

# ADEQ OPERATING AIR PERMIT

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

Permit No. : 1830-AOP-R1  
Renewal #1  
IS ISSUED TO:  
American Railcar Industries  
7755 Highway 34 East  
Marmaduke, AR 72443  
Greene County  
AFIN: 28-00256

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

THE PERMITTEE IS SUBJECT TO ALL LIMITS AND CONDITIONS CONTAINED HEREIN.

Signed:

\_\_\_\_\_  
Michael Bonds  
Chief, Air Division

\_\_\_\_\_  
Date

**Error! Reference source not found.**  
Permit #: **Error! Reference source not found.**  
AFIN: **Error! Reference source not found.**

Table of Contents

<b><u>SECTION I: FACILITY INFORMATION</u></b> .....	4
<b><u>SECTION II: INTRODUCTION</u></b> .....	5
<u>Summary of Permit Activity</u> .....	5
<u>Process Description</u> .....	5
<u>Regulations</u> .....	7
<u>Emission Summary</u> .....	7
<b><u>SECTION III: PERMIT HISTORY</u></b> .....	10
<u>SN-01, SN-02, SN-07, and SN-08</u> .....	11
<u>SN-11</u> .....	13
<u>SN-05, SN-06, SN-09, SN-10, and SN-12</u> .....	15
<b><u>SECTION V: COMPLIANCE PLAN AND SCHEDULE</u></b> .....	19
<b><u>SECTION VI: PLANTWIDE CONDITIONS</u></b> .....	20
<b><u>SECTION VIII: GENERAL PROVISIONS</u></b> .....	24

**Error! Reference source not found.**  
Permit #: **Error! Reference source not found.**  
AFIN: **Error! Reference source not found.**

List of Acronyms and Abbreviations

A.C.A.	Arkansas Code Annotated
AFIN	ADEQ Facility Identification Number
CFR	Code of Federal Regulations
CO	Carbon Monoxide
HAP	Hazardous Air Pollutant
lb/hr	Pound Per Hour
MVAC	Motor Vehicle Air Conditioner
No.	Number
NO <sub>x</sub>	Nitrogen Oxide
PM	Particulate Matter
PM <sub>10</sub>	Particulate Matter Smaller Than Ten Microns
SNAP	Significant New Alternatives Program (SNAP)
SO <sub>2</sub>	Sulfur Dioxide
SSM	Startup, Shutdown, and Malfunction Plan
tpy	Tons Per Year
UTM	Universal Transverse Mercator
VOC	Volatile Organic Compound

**Error! Reference source not found.**  
Permit #: **Error! Reference source not found.**  
AFIN: **Error! Reference source not found.**

**SECTION I: FACILITY INFORMATION**

PERMITTEE: American Railcar Industries

AFIN: 28-00256

PERMIT NUMBER: 1830-AOP-R1

FACILITY ADDRESS: 7755 Highway 34 East  
Marmaduke, AR 72443

MAILING ADDRESS 7755 Highway 34 East  
Marmaduke, AR 72443

COUNTY: Greene

CONTACT POSITION: Mike Sowards, Plant Manager

TELEPHONE NUMBER: (870) 597-2224

REVIEWING ENGINEER: Ann Sudmeyer

UTM North South (Y): Zone 15: 4007.8

UTM East West (X): Zone 15: 735.8

**Error! Reference source not found.**

Permit #: **Error! Reference source not found.**

AFIN: **Error! Reference source not found.**

## **SECTION II: INTRODUCTION**

### **Summary of Permit Activity**

American Railcar Industries is a railcar fabrication and painting facility in Marmaduke, Arkansas. In addition to renewing the facility's Title V air permit, this permitting action is necessary to:

1. Limit the annual natural gas usage to 312 MMSCF per year;
2. Reduce the VOC content of paints, primers, etc. to 3.5 lb/gal as applied;
3. Increase the hourly throughput of railcars to 1.5 cars per hour, as expressed by a daily throughput limit;
4. Correct the permitted lb/hr emission rates for SN-02;
5. Update the annual permitted PM<sub>10</sub> emission rates for SN-01, SN-07, and SN-08; and
6. Add throughput limits for SN-01, SN-02, SN-07, and SN-08.

The permitted hourly VOC and some of the hazardous air pollutant emission rates are increasing by 80.3 lb/hr. The permitted annual hexamethylene diisocyanate emission rate is increasing by 0.11 tpy.

### **Process Description**

#### **RAILCAR WELDING AND FABRICATION PLANT**

Steel plates are received by truck or rail. The plates are blasted in a vertical plate blast cabinet and cut to the appropriate size on a down draft soft plasma cutting table. Emissions from the blasting operations will be controlled by a dust collector (SN-01). A cartridge type dust collector (SN-02) will control the emissions from the plasma cutting table. The plate blasting dust collector is an integral part of the blast material recovery.

The sheets of cut steel from the blasting and cutting area are rolled into cylinders and welded (SN-03). Tank ends and nozzles are fit and welded to the cylinders to form a tank.

The finished tank is examined for defects using X-ray technology. After this examination, assorted attachments are fit and welded to the tanks. These attachments include attachment pads, brackets, steam coils, and underframes. The tank is then placed in a natural gas fired stress relief furnace (SN-04a or SN-04b) where the temperature is raised and held at 1100°F. After the tank is cooled, it is hydrostatically tested.

#### **TANK BOTTLE PRIMING AND JACKET ASSEMBLY**

Some tank cars are jacketed and insulated. If a tank requires jacketing, then the tank is coated with primer (SN-05) wrapped in fiberglass insulation. The insulated bottle tank is then covered with a steel jacket. The steel jacket is formed from a 1/8" (nominal) steel sheet rolled into a cylinder and welded to fit. The inside of the steel jacket is painted (SN-06) prior to application to the tank bottle.

**Error! Reference source not found.**

Permit #: **Error! Reference source not found.**

AFIN: **Error! Reference source not found.**

## **PAINTING OPERATIONS**

After transfer from the fabrication facility, cars are moved into the automatic wheel blasting cabinet by an air operated tugger. The cars are then moved into blasting position using a chain operated car mover, or rabbit, and the exterior blasting begins. Following exterior blasting, the rabbit moves the car into the touchup area located at the end of the blast cabinet. The car is manually blasted to completion, and the grit is removed from the car. Equipment in this area includes two automatic exterior wheel blast units, an exterior hand blast and blow-off cabinet, a grit removal system, and a dust collection system (SN-07 and SN-08).

An air operated tugger moves the cars into the general preparation area. The cars are then cleaned and prepared for painting.

The cars are then transferred to the exterior prime bay. The primer is applied by an airless spray stream. A three stage filter located between the rails below the car draws in the air containing overspray. An underground duct system channels the exhaust air to a stack for dispersion. The railcars are then transferred to the drying bays where the exterior coat is cured by a forced air system. Fans mounted at the ends of these bays remove the excess heat produced during the curing process.

The railcars then receive an exterior topcoat applied by an airless spray system. Like in the exterior prime bay, an underground duct system carries overspray through a filtration system and to a stack for dispersion. The topcoat is then cured by a forced air system. Fans mounted at the ends of these bays remove the excess heat produced during the curing process.

Not all railcars receive both primer and a topcoat. Some railcars are painted using a one-coat system.

## **FINAL ASSEMBLY AND TOUCHUP**

In this bay, the final assembly and touchup begins. Exterior coats are touched up, non-skid coatings are applied to the top of the car, running boards and fittings are installed, outlet valves may be installed on the bottom of the car, and any markings may also be applied. Brake equipment, road trucks, and couplers can also be installed at this point. This area of the paint shop is adjoined with the pipe shop where pipe material is welded and formed into sections that are fed into the main assembly line.

Next, the railcars are weighed and inspected for quality. If the railcar passes this inspection, the car is marked with its weight and moved to the shipping track. The cars are moved to the shipping track by a track mobile (or yard locomotive).

**Error! Reference source not found.**

Permit #: **Error! Reference source not found.**

AFIN: **Error! Reference source not found.**

## NATURAL GAS COMBUSTION SOURCES

The paint shop includes several natural gas fired make up air heaters for the drying bays and general plant comfort. The emissions from all gas-fired heaters are grouped under source SN-11.

### Regulations

The following table contains the regulations applicable to this permit.

Regulations
Arkansas Air Pollution Control Code, Regulation 18, effective February 15, 1999
Regulations of the Arkansas Plan of Implementation for Air Pollution Control, Regulation 19, effective February 15, 1999
Regulations of the Arkansas Operating Air Permit Program, Regulation 26, effective September 26, 2002

This facility is classified as a major source for Title V purposes due to VOC emissions in excess of 100 tons per year. Since this facility is not on the "List of 28" and its emissions are below 250 tons per year, American Railcar Industries is not considered a major source for PSD (§19.901 et seq of Regulation 19 and 40 CFR §52.21) purposes. Emissions of Hazardous Air Pollutants are below 10 tpy of any single HAP and less than 25 tpy of total HAPs. Therefore, this facility is not subject to §112(g) at this time.

The following table is a summary of emissions from the facility. This table, in itself, is not an enforceable condition of the permit.

### Emission Summary

EMISSION SUMMARY				
Source Number	Description	Pollutant	Emission Rates	
			lb/hr	tpy
Total Allowable Emissions		PM	5.6	17.6
		PM <sub>10</sub>	5.6	6.7
		SO <sub>2</sub>	0.1	0.1
		VOC	217.6	134.8
		CO	9.0	13.2
		NO <sub>x</sub>	10.7	15.6
HAPs		Ethylbenzene*	217.00	9.9
		Ethylene Glycol*	217.00	9.9
		Glycol Ethers*	217.00	9.9
		HDI*	0.18	0.79

**Error! Reference source not found.**

Permit #: **Error! Reference source not found.**

AFIN: **Error! Reference source not found.**

EMISSION SUMMARY				
Source Number	Description	Pollutant	Emission Rates	
			lb/hr	tpy
		Methyl Ethyl Ketone*	217.00	9.9
		Napthalene*	217.00	9.9
		Toluene*	217.00	9.9
		Triethylamine*	21.90	9.9
		Xylene*	217.00	9.9
		Other HAPs	N/A	9.9
		Total HAPs	217.00	24.8
01	Steel Plate Blasting Dust Collector	PM	0.4	1.7
		PM <sub>10</sub>	0.4	1.6
02	Plasma Cutting Table Dust Collector	PM	1.1	1.1
		PM <sub>10</sub>	1.1	1.1
03	Welding Activities	Insignificant Activity		
04	2 Stress Relief Furnaces	The emissions for these sources are included in source SN-11.		
05	Tank Bottle Painting	VOC	217.0**	133.9**
		Ethylbenzene*	217.00**	9.9**
06	Jacket Interior Painting	Ethylene Glycol*	217.00**	9.9**
		Glycol Ethers*	217.00**	9.9**
09	Exterior Painting	HDI*	0.18**	0.79**
10	Exterior Topcoat Painting	Methyl Ethyl Ketone*	217.00**	9.9**
		Napthalene*	217.00**	9.9**
		Toluene*	217.00**	9.9**
12	General Building Ventilation	Triethylamine*	21.90**	9.9**
		Xylene*	217.00**	9.9**
		Other HAPs	N/A	9.9**
		Total HAPs	217.00**	24.8**
07	Exterior Blast Duct Collector	PM	1.6	6.8
		PM <sub>10</sub>	1.6	1.4
08	Exterior Blast Duct Collector	PM	1.6	6.8
		PM <sub>10</sub>	1.6	1.4
11	Natural Gas Combustion Sources	PM	0.9	1.2
		PM <sub>10</sub>	0.9	1.2
		SO <sub>2</sub>	0.1	0.1
		VOC	0.6	0.9
		CO	9.0	13.2
		NO <sub>x</sub>	10.7	15.6
13	250 Gallon Gasoline Storage Tank	Insignificant Activity		



**Error! Reference source not found.**

Permit #: **Error! Reference source not found.**

AFIN: **Error! Reference source not found.**

EMISSION SUMMARY				
Source Number	Description	Pollutant	Emission Rates	
			lb/hr	tpy
14	500 Gallon Diesel Storage Tank	Insignificant Activity		

\*HAPs included in the VOC totals.

\*\*These are the total emissions from sources SN-05, SN-06, SN-09, SN-10, and SN-12 and are not individual limits for each of these sources.

**Error! Reference source not found.**

Permit #: **Error! Reference source not found.**

AFIN: **Error! Reference source not found.**

### **SECTION III: PERMIT HISTORY**

Permit #1830-AOP-R0 was issued on June 28, 1999. This was the first permit for this facility. No operations of any type took place prior to the submittal of the permit application. Total permitted criteria pollutant emission rates were 20.0 tpy PM/PM<sub>10</sub>, 0.3 tpy SO<sub>2</sub>, 136.5 tpy VOC, 39.2 tpy CO, and 46.8 tpy NO<sub>x</sub>. Total combined HAPs were permitted at 24.8 tpy, and individual HAPs were permitted at 0.68 tpy HDI, 9.9 tpy each of ethylbenzene, ethylene glycol, glycol ethers, MEK, naphthalene, toluene, triethylamine, xylene, and other HAPs.

## SECTION IV: SPECIFIC CONDITIONS

### SN-01, SN-02, SN-07, and SN-08 Dust Collectors

#### Source Description

Sources SN-01, SN-07 and SN-08 are fabric filter type dust collectors. Source SN-02 is a cartridge type dust collector which may be vented either inside or to the atmosphere. These dust collectors control emissions which are generated by the various blasting operations and grit removal system.

#### Specific Conditions

1. The permittee shall not exceed the emission rates set forth in the following table. The hourly emission rates are based on the maximum capacity of the equipment. Compliance with the annual emission rates shall be demonstrated by compliance with Specific Condition #6. [Regulation 19, §19.501 et seq., effective February 15, 1999 and 40 CFR Part 52, Subpart E]

SN	Pollutant	lb/hr	tpy
01	PM <sub>10</sub>	0.4	1.6
02	PM <sub>10</sub>	1.1	1.1
07	PM <sub>10</sub>	1.6	1.4
08	PM <sub>10</sub>	1.6	1.4

2. The permittee shall not exceed the emission rates set forth in the following table. These emission rates are based on the maximum capacity of the equipment. [Regulation 18, §18.801, effective February 15, 1999, and A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]

SN	Pollutant	lb/hr	tpy
01	PM	0.4	1.7
02	PM	1.1	1.1
07	PM	1.6	6.8
08	PM	1.6	6.8

3. Visible emissions may not exceed the limits specified in the following table of this permit as measured by EPA Reference Method 9. Compliance with these limits will be

demonstrated by compliance with Specific Condition #4. [§18.501 of Regulation 18 and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311]

SN	Limit	Regulatory Citation
01	5%	§18.501 and A.C.A.
02	5%	§18.501 and A.C.A.
07	5%	§18.501 and A.C.A.
08	5%	§18.501 and A.C.A.

4. The permittee shall conduct weekly observations of the opacity from sources SN-01, SN-02, SN-07, and SN-08 and keep a record of these observations. If the permittee detects visible emissions, the permittee must immediately take action to identify and correct the cause of the visible emissions. After implementing the corrective action, the permittee must conduct another observation of the opacity from the source in question in order to confirm that visible emissions are no longer present. The permittee shall maintain records of all visible emissions observations, the cause of any visible emissions, and the corrective action taken. The permittee must keep these records onsite and make them available to Department personnel upon request. [§18.1004 of Regulation 18 and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311]
5. The throughput of each source (SN-01, SN-02, SN-07, and SN-08) shall not exceed 2,550 railcars per consecutive 12-month period. [§19.705 of Regulation 19, 40 CFR 70.6, and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311]
6. The permittee shall maintain monthly records to demonstrate compliance with Specific Condition #5 and which may be used by the Department for enforcement purposes. These records shall be updated no later than the fifteenth day of the month following the month which the records represent, shall be kept on site, and shall be made available to Department personnel upon request. An annual total and each month's individual data shall be submitted to the Department in accordance with General Provision #7. [§19.705 of Regulation 19 and 40 CFR Part 52, Subpart E]

SN-11  
Natural Gas Combustion Sources

Source Description

The natural gas fired sources at this facility include heaters at the drying bays, the assembly bays, the exterior blast, the exterior priming area, exterior topcoat area, and at the pipe shop/truck shop. Heaters are also located at the fabrication shop office, the paint shop office, and the paint kitchen. Two stress relief furnaces are also located at this facility.

Specific Conditions

7. The permittee shall not exceed the emission rates set forth in the following table. The hourly emissions are based on the capacity of the equipment. Compliance with the annual emission rates will be demonstrated by compliance with Specific Condition #11. [Regulation 19, §19.501 et seq. and 40 CFR Part 52, Subpart E]

Pollutant	lb/hr	tpy
PM <sub>10</sub>	0.9	1.2
SO <sub>2</sub>	0.1	0.1
VOC	0.6	0.9
CO	9.0	13.2
NO <sub>x</sub>	10.7	15.6

8. The permittee shall not exceed the emission rates set forth in the following table. The hourly emissions are based on the capacity of the equipment. Compliance with the annual emission rates will be demonstrated by compliance with Specific Condition #11. [Regulation 18, §18.801, and A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]

Pollutant	lb/hr	tpy
PM	0.9	1.2

9. Visible emissions may not exceed the limits specified in the following table of this permit as measured by EPA Reference Method 9. Compliance with this condition will be demonstrated by compliance with Specific Condition #10. [§18.501 of Regulation 18 and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311]

SN	Limit	Regulatory Citation
11	5%	§18.501 and A.C.A.

10. The permittee shall use only pipeline quality natural gas to fire the sources comprising SN-11. [§19.705 of Regulation 19, 40 CFR 70.6, and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311]
11. The permittee shall not use in excess of 312 MMSCF of natural gas per any consecutive 12-month period. [§19.705 of Regulation 19, 40 CFR 70.6, and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311]
12. The permittee shall maintain records of the amount of natural gas fired at the sources comprising SN-11 in order to demonstrate compliance with Specific Condition #11 and which may be used by the Department for enforcement purposes. These records shall be updated no later than 10 days after receiving the gas invoice, shall be kept on site, and shall be made available to Department personnel upon request. An annual total and each month's individual data shall be submitted to the Department in accordance with General Provision #7. [§19.705 of Regulation 19 and 40 CFR Part 52, Subpart E]

SN-05, SN-06, SN-09, SN-10, and SN-12  
Painting Operations

Source Description

The painting operations at this facility will consist of the exterior prime bay, the exterior topcoat bay, several drying bays, tank bottle priming, and jacket assembly. General building ventilation has also been included as an emission source for the painting operations.

No control equipment is associated with any of the sources involved in the painting operations.

Specific Conditions

13. The permittee shall not exceed the emission rates set forth in the following table. Compliance with the hourly emission rate will be demonstrated by compliance with Specific Conditions #19 and #28. Compliance with the annual emission rate will be demonstrated by compliance with Specific Condition #22. [Regulation 19, §19.501 et seq. and 40 CFR Part 52, Subpart E]

Pollutant	lb/hr	tpy
VOC	217.0	133.9

14. The permittee shall not exceed the emission rates set forth in the following table. Compliance with the hourly emission rates will be demonstrated by compliance with Specific Conditions #20, #26, and #28. Compliance with the annual emission rates will be demonstrated by compliance with Specific Conditions #24 and #26. [Regulation 18, §18.801, and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311]

Pollutant	lb/hr	tpy
Ethylbenzene	217.00	*
Ethylene Glycol	217.00	*
Glycol Ethers	217.00	*
HDI	0.18	0.79
Methyl Ethyl Ketone	217.00	*
Napthalene	217.00	*
Toluene	217.00	*
Triethylamine	21.90	*
Xylene	217.00	*

Pollutant	lb/hr	tpy
Other HAPs	5.35 * X	*

\*See Specific Condition #23 for tpy emission rate limits.

1. X = TLV, mg/m<sup>3</sup>

15. The permittee shall not use glycol ethers which have a TLV below 121 mg/m<sup>3</sup> unless they qualify as an "other HAP" as outlined in Specific Condition #18. [§18.1004 of Regulation 18 and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311]
16. The most recent ACGIH data shall be used to determine the TLV of any non-criteria pollutant. [§18.1004 of Regulation 18 and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311]
17. The permittee shall not use any paints, primers, etc. with a VOC content in excess of 3.5 lb/gal as applied. This limit does not apply to solvents used for paint thinning or cleaning purposes. [§19.705 of Regulation 19, 40 CFR 70.6, and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311]
18. The permittee shall not use any paints which exceed the HAP contents listed in the table below. [§18.1004 of Regulation 18 and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311]

HAP	Maximum Content (lb/gal)
Ethylbenzene	3.5
Ethylene Glycol	3.5
Glycol Ethers	3.5
Methyl Ethyl Ketone	3.5
Napthalene	3.5
Toluene	3.5
Triethylamine	0.354
Xylene	3.5
Other HAPs <sup>1</sup>	0.0863 * X (X = TLV, mg/m <sup>3</sup> )

1. Does not apply to HDI which has a lower emission rate addressed in Specific Condition #25.

19. The permittee shall maintain the appropriate records on site in order to demonstrate compliance with Specific Condition #17. The records shall be made available to Department personnel upon request. The records may be in the form of an MSDS, an



environmental data sheet, or another report derived from vendor-supplied information. [§19.705 of Regulation 19, 40 CFR Part 52, Subpart E]

20. The permittee shall maintain the appropriate records on site in order to demonstrate compliance with Specific Condition #18. The records shall be made available to Department personnel upon request. The records may be in the form of an MSDS, an environmental data sheet, or another report derived from vendor-supplied information. [§18.1004 of Regulation 18 and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311]
21. The permittee shall not emit in excess of 133.9 tons of VOCs from the painting operations in any consecutive twelve month period. This total does not include the VOC emissions which are the result of the combustion of natural gas from sources associated with the painting operations. [§19.705 of Regulation 19, 40 CFR 70.6, and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311]
22. The permittee shall maintain records of the VOC emissions from the painting operations in order to demonstrate compliance with Specific Condition #21 and which may be used by the Department for enforcement purposes. These records shall be updated no later than the fifteenth day of the month following the month which the records represent, shall be kept on site, and shall be made available to Department personnel upon request. An annual total and each month's individual data shall be submitted to the Department in accordance with General Provision #7. [§19.705 of Regulation 19 and 40 CFR Part 52, Subpart E]
23. Emissions shall not exceed 9.9 tons of any single HAP or 24.8 tons of any combination of HAPs in any consecutive twelve month period. [§18.801 and §18.1004 of Regulation 18 and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311]
24. The permittee shall maintain records of all HAP emissions to demonstrate compliance with Specific Condition #23 and which may be used by the Department for enforcement purposes. These records shall be updated no later than the fifteenth day of the month following the month which the records represent, shall be kept on site, and shall be made available to Department personnel upon request. An annual total and each month's individual data shall be submitted to the Department in accordance with General Provision 7. [§18.1004 of Regulation 18 and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311]
25. The permittee shall not emit in excess of 4.32 lb of HDI as a free monomer per day and 1576.8 lbs in any consecutive twelve month period. [§18.1004 of Regulation 18 and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311]
26. The permittee shall maintain records of the HDI as a free monomer emissions in order to demonstrate compliance with Specific Condition #25 and which may be used by the Department for enforcement purposes. These records shall be updated daily, kept on site, and made available to Department personnel upon request. An annual total and each

month's individual data shall be submitted to the Department in accordance with General Provision 7. [§18.1004 of Regulation 18 and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311]

27. The throughput of the painting operations (SN-05, SN-06, SN-09, SN-10, and SN-12) shall not exceed 12 railcars per day. [§19.705 of Regulation 19, 40 CFR 70.6, and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311]
28. The permittee shall maintain daily records to demonstrate compliance with Specific Condition #27. These records shall be updated daily, kept on site, and made available to Department personnel upon request. [§19.705 of Regulation 19 and 40 CFR Part 52, Subpart E]
29. If the permittee exceeds the permitted HAP emission rates, a retroactive 112(g) plan shall be submitted to the Department. The Department reserves the right to require a deadline for submittal of any necessary 112(g) plan. [§19.304 of Regulation 19 and 40 CFR Part 63, Subpart B]
30. The permittee shall demonstrate that the degree of accuracy of the calculations used to determine emissions is sufficient to prove that the major source thresholds have not been exceeded. [§18.1004 of Regulation 18 and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311]

## **SECTION V: COMPLIANCE PLAN AND SCHEDULE**

American Railcar Industries 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.

## SECTION VI: PLANTWIDE CONDITIONS

1. The permittee shall notify the Director in writing within thirty (30) days after commencing construction, completing construction, first placing the equipment and/or facility in operation, and reaching the equipment and/or facility target production rate. [Regulation 19, §19.704, 40 CFR Part 52, Subpart E, and A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]
2. If the permittee fails to start construction within eighteen months or suspends construction for eighteen months or more, the Director may cancel all or part of this permit. [Regulation 19, §19.410(B) and 40 CFR Part 52, Subpart E]
3. The permittee must test any equipment scheduled for testing, unless stated in the Specific Conditions of this permit or by any federally regulated requirements, within the following time frames: (1) new equipment or newly modified equipment within sixty (60) days of achieving the maximum production rate, but no later than 180 days after initial start up of the permitted source or (2) operating equipment according to the time frames set forth by the Department or within 180 days of permit issuance if no date is specified. The permittee must notify the Department of the scheduled date of compliance testing at least fifteen (15) days in advance of such test. The permittee shall submit the compliance test results to the Department within thirty (30) days after completing the testing. [Regulation 19, §19.702 and/or Regulation 18 §18.1002 and A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]
4. The permittee must provide: [Regulation 19, §19.702 and/or Regulation 18, §18.1002 and A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]
  - a. Sampling ports adequate for applicable test methods;
  - b. Safe sampling platforms;
  - c. Safe access to sampling platforms; and
  - d. Utilities for sampling and testing equipment.
5. The permittee must operate the equipment, control apparatus and emission monitoring equipment within the design limitations. The permittee shall maintain the equipment in good condition at all times. [Regulation 19, §19.303 and A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]
6. This permit subsumes and incorporates all previously issued air permits for this facility. [Regulation 26 and A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]

### Title VI Provisions

7. The permittee must comply with the standards for labeling of products using ozone-depleting substances. [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 must comply with the standards for recycling and emissions reduction, except as provided for MVACs in Subpart B. [40 CFR Part 82, Subpart F]
- 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 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 can switch from any ozone depleting substance to any alternative listed in the Significant New Alternatives Program (SNAP) promulgated pursuant to 40 CFR Part 82, Subpart G, "Significant New Alternatives Policy Program".

Permit Shield

12. Compliance with the conditions of this permit shall be deemed compliance with all applicable requirements, as of the date of permit issuance, included in and specifically identified in the following table of this condition. The permit specifically identifies the following as applicable requirements based upon the information submitted by the permittee in an application dated December 19, 2003.

Applicable Regulations

Source No.	Regulation	Description
Facility	Regulation 19	Regulations of the Arkansas Plan of Implementation for Air Pollution Control
Facility	Regulation 26	Regulations of the Arkansas Operating Air Permit Program

The permit specifically identifies the following as inapplicable based upon information submitted by the permittee in an application dated December 19, 2003.

Inapplicable Regulations

Source No.	Regulation	Description
SN-11	40 CFR Part 60, Subpart Db	Standards of Performance for Industrial-Commercial-Institutional Steam Generating Units
SN-13, SN-14	40 CFR Part 60, Subpart Kb	Standards of Performance for Volatile Organic Liquid Storage Vessels (Including Petroleum Liquid Storage Vessels) for Which Construction, Reconstruction, or Modification Commenced After July 23, 1984
SN-05, SN-06, SN-09, SN-10, SN-12	Regulation 19, Chapter 10	Regulations for the Control of Volatile Organic Compounds in Pulaski County
SN-05, SN-06, SN-09, SN-10, SN-12	40 CFR Part 63, Subpart M MMM	National Emission Standards for Hazardous Air Pollutants for Surface Coating of Miscellaneous Metal Parts and Products
SN-01, SN-02, SN-07, SN-08	40 CFR Part 64	Compliance Assurance Monitoring

## SECTION VII: INSIGNIFICANT ACTIVITIES

The following sources are insignificant activities. Any activity that has a state or federal applicable requirement shall be considered a significant activity even if this activity meets the criteria of §304 of Regulation 26 or listed in the table below. Insignificant activity determinations rely upon the information submitted by the permittee in an application dated December 19, 2003.

Description	Category
Welding Operations (SN-03)	A-7
250 Gallon Gasoline Storage Tank (SN-13)	A-13
500 Gallon Diesel Storage Tank (SN-14)	A-3

## SECTION VIII: GENERAL PROVISIONS

1. 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.[40 CFR 70.6(b)(2)]
2. 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. [40 CFR 70.6(a)(2) and §26.701(B) of the Regulations of the Arkansas Operating Air Permit Program (Regulation 26), effective August 10, 2000]
3. The permittee must submit a complete application for permit renewal at least six (6) months before permit expiration. Permit expiration terminates the permittee's right to operate unless the permittee submitted a complete renewal application at least six (6) months before permit expiration. If the permittee submits a complete application, the existing permit will 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. [Regulation 26, §26.406]
4. 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, the permit incorporates both provisions into the permit, and the Director or the Administrator can enforce both provisions. [40 CFR 70.6(a)(1)(ii) and Regulation 26, §26.701(A)(2)]
5. The permittee must maintain the following records of monitoring information as required by this permit. [40 CFR 70.6(a)(3)(ii)(A) and Regulation 26, §26.701(C)(2)]
  - a. The date, place as defined in this permit, and time of sampling or measurements;
  - b. The date(s) analyses performed;
  - c. The company or entity performing the analyses;
  - d. The analytical techniques or methods used;
  - e. The results of such analyses; and
  - f. The operating conditions existing at the time of sampling or measurement.
6. The permittee must retain the records of all required monitoring data and support information for at least five (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. [40 CFR 70.6(a)(3)(ii)(B) and Regulation 26, §26.701(C)(2)(b)]

7. The permittee must submit reports of all required monitoring every six (6) months. If permit establishes no other reporting period, the reporting period shall end on the last day of the anniversary month of the initial Title V permit. The report is due within thirty (30) days of the end of the reporting period. Although the reports are due every six months, each report shall contain a full year of data. The report must clearly identify all instances of deviations from permit requirements. A responsible official as defined in Regulation No. 26, §26.2 must certify all required reports. The permittee will send the reports to the address below: [40 C.F.R. 70.6(a)(3)(iii)(A) and Regulation 26, §26.701(C)(3)(a)]

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

8. The permittee will report to the Department all deviations from permit requirements, including those attributable to upset conditions as defined in the permit.
  - a. For all upset conditions (as defined in Regulation 19.601), the permittee will make an initial report to the Department by the next business day after the discovery of the occurrence. The initial report may be made by telephone and shall include:
    - i. The facility name and location,
    - ii. The process unit or emission source deviating from the permit limit,
    - iii. The permit limit, including the identification of pollutants, from which deviation occurs,
    - iv. The date and time the deviation started,
    - v. The duration of the deviation,
    - vi. The average emissions during the deviation,
    - vii. The probable cause of such deviations,
    - viii. Any corrective actions or preventive measures taken or being taken to prevent such deviations in the future, and
    - ix. The name of the person submitting the report.

The permittee will make a full report in writing to the Department within five (5) business days of discovery of the occurrence. The report must include, in addition to the information required by the initial report, a schedule of actions taken or planned to eliminate future occurrences and/or to minimize the amount the permit's limits were exceeded and to reduce the length of time the limits were exceeded. The permittee 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 the report will serve as both the initial report and full report.

- b. For all deviations, the permittee will report such events in semi-annual reporting and annual certifications required in this permit. This includes all upset conditions reported in 8a. above. The semi-annual report must include all the information as required in the initial and full report required in 8a.

[40 CFR 70.6(a)(3)(iii)(B), Regulation No. 26 §26.701(C)(3)(b), Regulation No. 19 §19.601 and §19.602]

9. If any provision of the permit or the application thereof to any person or circumstance is held invalid, such invalidity will 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. [40 CFR 70.6(a)(5), Regulation 26, §26.701(E), and A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]
10. 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, for permit modification; or for denial of a permit renewal application. [40 CFR 70.6(a)(6)(i) and Regulation 26, §26.701(F)(1)]
11. 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 to maintain compliance with the conditions of this permit. [40 CFR 70.6(a)(6)(ii) and Regulation 26, §26.701(F)(2)]
12. The Department may modify, revoke, reopen and reissue the permit or terminate the permit for cause. The filing of a request by the permittee for a permit modification, revocation and reissuance, termination, or of a notification of planned changes or anticipated noncompliance does not stay any permit condition. [40 CFR 70.6(a)(6)(iii) and Regulation 26, §26.701(F)(3)]
13. This permit does not convey any property rights of any sort, or any exclusive privilege. [40 CFR 70.6(a)(6)(iv) and Regulation 26, §26.701(F)(4)]
14. The permittee must 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 must also furnish to the Director copies of records required by the permit. For information the permittee claims confidentiality, the Department may require the permittee to furnish such records directly to the Director along with a claim of confidentiality. [40 CFR 70.6(a)(6)(v) and Regulation 26, §26.701(F)(5)]

15. The permittee must pay all permit fees in accordance with the procedures established in Regulation 9. [40 CFR 70.6(a)(7) and Regulation 26, §26.701(G)]
16. No permit revision shall be required, under any approved economic incentives, marketable permits, emissions trading and other similar programs or processes for changes provided for elsewhere in this permit. [40 CFR 70.6(a)(8) and Regulation 26, §26.701(H)]
17. If the permit allows 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 operational scenario. [40 CFR 70.6(a)(9)(i) and Regulation 26, §26.701(I)(1)]
18. The Administrator and citizens may enforce under the Act all terms and conditions in this permit, including any provisions designed to limit a source's potential to emit, unless the Department specifically designates terms and conditions of the permit as being federally unenforceable under the Act or under any of its applicable requirements. [40 CFR 70.6(b) and Regulation 26, §26.702(A) and (B)]
19. Any document (including reports) required by this permit must contain a certification by a responsible official as defined in Regulation 26, §26.2. [40 CFR 70.6(c)(1) and Regulation 26, §26.703(A)]
20. The permittee must allow an authorized representative of the Department, upon presentation of credentials, to perform the following: [40 CFR 70.6(c)(2) and Regulation 26, §26.703(B)]
  - 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 required 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 assuring compliance with this permit or applicable requirements.
21. The permittee shall submit a compliance certification with the terms and conditions contained in the permit, including emission limitations, standards, or work practices. The permittee must submit the compliance certification annually within 30 days following the last day of the anniversary month of the initial Title V permit. The permittee must also submit the compliance certification to the Administrator as well as to the Department. All compliance certifications required by this permit must include the following: [40 CFR 70.6(c)(5) and Regulation 26, §26.703(E)(3)]
  - a. The identification of each term or condition of the permit that is the basis of the certification;

- b. The compliance status;
  - c. Whether compliance was continuous or intermittent;
  - d. 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;
  - e. and Such other facts as the Department may require elsewhere in this permit or by §114(a)(3) and §504(b) of the Act.
22. Nothing in this permit will alter or affect the following: [Regulation 26, §26.704(C)] The provisions of Section 303 of the Act (emergency orders), including the authority of the Administrator under that section; the liability of the permittee for any violation of applicable requirements prior to or at the time of permit issuance; the applicable requirements of the acid rain program, consistent with §408(a) of the Act or, the ability of EPA to obtain information from a source pursuant to §114 of the Act.
23. This permit authorizes only those pollutant emitting activities addressed in this permit. [A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]