STATEMENT OF BASIS

For the issuance of Draft Air Permit # 1779-AOP-R5 AFIN: 28-00251

1. PERMITTING AUTHORITY:

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

2. APPLICANT:

   American Railcar Industries, Inc. - Paragould
   901 Jones Road
   Paragould, Arkansas 72450

3. PERMIT WRITER:

   Shawn Hutchings

4. NAICS DESCRIPTION AND CODE:

   NAICS Description: Railroad Rolling Stock Manufacturing
   NAICS Code: 336510

5. SUBMITTALS:

   8/18/2014

6. REVIEWER'S NOTES:

American Railcar Industries, Inc. (ARI) owns and operates a railcar welding and fabrication plant in Paragould, AR. In this modification ARI is replacing the baghouses which control the Exterior Blasting at Tracks 1 and 2, SN-04 and SN-05.

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 issues with the facility.

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 ≥ 100 tpy and on the list of 28 or single pollutant ≥ 250 tpy and not on list*

If yes, explain why this permit modification is not PSD.

9. SOURCE AND POLLUTANT SPECIFIC REGULATORY APPLICABILITY:

Source	Pollutant	Regulation (NSPS, NESHAP or PSD)
06, 07, 08, 14, 15, 16	HAPs	40 CFR Part 63, Subpart MMMM

10. EMISSION CHANGES AND FEE CALCULATION:

See emission change and fee calculation spreadsheet in Appendix A.

11. 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:

Non-Criteria Pollutant emissions were not changed and not evaluated.

12. CALCULATIONS:

SN	Emission Factor Source (AP-42, testing, etc.)	Emission Factor (lb/ton, lb/hr, etc.)	Control Equipment	Control Equipment Efficiency	Comments
04 and 05	Grain Loading	0.002 gr/dscf	Baghouses	99.5	

13. TESTING REQUIREMENTS:

The permit requires testing of the following sources.

The permit requires no testing.

14. MONITORING OR CEMS:

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

The permit requires no monitoring or CEMS

15. 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)
10 and 11	Welding wire usage	1,961,298 pounds / 12-mo	Monthly	Y
06, 07. 08, 14, 15, 16	VOC and HAP usage	TPY limits of permit HAP: TLV Table HDI MDI or 5 lb/day	Monthly	Y
06, 07. 08, 14, 15, 16	HAP Records	See Specific Condition 20 and 21	Monthly	Y

16. OPACITY:

SN	Opacity	Justification for limit	Compliance Mechanism
01, 02, 03, 04, 05, 12, 13, and 18	5%	Department Guidance	Weekly Observation
09 and 17	5%	Department Guidance	Natural Gas Only

17. DELETED CONDITIONS:

No conditions were deleted

18. GROUP A INSIGNIFICANT ACTIVITIES:

Source Name	Group A Category	Emissions (tpy)						
		PM/PM_{10}	SO_2	VOC	CO	NO_x	HAPs	
							Single	Total

Gasoline Tanks	A-13			0.2				
Diesel Tanks	A-3			0.1				

19. VOIDED, SUPERSEDED, OR SUBSUMED PERMITS:

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

Permit #
1779-AOP-R4

APPENDIX A – EMISSION CHANGES AND FEE CALCULATION

Fee Calculation for Major Source

Revised 11-06-13

American Railcar Industries, Inc. - Paragould
Permit #: 1779-AOP-R5
AFIN: 28-00251

$/ton factor	23.42	Annual Chargeable Emissions (tpy)	296.4
Permit Type	Minor Mod	Permit Fee $	500

Minor Modification Fee $	500
Minimum Modification Fee $	1000
Renewal with Minor Modification $	500
Check if Facility Holds an Active Minor Source or Minor Source General Permit	☐
If Hold Active Permit, Amt of Last Annual Air Permit Invoice $	0
Total Permit Fee Chargeable Emissions (tpy)	1.4
Initial Title V Permit Fee Chargeable Emissions (tpy)	

HAPs not included in VOC or PM: *Chlorine, Hydrazine, HCl, HF, Methyl Chloroform, Methylene Chloride, Phosphine, Tetrachloroethylene, Titanium Tetrachloride*

Air Contaminants: *All air contaminants are chargeable unless they are included in other totals (e.g., H2SO4 in condensible PM, H2S in TRS, etc.)*

Pollutant (tpy)	Check if Chargeable Emission	Old Permit	New Permit	Change in Emissions	Permit Fee Chargeable Emissions	Annual Chargeable Emissions
PM		16	17.4	1.4		
PM_{10}		16	17.4	1.4	1.4	17.4
SO_2		0.8	0.8	0	0	0.8
VOC		249.1	249.1	0	0	249.1
CO		24.8	24.8	0		
NO_X		29.1	29.1	0	0	29.1
HAP	☐	247.2	247.2	0		
HDI	☐	0.92	0.92	0		

Pollutant (tpy)	Check if Chargeable Emission	Old Permit	New Permit	Change in Emissions	Permit Fee Chargeable Emissions	Annual Chargeable Emissions
MDI	☐	0.92	0.92	0		
Manganese	☐	0.05	0.05	0		
	☐	0	0	0		
	☐	0	0	0		
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