

DRAFT MINOR SOURCE AIR PERMIT

PERMIT NUMBER: 2373-AR-3

IS ISSUED TO:

Hermann Companies, Inc. d/b/a Anchor Packaging, Division of Hermann
Companies, Inc.
4708 Krueger Drive
Jonesboro, AR 72401
Craighead County
AFIN: 16-00181

THIS PERMIT IS THE ABOVE REFERENCED PERMITTEE'S AUTHORITY TO CONSTRUCT, MODIFY, OPERATE, AND/OR MAINTAIN THE EQUIPMENT AND/OR FACILITY IN THE MANNER AS SET FORTH IN THE DIVISION OF ENVIRONMENTAL QUALITY'S MINOR SOURCE AIR PERMIT AND THE APPLICATION. THIS PERMIT IS ISSUED PURSUANT TO THE PROVISIONS OF THE ARKANSAS WATER AND AIR POLLUTION CONTROL ACT (ARK. CODE ANN. § 8-4-101 *ET SEQ.*) AND THE REGULATIONS PROMULGATED THEREUNDER, AND IS SUBJECT TO ALL LIMITS AND CONDITIONS CONTAINED HEREIN.

Signed:	
William K. Montgomery	Date
Associate Director, Office of Air Quality	

Division of Environmental Quality

Hermann Companies, Inc. d/b/a Anchor Packaging, Division of Hermann Companies, Inc. Permit #: 2373-AR-3 AFIN: 16-00181

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List of Acronyms and Abbreviations

Ark. Code Ann. Arkansas Code Annotated

AFIN Arkansas DEQ Facility Identification Number

C.F.R. Code of Federal Regulations

CO Carbon Monoxide

COMS Continuous Opacity Monitoring System

HAP Hazardous Air Pollutant

Hp Horsepower

lb/hr Pound Per Hour

NESHAP National Emission Standards (for) Hazardous Air Pollutants

No. Number

NO_x Nitrogen Oxide

NSPS New Source Performance Standards

PM Particulate Matter

PM₁₀ Particulate Matter Equal To Or Smaller Than Ten Microns

PM_{2.5} Particulate Matter Equal To Or Smaller Than 2.5 Microns

SO₂ Sulfur Dioxide

Tpy Tons Per Year

UTM Universal Transverse Mercator

VOC Volatile Organic Compound

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Section I: FACILITY INFORMATION

PERMITTEE: Hermann Companies, Inc. d/b/a Anchor Packaging, Division of Hermann Companies, Inc.

AFIN: 16-00181

PERMIT NUMBER: 2373-AR-3

FACILITY ADDRESS: 4708 Krueger Drive

Jonesboro, AR 72401

MAILING ADDRESS: 2211 North 12th Avenue

Paragould, AR 72450

COUNTY: Craighead County

CONTACT NAME: Bryan Thompson

CONTACT POSITION: EHS Director

TELEPHONE NUMBER: (870) 236-2262

REVIEWING ENGINEER: Elliott Marshall

UTM North South (Y): Zone 15: 3965819.33 m

UTM East West (X): Zone 15: 713349.99 m

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Section II: INTRODUCTION

Summary of Permit Activity

Anchor Packaging (Anchor) manufactures plastic containers used primarily in the food industry for packaging and is located at 4708 Krueger Drive, Jonesboro, Craighead County, Arkansas. Anchor has submitted an application to:

- 1. Add an additional six (6) inline machines (SN-13 through SN-18).
- 2. Add an additional pressurized silo as an A-13 Insignificant Activity.
- 3. Add six (6) additional natural gas-fired Gaspacks, each rated at less than 1.0 MMBtu/hr, as A-1 Insignificant Activities.
- 4. Remove CO and NO_x emissions, update emission factors, and add HAP emissions at the existing inline machines (SN-01 through SN-12) based on updated information from the Manufacturer.

Permitted emission rates are increasing/decreasing by 5.3 tpy PM/PM₁₀, -35.7 tpy VOC, -88.0 tpy CO, -9.7 tpy NO_x, 3.54 tpy Acetone and 0.11 tpy Total HAPs.

Process Description

Inline (IL) Machines

There are twelve (12) existing inline thermoforming machines. An inline thermoforming machine extrudes purchased plastic resin pellets, sometimes with additives, into a continuous sheet and then forms containers from the sheet and trims them out of the sheet. Each machine also incorporates a grinder, which grinds plastic scrap, mostly for immediate reprocessing. All twelve (12) of the machines are capable of running polypropylene (PP) pellets. Four (4) machines are capable of running PP or amorphous polyester terephthalate (APET) products. Emissions from running PP are the highest/most conservative and all emissions are based on running PP. Emissions will be vented through ceiling and/or wall mounted exhaust fans without controls and without ductwork.

Anchor added an additional six (6) PP lines to meet increased demand from the food service industry.

Pollution Prevention

Anchor's processes are generally characterized as using stable, non-hazardous chemicals. Manufacturing machines are purchased from OEMs or vendors and are common in the plastics industries. (No production painting, metal coating or chemical treating, or other processes that are typically associated with industries with a high potential to pollute are performed.)

Processes that require heating utilize electric heat or small natural gas-fired units (less than 1.0 MMBtu/hr). Noncontact cooling water or air is used in processes that require cooling. No boilers are utilized.

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Most of the plastic scraps and/or finished goods that do not meet quality standards are reground and then reprocessed.

Emission stacks are simple exhaust fans whose primary purpose is the exhausting of excess process generated heat to improve employee working conditions and flues for the natural gas fired units. No control devices are used for these sources. There is a two baghouse collection system.

Six (6) exterior silos are used for material storage. No below ground chemical storage tanks are used. Raw materials are delivered by the vender to the plant by railcar, bulk hopper truck, or in "Gaylord" boxes, each holding 500 - 2000 pounds of raw material.

Regrinds Material Handling and Storage System (RMH&SS)

The RMH&SS is a system of metallic tubing, surge bins/cyclones, vacuum pumps and canisters, and storage silos, with the necessary electrical components. The purpose of this system is to semi-automatically collect a portion of the regrinds being generated by the thermoforming scrap grinders and store them in interior storage bins. Then, as needed, the RMH&SS pneumatically delivers the regrinds to the demanding machine for reprocessing.

The five (5) exterior storage silos are loaded with top mounted vacuum receiver RCU's (pressure) and therefore do not require baghouses. Associated vacuum pumps are located in the interior, ported to the interior, and have inline filters. The sixth silo to be added will be identical to the existing silos. Thermal exhaust is vented to the exterior.

Emission Stacks

The majority of the designated stacks are simple roof or wall mounted exhaust fans. The fans of interest are mounted in the inline process area. These fans are used to clear the production areas of gassed chemicals rising from the extruders' die areas and to induce fresh air and rid the areas of excess heat generated by the production machines for employee comfort.

Insignificant Sources

There are emissions from parts washers (two in the Maintenance area). These emissions are fugitive and not associated with a specific exhaust fan or stack.

The plant is equipped with seventeen (17) regrind surge bins and two (2) dust collector systems located on the rail dock. These emissions are exhausted to the exterior.

The facility also operates nine (9) natural gas-fired pre-heaters/gaspacks with a rated heat input capacity of less than 1.0 MMBtu/hr each and an electric breaker plate cleaning oven.

Regulations

The following table contains the regulations applicable to this permit.

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Regulations		
Arkansas Air Pollution Control Code, Regulation 18, effective March 14, 2016		
Regulations of the Arkansas Plan of Implementation for Air Pollution Control,		
Regulation 19, effective October 10, 2019		

Total Allowable Emissions

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

TOTAL ALLOWABLE EMISSIONS			
Pollutant	Emission Rates		
Pollutant	lb/hr	tpy	
PM	3.1 13.3		
PM_{10}	3.1 13.3		
PM _{2.5}	See Note*		
VOC	2.2 9.4		
Acetone	0.81 3.54		
Total HAPs	0.03 0.11		

^{*}PM_{2.5} limits are source specific, if required. Not all sources have PM_{2.5} limits.

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Section III: PERMIT HISTORY

Permit #2373-A was issued on October 31, 2016 as the initial permit for the facility. The facility submitted an application for a minor source permit, due to anticipated growth and expansion projects, to operate twelve (12) inline thermoforming machines.

Permit #2373-AR-1 was issued on July 28, 2016. This administrative amendment permitted the operation of three natural gas-fired preheaters as insignificant activities.

Permit #2373-AR-2 was issued April 4, 2018. This application was submitted as an administrative amendment to permit the operation of a breaker plate cleaning oven as an insignificant activity.

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Section IV: EMISSION UNIT INFORMATION

Specific Conditions

1. The permittee shall not exceed the emission rates set forth in the following table. The hourly and annual emission rates are based on the maximum capacity of the equipment. [Reg.19.501 *et seq.* and Ark. Code Ann. § 8-4-203 as referenced by Ark. Code Ann. § 8-4-304 and 8-4-311]

SN	Description	Pollutant	lb/hr	tpy
SN-01 through	Inline (IL) Processing Area	PM_{10}	3.1	13.3*
SN-18		VOC	2.2	9.4*

^{*}Combined emissions from SN-01 through SN-18.

2. The permittee shall not exceed the emission rates set forth in the following table. The hourly and annual emission rates are based on the maximum capacity of the equipment. [Reg.18.801 and Ark. Code Ann. § 8-4-203 as referenced by Ark. Code Ann. § 8-4-304 and 8-4-311]

SN	Description	Pollutant	lb/hr	tpy
	SN-01 through Inline (IL) SN-18 Processing Area	PM	3.1	13.3*
SN-01 through SN-18		Acetone	0.81	3.54*
		Total HAPs	0.03	0.11*

^{*}Combined emissions from SN-01 through SN-18.

3. Visible emissions may not exceed the limits specified in the following table of this permit as measured by EPA Reference Method 9. [Ark. Code Ann. § 8-4-203 as referenced by Ark. Code Ann. § 8-4-304 and 8-4-311]

SN	Limit	Regulatory Citation
01, 02, 03, 04, 05, 06, 07, 08, 09, 10, 11, 12, 13, 14, 15, 16, 17 and 18	20%	Reg.19.503 and Ark. Code Ann. § 8-4-203 as referenced by Ark. Code Ann. §§ 8-4-304 and 8-4- 311

4. The permittee shall not cause or permit the emission of air contaminants, including odors or water vapor and including an air contaminant whose emission is not otherwise prohibited by Regulation 18, if the emission of the air contaminant constitutes air pollution within the meaning of Ark. Code Ann. § 8-4-303. [Reg.18.801 and Ark. Code Ann. § 8-4-203 as referenced by Ark. Code Ann. § 8-4-304 and 8-4-311]

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5. The permittee shall not conduct operations in such a manner as to unnecessarily cause air contaminants and other pollutants to become airborne. [Reg.18.901 and Ark. Code Ann. § 8-4-203 as referenced by Ark. Code Ann. § 8-4-304 and 8-4-311]

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Section V: INSIGNIFICANT ACTIVITIES

The Division of Environmental Quality deems the following types of activities or emissions as insignificant on the basis of size, emission rate, production rate, or activity in accordance with Group A of the Insignificant Activities list found in Regulation 18 and Regulation 19 Appendix A. Group B insignificant activities may be listed but are not required to be listed in permits. Insignificant activity emission determinations rely upon the information submitted by the permittee in an application dated March 2, 2018 and January 29,2021. [Reg.19.408 and Ark. Code Ann. § 8-4-203 as referenced by Ark. Code Ann. § 8-4-304 and 8-4-311]

Description	Category
Three (3) Pre-heaters (0.5 MMBtu/hr each)	A-1
Six (6) Gaspacks (less than 1.0 MMBtu/hr each)	A-1
Six (6) Pressurized Silos	A-13
Inking	A-13
Regrind Operation	A-13
Cooling Towers	A-13
Two (2) Parts Washers	A-13
Breaker Plate Cleaning Oven	A-13

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Section VI: GENERAL CONDITIONS

- 1. Any terms or conditions included in this permit that specify and reference Arkansas Pollution Control & Ecology Commission Regulation 18 or the Arkansas Water and Air Pollution Control Act (Ark. Code Ann. § 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 (Ark. Code Ann. § 8-4-101 *et seq.*). Any terms or conditions included in this permit that specify and reference Arkansas Pollution Control & Ecology Commission Regulation 18 or the Arkansas Water and Air Pollution Control Act (Ark. Code Ann. § 8-4-101 *et seq.*) as the origin of and authority for the terms or conditions are enforceable under this Arkansas statute.
- 2. This permit does not relieve the owner or operator of the equipment and/or the facility from compliance with all applicable provisions of the Arkansas Water and Air Pollution Control Act and the regulations promulgated under the Act. [Ark. Code Ann. § 8-4-203 as referenced by Ark. Code Ann. § 8-4-304 and 8-4-311]
- 3. The permittee shall notify the Division of Environmental Quality in writing within thirty (30) days after each of the following events: commencement of construction, completion of construction, first operation of equipment and/or facility, and first attainment of the equipment and/or facility target production rate. [Reg.19.704 and/or Ark. Code Ann. § 8-4-203 as referenced by Ark. Code Ann. § 8-4-304 and 8-4-311]
- 4. Construction or modification must commence within eighteen (18) months from the date of permit issuance. [Reg.19.410(B) and/or Reg.18.309(B) and Ark. Code Ann. § 8-4-203 as referenced by Ark. Code Ann. § 8-4-304 and 8-4-311]
- 5. The permittee must keep records for five years to enable the Division of Environmental Quality to determine compliance with the terms of this permit such as hours of operation, throughput, upset conditions, and continuous monitoring data. The Division of Environmental Quality may use the records, at the discretion of the Division of Environmental Quality, to determine compliance with the conditions of the permit. [Reg.19.705 and/or Reg.18.1004 and Ark. Code Ann. § 8-4-203 as referenced by Ark. Code Ann. § 8-4-304 and 8-4-311]
- 6. A responsible official must certify any reports required by any condition contained in this permit and submit any reports to the Division of Environmental Quality electronically using https://eportal.adeq.state.ar.us or mail them to the address below. [Reg.19.705 and/or Reg.18.1004 and Ark. Code Ann. § 8-4-203 as referenced by Ark. Code Ann. §§ 8-4-304 and 8-4-311]

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ATTN: Compliance Inspector Supervisor

5301 Northshore Drive

North Little Rock, AR 72118-5317

- 7. The permittee shall 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) newly constructed or 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) existing equipment already operating according to the time frames set forth by the Division of Environmental Quality. The permittee must notify the Division of Environmental Quality of the scheduled date of compliance testing at least fifteen (15) business days in advance of such test. The permittee must submit compliance test results to the Division of Environmental Quality within sixty (60) calendar days after the completion of testing. [Reg.19.702 and/or Reg.18.1002 and Ark. Code Ann. § 8-4-203 as referenced by Ark. Code Ann. § 8-4-304 and 8-4-311]
- 8. The permittee shall provide: [Reg.19.702 and/or Reg.18.1002 and Ark. Code Ann. § 8-4-203 as referenced by Ark. Code Ann. § 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
- 9. The permittee shall operate equipment, control apparatus and emission monitoring equipment within their design limitations. The permittee shall maintain in good condition at all times equipment, control apparatus and emission monitoring equipment. [Reg.19.303 and/or Reg.18.1104 and Ark. Code Ann. § 8-4-203 as referenced by Ark. Code Ann. § 8-4-304 and 8-4-311]
- 10. If the permittee exceeds an emission limit established by this permit, the permittee will be deemed in violation of said permit and will be subject to enforcement action. The Division of Environmental Quality may forego enforcement action for emissions exceeding any limits established by this permit provided the following requirements are met: [Reg.19.601 and/or Reg.18.1101 and Ark. Code Ann. § 8-4-203 as referenced by Ark. Code Ann. § 8-4-304 and 8-4-311]
 - a. The permittee demonstrates to the satisfaction of the Division of Environmental Quality that the emissions resulted from an equipment malfunction or upset and are not the result of negligence or improper maintenance, and the permittee took all reasonable measures to immediately minimize or eliminate the excess emissions.
 - b. The permittee reports the occurrence or upset or breakdown of equipment (by telephone, facsimile, overnight delivery, or online at https://eportal.adeq.state.ar.us) to the Division of Environmental Quality by the

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end of the next business day after the occurrence or the discovery of the occurrence.

- c. The permittee must submit to the Division of Environmental Quality, within five business days after the occurrence or the discovery of the occurrence, a full, written report of such occurrence, including a statement of all known causes and of the scheduling and nature of the actions to be taken to minimize or eliminate future occurrences, including, but not limited to, action to reduce the frequency of occurrence of such conditions, to minimize the amount by which said limits are exceeded, and to reduce the length of time for which said limits are exceeded. If the information is included in the initial report, the information need not be submitted again.
- 11. The permittee shall allow representatives of the Division of Environmental Quality upon the presentation of credentials: [Ark. Code Ann. § 8-4-203 as referenced by Ark. Code Ann. §§ 8-4-304 and 8-4-311]
 - a. To enter upon the permittee's premises, or other premises under the control of the permittee, where an air pollutant source is located or in which any records are required to be kept under the terms and conditions of this permit;
 - b. To have access to and copy any records required to be kept under the terms and conditions of this permit, or the Act;
 - c. To inspect any monitoring equipment or monitoring method required in this permit;
 - d. To sample any emission of pollutants; and
 - e. To perform an operation and maintenance inspection of the permitted source.
- 12. The Division of Environmental Quality issued this permit in reliance upon the statements and presentations made in the permit application. The Division of Environmental Quality has no responsibility for the adequacy or proper functioning of the equipment or control apparatus. [Ark. Code Ann. § 8-4-203 as referenced by Ark. Code Ann. §§ 8-4-304 and 8-4-311]
- 13. The Division of Environmental Quality may revoke or modify this permit when, in the judgment of the Division of Environmental Quality, such revocation or modification is necessary to comply with the applicable provisions of the Arkansas Water and Air Pollution Control Act and the regulations promulgated the Arkansas Water and Air Pollution Control Act. [Reg.19.410(A) and/or Reg.18.309(A) and Ark. Code Ann. § 8-4-203 as referenced by Ark. Code Ann. § 8-4-304 and 8-4-311]
- 14. This permit may be transferred. An applicant for a transfer must submit a written request for transfer of the permit on a form provided by the Division of Environmental Quality and submit the disclosure statement required by Arkansas Code Annotated §8-1-106 at least thirty (30) days in advance of the proposed transfer date. The permit will be automatically transferred to the new permittee unless the Division of Environmental Quality denies the request to transfer within thirty (30) days of the receipt of the

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disclosure statement. The Division of Environmental Quality may deny a transfer on the basis of the information revealed in the disclosure statement or other investigation or, deliberate falsification or omission of relevant information. [Reg.19.407(B) and/or Reg.18.307(B) and Ark. Code Ann. § 8-4-203 as referenced by Ark. Code Ann. § 8-4-304 and 8-4-311]

- 15. This permit shall be available for inspection on the premises where the control apparatus is located. [Ark. Code Ann. § 8-4-203 as referenced by Ark. Code Ann. § 8-4-304 and 8-4-311]
- 16. This permit authorizes only those pollutant emitting activities addressed herein. [Ark. Code Ann. § 8-4-203 as referenced by Ark. Code Ann. § 8-4-304 and 8-4-311]
- 17. This permit supersedes and voids all previously issued air permits for this facility. [Reg. 18 and/or Reg. 19 and Ark. Code Ann. § 8-4-203 as referenced by Ark. Code Ann. § 8-4-304 and 8-4-311]
- 18. The permittee must pay all permit fees in accordance with the procedures established in Regulation 9. [Ark. Code Ann. § 8-1-105(c)]
- 19. 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 Division of Environmental Quality approval. The Division of Environmental Quality 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.

[Reg.18.314(A) and/or Reg.19.416(A), Ark. Code Ann. § 8-4-203 as referenced by Ark. Code Ann. § 8-4-304 and 8-4-311, and 40 C.F.R. § 52 Subpart E]

- 20. 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 Division of Environmental Quality approval. Any such emissions shall be included in the facility's total emissions and reported as such. The Division of Environmental Quality 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;

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- d. The request contains such information necessary for the Division of Environmental Quality 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.

[Reg.18.314(B) and/or Reg.19.416(B), Ark. Code Ann. § 8-4-203 as referenced by Ark. Code Ann. § 8-4-304 and 8-4-311, and 40 C.F.R. § 52 Subpart E]

- 21. 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 Division of Environmental Quality approval. The Division of Environmental Quality 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.

[Reg.18.314(C) and/or Reg.19.416(C), Ark. Code Ann. § 8-4-203 as referenced by Ark. Code Ann. § 8-4-304 and 8-4-311, and 40 C.F.R. § 52 Subpart E]

22. Any credible evidence based on sampling, monitoring, and reporting may be used to determine violations of applicable emission limitations. [Reg.18.1001, Reg.19.701, Ark. Code Ann. § 8-4-203 as referenced by Ark. Code Ann. §§ 8-4-304 and 8-4-311, and 40 C.F.R. § 52 Subpart E]