Florida Department of
Environmental Protection
Northwest District
160 W. Government Street
Pensacola, Florida 32502

Rick Scott
Governor

Carlos Lopez-Cantera
Lt. Governor

Herschel T. Vinyard Jr.
Secretary

October 22, 2014

PERMITTEE:

St. Marks Powder, Inc.
Post Office Box 222
St. Marks, Florida 32355

Authorized Representative:
Mr. Chris Haas, Director of Operations

Air Permit No. 1290003-023-AC
Facility ID No. 1290003
Project: Production Increase
Permit Expires: October 22, 2019

FACILITY AND LOCATION

St. Marks Powder is an existing propellant manufacturing plant, which is categorized under Standard Industrial Classification Code No. 2892. The facility is located at the intersection of U.S. 98 and S.R. 363, in Wakulla County, Florida. The UTM coordinates of the existing facility are Zone 16, 767.6 km East and 3342.1 km North.

REGULATORY CLASSIFICATION

Title III: The existing facility is not a major source of hazardous air pollutants (HAP).

Title IV: The existing facility has no units subject to the acid rain provisions of the Clean Air Act.

Title V: The existing facility is a Title V major source of air pollution (Chapter 62-213, F.A.C.).

PSD: The existing facility is a PSD-major source of air pollution (Rule 62-212.400, F.A.C.).

SPECIFIC CONDITIONS

1. Previous Permits. This permit supplements all previously issued air construction and operation permits for each emissions unit. Except for the changes noted below, the unit remains subject to the conditions of all other valid air construction and operations permits. [Rules 62-4.070(3) and 62-210.300(1), F.A.C., and Application No. 1290003-023-AC]

2. New Equipment. Except for the changes noted below, the new equipment authorized by this permit shall be subject to the same requirements, such as, but not limited to; emissions standards, recordkeeping, compliance testing and fuels limitations previously established for each emissions unit in all other legally binding air construction and operating permits. [Rules 62-4.070(3) and 62-210.300(1), F.A.C., and Application No. 1290003-023-AC]

3. Emissions Unit No. 11: Steam Boilers Nos. 1 and 2.

3.1. Annual Compliance Tests Required. During each federal fiscal year (October 1st to September 30th) when fuel oil is fired in the previous year for reasons other than natural gas curtailment, each boiler shall be tested to demonstrate compliance with the emissions standards for visible emissions (VE). The test period shall be for a minimum of 60 minutes. The fuel sulfur content and heat input for each boiler shall be recorded during the visible emissions tests and included in the test report. In addition to the annual compliance test specified above, a compliance test for VE shall be scheduled prior to the facility's Title V permit renewal application due date so the results can be included with the submission of the application. If the emissions unit is primarily fired with natural gas, and the unit has not operated using fuel oil in the previous year, except during periods of natural gas curtailment,

then compliance testing can be performed while burning natural gas, else testing shall be performed while firing fuel oil. Notification of compliance testing and completed test reports may be submitted by electronic mail to nwdair@dep.state.fl.us.
[Rules 62-210.300(2)(a) and 62-297.310(7)(a), F.A.C.; and Application No. 1290003-023-AC]

4. Emissions Unit No. 12: Propellant Surface Coating Operations.

4.1. Permitted Capacity. The maximum allowable rates for each coating operation are as follows:

Emission Point	Operation in VOC mode	Process Type	Maximum Production Rate in VOC mode	Maximum VOC Input Rate
12.1	North Coater	Continuous	4500 lb/hr	160 lb/hr
12.2	South Coater	Continuous	4500 lb/hr	160 lb/hr
12.3	North Sweetie Barrel	Batch (≥3-hr cycle)	600 lb/hr (1800 lb/batch)	67 lb/hr
	TOTAL		**9600 lb/hr**	**387 lb/hr**

Emission Point	Operation in PM mode	Process Type	Maximum Production Rate in PM mode	Maximum VOC Input Rate
12.1	North Coater	Continuous	4500 lb/hr	0 lb/hr
12.2	South Coater	Continuous	4500 lb/hr	0 lb/hr
12.3	North Sweetie Barrel	Batch (≥30 min cycle)	3600 lb/hr (1800 lb/batch)	0 lb/hr
	TOTAL		**12,600 lb/hr**	**0 lb/hr**

[Rules 62-4.070(3), 62-210.200(PTE), F.A.C.; Permit Nos. 1290003-013-AC, 1290003-016-AC; and Application No. 1290003-023-AC]

5. Emissions Unit No. 25: Five Existing Diesel Powered Emergency CI RICE.

Facility Location	Engine Type	Engine Manufacturer	Engine Model No.	Mfgr/ Model Year	Kw	Brake hp	Mfgr. Cert.
WWTP	Emergency	Onan	06152TA-A	1986	300	408	No
~~WWTP~~	~~Emergency~~	~~Hoffman~~	~~MD746~~	~~1969~~	~~90~~	~~122~~	~~No~~
Wet Line	Emergency	Belts Dayco	514074705-3251	1969	425	578	No
Magazine Road	Fire Pump	Wisconsin	VG4D	1969	12	17	No
Central Pump House	Fire Pump	Caterpillar	3208T	1994	173	235	No
Central Pump House	Fire Pump	Caterpillar	3208T	1996	173	235	No

EQUIPMENT

5.1. The permittee is authorized to remove the existing WWTP Emergency engine, 122 hp Hoffman MD746, from EU 025. [Application No. 1290003-023-AC]

6. Emissions Unit No. 26: Three New Diesel Powered Emergency CI RICE.

Facility Location	Engine Type	Engine Mfg	Engine Model No.	Kw	Brake hp	Mfg/Model Year
Medical/Security	Emergency	John Deere	4024HF285	40	54	2013
Central Pump House	Fire Pump	Cummins	QSB6.7-F	182	244	2010
WWTP	Emergency	TBD	TBD	TBD (Represented as <560)	TBD	TBD (Represented as "new" per NSPS Subpart IIII)

EQUIPMENT

6.1. The permittee is authorized to add a new diesel powered emergency engine (less than 560 Kw) to EU-026. [Application No. 1290003-023-AC]

7. Unregulated Emissions Units and Activities.

EU ID No.	Brief Description
013	Vacuum Pump Exhausts
014	Fugitive Emissions
015	Process Vessel Loading Losses
017	Propellant Dryer Exhausts
018	Lacquer Preparation Kettle Loading Losses
019	Solvent Storage Tanks

EQUIPMENT

7.1. The permittee is authorized to make the following equipment changes in the unregulated emissions units listed above.

a. Replace the Solvent Condenser for the "B" Coating Still with a larger condenser.
Affects emissions from emission unit EU-015, emission points EP-15.2 and EP-15.3; and emission unit EU-019, emission points EP-19.4 and EP-19.5.

b. Replace the Solvent Dryer Condenser with a larger condenser.
Affects emissions from EU-019, EP-19.2.

c. Replace the C/D Flash Evaporator Condenser with a larger condenser.
No units are directly associated with this change other than non-condensable vents.

d. Replace the fan motor, driveshaft, gear reducer, cooling water line and pump impeller, and increase blade pitch for the existing Solvent Drying Cooling Tower. (The cooling water flow rate will increase from 680 to 860 gpm). Affects emissions from EU-014, EP-14.2.

e. Add a new package Wastewater Treatment Plant.
Affects emissions from EU-014, EP-14.8.

f. Install a new Lacquer Hold Tank No. 2.
Affects emissions from EU-015, EP-15.7.

g. Replace South Dryer Dewater Feeder with larger dewater feeder.
Affects emissions from EU-017, EP-17.2.

h. Replace the North NG Tank with a larger tank. Affects emissions from EU-019, EP-19.7.

i. Replace the South NG Tank with a larger tank. Affects emissions from EU-019, EP-19.8.

j. Replace the Spent Acid Tank. (No effect on emissions - spent acid has no VOC releases).

k. Install a new solvent recycle Hold Tank for new Stream 26 (solvent recycle stream). Affects emissions from EU-019, EP-19.1 and EU-013, EP-13.1.

[Application No. 1290003-023-AC]

8. PSD Avoidance Recordkeeping and Reporting Requirements, Actual Emissions Reporting. Because this air construction permit avoids the requirements of subsections 62-212.400(4) through (12), F.A.C., based in whole or in part on projected actual emissions calculations, the permittee is subject to the following monitoring, reporting and recordkeeping provisions:

a. Permittee shall monitor the emissions of any PSD pollutant that the Department identifies could increase as a result of the construction or modification and that is emitted by any emissions unit that could be affected; and, using the most reliable information available, calculate and maintain a record of the annual emissions, in tons per year on a calendar year basis, for a period of ten years following resumption of regular operations after the change. Emissions shall be computed in accordance with the provisions in Rule 62-210.370, F.A.C. and consistent with the methods used to estimate projected emissions for this project.

b. Permittee shall report to the Department within 60 days after the end of each calendar year during the ten-year period setting out the unit's annual emissions during the calendar year that preceded submission of the report. The report shall contain the following:

1) The name, address and telephone number of the owner or operator of the major stationary source;

2) The annual emissions as calculated pursuant to the provisions of 62-210.370, F.A.C.;

3) If the emissions differ from the preconstruction projection, an explanation as to why there is a difference; and,

4) Any other information that the owner or operator wishes to include in the report.

The information required to be documented and maintained pursuant to subparagraphs 62-212.300(1)(e)1 and 2, F.A.C., shall be submitted to the Department, which shall make it available for review to the general public. For this project, the Department requires the annual reporting of actual VOC and PM/PM_{10} emissions for the following units:

EU ID No.	**Regulated Emission Unit Description**
012	Propellant Surface Coating Operations
EU ID No.	**Unregulated Emission Unit Description**
013	Vacuum Pump Exhausts
014	Fugitive Emissions
015	Process Vessel Loading Losses
017	Propellant Dryer Exhausts
018	Lacquer Preparation Kettle Loading Losses
019	Solvent Storage Tanks
Insignificant	Insignificant emissions units and/or activities affected by the project

[Rule 62-212.300(1)(e), F.A.C.]

9. Appendices A, B, C, D and U: The attached appendices A, B, C, D, & U are made a part of this permit. [Rule 62-4.070(3), F.A.C.]

STATEMENT OF BASIS

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, 62-213, 62-296 and 62-297 of the Florida Administrative Code (F.A.C.).

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 October 22, 2014 to the persons listed below.

Chris Haas, St. Marks Powder, Inc., chris.haas@gd-ots.com
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FILED, on this date, pursuant to Section 120.52(7), Florida Statutes, with the designated agency clerk, receipt of which is hereby acknowledged.

___/s/_____ October 22, 2014
Clerk Date