control<br>Equipment | Control<br>Equipment<br>Efficiency | Comments  |
|----|---|---|----------------------|------------------------------------|---|
| 16 | AP-42<br>3.2-3<br>HAPs Calculated in<br>Application | $PM_{10}=1.94E-2 \ lb/MMbtu$ $SO_2=5.88E-4 \ lb/MMbtu$ $VOC=0.36 \ lb/MMbtu$ $CO=3.51 \ lb/MMbtu$ $NO_X=100 \ lb/MMbtu$         | None                 |                                    | RB SI Emergency Generator (Installed 2002)                                      |
| 17 | AP-42 3.3-1 3.3-2 HAPs Calculated in Application    | $PM_{10}$ = 2.2E-3 lb/hp-hr $SO_2$ = 2.05E-3 lb/hp-hr $VOC$ = 2.514E-3 lb/hp-hr $CO$ = 6.68E-3 lb/hp-hr $NO_X$ = 0.031 lb/hp-hr | None                 |                                    | 185 bhp CI<br>Emergency<br>Fire Pump<br>Diesel<br>Engine<br>(Installed<br>1978) |

# 14. TESTING REQUIREMENTS:

The permit requires testing of the following sources.

| SN | Pollutants | Test Method | Test Interval | Justification |  |  |  |  |  |
|----|------------|-------------|---------------|---------------|--|--|--|--|--|
|    | None       |             |               |               |  |  |  |  |  |

### 15. MONITORING OR CEMS:

The permittee must monitor the following parameters with CEMS or other monitoring equipment (temperature, pressure differential, etc.)

| SN | Parameter or Pollutant to be Monitored | Method (CEM, Pressure Gauge, etc.) | Frequency | Report (Y/N) |  |  |  |  |
|----|--|------------------------------------|-----------|--------------|--|--|--|--|
|    | None                                   |                                    |           |              |  |  |  |  |

# 16. RECORDKEEPING REQUIREMENTS:

The following are items (such as throughput, fuel usage, VOC content, etc.) that must be tracked and recorded.

| SN       | Recorded Item           | Permit Limit                  | Frequency     | Report (Y/N) |
|----------|-------------------------|-------------------------------|---------------|--------------|
| 01, 02   | Fuel Oil Usage          | 869,760 gallons per 12 months | Monthly       | N            |
| 01, 02   | Fuel Oil Sulfur Content | 0.5 % sulfur                  | Each Shipment | N            |
| 08       | VOC Usage               | 24 tpy                        | Monthly       | N            |
| 08       | Toluene Usage           | 8.5 tpy                       | Monthly       | N            |
| 09       | Rubber Processed        | 29,000 lb/hr                  | Monthly       | N            |
| 11       | Rubber Processed        | 30,000 lb/hr                  | Monthly       | N            |
| Facility | Rubber Throughput       | 10,000,000 lb/yr              | Monthly       | N            |

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### 17. OPACITY:

| SN                       | Opacity | Justification for limit | Compliance Mechanism  |
|--------------------------|---------|-------------------------|-----------------------|
| 01, 02, 15 (Natural Gas) | 5%      | §18.501                 | Fuel used             |
| 01, 02 (#2 Fuel Oil)     | 20%     | §19.503                 | Inspector Observation |
| 11                       | 10%     | §18.501                 | Inspector Observation |
| 16, 17                   | 20%     | §19.503                 | Inspector Observation |

# 18. DELETED CONDITIONS:

| Former SC | Justification for removal |  |  |  |
|-----------|---------------------------|--|--|--|
| None      |                           |  |  |  |

# 19. GROUP A INSIGNIFICANT ACTIVITIES:

|                                       | Group A<br>Category | Emissions (tpy)     |                 |       |    |                 |        |         |
|---------------------------------------|---------------------|---------------------|-----------------|-------|----|-----------------|--------|---------|
| Source Name                           |                     | PM/PM <sub>10</sub> | SO <sub>2</sub> | VOC   | СО | NO <sub>X</sub> | HAPs   |         |
|                                       |                     |                     |                 |       |    |                 | Single | Total   |
| Oil Demister                          | A-5                 |                     |                 | < 0.1 |    |                 |        |         |
| Grinding Wheel Cleaning               | A-13                |                     |                 | < 0.1 |    |                 |        |         |
| Cooling Towers                        | A-13                |                     |                 | < 0.1 |    |                 |        |         |
| Misc. Solvent Usage (Mobile Printers) | A-13                |                     |                 | 4.5   |    |                 | Aceton | e= 4.5  |
| Dust Collectors Venting Indoors       | A-13                | < 0.01              |                 |       |    |                 |        |         |
| Milling, Extruding, and Calendering   | A-13                |                     |                 | < 0.1 |    |                 |        |         |
| TOTAL                                 | A-13                | < 0.01              |                 | <4.6  |    |                 | Aceton | e = 4.5 |

# 20. VOIDED, SUPERSEDED, OR SUBSUMED PERMITS:

List all active permits voided/superseded/subsumed by the issuance of this permit.

| Permit #   |  |
|------------|--|
| 0378-AR-15 |  |



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# **Fee Calculation for Minor Source**

Revised 08-26-13

Facility Name: TGRC The Gates

Corporation

Permit Number: 0378-AR-16

AFIN: 04-00111

|                                   |       |  | Old Permit | New Permit |
|-----------------------------------|-------|--|------------|------------|
| \$/ton factor                     | 23.42 | Permit Predominant Air Contaminant       | 58.2       | 58.2       |
| Minimum Fee \$                    | 400   | Net Predominant Air Contaminant Increase | 0          |            |
| Minimum Initial Fee \$            | 500   |  |            |            |
|                                   |       | Permit Fee \$                            | 400        |            |
| Check if Administrative Amendment |       | Annual Chargeable Emissions (tpy)        | 58.2       | •          |

| Pollutant (tpy) | Old Permit | New Permit | Change   |
|-----------------|------------|------------|----------|
| PM              | 9.3        | 9.3        | 0        |
| $PM_{10}$       | 9.3        | 9.3        | 0        |
| $SO_2$          | 31.5       | 31.5       | 0        |
| VOC             | 41.5       | 41.5       | 0        |
| CO              | 43.3       | 43.3       | 0        |
| $NO_X$          | 58.2       | 58.2       | 0        |
| Single HAP      | 7.205      | 8.62       | 1.415    |
| Total HAPs      | 16.548027  | 21.36      | 4.811973 |
| Acetone         | 0          | 4.5        | 4.5      |