STATEMENT OF BASIS

For the issuance of Draft Air Permit #1453-AR-5 AFIN: 26-00039

1. PERMITTING AUTHORITY:

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

2. APPLICANT:

Alliance Rubber Company 210 Carpenter Dam Road Hot Springs, Arkansas 71903

3. PERMIT WRITER:

Sterling Powers

4. NAICS DESCRIPTION AND CODE:

NAICS Description: Rubber Product Manufacturing for Mechanical Use

NAICS Code: 326291

5. ALL SUBMITTALS:

The following is a list of ALL permit applications included in this permit revision.

Date of	Type of Application	Short Description of Any
Application	(New, Renewal, Modification, De	Changes
	minimis/Minor Mod, or Administrative	That Would Be Considered
	Amendment)	New or Modified Emissions
June 13, 2022	Modification	Update silk screening area
		emissions
		Add three new emergency
		generators
		Add one diesel powered fire
		water supply pump
		Damaya tiya ya ayyim mumma
		Remove two vacuum pumps

Permit #: 1453-AR-5 AFIN: 26-00039 Page 2 of 5

6. REVIEWER'S NOTES:

This permit application modification was submitted in accordance with the CAO, and updates the emission limits for the Silk Screening Area (SN-14), incorporates three (3) existing natural gas-fired emergency generators (SN-15, SN-16, and SN-17), adds one (1) existing diesel-powered fire water supply pump (SN-18), and removes two vacuum pumps (SN-09 and SN-11). An 80-gallon diesel fuel tank for the fire water supply pump is also to be added to the list of Insignificant Activities, and process descriptions were updated. Emissions will decrease by 0.3 tpy PM_{10} and 2.1 tpy VOC, and will increase by 0.2 tpy SO_2 , 1.0 tpy NO_x , and 0.4 tpy CO.

7. COMPLIANCE STATUS:

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

The Division of Environmental Quality issued Consent Administrative Order (CAO) LIS No. 22-029 (the "Order") to Alliance Rubber on March 22, 2022, effective May 10, 2022. The purpose of the order was to establish corrective actions to remedy air permit violations at the Hot Springs plant.

8. PSD/GHG APPLICABILITY:

- a) Did the facility undergo PSD review in this permit (i.e., BACT, Modeling, etc.)? N If yes, were GHG emission increases significant? N/A
- b) Is the facility categorized as a major source for PSD? N
- Single pollutant ≥ 100 tpy and on the list of 28 or single pollutant ≥ 250 tpy and not on list

If yes for 8(b), explain why this permit modification is not PSD.

9. SOURCE AND POLLUTANT SPECIFIC REGULATORY APPLICABILITY:

Source	Pollutant	Regulation (NSPS, NESHAP or PSD)
15, 16, 17	PM, HAPs	NSPS JJJJ, NESHAP ZZZZ
18	PM, HAPs	NSPS IIII

10. UNCONSTRUCTED SOURCES:

Unconstructed	Permit	Extension	Extension	If Greater than 18 Months without
	Approval	Requested	Approval	Approval, List Reason for Continued
Source	Date	Date	Date	Inclusion in Permit
			N/A	

Permit #: 1453-AR-5 AFIN: 26-00039 Page 3 of 5

11. PERMIT SHIELD – TITLE V PERMITS ONLY:

N/A

12. COMPLIANCE ASSURANCE MONITORING (CAM) – TITLE V PERMITS ONLY:

N/A

13. EMISSION CHANGES AND FEE CALCULATION:

See emission change and fee calculation spreadsheet in Appendix A.

14. AMBIENT AIR EVALUATIONS:

The following are results for ambient air evaluations or modeling.

a) NAAQS

A NAAQS evaluation is not required under the Arkansas State Implementation Plan, National Ambient Air Quality Standards, Infrastructure SIPs and NAAQS SIP per Ark. Code Ann. § 8-4-318, dated March 2017 and the DEQ Air Permit Screening Modeling Instructions.

b) Non-Criteria Pollutants:

Based on Department procedures for review of non-criteria pollutants, emissions of non-criteria pollutants are below thresholds of concern.

c) H₂S Modeling: N/A

Permit #: 1453-AR-5 AFIN: 26-00039 Page 4 of 5

15. CALCULATIONS:

SN	Emission Source (AP-42, test	ce	Emission Factor		Control Equipment Equipment Efficiency		Comments		
	VOC HAPs (Printing Compounds)	MSDS and Facility Usage	8	lb/gal	None		None		Arbitrarily increased to 8 lb/gal for future operational flexibility 1800 gal/yr
	VOC HAPs(Mineral Spirits)	MSDS and Facility Usage	8	lb/gal	None		Arbitrarily increased to 8 lb/gal for future operational flexibility 720 gal/yr		
15 16 17 18	AP-42, Table 3.2-2 and mass balances		Various		None		500 operational hours Natural Gas		
18	Mfgr Emission Data, AP-42 Tables 3.3-1, 3.2-2		Various		No	one			

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)	
	Hours of	500 hr/yr for emissions, 100			
15, 16, 17	15, 16, 17 Operation		Monthly	N	
18	Hours of Operation	maintenance 500 hr/yr for emissions, 100 hrs/yr for maintenance	Monthly	N	

17. OPACITY:

SN	Opacity	Justification for limit	Compliance Mechanism
1, 2, 12, 13 & 14	5%	18.501	N/A
3-8, 10, 15-18	20%	19.503	N/A

Permit #: 1453-AR-5 AFIN: 26-00039 Page 5 of 5

18. DELETED CONDITIONS:

Former SC	Justification for removal

19. GROUP A INSIGNIFICANT ACTIVITIES:

The following is a list of Insignificant Activities including revisions by this permit.

	Croup A	Emissions (tpy)						
Source Name	Group A Category	PM/PM ₁₀	SO_2	VOC	СО	NO	HAPs	
	Category	F 1V1/ F 1V1 ₁₀	SO_2		CO	NO_x	Single	Total
80-gal Diesel Fuel Tank for Fire Water Supply Pump	A-2			0.01			0.01	0.01
320-gal Diesel Tank	A-3							
Plastic Extruder	A-13							
Silicon Extrusion Line	A-13			0.0514			0.0514	0.0514

20. VOIDED, SUPERSEDED, OR SUBSUMED PERMITS:

The following is a list of all active permits voided/superseded/subsumed by the issuance of this permit.

Permit #
1453-AR-4



Fee Calculation for Minor Source

Revised 03-11-16

Facility Name: Alliance Rubber Permit Number: 1453-AR-5

AFIN: 26-00039

			Old	New
			Permit	Permit
		Permit Predominant Air		
\$/ton factor	25.13	Contaminant	25.8	25.6
		Net Predominant Air Contaminant		
Minimum Fee \$	400	Increase	-0.2	
Minimum Initial Fee \$	500			
		Permit Fee \$	400	
Check if Administrative			_	
Amendment		Annual Chargeable Emissions (tpy)	25.6	

D II (()	Old	New	2
Pollutant (tpy)	Permit	Permit	Change
PM	25.8	25.6	-0.2
PM_{10}	25.8	25.5	-0.3
PM _{2.5}	0	0	0
SO_2	0.9	1.1	0.2
VOC	18.3	16.2	-2.1
CO	0	0.4	0.4
NO_X	0	1	1
HAPs	0	7.6	7.6
Acetone	0	7.2	7.2