Northwest Florida Holdings, Inc.
Eastern Shipbuilding Allanton Facility

Facility ID No. 0050071
Bay County

Initial Title V Air Operation Permit

Permit No. 0050071-010-AV

<u>Permitting and Compliance Authority</u>:
Florida Department of Environmental Protection
Northwest District Waste/Air Resources Program
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FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION
160 West Government Street, Suite 308
Pensacola, Florida 32502-5794

Rick Scott
Governor

Carlos Lopez-Cantera
Lt. Governor

Herschel T. Vinyard Jr.
Secretary

April 24, 2014

PERMITTEE:
Northwest Florida Holdings, Inc.
Eastern Shipbuilding Allanton Facility
13300 Allanton Road
Panama City, Florida 32404

Permit No. 0050071-010-AV
Eastern Shipbuilding Allanton Facility
Facility ID No. 0050071
Initial Title V Air Operation Permit

The purpose of this permit is for the initial Title V air operation permit for the above referenced facility. The existing Eastern Shipbuilding Allanton facility is located in Bay County at 13300 Allanton Road in Panama City, Florida. UTM Coordinates are: Zone 16, 646.23 km East and 3324.78 km North.

The Title V air operation permit is issued under the provisions of Chapter 403, Florida Statutes (F.S.), and Florida Administrative Code (F.A.C.) Chapters 62-4, 62-210, 62-213. The above named permittee is hereby authorized to operate the facility in accordance with the terms and conditions of this permit.

Effective Date: April 23, 2014
Renewal Application Due Date: September 10, 2018
Expiration Date: April 23, 2019

/s/
J. Charles Harp
Program Administrator
Waste Management/Air Resources
Northwest District

JCH/aj/m

Section I. Facility Information.

This initial Title V permit incorporates the provisions of Permit Nos. 0050071-008-AC and 0050071-009-AC. Permit No. 0050071-008-AC authorized the removal of previously established facility-wide VOC, HAP and PM emissions limits to allow potential VOC and HAP emissions to increase above Title V major source thresholds and establishes a new painting-specific VOC limits to keep the facility below major stationary source threshold. Permit No. 0050071-009-AC reduced previous emissions estimates due to using a more appropriate VOC and SO2 emissions factors for three of the four portable air compressor reciprocating internal combustion engines (RICE).

Subsection A. Facility Description.

This facility is a shipbuilding and repair facility that consists of ship construction and repair areas, warehouses and an office building. Areas of the facility are used for abrasive blasting, surface coating, equipment storage and pre-fabrication operations.

The blasting of most steel plates and all priming operations for new ship construction and repair work are conducted in an enclosed automated system. Emissions from automated blasting are controlled by a jet pulse dust collector (baghouse). Emissions from any open-air blasting and painting are controlled by maintaining good work practices. The facility utilizes four portable Reciprocating Internal Combustion Diesel Engines to power air compressors for the blasting process. Particulate Matter (PM) emissions are controlled by the automated system's side draft and down draft paint booth filters. The automated blasting and painting system utilizes two propane or natural gas-fired burners, one to dry and preheat the steel plates prior to abrasive blasting and a second to cure paint after automated prime coating. Paints, primers and thinners are stored on site. In addition to the storage of paints, primers and thinners, there are several above ground storage tanks for storage of diesel, oil and gasoline.

This initial TV permit incorporates new painting-specific VOC limit to ensure that the facility-wide emission levels remain below PSD major stationary source thresholds.

The facility contains four portable engines that are classified as unregulated units. The internal combustion engines at the Allanton Facility are moved around every several days to new locations within the facility. The designation of the diesel engines as non-road engines establishes that they are not subject to the specific requirements of 40 C.F.R. Part 63, Subpart ZZZZ. The designation of the diesel engines as non-stationary engines establishes that they are not subject to the specific requirements of 40 C.F.R. Part 60, Subpart IIII. The 550 hp Cummins engine was manufactured to a Tier II standard and the three 540 hp Caterpillar engines were manufactured to a Tier III standards.

Potential Emissions by Emission Unit (Tons/Yr) are modified as follows

Potential Emissions by Emissions Unit (Tons/Year)								
EU ID	**Emissions Units Description**	**PM**	**SO_2**	**NO_x**	**CO**	**VOC**	**Indiv HAPs**	**Total HAPs**
001	Painting Activities					125	20	63
002	Blasting Activities	18.6						
004	Cummins 550 Hp CI (unregulated unit)	0.8	0.03	25.5	13.8	25.5	0.02	0.06
005	Caterpillar 540 Hp CI (unregulated unit)	0.8	0.02	15.7	13.6	15.7	0.02	0.06
006	Caterpillar 540 Hp CI (unregulated unit)	0.8	0.02	15.7	13.6	15.7	0.02	0.06
007	Caterpillar 540 Hp CI (unregulated unit)	0.8	0.02	15.7	13.6	15.7	0.02	0.06
Annual Potential Emission Total (TPY)		**21.8**	**0.1**	**72.5**	**54.6**	**197.5**	**21**	**63.2**

Subsection B. Summary of Emissions Units.

EU No.	Brief Description
Regulated Emissions Units	
001	Painting Activities
002	Blasting Activities
Unregulated Emissions Units and Activities	
004	Compression Ignition Reciprocating Internal Combustion Engine (550 Hp)-Cummins (serial 14023696)
005	Compression Ignition Reciprocating Internal Combustion Engine (540 Hp)-Caterpillar (serial JRE02977)
006	Compression Ignition Reciprocating Internal Combustion Engine (540 Hp)-Caterpillar (serial JRE03853)
007	Compression Ignition Reciprocating Internal Combustion Engine (540 Hp)-Caterpillar (serial MCW04126)

Subsection C. Applicable Regulations.

Based on the initial Title V air operation permit application received December 26, 2013, this facility is a major source of hazardous air pollutants (HAP). The existing facility is not a PSD major source of air pollutants in accordance with Rule 62-212.400, F.A.C. A summary of applicable regulations is shown in the following table.

Regulation	EU No(s).
40 CFR 63, Subpart A, NESHAP General Provisions	001
40 CFR 63, Subpart II, National Emission Standards for Shipbuilding and Ship Repair	001
Rule 62-296.320(4)(b), F.A.C., General Visible Emissions Standard	001, 002
62-213.440(1), Standard Permit Requirements	001

The following conditions apply facility-wide to all emission units and activities:

FW1. Appendices. The permittee shall comply with all documents identified in Section IV, Appendices, listed in the Table of Contents. Each document is an enforceable part of this permit unless otherwise indicated. [Rule 62-213.440, F.A.C.]

Emissions and Controls

FW2. Not federally Enforceable. Objectionable Odor Prohibited. No person shall cause, suffer, allow or permit the discharge of air pollutants, which cause or contribute to an objectionable odor. An "objectionable odor" means any odor present in the outdoor atmosphere which by itself or in combination with other odors, is or may be harmful or injurious to human health or welfare, which unreasonably interferes with the comfortable use and enjoyment of life or property, or which creates a nuisance. [Rule 62-296.320(2) and 62-210.200(Definitions), F.A.C.]

FW3. General Volatile Organic Compounds (VOC) Emissions or Organic Solvents (OS) Emissions. The permittee shall allow no person to store, pump, handle, process, load, unload or use in any process or installation, volatile organic compounds or organic solvents without applying known and existing vapor emission control devices or systems deemed-necessary and ordered by the Department.

A. Maintaining covers, lids, etc., on all containers when they are not being handled, tapped, etc.
B. Where possible and practical, procure/fabricate a tightly fitting cover for any open trough, basin, etc. of VOC so that it can be covered when not in use.
C. Attending to all spills/waste as soon as practical but no later than one hour after the event.
D. Using only airless spray applicators, rollers and brushes unless a request for use of another technology is submitted in writing and approved

[Rule 62-296.320(1), F.A.C., Permit 0050071-009-AC]

FW4. General Visible Emissions. No person shall cause, let, permit, suffer or allow to be discharged into the atmosphere the emissions of air pollutants from any activity equal to or greater than 20% opacity. EPA Method 9 is the method of compliance pursuant to Chapter 62-297, F.A.C. This regulation does not impose a specific testing requirement. [Rule 62-296.320(4)(b)1, F.A.C.]

FW5. Unconfined Particulate Matter. No person shall cause, let, permit, suffer or allow the emissions of unconfined particulate matter from any activity, including vehicular movement; transportation of materials; construction; alteration; demolition or wrecking; or industrially related activities such as loading, unloading, storing or handling; without taking reasonable precautions to prevent such emissions. Reasonable precautions to prevent emissions of unconfined particulate matter at this facility include:

A. Management of roads, parking areas and yards which shall include one or more of the following:
   1. Paving and maintenance of roads, parking and yard
   2. Application of water or dust suppressants when necessary to control emissions.
   3. Removal of particulate matter from roads and other paved areas and from building or work areas to reduce airborne particulate matter (PM), which are under the control of either the owner or operator.
   4. Instillation of wind breaks to mitigate wind entrainment of particulate matter.
   5. Landscaping or planting of vegetation.
B. Keeping dust-containing receptacles closed and protected from the wind.
C. Confining or screening abrasive blasting or painting where possible.
D. Using barriers or tarps at all times when painting any vessel or part thereof above the top of the dock line. The tarps or barriers shall surround and extend above the painting area, with complete enclosure at all times to contain all paint overspray. Only the immediate area around the location of active painting is required to be enclosed, as long as all of the painting is contained. Records indicating instances when painting is applied without tarps shall be documented and maintained for the most recent five years of operation.
E. Enclosing, covering or filtering drains or openings in the dry dock during painting

[Rules 62-4.070(3), F.A.C. and 62-296.320(4)(c)2., F.A.C.; Permit Nos. 0050071-004-AC, 0050071-008-AC]

Annual Reports and Fees

See Appendix RR, Facility-wide Reporting Requirements for additional details.

FW6. Electronic Annual Operating Report and Title V Annual Emissions Fees. The information required by the Annual Operating Report for Air Pollutant Emitting Facility [Including Title V Source Emissions Fee Calculation] (DEP Form No. 62-210.900(5)) shall be submitted by April 1 of each year, for the previous calendar year, to the Department of Environmental Protection's Division of Air Resource Management. Each Title V source shall submit the annual operating report using the DEP's Electronic Annual Operating Report (EAOR) software, unless the Title V source claims a technical or financial hardship by submitting DEP Form No. 62-210.900(5) to the DEP Division of Air Resource Management instead of using the reporting software. Emissions shall be computed in accordance with the provisions of subsection 62-210.370(2), F.A.C. Each Title V source must pay between January 15 and April 1 of each year an annual emissions fee in an amount determined as set forth in subsection 62-213.205(1), F.A.C. The annual fee shall only apply to those regulated pollutants, except carbon monoxide and greenhouse gases, for which an allowable numeric emission-limiting standard is specified in the source's most recent construction permit or operation permit. Upon completing the required EAOR entries, the EAOR Title V Fee Invoice can be printed by the source showing which of the reported emissions are subject to the fee and the total Title V Annual Emissions Fee that is due. The submission of the annual Title V emissions fee payment is also due (postmarked) by April 1st of each year. A copy of the system-generated EAOR Title V Annual Emissions Fee Invoice and the indicated total fee shall be submitted to: **Major Air Pollution Source Annual Emissions Fee, P.O. Box 3070, Tallahassee, Florida 32315-3070.** Additional information is available by accessing the Title V Annual Emissions Fee On-line Information Center at the following Internet web site: http://www.dep.state.fl.us/air/emission/tvfee.htm. [Rules 62-210.370(3), 62-210.900 & 62-213.205, F.A.C.; and, §403.0872(11), Florida Statutes (2013)]

{Permitting Note: Resources to help you complete your AOR are available on the electronic AOR (EAOR) website at: http://www.dep.state.fl.us/air/emission/eaor. If you have questions or need assistance after reviewing the information posted on the EAOR website, please contact the Department by phone at (850) 717-9000 or email at eaor@dep.state.fl.us.}

{Permitting Note: The Title V Annual Emissions Fee form (DEP Form No. 62-213.900(1)) has been repealed. ***A separate Annual Emissions Fee form is no longer required to be submitted by March 1st each year***

FW7. Annual Statement of Compliance. The permittee shall submit an annual statement of compliance to the compliance authority at the address shown on the cover of this permit within 60 days after the end of each calendar year during which the Title V permit was effective. [Rules 62-213.440(3)(a)2. & 3. and (b), F.A.C.]

FW8. Prevention of Accidental Releases (Section 112(r) of CAA). If, and when, the facility becomes subject to 112(r), the permittee shall:

a. Submit its Risk Management Plan (RMP) to the Chemical Emergency Preparedness and Prevention Office (CEPPO) RMP Reporting Center. Any Risk Management Plans, original submittals, revisions or updates to submittals, should be sent electronically through EPA's Central Data Exchange system at the following address: https://cdx.epa.gov. Information on electronically submitting risk management plans using the Central Data Exchange system is available at: http://www.epa.gov/osweroe1/content/rmp/index.htm. The RMP Reporting Center can be contacted at: RMP Reporting Center, Post Office Box 10162, Fairfax, VA 22038, Telephone: (703) 227-7650.

b. Submit to the permitting authority Title V certification forms or a compliance schedule in accordance with Rule 62-213.440(2), F.A.C.

[40 CFR 68]

{Permitting Note: from Application Supplemental Information Page 4-5, 4.2.1.4. Risk Management Program: *40 CFR §68, Chemical Accident Provisions, requires submittal of a Risk Management Plan if the facility stores a regulated material above the applicable concentration and threshold values. As the Allanton facility does not presently store a regulated material above the threshold limits, the facility is subject only to the General Duty Clause requirements and must review materials as purchased to verify if additional requirements must be met.}*

FW9. Emissions Tracking. Facility-wide VOC emissions shall be tracked by using daily usage logs of VOC-containing coatings and solvents. A 12-month rolling total of usage and emission calculations from coatings and solvents will be based on materials VOC content (weight percentage), gallons of material used and pounds of VOC per gallon of material. Monthly summaries and a 12-month rolling total of VOC emissions shall be kept and maintained on site for Department inspection for at least five years from the date of usage. A responsible company representative shall certify monthly summaries to be accurate and truthfully calculated representation of actual emissions. Supporting documentation including, but not limited to, Material Safety Data Sheets, and purchase orders, shall be kept to provide sufficient information to verify the emission summaries and to determine compliance.
[Rules 62-4.070(3); 62-210.200 (PTE), and 62-213.440(1)(b)2., F.A.C., and requested by Permittee to avoid PSD major stationary source threshold permitting, Permit No. 0050071-008-AC]

FW10. When appropriate, any recording, monitoring or reporting requirements that are time-specific shall be in accordance with the effective date of the permit, which defines day one. [Rule 62-213.440, F.A.C.]

The specific conditions in this section apply to the following emissions unit:

EU No.	Brief Description
001	Painting Activities – automated painting system and open-air surface coating

PM emissions from the automated painting system are controlled by the system's side draft and down draft paint booth filters. The paint booth contains 260 square feet of thick exhaust filters and an over spray catch tray. Open-air surface coating is also conducted at this facility and PM from open air surface coating is controlled by good work practices.

This emissions unit is subject to 40 CFR 63, Subpart II - National Emission Standards for Shipbuilding and Ship Repair (Surface Coatings) and the General Provisions of 40 CFR 63, Subpart A.

Essential Potential to Emit (PTE) Parameters

A.1. Hours of Operation. This emissions unit may operate continuously (8,760 hours/year). [Rule 62-210.200(PTE), F.A.C.]

A.2. The VOC emissions from the painting activities are limited to 125 tons total VOC from paints, primers and solvents used per rolling twelve-month period. [Rules 62-4.070(3), F.A.C., and Air Construction Permit No. 0050071-008-AC and Permit No. 0050071-009-AC]

NESHAP, Subpart II, Requirements - Adopted by Rule 62-204.800(11)(b)25 F.A.C.

A.3. No owner or operator of any existing or new affected source shall cause or allow the application of any coating to a ship with an as-applied VOHAP content exceeding the applicable limit given in Table 2 of this subpart, as determined by the procedures described in § 63.785 (c)(1) through (c)(4). For the compliance procedures described in § 63.785 (c)(1) through (c)(3), VOC shall be used as a surrogate for VOHAP, and Method 24 of appendix A to 40 CFR part 60 shall be used as the definitive measure for determining compliance. For the compliance procedure described in § 63.785(c)(4), an alternative test method capable of measuring independent VOHAP shall be used to determine compliance. The method must be submitted to and approved by the Administrator. [40 CFR 63.783(a)]

A.4. Each owner or operator of a new or existing affected source shall ensure that:

A. All handling and transfer of VOHAP-containing materials to and from containers, tanks, vats, drums, and piping systems is conducted in a manner that minimizes spills.

B. All containers, tanks, vats, drums, and piping systems are free of cracks, holes, and other defects and remain closed unless materials are being added to or removed from them.

[40 CFR 63.783(b)]

A.5. The provisions of this subpart do not apply to coatings used in volumes of less than 200 liters (52.8 gallons) per year, provided the total volume of coating exempt under this paragraph does not exceed 1,000 liters per year (264 gallons per year) at any facility. Coatings exempt under this paragraph shall be clearly labeled as "low-usage exempt," and the volume of each such coating applied shall be maintained in the facility's records. [40 CFR 63.781(b)]

A.6. The provisions of this subpart do not apply to coatings applied with hand-held, non-refillable, aerosol containers or to unsaturated polyester resin (i.e., fiberglass lay-up) coatings. Coatings applied to suitably prepared fiberglass surfaces for protective or decorative purposes are subject to this subpart [40 CFR 63.781(c)]

VOHAP Compliance Procedures

A.7. For each batch of coating that is received by an affected source, the owner or operator shall (see Appendix F-1 for a flow diagram of the compliance procedures):

1) Determine the coating category and the applicable VOHAP limit as specified in §63.783(a).
2) Certify the as-supplied VOC content of the batch of coating. The owner or operator may use a certification supplied by the manufacturer for the batch, although the owner or operator retains liability should subsequent testing reveal a violation. If the owner or operator performs the certification testing, only one of the containers in which the batch of coating was received is required to be tested.

[40 CFR 63.785(a)]

A.8. In lieu of testing each batch of coating, as applied, the owner or operator may determine compliance with the VOHAP limits using any combination of the procedures described in the Coating Compliance Methods Subsection A. The procedure used for each coating shall be determined and documented prior to application. [40 CFR 63.785(b)]

A.9. The results of any compliance demonstration conducted by the affected source or any regulatory agency using Method 24 shall take precedence over the results using the procedures in the Coating Compliance Methods Subsection A. [40 CFR 63.785(b)]

A.10. Coating Compliance Methods:
(1) *Coatings to which thinning solvent will not be added*. For coatings to which thinning solvent (or any other material) will not be added under any circumstance or to which only water is added, the owner or operator of an affected source shall comply as follows:

(i) Certify the as-applied VOC content of each batch of coating.
(ii) Notify the persons responsible for applying the coating that no thinning solvent may be added to the coating by affixing a label to each container of coating in the batch.
(iii) If the certified as-applied VOC content of each batch of coating used during a calendar month is less than or equal to the applicable VOHAP limit in § 63.783(a). (either in terms of g/L of coating or g/L of solids), then compliance is demonstrated for that calendar month, unless a violation is revealed using Method 24.

(2) *Coatings to which thinning solvent will be added--coating-by-coating compliance*. For a coating to which thinning solvent is routinely or sometimes added, the owner or operator shall comply as follows:
(i) Prior to the first application of each batch, designate a single thinner for the coating and calculate the maximum allowable thinning ratio (or ratios, if the affected source complies with the cold-weather limits in addition to the other limits specified in Table 2 of this subpart) for each batch as follows:

$$R = \frac{(V_s)(\text{VOHAP limit}) - m_{VOC}}{D_{th}} \quad \text{Eqn. 1}$$

where:
R=Maximum allowable thinning ratio for a given batch (L thinner/L coating as supplied);
V_s =Volume fraction of solids in the batch as supplied (L solids/L coating as supplied);
VOHAP limit=Maximum allowable as-applied VOHAP content of the coating (g VOHAP/L solids);
m_{VOC} =VOC content of the batch as supplied [g VOC (including cure volatiles and exempt compounds on the HAP list)/L coating (including water and exempt compounds) as supplied];
D_{th} =Density of the thinner (g/L).

If V_s is not supplied directly by the coating manufacturer, the owner or operator shall determine V_s as follows:

$$V_s = 1 - \frac{m_{volatiles}}{D_{avg}} \qquad \text{Eqn. 2}$$

where:
$m_{volatiles}$ =Total volatiles in the batch, including VOC, water, and exempt compounds (g/L coating); and
D_{avg} =Average density of volatiles in the batch (g/L).
The procedures specified in § 63.786(d) may be used to determine the values of variables defined in this paragraph. In addition, the owner or operator may choose to construct nomographs, based on Equation 1 of this subpart, similar or identical to the one provided in appendix B of this subpart as a means of easily estimating the maximum allowable thinning ratio.
(ii) Prior to the first application of each batch, notify painters and other persons, as necessary, of the designated thinner and maximum allowable thinning ratio(s) for each batch of the coating by affixing a label to each container of coating or through another means described in the implementation plan required in § 63.787(b).
(iii) By the 15th day of each calendar month, determine the volume of each batch of the coating used, as supplied, during the previous month.
(iv) By the 15th day of each calendar month, determine the total allowable volume of thinner for the coating used during the previous month as follows:

$$V_{th} = \sum_{i=1}^{n} \left(R \times V_b \right)_i + \sum_{i=1}^{n} \left(R_{cold} \times V_{b-cold} \right)_i \qquad \text{Eqn. 3}$$

where:
V_{th} =Total allowable volume of thinner for the previous month (L thinner);
V_b =Volume of each batch, as supplied and before being thinned, used during non-cold-weather days of the previous month (L coating as supplied);
R_{cold} =Maximum allowable thinning ratio for each batch used during cold-weather days (L thinner/L coating as supplied);
$V_{b\text{-}cold}$ =Volume of each batch, as supplied and before being thinned, used during cold-weather days of the previous month (L coating as supplied);
i=Each batch of coating; and
n=Total number of batches of the coating.
(v) By the 15th day of each calendar month, determine the volume of thinner actually used with the coating during the previous month.
(vi) If the volume of thinner actually used with the coating [paragraph (c)(3)(v) of this section] is less than or equal to the total allowable volume of thinner for the coating [paragraph (c)(3)(iv) of this section], then compliance is demonstrated for the coating for the previous month, unless a violation is revealed using Method 24 of appendix A to 40 CFR part 60.
(3) *Coatings to which the same thinning solvent will be added—group compliance*. For coatings to which the same thinning solvent (or other material) is routinely or sometimes added, the owner or operator shall comply as follows:
(i) Designate a single thinner to be added to each coating during the month and "group" coatings according to their designated thinner.
(ii) Prior to the first application of each batch, calculate the maximum allowable thinning ratio (or ratios, if the affected source complies with the cold-weather limits in addition to the other limits specified in Table 2 of this subpart) for each batch of coating in the group using the equations in paragraph (c)(2) of this section.
(iii) Prior to the first application of each "batch," notify painters and other persons, as necessary, of the designated thinner and maximum allowable thinning ratio(s) for each batch in the group by affixing a label to each container of coating or through another means described in the implementation plan required in § 63.787(b).

(iv) By the 15th day of each calendar month, determine the volume of each batch of the group used, as supplied, during the previous month.
(v) By the 15th day of each calendar month, determine the total allowable volume of thinner for the group for the previous month using Equation 3 of this subpart.
(vi) By the 15th day of each calendar month, determine the volume of thinner actually used with the group during the previous month.
(vii) If the volume of thinner actually used with the group [paragraph (c)(3)(vi) of this section] is less than or equal to the total allowable volume of thinner for the group [paragraph (c)(3)(v) of this section], then compliance is demonstrated for the group for the previous month, unless a violation is revealed using Method 24 of appendix A to 40 CFR part 60.
[40 CFR 63.785(c)]

A.11. A violation revealed through any approved test method shall result in a 1-day violation for enforcement purposes. A violation revealed through the recordkeeping procedures described in the Coating Compliance Methods Subsection A., shall result in a 30-day violation for enforcement purposes, unless the owner or operator provides sufficient data to demonstrate the specific days during which noncompliant coatings were applied.
[40 CFR 63.785(d)]

Recordkeeping and Reporting Requirements

A.12. The EPA VOC DATA SHEET - Properties of the Coating "As Supplied" by the Manufacturer, shall be kept on-site for each material and made available upon request to the Department of Environmental Protection. If any materials are added to an “as supplied” coating, then the EPA VOC DATA SHEET - Properties of the Coating “As Applied” to the Substrate for that coating shall be used. [Rule 62-4.070(3), F.A.C.]

A.13. In order to demonstrate compliance with the emissions limitations, the permittee shall maintain monthly records and twelve consecutive month totals on coating usage (including thinner and cleanup solvent usage), volatile organic compound usage, volatile organic compound emissions, individual HAP emissions, and total HAP emissions. The emissions estimates shall be determined by considering the VOC content of paints, primers and solvents used. The records shall be maintained for a minimum of 5 years.
[Rules 62-4.070(3) and 62-213.440(1)(b)2., F.A.C.]

Test Methods and Procedures

A.14. Test Methods. Required tests shall be performed in accordance with the following reference method:

Method	Description of Method and Comments
24	Determination of volatile matter content, water, content, density, volume solids and weight solids of surface coatings.

The above methods are described in 40 CFR 60, Appendix A, and adopted by reference in Rule 62-204.800, F.A.C. No other methods may be used unless prior written approval is received from the Department.

A.15. For the compliance procedures described in the Coating Compliance Methods Subsection A., Method 24 of 40 CFR 60, appendix A, is the definitive method for determining the VOC content of coatings, as supplied or as applied. When a coating or thinner contains exempt compounds that are volatile HAP or VOHAP, the owner or operator shall ensure, when determining the VOC content of a coating, that the mass of these exempt compounds is included. [40 CFR 63.786(a)]

A.16. A coating manufacturer or the owner or operator of an affected source may use batch formulation data as a test method in lieu of Method 24 to certify the as-supplied VOC content of a coating if the manufacturer or the owner or operator has determined that batch formulation data have a consistent and quantitatively known relationship to Method 24 results. This determination shall consider the role of cure volatiles, which may cause emissions to exceed an amount based solely upon coating formulation data. Notwithstanding such determination, in the event of conflicting results, Method 24 shall take precedence. [40 CFR 63.786(c)]

A.17. Each owner or operator of an affected source shall use or ensure that the manufacturer uses the form and procedures mentioned in appendix A to determine values for the thinner and coating parameters used in Equations 1 and 2. The owner or operator shall ensure that the coating/thinner manufacturer (or supplier) provides information on the VOC and VOHAP contents of the coatings/thinners and the procedure(s) used to determine these values. [40 CFR 63.786(d]

Recordkeeping and Reporting Requirements

A.18. Each owner or operator of an affected source shall compile records on a monthly basis and maintain those records for a minimum of 5 years. At a minimum, these records shall include:

A) All documentation supporting initial notification;

B) A copy of the affected source's approved implementation plan;

C) The volume of each low-usage-exempt coating applied;

D) Identification of the coatings used, their appropriate coating categories, and the applicable VOHAP limit;

E) Certification of the as-supplied VOC content of each batch of coating;

F) A determination of whether containers meet the standards as described in§ 63.783(b)2; and

G) The results of any Method 24 measurement test conducted on individual containers of coating, as applied.

[40 CFR 63.788(b)(2)]

A.19. The records required by § 63.788(b)2. shall include additional information, as determined by the compliance procedure(s) described in the Coating Compliance Methods Subsection A. that each affected source followed:

A) **Coatings to which thinning solvent will not be added.** The records maintained by facilities demonstrating compliance using the procedure described in the Coating Compliance Methods Subsection A., shall contain the following information:

i. Certification of the as-applied VOC content of each batch of coating; and

ii. The volume of each coating applied.

B) **Coatings to which thinning solvent will be added--coating-by-coating compliance.** The records maintained by facilities demonstrating compliance using the procedure described in the Coating Compliance Methods Subsection A., shall contain the following information:

i. The density and mass fraction of water and exempt compounds of each thinner and the volume fraction of solids (non-volatiles) in each batch, including any calculations;

ii. The maximum allowable thinning ratio (or ratios, if the affected source complies with the cold-weather limits in addition to the other limits specified in Table 1) for each batch of coating, including calculations;

iii. If an affected source chooses to comply with the cold-weather limits, the dates and times during which the ambient temperature at the affected source was below 4.5°C (40°F) at the time the coating was applied and the volume used of each batch of the coating, as supplied, during these dates;

iv. The volume used of each batch of the coating, as supplied;

v. The total allowable volume of thinner for each coating, including calculations; and

vi. The actual volume of thinner used for each coating.

C) **Coatings to which the same thinning solvent will be added--group compliance**. The records maintained by facilities demonstrating compliance using the procedure described in the Coating Compliance Methods Subsection A., shall contain the following information:
i. The density and mass fraction of water and exempt compounds of each thinner and the volume fraction of solids in each batch, including any calculations;
ii. The maximum allowable thinning ratio (or ratios, if the affected source complies with the cold-weather limits in addition to the other limits specified in Table 1) for each batch of coating, including calculations;
iii. If an affected source chooses to comply with the cold-weather limits, the dates and times during which the ambient temperature at the affected source was below 4.5°C (40°F) at the time the coating was applied and the volume used of each batch in the group, as supplied, during these dates;
iv. Identification of each group of coatings and their designated thinners;
v. The volume used of each batch of coating in the group, as supplied;
vi. The total allowable volume of thinner for the group, including calculations; and
vii. The actual volume of thinner used for the group.
[40 CFR 63.788(b)(3)]

A.20. If the owner or operator of an affected source detects a violation of the standards specified in § 63.783, the owner or operator shall, for the remainder of the reporting period during which the violation(s) occurred, include the following information in his or her records:

A. A summary of the number and duration of deviations during the reporting period, classified by reason, including known causes for which a Federally-approved or promulgated exemption from an emission limitation or standard may apply.
B. Identification of the data availability achieved during the reporting period, including a summary of the number and total duration of incidents that the monitoring protocol failed to perform in accordance with the design of the protocol or produced data that did not meet minimum data accuracy and precision requirements, classified by reason.
C. Identification of the compliance status as of the last day of the reporting period and whether compliance was continuous or intermittent during the reporting period.
D. If, pursuant to paragraph (C) of this specific condition, the owner or operator identifies any deviation as resulting from a known cause for which no Federally-approved or promulgated exemption from an emission limitation or standard applies, the monitoring report shall also include all records that the source is required to maintain that pertain to the periods during which such deviation occurred and:
    i. The magnitude of each deviation;
    ii. The reason for each deviation;
    iii. A description of the corrective action taken for each deviation, including action taken to minimize each deviation and action taken to prevent recurrence; and
    iv. All quality assurance activities performed on any element of the monitoring protocol.

[40 CFR 63.788(b)(4)]

A.21. Before the 60th day following completion of each 6-month period after the compliance date specified in 40 CFR 63.784, each owner or operator of an affected source shall submit a report to the Administrator (Department of Environmental Protection) for each of the previous 6 months, (1st report due prior to March 1, 2015). The report shall include all of the information that must be retained pursuant to paragraphs (b)(2) through (3) of this section, except for that information specified in paragraphs (b)(2)(i) through (ii), (b)(2)(v), (b)(3)(i)(A), (b)(3)(ii)(A), and (b)(3)(iii)(A). If a violation at an affected source is detected, the source shall also report the information specified in (b)(4) of this section for the reporting period during which the violation(s) occurred. To the extent possible, the report shall be organized according to the compliance procedure(s) followed each month by the affected source. If there was a malfunction during the reporting period, the report must also include the number, duration and a brief description of each malfunction which occurred during the reporting period and which caused or may have caused any applicable emission limitation to be exceeded. The report must also include

a description of actions taken by an owner or operator during a malfunction of an affected source to minimize emissions in accordance with § 63.783(b)(1), including actions taken to correct a malfunction.
[40 CFR 63.788(c)]

The following conditions apply to the NESHAP emissions unit listed above:

A.22. The permittee shall comply with 40 CFR Part 63, Subpart A - General Provisions (Appendix NESHAP, Subpart A - General Provisions Applicability to Subpart II).
[Rule 62-204.800(11)(d)1, F.A.C.]

A.23. Common Testing Requirements. Unless otherwise specified, tests shall be conducted in accordance with the requirements and procedures specified in Appendix TR, Facility-Wide Testing Requirements, of this permit.
[Rule 62-297.310, F.A.C.]

A.24. Other Reporting Requirements. See Appendix RR, Facility-Wide Reporting Requirements, for additional reporting requirements.

TABLE 2: VOLATILE ORGANIC HAP (VOHAP) LIMITS FOR MARINE COATINGS

Coating Category	VOHAP limits [a,b,c]		
	grams/liter coating (minus water and exempt compounds)	grams/liter solids	
		t ≥ 4.5°C	t < 4.5°C
General use	340	571	728
Specialty			
Air flask	340	571	728
Antenna	530	1,439	
Antifoulant	400	765	971
Heat Resistant	420	841	1,069
High-gloss	420	841	1,069
High-temperature	500	1,237	1,597
Inorganic zinc high-build	340	571	728
Military exterior	340	571	728
Mist	610	2,235	
Navigational aids	550	1,597	
Nonskid	340	571	728
Nuclear	420	841	1,069
Organic zinc	360	630	802
Pretreatment wash primer	780	11,095	
Repair and maint. of thermoplastics	550	1,597	
Rubber camouflage	340	571	728
Sealant for thermal spray aluminum	610	2,235	
Special marking	490	1,178	
Specialty interior	340	571	728
Tack coat	610	2,235	
Undersea weapons systems	340	571	728
Weld-through prec. Primer	650	2,885	

a The limits are expressed in two sets of equivalent units. Either set of limits may be used for the compliance procedure described in § 63.785(c)(1), but only the limits expressed in units of g/L solids (nonvolatiles) shall be used for the compliance procedures described in § 63.785(c) (2) through (4).
b VOC (including exempt compounds listed as HAP) shall be used as a surrogate for VOHAP for those compliance procedures described in § 63.785(c) (1) through (3).

c To convert from g/L to lb/gal, multiply by (3.785 L/gal)(1/453.6 lb/g) or 1/120. For compliance purposes, metric units define the standards.
d VOHAP limits expressed in units of mass of VOHAP per volume of solids were derived from the VOHAP limits expressed in units of mass of VOHAP per volume of coating assuming the coatings contain no water or exempt compounds and that the volumes of all components within a coating are additive.
e These limits apply during cold-weather time periods, as defined in § 63.782 (Appendix D-1). Cold-weather allowances are not given to coatings in categories that permit less than 40 percent volume solids (nonvolatiles). Such coatings are subject to the same limits regardless of weather conditions

The specific conditions in this section apply to the following emissions unit:

EU No.	Brief Description
002	Blasting Activities

Particulate emissions from the automated abrasive blasting are controlled by a jet pulse dust collector. Only steel shot is used for blasting in the automated system.

PM emissions from open air abrasive blasting are considered fugitive emissions and are not vented through the automated abrasive blasting system's dust collector. Open air blasting uses black beauty and sand-type materials and accounts for over 95% of the tonnage of the blasting material used. PM emissions from open-air blasting are controlled by good working practices and reasonable precautions.

Essential Potential to Emit (PTE) Parameters

B.1. This emissions unit is allowed to operate continuously, i.e., 8,760 hours/year. [Rules 62-4.160(2) and 62-210.200(PTE), F.A.C.]

B.2. Only ultra-low sulfur diesel fuel shall be burned in the diesel compressors. [Rule 62-4.070(3), F.A.C., and Permit No. 0050071-008-AC]

B.3. The following reasonable precautions shall be taken to control the emissions of unconfined particulate matter associated with the open-air abrasive blasting:

a. The permittee shall use screens or other barriers, on vessel exteriors. No unconfined blasting of the marine vessels superstructure shall be allowed.
b. The permittee shall require all blasting operations to be trained on procedures that minimize airborne emissions of blasting materials. Records of training will be maintained and be made available for Department inspections, upon request.
c. Use of black beauty and/or sand-type materials only for open air blasting operations unless prior approval is received from the DEP Northwest District Office.
d. Using no spent abrasive material, except for steel shot used within a closed blasting system. Steel Shot can be reused within an open system, but only if all foreign material has been removed from the spent steel shot prior to reuse.
e. Using wet grit blasting techniques if desired. Tarps are required when hydro blasting ship surfaces as long as all the blasted material is contained and prevented from being released as fugitive dust.
f. Using barriers or tarps on vessel exteriors. No unconfined blasting of the marine vessels superstructure shall be allowed.
g. Conducting all blasting from the top of the ship down and blasting with the nozzle directed downward in order to control airborne emissions except when blasting beneath the vessel or on a small part which makes it physically impractical.
h. Requiring that all blasting operators be trained on procedures which minimize airborne emissions of blasting materials. Records of training (when it was offered and who attended) shall be maintained and made available upon request.
i. Using only manual sweeping and vacuum systems to clean-up spend blasting materials and other waste prior to submerging the dry dock. No blowers are permitted.

[Rule 62-4.070(3), F.A.C.; Permit No. 0050071-004-AC and Application No. 0050071-008-AC and 0050071-009-AC]

RECORDS AND REPORTS

B.4. Operational Data: Blasting material usage shall be tracked by using monthly usage logs and a 12-month rolling total of abrasives usage shall be kept and maintained on site for Department inspection for at least five years from the date of usage. [Rules 62-4.160(2), F.A.C., and 62-210.200(PTE), F.A.C.]

SECTION IV. APPENDICES.

The Following Appendices Are Enforceable Parts of This Permit:

Appendix D-1, 40 CFR Subpart II Definitions
Appendix F-1 and F-2, Flow Diagram of Compliance Procedures
Appendix A – VOC Data Sheet
Appendix A, Glossary.
Appendix I, List of Insignificant Emissions Units and/or Activities.
Appendix RR, Facility-wide Reporting Requirements.
Appendix TR, Facility-wide Testing Requirements.
Appendix TV, Title V General Conditions
Appendix U, List of Unregulated Emissions Units and/or Activities.
Appendix 40 CFR 63 Subpart A
Appendix 40 CFR 63 Subpart II
Statement of Basis