

STATEMENT OF BASIS

For the issuance of Draft Air Permit # 1165-AOP-R8 AFIN: 24-00012

1. PERMITTING AUTHORITY:

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

2. APPLICANT:

Arkansas Electric Cooperative Corporation - Thomas B. Fitzhugh Generating Station
6006 Lock and Dam Road
Ozark, Arkansas 72949

3. PERMIT WRITER:

John Mazurkiewicz

4. NAICS DESCRIPTION AND CODE:

NAICS Description: Fossil Fuel Electric Power Generation
NAICS Code: 221112

5. ALL SUBMITTALS:

The following is a list of ALL permit applications included in this permit revision.

Date of Application	Type of Application (New, Renewal, Modification, Deminimis/Minor Mod, or Administrative Amendment)	Short Description of Any Changes That Would Be Considered New or Modified Emissions
1/5/2018	Renewal/Minor Mod	Increase the hours of operation for the Stand-By Diesel Generator Engine (SN-08) from 500 to 2,500 hours per rolling twelve month period.

6. REVIEWER'S NOTES:

The existing permit does not include conditions to limit the hours of operation or opacity of the Stand-By Diesel Generator Engine (SN-08). Limits have been included in the renewal.

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 current enforcement actions against the facility.

8. PSD/GHG APPLICABILITY:

a) Did the facility undergo PSD review in this permit (i.e., BACT, Modeling, etc.)? No.
If yes, were GHG emission increases significant? N/A.

b) Is the facility categorized as a major source for PSD? Yes.

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

If yes for 8(b), explain why this permit modification is not PSD.

This Title V renewal is not a major modification as defined in 40 C.F.R. § 52.21, and PSD review is not required.

9. SOURCE AND POLLUTANT SPECIFIC REGULATORY APPLICABILITY:

Source	Pollutant	Regulation (NSPS, NESHAP or PSD)
SN-06	PM/PM ₁₀ SO ₂ CO NO _x	PSD NSPS Subpart Db NSPS Subpart GG
SN-08	NO _x , CO, HAPs	NSPS Subpart IIII NESHAP Subpart ZZZZ
SN-10	HAPs	NESHAP CCCCCC
SN-11	NO _x , CO, HAPs	NSPS Subpart IIII NESHAP Subpart ZZZZ

10. PERMIT SHIELD – TITLE V PERMITS ONLY:

Did the facility request a permit shield in this application? No.

11. EMISSION CHANGES AND FEE CALCULATION:

See emission change and fee calculation spreadsheet in Appendix A.

12. AMBIENT AIR EVALUATIONS:

Include the results for any ambient air evaluations or modeling. Include NSR/PSD permits and permits that require an evaluation in accordance with revisions to the

Arkansas State Implementation Plan, National Ambient Air Quality Standards, Infrastructure SIPs and NAAQS SIP per Ark Code Ann. § 8-4-318, dated March 2017 and the ADEQ Air Permit Screening Modeling Instructions.

a) Reserved.

b) Non-Criteria Pollutants:

The non-criteria pollutants listed below were evaluated. Based on Department procedures for review of non-criteria pollutants, emissions of all other non-criteria pollutants are below thresholds of concern.

1st Tier Screening (PAER)

Estimated hourly emissions from the following sources were compared to the Presumptively Acceptable Emission Rate (PAER) for each compound. The Department has deemed the PAER to be the product, in lb/hr, of 0.11 and the Threshold Limit Value (mg/m^3), as listed by the American Conference of Governmental Industrial Hygienists (ACGIH).

Pollutant	TLV (mg/m^3)	PAER (lb/hr) = $0.11 \times \text{TLV}$	Proposed lb/hr	Pass?
Acrolein	0.2	0.022	0.0097	Yes
PAH	0.2	0.022	0.0591	No

2nd 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 ($\mu\text{g}/\text{m}^3$) = 1/100 of Threshold Limit Value	Modeled Concentration ($\mu\text{g}/\text{m}^3$)	Pass?
PAH	2.0	0.01362	Yes

c) H₂S Modeling: N/A

13. CALCULATIONS:

SN	Emission Factor Source (AP-42, testing, etc.)	Emission Factor (lb/ton, lb/hr, etc.)	Control Equipment	Control Equipment Efficiency	Comments
04 and 05	TANKS 4.0.9d	727.46 lb VOC/yr 780.20 lb VOC/yr			
06	Manufacturer's data	Various			
07	Mass balance	0.45 lb/hr			PM ₁₀ = Capacity * Total Dissolved Solids * Drift Loss * Density of Water
08	Manufacturer's data (PM/PM ₁₀ , VOC, CO and NOx) and mass balance (SO ₂)	<u>g/kW-hr</u> PM/PM ₁₀ : 0.055 VOC: 0.15 CO: 0.67 NOx: 5.43 <u>lb/hr</u> SO ₂ : 0.0046 21.6 gal/hr 7.08 lb/gal 15 ppm			SO ₂ = Fuel Oil (FO) flow * FO density * FO sulfur% * (2 lb SO ₂ /1 lb S)
10	TANKS 4.0.9d	202.86 lb VOC/yr			
11	Manufacturer's data (PM/PM ₁₀ , VOC, CO and NOx) and mass balance (SO ₂)	<u>g/hp-hr</u> PM/PM ₁₀ : 0.12 VOC: 0.10 CO: 0.80 NOx: 2.75 <u>lb/hr</u> SO ₂ : 0.002 9.3 gal/hr 7.08 lb/gal 15 ppm			SO ₂ = Fuel Oil (FO) flow * FO density * FO sulfur% * (2 lb SO ₂ /1 lb S)

14. TESTING REQUIREMENTS:

The permit requires testing of the following sources.

SN	Pollutants	Test Method	Test Interval	Justification
----	------------	-------------	---------------	---------------

SN	Pollutants	Test Method	Test Interval	Justification
06	NOx	Method 20	Initial	40 C.F.R. §60.46b(f)
	NOx	Method 20	Initial	40 C.F.R. §60.335 40 C.F.R. ' 60.8
	SO ₂	ASTM D 1072-80, D 3031-81, D 4084-82, or D 3246-81	180 days after start-up	40 C.F.R. §60.335 40 C.F.R. §60.8
			Every 5 years	Department Guidance

15. 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)
06	CO, NO _x , SO ₂	CEM/fuel content	Continuous	Y
08	High Pressure Limit	Backpressure Monitor	Continuous	N

16. 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)
04 & 05	Fuel oil	35.1 Million gal per year	Monthly	N
06	fuel oil and natural gas burned	9.626 billion cubic feet of natural gas and 35.14 million gallons of fuel oil per year	Monthly	N
07	TDS	1,000 ppm	Monthly	N

SN	Recorded Item	Permit Limit	Frequency	Report (Y/N)
08	Hours of operation	2,500 hours/year	Monthly	N
10	Gasoline Throughput	10,000 gal/month	Monthly	N
11	Hours of operation	500 hours/year (emergency and non-emergency)	Monthly	N

17. OPACITY:

SN	Opacity	Justification for limit	Compliance Mechanism
06	20% when burning fuel oil	Dept. Guidance	Daily Observation
08	20%	Reg.19.503 and 40 C.F.R. § 52 Subpart E	Annual
11	20%	Reg.19.503 and 40 C.F.R. § 52 Subpart E	Annual

18. DELETED CONDITIONS:

Former SC	Justification for removal
16	Conditions require testing that was performed previously.
17	
20	
25	It is not necessary to include opacity requirements for the cooling tower.

19. GROUP A INSIGNIFICANT ACTIVITIES:

The following is a list of Insignificant Activities including revisions by this permit.

Source Name	Group A Category	Emissions (tpy)						HAPs	
		PM/PM ₁₀	SO ₂	VOC	CO	NO _x	Single	Total	
Main Building Heater	A1	0.1393	0.0110	0.2016	1.5397	1.8330			
Shop Heater	A1	0.0006	0.000	0.0008	0.0030	0.0071			
Warehouse Heater #1	A1	0.0003	0.000	0.0004	0.0016	0.0038			

Warehouse Heater #2	A1	0.0003	0.000	0.0004	0.0015	0.0035		
Intake Heater	A1	0.0006	0.000	0.0008	0.0030	0.0071		
Firehouse Heater	A1	0.0003	0.000	0.0004	0.0016	0.0038		
Diesel fuel tank for EDG (250 gallon) – Back up tank	A3							
Diesel fuel tank for EFPE (300 gallon)	A3							
Diesel fuel tank for EDG (525 gallon)	A3							
Diesel fuel tank (2,000 gallon) – Back up tank	A3							

20. VOIDED, SUPERSEDED, OR SUBSUMED PERMITS:

The following is a list of all active permits voided/superseded/subsumed by the issuance of this permit.

Permit #
1165-AOP-R7

APPENDIX A – EMISSION CHANGES AND FEE CALCULATION

Fee Calculation for Major Source

Revised 03-11-16

Arkansas Electric Cooperative Corporation - Thomas B.
 Fitzhugh Generating Station
 Permit Number: 1165-AOP-R8
 AFIN: 24-00012

\$/ton factor	23.93	Annual Chargeable Emissions (tpy)	1411.2
Permit Type	Minor Mod	Permit Fee \$	500

Minor Modification Fee \$	500
Minimum Modification Fee \$	1000
Renewal with Minor Modification \$	500
Check if Facility Holds an Active Minor Source or Minor Source General Permit	<input type="checkbox"/>
If Hold Active Permit, Amt of Last Annual Air Permit Invoice \$	0
Total Permit Fee Chargeable Emissions (tpy)	4.4
Initial Title V Permit Fee Chargeable Emissions (tpy)	

HAPs not included in VOC or PM:

Chlorine, Hydrazine, HCl, HF, Methyl Chloroform, Methylene Chloride, Phosphine, Tetrachloroethylene, Titanium Tetrachloride

Air Contaminants:

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

Pollutant (tpy)	Check if Chargeable Emission	Old Permit	New Permit	Change in Emissions	Permit Fee Chargeable Emissions	Annual Chargeable Emissions
PM		91.1	91.1	0		
PM ₁₀		91.1	91.1	0	0	91.1
PM _{2.5}		0	0	0		
SO ₂		840.2	840	-0.2	-0.2	840
VOC		27.1	27.6	0.5	0.5	27.6
CO		499.9	500.4	0.5		
NO _x		448.4	452.5	4.1	4.1	452.5
Formaldehyde	<input type="checkbox"/>	3.1	0	-3.1		

Pollutant (tpy)	Check if Chargeable Emission	Old Permit	New Permit	Change in Emissions	Permit Fee Chargeable Emissions	Annual Chargeable Emissions
Single HAP	<input type="checkbox"/>	0	3.43	3.43		
Total HAPs	<input type="checkbox"/>	0.1	5.79	5.69		