#### STATEMENT OF BASIS

For the issuance of Draft Air Permit # 1865-AOP-R6 AFIN: 07-00033

#### 1. PERMITTING AUTHORITY:

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

### 2. APPLICANT:

Easterline Armtec Countermeasures Arkansas Operations Highland Industrial Park, Building M-25 East Camden, Arkansas 71701

#### 3. PERMIT WRITER:

Kimberly O'Guinn

#### 4. PROCESS DESCRIPTION AND NAICS CODE:

NAICS Description: All Other Miscellaneous Chemical Product and Preparation

Manufacturing

NAICS Code: 325998

#### 5. SUBMITTALS:

7/29/2010

#### 6. REVIEWER'S NOTES:

Armtec Countermeasures Company (Armtec) is located at Building M-25 in the Highland Industrial Park, East Camden, Calhoun County, Arkansas. Armtec manufactures and tests explosive ordnance and disposes of explosive/pyrotechnic waste in open thermal treatment units. This modification is to renew the facility's existing permit. There are no physical revisions at the facility at this time, however permitted emission limits have been revised for SN-02A, SN-02B, SN-02C, and SN-03. Permitted limits are now based on AP-42 factors for these sources rather than mass balance estimates of the products of combustion and ordnance testing. Permitted emission limits will decrease as follow: 95.1 tons/year (tpy) PM<sub>10</sub>: 94.3 tpy PM, 6.3 tpy NOx, 2.93 tpy HF, and 0.07 tpy F. Permitted emissions will increase as follows: 0.2 tpy SO<sub>2</sub>, 0.8 tpy VOC, and 2.2 tpy CO.

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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 active or pending enforcement actions for this facility at this time.

#### 8. PSD APPLICABILITY:

a. Did the facility undergo PSD review in this permit (i.e., BACT, Modeling, etc.)?

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?

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

| Source   | Pollutant | Regulation<br>(NSPS, NESHAP or PSD) |
|----------|-----------|-------------------------------------|
| Facility | Hexane    | NESHAP Subpart FFFF                 |

#### 10. EMISSION CHANGES AND FEE CALCULATION:

See emission change and fee calculation spreadsheet in Appendix A.

#### 11. MODELING:

#### Criteria Pollutants

Examination of the source type, location, plot plan, land use, emission parameters, and other available information indicate that modeling is not warranted at this time.

| Pollutant        | Emission Rate<br>(lb/hr) | NAAQS<br>Standard<br>(μg/m³) | Averaging Time | Highest<br>Concentration<br>(µg/m³) | % of<br>NAAQS |
|------------------|--------------------------|------------------------------|----------------|-------------------------------------|---------------|
| PM <sub>10</sub> | 12.0                     | 150                          | 24-Hour        | 69.48                               | 46%           |
|                  |                          | 80                           | Annual         | 0.68                                | 0.85%         |
| $SO_2$           | 0.5                      | 1300                         | 3-Hour         | 177.65                              | 14%           |
|                  |                          | 365                          | 24-Hour        | 22.72                               | 7%            |
| CO               | 4.2                      | 10,000                       | 8-Hour         | 239.76                              | 3%            |
| CO               | 4.3                      | 40,000                       | 1-Hour         | 953.85                              | 3%            |
| NO <sub>x</sub>  | 2.6                      | 100                          | Annual         | 4.46                                | 5%            |

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#### 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).

| Pollutant | TLV (mg/m <sup>3</sup> ) | PAER (lb/hr) = 0.11 × TLV | Proposed lb/hr | Pass? |
|-----------|--------------------------|---------------------------|----------------|-------|
| n-Hexane  | 176.24                   | 19.386                    | 3.56           | Pass  |
| Acetone   | 1187.12                  | 130.583                   | 181.55         | No    |

## 2<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.

| Pollutant | PAIL $(\mu g/m^3) = 1/100$ of<br>Threshold Limit Value | Modeled Concentration (μg/m³) | Pass? |
|-----------|--|-------------------------------|-------|
| Acetone   | 11,871.2   | 1217.37                       | Y     |

#### 12. CALCULATIONS:

| SN | Emission Factor Source (AP-42, testing, etc.) | Emission Factor (lb/ton, lb/hr, etc.) | Control<br>Equipment | Control<br>Equipment<br>Efficiency | Comments   |
|----|---|---------------------------------------|----------------------|------------------------------------|--|
| 01 | Mass Balance                                  | 450,000<br>lbVOC/year                 |                      |                                    | Annual limits based on production rates. Hourly limits based on 4,000 hour /year operation |

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| SN | Emission Factor Source (AP-42, testing, etc.)                    | Emission Factor<br>(lb/ton, lb/hr, etc.)  | Control<br>Equipment | Control<br>Equipment<br>Efficiency | Comments   |
|----|--|---|----------------------|------------------------------------|--|
| 02 | AP-42 Table<br>15.8.16-1<br>(7/2009)<br>AP-42 Table<br>15.8.16-2 | lb/lb explosive wt<br>NOx: 4.34E-04<br>CO: 4.20E-03<br>VOC: 1.30E-03<br>PM: 2.80E-02<br>PM <sub>10</sub> : 2.00E-02 |                      |                                    | Synthetic limitation of 40,000 lb/yr explosive material testing.  Total maximum hourly testing rate is 90 lb/hr  Synthetic limitation of 500 |
| 03 | 03 (7/2009)  | SO <sub>2</sub> : 2.60E-02  |                      |                                    | lb/day and 130,000 lb/yr<br>explosive material   |
| 04 | AP-42 Tables<br>1.4-1 and<br>1.4-2                               | lb/MMscf<br>NOx:100<br>CO: 84<br>VOC: 11<br>PM/PM <sub>10</sub> : 7.6<br>SO <sub>2</sub> :0.6                       |                      |                                    | There are 17 boilers with a total natural gas heat input of 19.691 MMBtu/hr; 0.0193 MMscf/hr@1020 Btu/scf                                    |

## 13. TESTING REQUIREMENTS:

The permit requires testing of the following sources.

| SN   | Pollutants | Test Method | Test Interval | Justification |  |
|--|------------|-------------|---------------|---------------|--|
| There are no testing requirements for this permit. |            |             |               |               |  |

### 14. 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) |  |  |  |
|----|---|------------------------------------|-----------|--------------|--|--|--|
|    | There are no monitoring requirements for this permit. |                                    |           |              |  |  |  |

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# 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) |
|-------|----------------------------|---------------------------------|-------------|--------------|
| 01    | n-Hexane<br>volume         | 3%                              | As Received | Y            |
| 01    | Hexane<br>Purchased        | 9.50 tpy                        | Monthly     | Y            |
| 01    | Acetone<br>Purchased       | 346.50 tpy                      | Monthly     | Y            |
| 01-R1 | VOC<br>Acetone<br>n-Hexane | 3.7 tpy<br>0.20 tpy<br>0.11 tpy | Monthly     | Y            |
| 02    | Amount of Ordinance tested | 40,000 lb/year                  | Monthly     | Y            |
| 03    | Amount of<br>Waste Burned  | 500 lb/day                      | Daily       | Y            |
| 03    | Amount of<br>Waste Burned  | 130,000 lb/year                 | Monthly     | Y            |

### 16. OPACITY:

| SN | Opacity  | Justification for limit  | Compliance<br>Mechanism |
|----|----------|--|-------------------------|
| 02 | No Limit | Waiver from Opacity  | N/A                     |
| 03 | No Limit | limits of Reg 19<br>granted by July 17,<br>2002 letter from<br>ADEQ Director | N/A                     |
| 04 | 5%       | Department Guidance  | Daily Observation       |

## 17. DELETED CONDITIONS:

| Former SC | Justification for removal |
|-----------|---------------------------|
|           | N/A                       |

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# 18. GROUP A INSIGNIFICANT ACTIVITIES

| Source  | Group A  |                     |        | Emissi | ons (tpy) |                 |              |             |
|---|----------|---------------------|--------|--------|-----------|-----------------|--------------|-------------|
| Name  | Category | PM/PM <sub>10</sub> | $SO_2$ | VOC    | СО        | NO <sub>x</sub> | HA<br>Single | Ps<br>Total |
| 3 – 0.840<br>MMBtu/hr<br>Water Heater               | 1        |                     |        |        |           |                 | Single       | Total       |
| 3 - 0.305<br>MMBtu/hr<br>Hot Water<br>Heater        | 1        |                     |        |        |           |                 |              |             |
| 0.210<br>MMBtu/hr<br>Water Heater                   | 1        | 0.2                 | 0.03   | 0.2    | 1.1       | 2.7             |              |             |
| 4- 0.270<br>MMBtu/hr<br>Water Heater                | 1        |                     |        |        |           |                 |              |             |
| 1 – 2.1<br>MMBTu/hr<br>Hot Water<br>Heater          | 1        |                     |        |        |           |                 |              |             |
| Misc. Coatings, Adhesives, and Inks Usage           | 13       |                     |        | 0.5    |           |                 |              | 0.07        |
| R-1 Area<br>Research and<br>Development<br>Facility | 13       |                     |        |        |           |                 |              |             |
| Acetone for<br>Cleaning<br>Purposes                 | 13       |                     |        |        |           |                 |              |             |

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## 19. VOIDED, SUPERSEDED, OR SUBSUMED PERMITS:

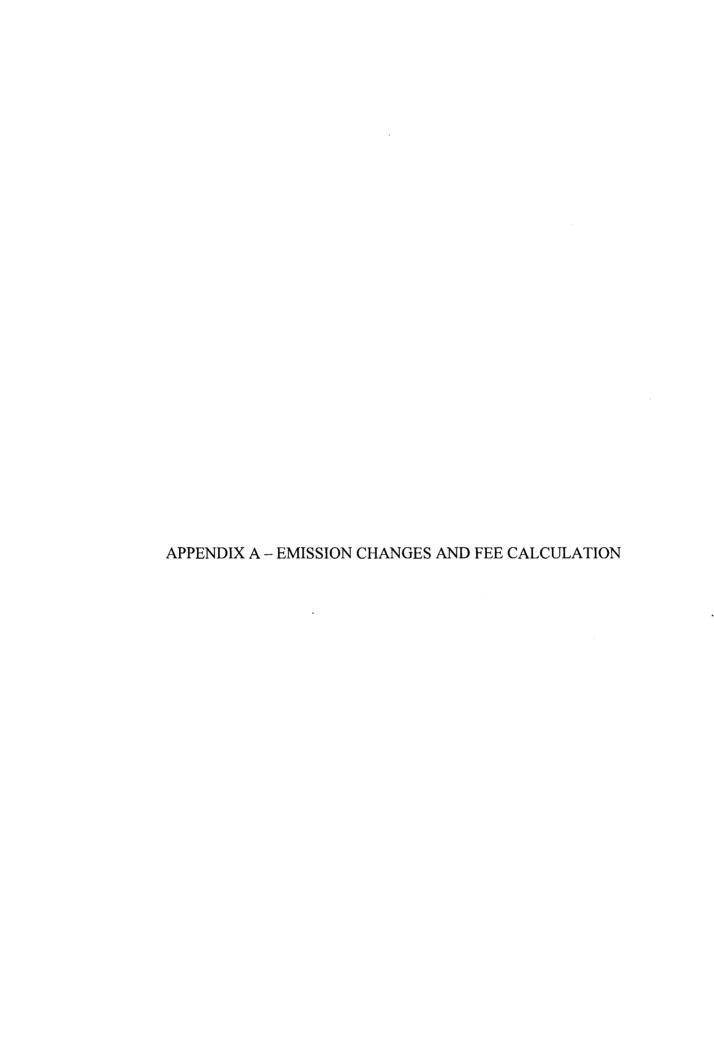
List all active permits voided/superseded/subsumed by the issuance of this permit.

| Permit #    |
|-------------|
| 1865-AOP-R5 |

## 20. CONCURRENCE BY:

The following supervisor concurs with the permitting decision.

Karen Cerney, P.E.



# Fee Calculation for Major Source

Revised 03-01-10

Armtec Countermeasures Arkansas Operations ermit Number: 1865-AOP-R6

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| \$/ton factor   | 22.07              | Annual Chargeable Emissions (tpy) | 584.9 |
|---|--------------------|-----------------------------------|-------|
| Permit Type   | Renewal No Changes | Permit Fee \$                     | 0     |
|   |                    | _                                 |       |
| Mineral Madi Cardian Tarah                                      | 500                |                                   |       |
| Minor Modification Fee \$                                       | 500                |                                   |       |
| Minimum Modification Fee \$                                     | 1000               |                                   |       |
| Renewal with Minor Modification \$                              | 500                |                                   |       |
| Check if Facility Holds an Active Minor Source or Minor         | T year             |                                   |       |
| Source General Permit   | ı                  |                                   |       |
| If Hold Active Permit, Amt of Last Annual Air Permit Invoice \$ | 0                  |                                   |       |
| Total Permit Fee Chargeable Emissions (tpy)                     | -102.6             |                                   |       |
| 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<br>Chargeable<br>Emission | Old<br>Permit | New<br>Permit | Change in Emissions | Permit Fee<br>Chargeable<br>Emissions | Annual<br>Chargeable<br>Emissions |
|-----------------|------------------------------------|---------------|---------------|---------------------|---------------------------------------|-----------------------------------|
| PM              | V                                  | 97.5          | 3.2           | -94.3               | -94.3                                 | 3.2                               |
| $PM_{10}$       | <b>!</b>                           | 97.5          | 2.4           | -95.1               |                                       |                                   |
| $SO_2$          | V                                  | 0.1           | 0.3           | 0.2                 | 0.2                                   | 0.3                               |
| voc             | V                                  | 225.4         | 226.2         | 0.8                 | 0.8                                   | 226.2                             |
| co              | r                                  | 5.4           | 7.6           | 2.2                 |                                       |                                   |
| $NO_X$          | V                                  | 15            | 8.7           | -6.3                | -6.3                                  | 8.7                               |
| n-Hexane        | r                                  | 9.5           | 9.5           | 0                   |                                       |                                   |
| Acetone         | V                                  | 346.5         | 346.5         | 0                   | 0                                     | 346.5                             |
| нғ              | V                                  | 2.93          | 0             | -2.93               | -2.93                                 | 0                                 |
| F               | 7                                  | 0.07          | 0             | -0.07               | -0.07                                 | 0                                 |