STATEMENT OF BASIS

For the issuance of Air Permit # 1527-AOP-R9 AFIN: 63-00010

1. PERMITTING AUTHORITY:

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

2. APPLICANT:

Almatis, Inc. 4701 Alcoa Road Bauxite, Arkansas 72011

3. PERMIT WRITER:

Parviz Mokhtari

4. PROCESS DESCRIPTION AND NAICS CODE:

NAICS Description: Alumina Refining

NAICS Code: 331331

5. SUBMITTALS:

November 26, 2007

6. REVIEWER'S NOTES:

Almatis requested approval to install and operate a new Mini-Size Dust Collector (SN-405BH0136) on the dust return airslide conveyor (ASCs) to the No. 1 Kiln at Building 405A. The permitted emission rates increase associated with this modification are 0.9 ton per year (tpy) PM/PM10.

Almatis also requested by the submittal dated November 26, 2007, an authorization to replace a blower for H-700 spray dryer dust collector (SN-451BH014). For the proposed minor modification the permitted emission rates are 0.7 ton per year (tpy) PM/PM10. Additionally, Almatis requested to correct the typographic errors for NOx hourly emission rate for SN-405BH0133 and SN-405EP0233 from 16.6 lb/hr to 19.6 lb/hr in the current permit. SN-405BH0135 is incorrect it should be corrected to SN-405BH1035 in the Specific Condition 18.

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7. COMPLIANCE STATUS:

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

There are no known enforcement actions against the facility.

8. APPLICABLE REGULATIONS:

PSD Applicability

Did the facility undergo PSD review in this permit (i.e., BACT, Modeling, etc.)?	N
Has the facility undergone PSD review in the past?	N
Is the facility categorized as a major source for PSD?	Y
\geq 100 tpy and on the list of 28?	Y
\geq 250 tpy all other?	Y
PSD Netting	
Was netting performed to avoid PSD review in this permit?	N

Source and Pollutant Specific Regulatory Applicability

Source	Pollutant	Regulation (NSPS, NESHAP or PSD)
046BL01 046BL02 046BL03 046BL04 046BL05	fuel record keeping only	NSPS Part Dc
451BH011 451BH015	PM, Opacity	NSPS Subpart UUU
426BH3314 405BH0134 435BH0760 420BH07	PM, Opacity	NSPS Subpart LL

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9. EMISSION CHANGES:

The following table summarizes plantwide emission changes associated with this permitting action.

	Plantwide Perm	itted Emissions (tpy)	
Pollutant	Permit # 1527-AOP-R7	Permit # 1527-AOP-R8	Change
PM	901.3	901.8	+ 0.5
PM ₁₀	894.3	896.0	+1.7
SO_2	40.2	40.2	0
VOC	70.4	70.4	0
СО	344.9	344.9	0
NO _x	680.0	680.0	0
Formaldehyde	0.07	0.07	0
HF	109.5	109.5	0
Diethanolamine	1.5	1.5	0
HCl	0	0	0

10. MODELING:

Criteria Pollutants

Pollutant	Emission Rate (lb/hr)	NAAQS Standard (μg/m³)	Averaging Time	Highest Concentration (μg/m³)	% of NAAQS
PM_{10}	230.5	50	Annual	2.75	5.5
1 1/110	230.3	150	24-Hour	22.33	14.9
		80	Annual	4	0.5
SO ₂	9.6	1300	3-Hour	17.2	1.3
		365	24-Hour	6.5	1.7
00	70.1	10,000	8-Hour	112	1.12
	CO 79.1	40,000	1-Hour	218	0.5
NO _x	150.5	100	Annual	7.5	7.5

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Non-Criteria Pollutants:

1st 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).

Pollutant	TLV (mg/m³)	PAER (lb/hr) = 0.11 × TLV	Proposed (lb/hr)	Pass?
Formaldehyde	1.5	0.17	0.03	Y
Hydrogen Fluoride	2.45	0.27	58.1	N
Diethanolamine	2	0.22	0.4	N

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

ISCST3 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.

Pollutant	PAIL (μg/m³) = 1/100 of Threshold Limit Value	Modeled Concentration (μg/m³)	Pass?
Hydrogen Fluoride	24.5	14.7	Y
Diethanolamine	20	0.1	Y

11. CALCULATIONS:

SN	Emission Factor Source (AP-42, testing, etc.)	Emission Factor (lb/ton, lb/hr, etc.)	Control Equipment	Control Equipment Efficiency	Comments
All Natural Gas Fired Sources	AP-42	Varied	Varied	Varied	
All Baghouses and Scrubbers	Grain Loading	Varied	Baghouse or Scrubber	Varied	

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SN	Emission Factor Source (AP-42, testing, etc.)	Emission Factor (lb/ton, lb/hr, etc.)	Control Equipment	Control Equipment Efficiency	Comments
HF emissions from 405BH0133 and EP0233	Testing	915 lb HF per ton Aluminum Fluoride	N/A		
143FHE01	Combustion: (AP-42)	5.8 lb/10 ³	N/A	N/A	
Formaldehyde emissions from 143FHE01	Testing	100 lb per year of Formaldehyde/8.33 MM lb Silane coated product	N/A	N/A	

12. TESTING REQUIREMENTS:

The permit requires testing of the following sources.

SN	Pollutants	Test Method	Test Interval	Justification
046BL01 thru 05	CO NO _x	7E 10	Every 5 years	Department Guidance
405BH0133 405EP0233 060EP0241 425EP04 426EP06 426EP07	PM CO NO _x	5 and 202 7E 10	Annual or Bi- annual	Department Guidance
405BH0133 405EP0233	HF	26	Annual or Bi- annual	Department Guidance
060BH0573	PM	5 and 202	Annual or Bi- annual	Department Guidance
426BH3314 405BH0134 451BH0760 400BH09 420BH07	PM	5 or 17	Within 180 days of startup	NSPS Subpart LL

13. MONITORING OR CEMS

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

There are no monitoring or CEMs required by this permit.

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14. RECORD KEEPING 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)
046BL01-05	40 CFR Part 60, Subpart Dc	None	Monthly	N
415BH015 415BH011	Records of initial tests	None	Kept on site	N
Hydrate Section	Silane coated alumina trihydrate production	8.2 million pounds	Monthly	Y
405BH0133 405EP0233	Aluminum fluoride feed rate	127 lb/hr and 109.5 tpy HF emissions	Daily and monthly	Y
425AUC01	Alumina load- out	20,000 tons/12 mo	Monthly	Y

15. OPACITY:

SN	Opacity	Justification for limit	Compliance Mechanism	
Appendix A of the permit is a summary of all the opacity requirements in the permit.				

16. DELETED CONDITIONS:

Former SC	Justification for removal
N/A	N/A

17. VOIDED, SUPERCEDED, OR SUBSUMED PERMITS:

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

Permit #	
1527-AOP-R8	

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18. CONCURRENCE BY:

The following supervisor concurs with the permitting decision.

Phil Murphy, P.E.