STATEMENT OF BASIS

Title V Air Operation Permit Renewal
FINAL Permit No. 0310258-011-AV
Renewal of Title V Operation Permit No. 0310258-009-AV

APPLICANT

The applicant for this project is BAE Systems Southeast Shipyards. The applicant's responsible official and mailing address are: Richard T. McCreary, Vice President and General Manager, BAE Systems Southeast Shipyards, 8500 Hecksher Drive, Jacksonville, Florida, 32226.

FACILITY DESCRIPTION

The applicant operates the BAE Systems Southeast Shipyards, which is located at 8500 Hecksher Drive, Jacksonville FL, 32226.

BAE System Southeast Shipyards is a full service ship building and repair operation. The facility operations includes abrasive blasting, open air and indoor surface coating of ships and parts, steel work, machinery, electrical and piping work. In addition, there are two (2) portable grit silos onsite.

Also included in this permit are miscellaneous unregulated/insignificant emissions units and/or activities.

PROJECT DESCRIPTION

The permit is for the purpose of renewing Title V Air Operation Permit No. 0310258-009-AV.

PRIMARY REGULATORY REQUIREMENTS

BAE Systems Southeast Shipyards is a Title V major source of pollution because the potential emissions of one or more individual criteria pollutants is equal to or greater than 100 tons per year in accordance with Chapter 62-210, Florida Administrative Code (FAC), and Rule 2.301, Jacksonville Environmental Protection Board (JEPB). Compliance Assurance Monitoring (CAM) does not apply to any of the units at the facility.

Based on the Title V Air Operation Permit Renewal application received January 19, 2012, this facility is a major source of hazardous air pollutants (HAPs).

PSD: The facility is a Prevention of Significant Deterioration (PSD)-major source of air pollution in accordance with Rule 62-212.400, FAC.

RACT: Emission Unit Nos. 018, 019, 020 and 021 are subject to RACT.

MACT: Emission Unit Nos. 018 and 020 are subject to 40 CFR 63, Subpart II – National Emission Standards for Shipbuilding and Ship Repair (Surface Coating), and 40 CFR 63, Subpart A – General Provisions (as described in Table 1 to Subpart II of Part 63 – General Provisions of Applicability to Subpart II).

Emission No. 022 is subject to 40 CFR 63, Subpart ZZZZ, National Emissions Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines. A new emergency stationary Reciprocating Internal Combustion Engine with a site rating of less than or equal to 500 brake HP located at a major source of HAP emissions must meet the requirements of this subpart by meeting the requirements of 40 CFR 60, Subpart IIII, Standards of Performance for Stationary Compression Ignition Internal Combustion Engines and 40 CFR 60, Subpart A, General Provisions.

Emission Unit No. 023 is subject to 40 CFR 63, Subpart ZZZZ - National Emissions Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines and 40 CFR 60, Subpart A, General Provisions.

PROJECT REVIEW

This permit is for the purpose of renewing Air Operation Permit No. 0310258-009-AV for the above referenced facility.

Emergency stationary combustion ignition reciprocating internal combustion engines (Emission Unit Nos. 022 and 023) were created**.**

In addition, the following minor changes from Permit No. 0310258-009-AV have been made to Title V Air Operation Permit No. 0310258-011-AV:

Additional facility-wide conditions were added to the body of Permit No. 0310258-011-AV. While these facility-wide conditions did not appear in the body of Permit No. 0310258-009-AV, they were already present in Appendix TV-6.

Additional specific conditions were added to Emissions Unit Nos. 018, 019, 020 and 021 for completeness.

The Steel Shot Blast Booths under Section III. Emissions Unit(s) and Conditions, Emission Unit No. 019 were renamed by the applicant. The new names have been incorporated into this permit.

The applicant added a statement to the work practices that constitute reasonable precautions for abrasive blasting and related activities under Section III. Emissions Unit(s) and Conditions, Emissions Unit No. 017 – Open Air Grit Blasting, Reasonable Assurances, Specific Condition No. 5.

Emission Unit No. 016 has been removed from the permit. The two (2) rental steam boilers under this Emission Unit and a new rental steam boiler have a heat input rate < 10MM Btu/hr and are listed in Appendix I-1, List of Insignificant Emissions Units and/or Activities.

The wording of Specific Condition No. 4 under Emission Unit No. 017 and the wording of Specific Condition Nos. 6 and 7 under Emission Unit Nos. 018 and 020 have been changed for clarification. In addition, Specific Condition No. 8 under Emission Unit Nos. 018 and 020 has been removed.

CONCLUSION

This project renews Title V Air Operation Permit No. 0310258-009-AV, which was issued on November 14, 2007. This Title V Air Operation Permit Renewal is issued under the provisions of Chapter 403, Florida Statutes (F.S.), and Chapters 62-4, 62-210 and 62-213, Florida Administrative Code (F.A.C.). In accordance with the terms and conditions of this permit, the above named permittee is hereby authorized to operate the facility as shown on the application and approved drawing(s), plans, and other documents on file with the Permitting Authority.

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