Florida Department of Environmental Protection

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January 24, 2014

Sent by Electronic Mail – Received Receipt Requested
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PERMITTEE

Port Panama City U.S.A.
5321 W. Highway 98
Panama City, Florida 32401

Authorized Representative:
Mr. Wayne Stubbs, Executive Port Director

Air Permit No. 0050094-001-AC
Permit Expires: January 24, 2015

Port Panama City
Minor Source Air Construction Permit
After-the-fact Construction Permit & Installation of a New Dust Collector

This is an after-the-fact final air construction permit for four dust collectors-at an existing wood pellet handling and storage system. This permit also authorizes the construction of a new dust collector to be located on the south-west side of the Railcar Unloading Building to control Particulate Matter (PM) emissions from the Railcar Unloading Pit. The proposed work will be conducted at the Port Panama City, which is a Marine Cargo Handling (Standard Industrial Classification No. 4491). The facility is located in Bay County at 5321 W. Highway 98 in Panama City, Florida. The UTM coordinates are Zone 16, 622.2 km East, and 3339.3 km North. As noted in the Final Determination provided with this final permit, only minor changes and clarifications were made to the draft permit.

This final permit is organized by the following sections.

Section 1. General Information

Section 2. Administrative Requirements

Section 3. Emissions Unit Specific Conditions

Section 4. Appendices

Because of the technical nature of the project, the permit contains numerous acronyms and abbreviations, which are defined in Appendix A of Section 4 of this permit.

This air pollution construction permit is issued under the provisions of: Chapter 403 of the Florida Statutes (F.S.) and Chapters 62-4, 62-204, 62-210, 62-212, 62-296 and 62-297 of the Florida Administrative Code (F.A.C.). The permittee is authorized to conduct the proposed work in accordance with the conditions of this permit. This project is subject to the general pre-construction review requirements in Rule 62-212.300, F.A.C., and is not subject to the pre-construction review requirements for major stationary sources in Rule 62-212.400, F.A.C., for the Prevention of Significant Deterioration (PSD) of Air Quality.

Upon issuance of this final permit, any party to this order has the right to seek judicial review of it under Section 120.68 of the Florida Statutes by filing a notice of appeal under Rule 9.110 of the Florida Rules of Appellate Procedure with the clerk of the Department of Environmental Protection in the Office of General Counsel (Mail Station #35, 3900 Commonwealth Boulevard, Tallahassee, Florida, 32399-3000) and by filing a copy of the notice of appeal accompanied by the applicable filing fees with the appropriate District Court of Appeal. The notice must be filed within 30 days after this order is filed with the clerk of the Department.

Executed in Pensacola, Florida

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

CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this Final Air Permit package (including the Final Determination and Final Permit) was sent by electronic mail (or a link to these documents made available electronically on a publicly accessible server) with received receipt requested before the close of business on January 24, 2014 to the persons listed below.

Mr. Wayne Stubbs, Executive Port Director, Port Panama City U.S.A., Wstubbs@portpanamacityusa.com
John Ramer, Port Panama City, Jramer@portpanamacityusa.com
Charlie Lewis, Port Panama City, Clewis@portpanamacityusa.com
Mr. Scott A. McCann, P.E.; Golder Associates, scott_mccann@golder.com
Mark C. Sumner, DEP Northwest District Branch Office, Panama City, mark.c.sumner@dep.state.fl.us

FILED, on this date, pursuant to Section 120.52(7), Florida Statutes, with the designated agency clerk, receipt of which is hereby acknowledged.

/S/
_____ 1/24/2014
Clerk Date

FACILITY AND PROJECT DESCRIPTION

This after-the-fact permit is for an existing wood pellet handling and storage system, which contains four dust collectors. This facility is also proposing to install several dust pickup points in the vicinity of the receiving hopper and an additional dust collector to control Particulate Matter (PM) emissions from the Railcar Unloading Pit.

Wood pellets arrive at the port in railcars. Pellets are discharged from the bottom of the railcars into a receiving hopper located in the railcar unloading building. The maximum railcar unloading rate is 430 short tons of pellets per hour (TPH). To control PM emissions generated during the unloading of the railcars into the receiving hopper, the facility utilizes four existing dust collectors. The proposed dust collector will be a Model RAC-7.5-100-12 manufactured by Sly, Inc., or the equivalent and will be located on the south side of the Railcar Unloading Building. This dust collector will be designated Dust Collector No. 1.

Wood pellets are conveyed on a high angle conveyor from the receiving hopper to a gravity feed bin and then on to a second conveyor (Conveyor BC-1) leaving the railcar unloading building. PM generated as the high angle conveyor feeds the gravity feed bin, and as this bin discharges to Conveyor BC-1, are controlled using an existing Tube Jet Pulse-Cleaned dust collector manufactured by Sly, Inc., this collector is designated as Dust Collector No. 2.

Pellets leave the Railcar Unloading Building on Conveyor BC-1 and are transported to an elevated and enclosed transfer tower designated as Transfer Tower T-2 that discharges into a gravity feed bin. This gravity feed bin feeds Conveyor BC-2. PM generated as pellets are discharged from Conveyor BC-1 into the gravity feed bin and from the gravity feed bin onto Conveyor BC-2 is controlled using a second existing Tube Jet Pulse-Clean dust collector manufactured by Sly, Inc. This dust collector is designated as Dust Collector No. 3. Pellets leave Transfer Tower T-2 on Conveyor BC-2 and enter the Bulk Storage Warehouse. Maximum pellet conveyance rates for Conveyor BC-1 and Conveyor BC-2 are equivalent to the railcar unloading rate of 430 TPH.

Pellets on Conveyor BC-2 enter the Bulk Storage Warehouse near the peak of the building on the east side and are transferred to a shuttle conveyor. The shuttle conveyor moves along the length of the Bulk Storage Warehouse and discharges pellets to the piles below. To minimize the drop distance of the pellets from the shuttle conveyor, two discharge spouts are utilized within the Bulk Storage Warehouse.

The main spout is longer and used until pellet storage reaches a specific height. When storage reaches the specific height a shorter spout is used as a replacement for additional storage space. General building ventilation fans located on the east and west sides of the Bulk Storage Warehouse exhaust air from within the building. Port Panama City is proposing to add a water spray system to the exhaust vents to reduce PM emissions. The emissions associated with this system are estimated at 2.56 tons per year of PM.

During the ship loading process, front-end loaders are used to transfer the wood pellets from the storage piles to one of three building load-out hoppers. Each load-out hopper is equipped with a dust curtain and hood for collection of PM generated as the front-end loaders drop pellets into the hoppers. An existing dust collector, manufactured by MAC Process Inc., is designated as Dust Collector No. 4. The three load-out hoppers gravity feed Conveyor BC-3. Conveyor BC-3 discharges to a gravity feed bin which feeds Conveyor BC-4. This transfer occurs within Transfer Tower T-3. PM generated as Conveyor BC-3 feeds the gravity feed bin, and as this feed bin feeds Conveyor BC-4, is controlled using a third Sly Tube Jet Pulse-Cleaned dust collector manufactured by Sly, Inc. This dust collector is designated as Dust Collector No. 5. Conveyors BC-3 and BC-4 have the same maximum pellet conveyance rate of 1,100 TPH.

The Port currently stores d-Limonene in two 634,000 gallon vertical fixed roof tanks. These tanks were installed January 30, 1987. The storage tanks are not subject to regulations under 40 CFR 60 Subpart Kb because the vapor pressure of d-Limonene is less than 3.5 kPA. The Emissions of VOC from these tanks are estimated to be 0.4 TPY. The tanks are classified as an unregulated emissions unit.

Port Panama City is also proposing to add a water spray system to the storage building exhaust vents to reduce PM emissions. The emissions associated with the storage building exhaust vents are estimated at 2.56 tons per year of PM.

The Port's operation includes two dual fired (diesel fuel and natural gas) emergency generators. The 130 kW and 100 kW emergency generators are manufactured by Generac. These units fire diesel fuel whole at idle and then diesel fuel and natural gas under load. The diesel fuel is compressed and used to ignite the natural gas. The Port also utilizes a National Fire Protection Association (NFPA) certified fire pump engine manufactured by Clarke. These engines are subject to 40 CFR 60 Subpart IIII regulations, but are exempt from permitting based on Rule 62-210.300(3)(a)35, F.A.C., and as long as 40 CFR 60 Subpart IIII conditions are met.

Wood pellet ship loading equipment, subsequent to Conveyor BC-4, is operated by SSA Marine, Inc., and not Port Panama City. Additional tenants of the Port include Oceaneering International, Arizona Chemical, EB Pipe Coating, Berg Steel Pipe Corporation, Green Circle and Martin Marietta Aggregate. Some of these tenants have current air operating permits from the Department and others conduct exempt activities.

This project will add or modify the following emissions units.

Facility ID No. 0050094	
ID No.	**Emission Unit Description**
001	Wood Pellet Handling and Storage System Dust Collectors
Unregulated Emissions Unit	
002	d-Limonene Storage Tanks

FACILITY REGULATORY CLASSIFICATION

- The facility is not a major source of hazardous air pollutants (HAP).
- The facility has no units subject to the acid rain provisions of the Clean Air Act (CAA).
- The facility is not a Title V major source of air pollution in accordance with Chapter 213, F.A.C.
- The facility is not a major stationary source in accordance with Rule 62-212.400(PSD), F.A.C.

SECTION 2. ADMINISTRATIVE REQUIREMENTS

1. Permitting Authority: The permitting authority for this project is the Northwest District Waste Management/Air Resources Program, Florida Department of Environmental Protection (Department). The District's mailing address is 160 W. Government Street, Suite 308, Pensacola, Florida 32502-5740. All documents related to applications for permits to operate an emissions unit shall be submitted to the District Office at the above address.

2. Compliance Authority: All documents related to compliance activities such as reports, tests, and notifications shall be submitted to the District Office at the above address or nwdair@dep.state.fl.us.

3. Appendices: The Appendices in Section 4 are attached as part of this permit:

4. Applicable Regulations, Forms and Application Procedures: Unless otherwise specified in this permit, the construction and operation of the subject emissions units shall be in accordance with the capacities and specifications stated in the application. The facility is subject to all applicable provisions of: Chapter 403, F.S.; and Chapters 62-4, 62-204, 62-210, 62-296 and 62-297, F.A.C. Issuance of this permit does not relieve the permittee from compliance with any applicable federal, state, or local permitting or regulations.

5. Asbestos: This permit does not authorize any demolition or renovation of the facility or its parts or components which involves asbestos removal. This permit does not constitute a waiver of any of the requirements of Chapter 62-257, F.A.C., and 40 CFR 61, Subpart M, National Emission Standard for Asbestos, adopted and incorporated by reference in Rule 62-204.800, F.A.C. Compliance with Chapter 62-257, F.A.C., and 40 CFR 61, Subpart M, Section 61.145, is required for any asbestos demolition or renovation at the source. [40 CFR 61; Rule 62-204.800, F.A.C.; and, Chapter 62-257, F.A.C.]

6. New or Additional Conditions: For good cause shown and after notice and an administrative hearing, if requested, the Department may require the permittee to conform to new or additional conditions. The Department shall allow the permittee a reasonable time to conform to the new or additional conditions, and on application of the permittee, the Department may grant additional time. [Rule 62-4.080, F.A.C.]

7. Modifications: The permittee shall notify the Permitting and Compliance Authorities upon commencement of construction. Notification may be submitted by electronic mail to nwdair@dep.state.fl.us and copied to the permitting authority at epost_nwdwasteair@dep.state.fl.us. No new emissions unit shall be constructed and no existing emissions unit shall be modified without obtaining an air construction permit from the Department. Such permit shall be obtained prior to beginning construction or modification. [Rules 62-210.300(1) and 62-212.300(1)(a), F.A.C.]

8. The permittee shall maintain records of the annual d-Limonene throughput for the d-Limonene storage tanks. [Rule 62-4.070, F.A.C., and Permittee Request in Application No 0050094-001-AC]

SECTION 3. EMISSIONS UNIT SPECIFIC CONDITIONS

A. Wood Pellet Handling and Storage System Dust Collectors

This section of the permit addresses the following emissions unit.

ID No.	Emissions Unit Description
001	Wood Pellet Handling and Storage System Dust Collectors

Wood pellets arrive at the port in railcars. Pellets are discharged from the bottom of the railcars into a receiving hopper located in the railcar unloading building. The maximum railcar unloading rate is 430 short tons of pellets per hour (TPH). To control Particulate Matter (PM) emissions generated during the unloading of the railcars into the receiving hopper, the facility utilizes four existing dust collectors. The proposed dust collector (Dust Collector No. 1) will be a Model RAC-7.5-100-12 manufactured by Sly, Inc., or the equivalent and will be located on the south side of the Railcar Unloading Building.

Estimated PM emissions are as follows:

Emissions Point	Description	Estimated Emissions	
		lbs/hr	TPY
1	Railcar Unloading	1.23	5.39
2	Railcar Unloading Transfer Point	0.10	0.43
3	Transfer Tower T-2	0.16	0.69
4	Bulk Warehouse (3 Load-out Bins)	6.69	29.28
5	Transfer Tower T-3	0.17	0.74

EQUIPMENT

1. Equipment Name: The permittee is authorized to install a new dust collector Model RAC-7.5-100-12 manufactured by Sly, Inc. or equivalent along with the existing equipment listed below:

Dust Collector No.	Dust Collector Location	Make & Model
1 (Proposed)	Railcar Unloading	Sly, Inc., RAC-7.5-100-12 or equivalent
2	Railcar Unloading Transfer Point	Sly, Inc., STJ-34-2 SB Turbojet
3	Transfer Tower T-2	Sly, Inc., STJ-34-2 SB Turbojet
4	Bulk Warehouse (3 Load-out Bins)	MAC 144 MCF 494 Filter
5	Transfer Tower T-3	Sly, Inc., STJ-44-2 SB Turbojet

[Application No. 0050094-001-AC]

PERFORMANCE RESTRICTIONS

2. Permitted Capacity: The maximum railcar unloading rate is 430 tons of pellets per hour. The maximum pellet conveyance rate for Conveyor's BC-1 and BC-2 are 430 tons per hour (tph) and Conveyor's BC-3 and BC-4 are 1,100 tph. These are the capacities at which compliance testing shall be conducted. [Rule 62-210.200(PTE), F.A.C., Application No. 0050094-001-AC]

3. Throughput Rate. The maximum railcar unloading throughput rate shall not exceed 3,766,800 tons in any consecutive twelve-month period. [Rules 62-4.070(3), 62-210.200(PTE), F.A.C. Application No. 0050094-001-AC].

4. Restricted Operation: The hours of operation are not limited (8760 hours per year). [Rules 62-4.070(3) and 62-210.200(PTE), F.A.C.]

A. Wood Pellet Handling and Storage System Dust Collectors

EMISSIONS STANDARDS

5. Visible Emissions. Visible emissions shall not exceed 20% opacity. [Rules 62-4.070(3), 62-296.320(4)(b), 62-297.620, F.A.C., Application No. 0050094-001-AC]

TESTING REQUIREMENTS

6. Initial Compliance Tests: The emissions unit shall be tested to demonstrate compliance with the emissions standards for Visible Emissions (VE). VE tests shall be conducted within 60 days of the issuance of this permit on the one emissions point judged to have the most opaque visible emissions of emissions points 2 through 5. Also, a VE test shall be conducted on emissions point 1 within 60 days after achieving permitted capacity, but not later than 180 days after initial operation of the unit. Notification of compliance testing and completed test reports may be submitted by electronic mail to nwdair@dep.state.fl.us . [Rules 62-4.070(3) and 62-297.310(7)(a)1, F.A.C.]

7. Test Requirements: The permittee shall notify the Compliance Authority in writing at least 15 days prior to any required tests. Notification may be sent via e-mail to nwdair@dep.state.fl.us . Tests shall be conducted in accordance with the applicable requirements specified in Appendix D (Common Testing Requirements) of this permit. [Rule 62-297.310(7)(a)9, F.A.C.]

8. Test Methods: Required tests shall be performed in accordance with the following reference methods.

Method	Description of Method and Comments
9	Visual Determination of the Opacity of Emissions from Stationary Sources

The above methods are described in Appendix A of 40 CFR 60 and are adopted by reference in Rules 62-204.800 and 62-297.401, F.A.C. No other methods may be used unless prior written approval is received from the Department. [Rules 62-204.800 and 62-297.401, F.A.C.; and Appendix A of 40 CFR 60]

MONITORING REQUIREMENTS

9. Permittee shall maintain records consistent with the Dust Collector manufacturer's operations and maintenance manual and shall include at a minimum:
   a. Daily Dust Collector pressure differential readings (inches, WG) when a Dust Collector's System is operating,
   b. Explanation when pressure differential readings are outside the manufacturer recommended ranges
   c. Date and reason of all bag replacements and date and description of any conducted maintenance for Dust Collectors.

   [Rule 62-4.070(3), F.A.C.]

RECORDS AND REPORTS

10. Test Reports: The permittee shall prepare and submit reports for all required tests in accordance with the requirements specified in Appendix D (Common Testing Requirements) of this permit. [Rule 62-297.310(8), F.A.C.]

11. Operational Data: The permittee shall maintain records to document the monthly and the twelve-month rolling totals of pellets offloaded from railcars. These records shall be maintained at the terminal and made available to the Department as necessary for at least five (5) years. [Rule 62-4.070(3), F.A.C., Application No. 0050094-001-AC]