RESPONSE TO COMMENTS Armtec Countermeasures Arkansas Operations Permit No.: 1865-AOP-R6 AFIN: 07-00033

On December 23, 2011 the Director of the Arkansas Department of Environmental Quality gave notice of a draft permitting decision for the above referenced facility. During the comment period, the facility submitted written comments, data, views, or arguments on the draft permitting decision. The Department's response to these issues is as follows:

SECTION II: INTRODUCTION

Comment #1: Page 6 in the Regulations Table contains 40 CFR Part 63, Subpart FFFF. This regulation is not applicable.

Response #1: The correction has been made.

SECTION IV: SPECIFIC CONDITIONS

- Comment #2: Specific Condition #3 mentions a limit of 3% by volume. This should read 3% by weight.
- Response #2: The correction has been made.
- Comment #3: At the top of page 15 in the title, the R-1 area is mentioned. This should be the R-15 Area.

Response #3: The source description for SN-03 has been corrected.

SECTION VII: INSIGNIFICANT ACTIVITES

Comment #4: The facility submitted an Administrative Amendment application to add two new 49 HP boilers to the A-1 Insignificant Activities list.

Response #4: The addition has been made.



MAY 2 3 2012

Charles King, Manager of Environmental and Training Easterline Armtec Countermeasures Arkansas Operations P.O. Box 3297 East Camden, AR 71711

Dear Mr. King:

The enclosed Permit No. 1865-AOP-R6 is your authority to construct, operate, and maintain the equipment and/or control apparatus as set forth in your application initially received on 7/29/2010.

After considering the facts and requirements of A.C.A. §8-4-101 et seq., and implementing regulations, I have determined that Permit No. 1865-AOP-R6 for the construction, operation and maintenance of an air pollution control system for Easterline Armtec Countermeasures Arkansas Operations to be issued and effective on the date specified in the permit, unless a Commission review has been properly requested under Arkansas Department of Pollution Control & Ecology Commission's Administrative Procedures, Regulation 8, within thirty (30) days after service of this decision.

The applicant or permittee and any other person submitting public comments on the record may request an adjudicatory hearing and Commission review of the final permitting decisions as provided under Chapter Six of Regulation No. 8, Administrative Procedures, Arkansas Pollution Control and Ecology Commission. Such a request shall be in the form and manner required by Regulation 8.603, including filing a written Request for Hearing with the APC&E Commission Secretary at 101 E. Capitol Ave., Suite 205, Little Rock, Arkansas 72201. If you have any questions about filing the request, please call the Commission at 501-682-7890.

Sincerely,

hipo Bates

Mike Bates Chief, Air Division

ADEQ OPERATING AIR PERMIT

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

Permit No.: 1865-AOP-R6

IS ISSUED TO:

Easterline Armtec Countermeasures Arkansas Operations Highland Industrial Park, Building M-25 East Camden, AR 71701 Calhoun County AFIN: 07-00033

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:

May 23, 2012

AND

May 22, 2017

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

Signed:

Mike Bates Chief, Air Division

MAY 2 3 2012

Date

Table of Contents

SECTION I: FACILITY INFORMATION	
SECTION II: INTRODUCTION	5
Summary of Permit Activity	5
Process Description	5
Regulations	
Emission Summary	7
SECTION III: PERMIT HISTORY	9
SECTION IV: SPECIFIC CONDITIONS	11
SN-01 & SN-01-R1	
SN-02 (SN-02A, 02B, 02C)	
SN-03	15
SN-04	
SECTION V: COMPLIANCE PLAN AND SCHEDULE	
SECTION VI: PLANTWIDE CONDITIONS	
Title VI Provisions	20
SECTION VII: INSIGNIFICANT ACTIVITIES	
SECTION VIII: GENERAL PROVISIONS	
APPENDIX A - SN-02A through SN-02C Opacity Exemption Letter	

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 _x	Nitrogen Oxide
PM	Particulate Matter
PM ₁₀	Particulate Matter Smaller Than Ten Microns
SNAP	Significant New Alternatives Program (SNAP)
SO_2	Sulfur Dioxide
SSM	Startup, Shutdown, and Malfunction Plan
Тру	Tons Per Year
UTM	Universal Transverse Mercator
VOC	Volatile Organic Compound

SECTION I: FACILITY INFORMATION

PERMITTEE:	Easterline Armtec Countermeasures Arkansas Operations
AFIN:	07-00033
PERMIT NUMBER:	1865-AOP-R6
FACILITY ADDRESS:	Highland Industrial Park, Building M-25 East Camden, AR 71701
MAILING ADDRESS:	P.O. Box 3297 East Camden, AR 71711
COUNTY:	Calhoun County
CONTACT NAME:	Charles King
CONTACT POSITION:	Manager of Environmental and Training
TELEPHONE NUMBER:	870-574-4233
REVIEWING ENGINEER:	Kimberly Lindsey-O'Guinn
UTM North South (Y):	Zone 15: 3721134.97 m
UTM East West (X):	Zone 15: 528482.16 m

SECTION II: INTRODUCTION

Summary of Permit Activity

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 changes 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_{10} : 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 SO₂, 0.8 tpy VOC, and 2.2 tpy CO.

Process Description

The facility manufactures magnesium/Teflon flares. Hexane and acetone are used as solvents in the production process. All of the solvent emissions are grouped together as SN-01 for the purposes of this permit. Acetone is used as the solvent during the mixing of the raw materials used to make the powder. Hexane is used to wash the acetone from the mix. The mixing/washing process generates a liquid stream of mixed hexane and acetone. This mixture is sent to the "tank farm" area where the hexane is recovered for reuse and the acetone is emitted to the atmosphere. Hexane fumes are generated during the pre-drying process and the vacuum tumbling process. A hexane recovery system collects the exhaust vapor stream from the vacuum tumblers and condenses the hexane from that stream for reuse. Acetone is also used as a general cleanup solvent for the process equipment.

The following is a summary of the primary hexane/acetone emission points in the flare production line.

Mixing Bays:

4 mixing bays located at the main facility, with 2 Cowles mixers in each bay Pre-Dryers:

2 bays, 1 pre-dryer in each, vibratory bed-type dryer with a heated vapor pull-off system Vacuum Tumblers:

2 bays with 1 Abby Vacuum Tumbler (heated water jacket) in each bay Tank Farm:

2 each 2250 gallon vertical acetone/hexane tanks

2 each 2150 gallon vertical acetone/hexane tank

1 each 1850 gallon vertical hexane tank

1 each 2100 gallon horizontal hexane tank

1 each 6100 gallon horizontal hexane tank

1 each 6100 gallon horizontal acetone tank

1 each 6100 gallon horizontal acetone/water tank with air sparger

1 each 6200 gallon horizontal water/acetone tank with air sparger

1 each 1037 gallon horizontal acetone tank

2 each 1037 gallon horizontal acetone/water tanks

5

R-1/R-15 Area:

The R-1/R-15 area is located several miles away from the main plant. The function of the R-15 facility is to dispose of explosives and explosives-contaminated wastes. The waste material is placed in four Open Thermal Treatment Units (OTTUs) and ignited. The OTTUs are grouped as SN-03.

The R-1 area contains a small research facility. This research facility contains mixing, drying, and tumbling equipment and emissions are included as part of SN-01. The R-1 Area Research and Development Facility produces lab scale blends of flare powders. The area contains a small mixer with a capacity of about 1 kg and a larger mixer with a capacity of 10 kg.

The flares are tested in several areas around the main facility and at the R-1 facility. There are two tunnel testing areas and two ejection testing areas. The flare testing is grouped as SN-02.

Regulations

The following table contains the regulations applicable to this permit.

Regulations	
Arkansas Air Pollution Control Code, Regulation 18, effective June 18, 2010	
Regulations of the Arkansas Plan of Implementation for Air Pollution Control, Regulation 19, effective July 18, 2009	
Regulations of the Arkansas Operating Air Permit Program, Regulation 26, effective January 25, 2009	

Emission Summary

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				
Source	L Description I Dollutant L		Emissio	n Rates
Number	Description	Pollutant	lb/hr	tpy
		PM	16.9	3.2
	-	PM ₁₀	12.0	2.4
		SO ₂	0.5	0.3
Tota	l Allowable Emissions	VOC	198.9	226.2
	-	СО	4.3	7.6
		NO _x	2.6	8.7
		n-Hexane*	3.56	9.50
A	Air Contaminants **	Acetone**	181.55	346.50
01	Process Solvents	VOC n-Hexane* Acetone**	112.5 2.28 173.25	225.0
01-R1	R-1 Area R& D Facility	VOC n-Hexane* Acetone**	85.1 1.28 8.3	9.50 346.50
02A	Ordnance Testing Test Tunnels	PM PM ₁₀ SO ₂ VOC CO NOx	1.2 0.8 0.1 0.1 0.2 0.1	1
02B	Ordnance Testing Ejection Testing	PM PM ₁₀ SO ₂ VOC CO NOx	1.2 0.8 0.1 0.1 0.2 0.1	1
02C	Ordnance Testing R-1 Facility Testing	PM PM ₁₀ SO ₂ VOC	0.3 0.2 0.1 0.1	1

	EMISSION SUMMARY				
Source	Description	D-11.4.4	Emissio	Emission Rates	
Number	Description	Pollutant	lb/hr	tpy	
		СО	0.1		
		NOx	0.1		
		PM		0.6	
		PM_{10}		0.4	
02	Ordnanga Tasting	SO_2		0.1	
02	Ordnance Testing	VOC	-	0.1	
		CO		0.1	
		NOx		0.1	
		PM	14.0	1.9	
		PM_{10}	10.0	1.3	
03	Open Thermal Treatment	SO_2	0.1	0.1	
05	Units	VOC	0.7	0.1	
		CO	2.1	0.3	
		NOx	0.3	0.1	
		PM	0.2	0.7	
04		PM_{10}	0.2	0.7	
	Natural Gas Fired Boilers	SO_2	0.1	0.1	
04	Ivatural Gas Flied Bollers	VOC	0.3	1.0	
		CO	1.7	7.2	
		NOx	2.0	8.5	

*HAPs included in the VOC totals. Other HAPs are not included in any other totals unless specifically stated.

**Air Contaminants such as ammonia, acetone, and certain halogenated solvents are not VOCs or HAPs.

¹Annual emissions are combined for all 3 (SN-02A, SN-02B, SN-02C) points.

SECTION III: PERMIT HISTORY

Permit No. 1865-AOP-R0 was issued to Marconi Aerospace on January 19, 2000. This was the initial air permit for this existing Title V flare production facility. This permit quantified emissions of VOC and Hexane from the flare production process. Acetone emissions were omitted from the permit application by the permittee, and were not included in the permit at this time. The ordnance testing process was also omitted from the permit application. Emissions were permitted at 80.0 tpy of VOC and 80.0 tpy hexane.

Permit No. 750-A was issued to Tracor Aerospace on April 5, 1985. This was the initial permit for the R-1/R-15 area. In the permit, the facility was limited to burning no more than 100 lb of waste per 24-hour period. Emission levels were not quantified at this time.

Permit No. 750-AR-1 was issued to Tracor Aerospace on April 7, 1988. This modification was issued in order to allow for the operation of two additional open burn pits (for a total of four) and to allow for the burning of up to 100 lb of waste per pit per day, for a total of 400 lb waste burned per day. Emission levels were not quantified at this time.

This permit modification (1865-AOP-R1) will combine the two previously existing air permits into one Title V Operating Air Permit. The combined Title V permit has been assigned CSN 07-0033, which was the CSN previously assigned to the R-1/R-15 area facility.

Permit #1865-AOP-R1 was issued November 12, 2002. This was the initial modification to the operating air permit for this facility. This modification was issued in order to allow for increased hexane usage at the facility, as well as including acetone emissions, which were omitted from the previous permit. This modification also updated the permit to include a separate facility within the same industrial park, which is also operated by BAE for the purpose of research and development, and for the disposal of undesirable flare material by burning in open pits. This separate facility was previously permitted in minor source air permit No. 750-AR-1. This modification also incorporated a change to the CSN assigned to the facility. The plant was previously assigned a CSN for Ouachita County, when it is actually located in Calhoun County. A new CSN for Calhoun County of 07-0033 was assigned to this permit. This was the CSN previously assigned to the R1/R-15 area. Due to the inclusion of the previously unpermitted ordnance testing emissions, previously unpermitted acetone emissions, and the increase in hexane solvent usage, permitted emissions in this modification increased by 85.6 tpy of PM/PM₁₀, 5.7 tpy NO_x, 1.7 tpy CO, 145.0 tpy VOC, 145.0 tpy hexane, 0.35 tpy hydrogen fluoride, and 0.05 tpy fluorine.

Permit #1865-AOP-R2 was issued February 2, 2006. This permitting action served as a renewal of the Title V permit. Additionally the facility increased the amount of ordnance tested from 20,000 lbs/year to 40,000 lbs/year. Boilers and process heaters that were previously listed as insignificant sources along with a new 2.1 MMBTU/hr boiler was listed as a new source, SN-04. The Insignificant Activities List was updated to include the following: a 2.1 MMBTU/hr Hot Water Boiler; a 0.84 MMBTU/hr Boiler; the usage of primer, ink, ink thinner and sealant; the usage of acetone for cleaning purposes. Lastly, SN-02 hourly emissions increased due to

updated emission factors. Permitted emissions increased by 12.0 tons/year (tpy) of PM/PM_{10} , 0.1 tpy of SO₂, 0.4 tpy of VOC, 5.1 tpy of CO, 8.4 tpy of NOx, 0.34tpy of HF, 0.01 tpy of F, and 20.25 tpy of Acetone.

Permit #1865-AOP-R3 was issued on September 5, 2007. This permitting action allowed the addition of another slurry mixing bay with two Morehouse Cowles mixers (SN-01). The addition of the bay and mixers to the M-75 production area was needed to reduce the amount of explosive handling. This modification did not increase the current permitted emission rates.

Permit #1865-AOP-R4 was issued on April 14, 2008. This permit modification was for the addition of a blend area with a High Shear mixer (SN-01) at the R-1 facility. The current capacity required personnel to make multiple mixes to obtain sufficient working quantities. The additional blend area with a larger mixer directly reduced the usage of the smaller mixer. Throughput and permitted emission rates remained the same.

The permit was also modified to allow the facility to substitute iso-hexane for n-hexane during the production of flares. Permitted Hexane emission rate decreased to 9.5 ton/year (tpy). The VOC emissions remained at 225 tpy.

Permit #1865-AOP-R5 was issued on February 24, 2011. This permit modification was to construct and operate a separate upgraded blend area to the R-1 Research & Development facility to include a 10kg high shear mixer. Annual permitted emissions remained the same.

SECTION IV: SPECIFIC CONDITIONS

SN-01 & SN-01-R1

Process Solvent Emissions & R-1 Area R& D Facility

Source Description

This source accounts for all of the process solvent emissions due to the usage of acetone and nhexane in the flare production process. All of the acetone and hexane used at the plant is eventually emitted to the atmosphere. Emissions occur primarily during the mixing and flare drying processes. It is assumed that all purchased hexane and acetone is emitted to the atmosphere.

Specific Conditions

1. The permittee shall not exceed the emission rates set forth in the following table. The permittee shall demonstrate compliance with this condition by compliance with Specific Condition #3 and #4. [Regulation 19, §19.501 et seq., and 40 CFR Part 52, Subpart E]

SN	Description	Pollutant	lb/hr	tpy
01	Process Solvents	VOC	112.5	
01-R1	R-1 Area R& D Facility	VOC	85.1	225.0

2. The permittee shall not exceed the emission rates set forth in the following table. The permittee shall demonstrate compliance with this condition by compliance with Specific Condition #3, #4 and #5. [Regulation 18, §18.801, and A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311]

SN	Description	Pollutant	lb/hr	tpy
01	Process Solvents	Acetone n-Hexane	173.25 2.28	346.50
01-R1	R-1 Area R& D Facility	Acetone n-Hexane	8.3 1.28	9.50

3. The permittee will not exceed a maximum concentration of 3% by weight for n-hexane in the hexane mixture used at the facility. The permittee will demonstrate compliance with this condition by maintaining the Certificate of Analysis of each shipment received at the facility. These records shall be kept on site and made available to Department personnel upon request. [Regulation No. 19 §19.705 and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311]

- 4. The permittee will maintain monthly records of the amount of hexane mixture purchased each month. The permittee shall calculate the annual hexane emissions using a mass balance and shall assume all of the hexane received at the facility is emitted. These records shall be updated by the 15th day of the month following the month to which the records pertain. A rolling 12 month total and each individual month's data shall be kept on site and updated monthly, and be made available to Department personnel upon request. A report of these records shall be submitted to the Department in accordance with General Provision #7. [Regulation No. 19 §19.705 and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311, and 40 CFR Part 70.6]
- 5. The permittee will maintain monthly records of the amount acetone purchased each month. The permittee shall calculate the annual acetone emissions using a mass balance and shall assume all of the acetone received at the facility is emitted. These records shall be updated by the 15th day of the month following the month to which the records pertain. A rolling 12 month total and each individual month's data shall be kept on site and updated monthly, and be made available to Department personnel upon request. This condition will monitor the acetone lost to the atmosphere by assuming that the amount of acetone purchased equals the amount of acetone emitted. A report of these records shall be submitted to the Department in accordance with General Provision #7. [Regulation No. 19 §19.705 and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311, and 40 CFR Part 70.6]
- 6. The permittee will maintain monthly records of the amount of hexane mixture and acetone used at SN-01-R1. These records shall be updated by the 15th day of the month following the month to which the records pertain. A rolling 12 month total and each individual month's data shall be kept on site and updated monthly, and be made available to Department personnel upon request. A report of these records shall be submitted to the Department in accordance with General Provision #7. [Regulation No. 19 §19.705 and A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311, and 40 CFR Part 70.6]
- 7. The permittee shall not exceed the emission rates set forth in the following table. The permittee will demonstrate compliance with this condition by providing annual emission calculations for SN-01-R1. A rolling 12 month total and each individual month's data shall be kept on site and updated monthly, and be made available to Department personnel upon request. A report of these records shall be submitted to the Department in accordance with General Provision #7. [Regulation 19, §19.501 et seq., and 40 CFR Part 52, Subpart E]

SN	Description	Pollutant	tpy
		VOC	3.7
01-R1	R-1 Area R& D Facility	Acetone	0.20
		n-Hexane	0.11

SN-02 (SN-02A, 02B, 02C) Ordnance Testing

Source Description

Flares are tested in several areas of the main plant and the R-1 Facility. There are two tunnel testing areas and two ejection testing areas. These flare testing emission points are grouped as SN-02.

Specific Conditions

8. The permittee shall not exceed the emission rates set forth in the following table. The permittee shall demonstrate compliance with this condition by compliance with Specific Condition #10. [Regulation 19, §19.501 et seq. and 40 CFR Part 52, Subpart E]

SN	Pollutant	lb/hr	tpy
	PM ₁₀	0.8	
	SO_2	0.1	
02A	VOC	0.1	*
	CO	0.2	
	NOx	0.1	
	PM ₁₀	0.8	
	SO_2	0.1	
02B	VOC	0.1	*
	CO	0.2	
	NOx	0.1	
02C	PM10	0.2	
	SO_2	0.1	
	VOC	0.1	*
	CO	0.1	
	NOx	0.1	
TOTAL	PM ₁₀		0.4
SN-02	SO_2		0.1
	VOC	**	0.1
	CO		0.1
	NOx		0.1

* Annual Emissions are combined for all three emission points. ** Hourly Limits are given for individual emission points.

9. The permittee shall not exceed the emission rates set forth in the following table. The permittee shall demonstrate compliance with this condition by compliance with Specific Condition #10. [Regulation 18, §18.801 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
02A	РМ	1.2	*

SN	Pollutant	lb/hr	tpy
02B	PM	1.2	*
02C	РМ	0.3	*
TOTAL SN-02	РМ	**	0.6

- 10. The permittee shall not test more than 40,000 pounds of ordnance material at SN-02 during any consecutive 12-month period. [§19.705 of Regulation 19, A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311, and 40 CFR §70.6]
- 11. The permittee shall maintain monthly records which demonstrate compliance with Specific Condition #10. These records shall be updated by the 15th day of the month following the month to which the records pertain. A 12-month rolling total and each individual month's data shall be maintained on-site and provided to Department personnel upon request. A report of these records shall be submitted to the Department in accordance with General Provision #7. [§19.705 of Regulation 19 and 40 CFR Part 52 Subpart E]
- 12. An exemption from the opacity limitation of §19.503(B) of Regulation 19 has been granted by the ADEQ Director for this source. The operation of SN-02A through SN-02C shall be conducted in such a manner as to cause no nuisance to the surrounding community. The Department reserves the right to rescind this exemption if, at any time, the emissions from the operations become a nuisance to the surrounding community. A copy of the approval letter for this exemption is included as Appendix A of this permit. [§19.505(B) of Regulation 19 and 40 CFR Part 52 Subpart E]

SN-03

Open Thermal Treatment Units (OTTUs) - R-15 Area

Source Description

The function of the R-15 facility is to dispose of explosives and explosives-contaminated wastes. The waste material is placed in four Open Thermal Treatment Units (OTTUs) and ignited. The OTTUs are grouped as SN-03.

Specific Conditions

13. The permittee shall not exceed the emission rates set forth in the following table. The permittee shall demonstrate compliance with this condition by compliance with Specific Condition #15 and #17. [Regulation 19, §19.501 et seq. and 40 CFR Part 52, Subpart E]

Pollutant	lb/hr	tpy
PM ₁₀	10.0	1.3
SO ₂	0.1	0.1
VOC	0.7	0.1
ĊO	2.1	0.3
NO _x	0.3	0.1

14. The permittee shall not exceed the emission rates set forth in the following table. The permittee shall demonstrate compliance with this condition by compliance with Specific Condition #15 and #17. [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	14.0	1.9

- 15. The permittee shall not burn more than 500 lbs of wastes at SN-03 during any consecutive 24-hour period. [§19.705 of Regulation 19, A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311, and 40 CFR §70.6]
- 16. The permittee shall maintain daily records which demonstrate compliance with Specific Condition #15. These records shall be maintained on-site and shall be made available to Department personnel upon request. A report of these records shall be submitted to the Department in accordance with General Provision #7. [§19.705 of Regulation 19 and 40 CFR Part 52 Subpart E]

- 17. The permittee shall not burn more than 130,000 lb of wastes at SN-03 during any consecutive 12-month period. [§19.705 of Regulation 19, A.C.A. §8-4-203 as referenced by §8-4-304 and §8-4-311, and 40 CFR §70.6]
- 18. The permittee shall maintain monthly records which demonstrate compliance with Specific Condition #17. These records shall be updated by the 15th day of the month following the month to which the records pertain. A 12-month rolling total and each individual month's data shall be maintained on-site and provided to Department personnel upon request. A report of these records shall be submitted to the Department in accordance with General Provision #7. [§19.705 of Regulation 19 and 40 CFR Part 52 Subpart E]
- 19. An exemption from the opacity limitation of §19.503(B) of Regulation 19 has been granted by the ADEQ Director for this source. The operation of SN-03 shall be conducted in such a manner as to cause no nuisance to the surrounding community. The Department reserves the right to rescind this exemption if, at any time, the emissions from the operations become a nuisance to the surrounding community. A copy of the approval letter for this exemption is included as Appendix A of this permit. [§19.505(B) of Regulation 19 and 40 CFR Part 52 Subpart E]

SN-04

Natural Gas Fired Boilers

Source Description

The Natural Gas Fired Boilers are a group of 17 boilers. The combined firing rate for this group of boilers is 19.691 MMBtu/hr. Tons/year and lb/hour emission rates are calculated at maximum capacity for the Natural Gas Boilers (SN-04).

Specific Conditions

20. The permittee shall not exceed the emission rates set forth in the following table. [Regulation 19, §19.501 et seq. and 40 CFR Part 52, Subpart E]

Pollutant	lb/hr	tpy
PM ₁₀	0.2	0.7
SO ₂	0.1	0.1
VOC	0.3	1.0
СО	1.7	7.2
NO _x	2.0	8.5

21. The permittee shall not exceed the emission rates set forth in the following table. [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	0.2	0.7

22. The permittee shall not cause to be discharged to the atmosphere from the natural gas fired boilers gases which exhibit an opacity greater than 5%. The opacity shall be measured in accordance with EPA Reference Method 9 as found in 40 CFR 60 Appendix A. Compliance shall be demonstrated by only emitting products of combustion of natural gas in the Natural Gas Boilers (SN-04). [§18.501 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

Easterline Armtec Countermeasures Arkansas Operations 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 otherwise 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:
 - 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.

[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]

- 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 ozonedepleting 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.

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 §26.304 of Regulation 26 or listed in the table below. Insignificant activity determinations rely upon the information submitted by the permittee in an application dated July 29, 2010.

Description	Category
3 – 0.840 MMBtu/hr Water Heater	A-1
3 - 0.305 MMBtu/hr Hot Water Heater	A-1
0.210 MMBtu/hr Water Heater	A-1
4- 0.270 MMBtu/hr Water Heater	A-1
1 – 2.1 MMBTu/hr Hot Water Heater	A-1
2 - 49 HP Boilers	A-1
Misc. Coatings, Adhesives, and Inks Usage	A-13
Acetone for Cleaning Purposes	A-13

Pursuant to §26.304 of Regulation 26, the Department determined the emission units, operations, or activities contained in Regulation 19, Appendix A, Group B, to be insignificant activities. Activities included in this list are allowable under this permit and need not be specifically identified.

SECTION VIII: GENERAL PROVISIONS

- 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 & Ecology Commission Regulation 18 or the Arkansas Water and Air 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)]
- 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.
 - 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.

[40 CFR 70.6(a)(3)(ii)(A) and Regulation 26, §26.701(C)(2)]

- 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:

Arkansas Department of Environmental Quality Air Division ATTN: Compliance Inspector Supervisor 5301 Northshore Drive North Little Rock, AR 72118-5317

[40 C.F.R. 70.6(a)(3)(iii)(A) and Regulation 26, §26.701(C)(3)(a)]

- 8. The permittee shall 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 Regulation19, § 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 shall 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 shall 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 by the initial and full reports required in 8a.

[Regulation 19, §19.601 and §19.602, Regulation 26, §26.701(C)(3)(b), and 40 CFR 70.6(a)(3)(iii)(B)]

- 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)]
- 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)]
- 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; and
 - e. 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)]
 - a. The provisions of Section 303 of the Act (emergency orders), including the authority of the Administrator under that section;
 - b. The liability of the permittee for any violation of applicable requirements prior to or at the time of permit issuance;
 - c. The applicable requirements of the acid rain program, consistent with §408(a) of the Act; or
 - d. 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]
- 24. The permittee may request in writing and at least 15 days in advance of the deadline, an extension to any testing, compliance or other dates in this permit. No such extensions are authorized until the permittee receives written Department approval. The Department may grant such a request, at its discretion in the following circumstances:
 - a. Such an extension does not violate a federal requirement;
 - b. The permittee demonstrates the need for the extension; and
 - c. The permittee documents that all reasonable measures have been taken to meet the current deadline and documents reasons it cannot be met.

[Regulation 18, \$18.314(A), Regulation 19, \$19.416(A), Regulation 26, \$26.1013(A), A.C.A. \$8-4-203 as referenced by A.C.A. \$8-4-304 and \$8-4-311, and 40 CFR Part 52, Subpart E]

- 25. The permittee may request in writing and at least 30 days in advance, temporary emissions and/or testing that would otherwise exceed an emission rate, throughput requirement, or other limit in this permit. No such activities are authorized until the permittee receives written Department approval. Any such emissions shall be included in the facility's total emissions and reported as such. The Department may grant such a request, at its discretion under the following conditions:
 - a. Such a request does not violate a federal requirement;
 - b. Such a request is temporary in nature;
 - c. Such a request will not result in a condition of air pollution;
 - d. The request contains such information necessary for the Department to evaluate the request, including but not limited to, quantification of such emissions and the date/time such emission will occur;
 - e. Such a request will result in increased emissions less than five tons of any individual criteria pollutant, one ton of any single HAP and 2.5 tons of total HAPs; and
 - f. The permittee maintains records of the dates and results of such temporary emissions/testing.

[Regulation 18, §18.314(B), Regulation 19, §19.416(B), Regulation 26, §26.1013(B), A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311, and 40 CFR Part 52, Subpart E]

- 26. The permittee may request in writing and at least 30 days in advance, an alternative to the specified monitoring in this permit. No such alternatives are authorized until the permittee receives written Department approval. The Department may grant such a request, at its discretion under the following conditions:
 - a. The request does not violate a federal requirement;
 - b. The request provides an equivalent or greater degree of actual monitoring to the current requirements; and
 - c. Any such request, if approved, is incorporated in the next permit modification application by the permittee.

[Regulation 18, §18.314(C), Regulation 19, §19.416(C), Regulation 26, §26.1013(C), A.C.A. §8-4-203 as referenced by A.C.A. §8-4-304 and §8-4-311, and 40 CFR Part 52, Subpart E]

APPENDIX A



July 17, 2002

Linda Mahon Manager, Safety and Environmental BAE Systems Highland Industrial Park, P.O. Box 3297 East Camden, Arkansas 71701

Dear Ms. Mahon:

Pursuant to your request dated May 20, 2002, the Department agrees that it is not technically feasible for the ordnance testing sources (SN-02A - SN-02D) or the open thermal treatment units (SN-03) to comply with the 20% opacity limitation contained in §19,503(B)(2) of ADEQ Regulation 19.

This letter shall constitute approval of the petition to waive the opacity limits for SN-02 and SN-03. This approval is subject to the following requirements.

The facility shall at all times comply with the limitations of Specific Conditions #6, #11, and #13 of the Operating Air Permit. Non-compliance with any of these limits may result in the revocation of this approval.

The operation of SN-02 and SN-03 shall be conducted in such a manner as to cause no nuisance to the surrounding community. The Department reserves the right to rescind this authority if, at any time, the emissions from the operations become a nuisance to the surrounding community.

If you have any questions, please contact David Triplett, Engineer II, at (501) 682-0067.

Sincerely

Marcus Č. Devine Director

DT

AIR OMISION 8001 NATIONAL DRIVE / POST OFFICE BOX 8913 / LITTLE ROCK, AXXANSAS 72219-8913 / TELEPHONE 501-682-0739 / FAX 501-682-0753

CERTIFICATE OF SERVICE

I, Cynthia Hook, hereby certify that a copy of this permit has been mailed by first class mail to

Easterline Armtec Countermeasures Arkansas Operations, P.O. Box 3297, East Camden, AR, 71711, on this $\frac{23^{ra}}{23}$ day of May, 2012.

Cynthia Hook, ASIII, Air Division