



# 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 17, 2014

*Sent by Electronic Mail – Received Receipt Requested*  
[andy.hicks@bergpipe.com](mailto:andy.hicks@bergpipe.com)

## **PERMITTEE**

Berg Steel Pipe Corp.  
1700 “E” Avenue  
Panama City, Florida 32401

Air Permit No. 0050048-009-AC  
Permit Expires: October 17, 2015

Authorized Representative:  
Mr. Andy Hicks, General Manager of Operations

Panama City Plant  
Title V Source Air Construction Permit  
Add existing RICE and remove EU010 conditions

This is the final air construction permit, which authorizes the removal of obsolete specific conditions for EU (emissions unit) 010, Fusion Bonded Epoxy Powder Surface Coating Activities; and incorporates an existing emergency stationary reciprocal internal combustion engine (RICE). The proposed work will be conducted at the Panama City Plant, which is a metal pipe coating facility (Standard Industrial Classification No. 3479). The facility is located in Bay County at 1700 “E” Avenue in Panama City, Florida. The UTM coordinates are Zone 16, 622.1 km East, and 3339.1 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, 62-213, 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 preconstruction review requirements in Rule 62-212.300, F.A.C., and is not subject to the preconstruction 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 October 17, 2014 to the persons listed below.

Andy Hicks, General Manager of Operations, Berg Steel Pipe Corp., [andy.hicks@bergpipe.com](mailto:andy.hicks@bergpipe.com)  
Veronica Sgro, P.E., Koogler & Associates, Inc., [vsagro@kooglerassociates.com](mailto:vsagro@kooglerassociates.com)  
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Tim Lister, EH & S Manager, Berg Steel Pipe Corp., [tim.lister@bergpipe.com](mailto:tim.lister@bergpipe.com)  
Tracy White, DEP Northwest District Branch Office, Panama City, [tracy.a.white@dep.state.fl.us](mailto:tracy.a.white@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/

October 17, 2014

\_\_\_\_\_  
Clerk

\_\_\_\_\_  
Date

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**SECTION 1. GENERAL INFORMATION**

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**FACILITY AND PROJECT DESCRIPTION****Existing Facility**

This facility includes two buildings, one previously owned by E.B. Pipe Coating, Inc. that includes the permitted operations of air operating permit 0050048-005-AO, which was transferred to Berg Steel Pipe Corp. in May 2012. The other building is and has been owned by Berg Steel Pipe Corp. and includes the pipe mill operations (designated as insignificant emissions) where sheet metal is rolled into pipes. The E.B. Pipe Coating building (that is now owned by Berg Steel Pipe Corp.) produces coating metal pipe by a series of heating (EU008), abrasive blasting (steel shot), acid washing (EU009), oven curing, outer-diameter powder coating (EU010) or solvent-based paint application (EU011), and outer-diameter pipe quenching. Some of the pipe additionally undergoes inner-diameter abrasive blasting, and powder or solvent-based paint coating, and oven curing. Particulate emissions are controlled by filter dust collectors.

Facility ID No. 0050048	
ID No.	Emission Unit Description
008	Eight Natural Gas Fired Pipe Heaters
009	Cleaning and Blasting Activities
010	Fusion Bonded Epoxy Powder Surface Coating Activities <i>{redesignated as insignificant activity}</i>
011	Solvent Based Paint Surface Coating Activities

**Proposed Project**

Provide a brief description of the proposed project being permitted. This project will add or modify the following emissions units.

Facility ID No. 0050048	
ID No.	Emission Unit Description
010	Fusion Bonded Epoxy Powder Surface Coating Activities <i>{redesignated as insignificant activity}</i>
012	Emergency Stationary Reciprocating Internal Combustion Engine (RICE) <i>{new # but existing EU}</i>

**FACILITY REGULATORY CLASSIFICATION**

- The facility is 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 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

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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](mailto: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, 62-212, 62-213, 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 Authority upon commencement of construction. Notification may be submitted by electronic mail to [nwdair@dep.state.fl.us](mailto:nwdair@dep.state.fl.us) and copied to the permitting authority at [epost\\_nwdwastear@dep.state.fl.us](mailto:epost_nwdwastear@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. Source Obligation:
  - (a) At such time that a particular source or modification becomes a major stationary source or major modification (as these terms were defined at the time the source obtained the enforceable limitation) solely by virtue of a relaxation in any enforceable limitation which was established after August 7, 1980, on the capacity of the source or modification otherwise to emit a pollutant, such as a restriction on hours of operation, then the requirements of subsections 62-212.400(4) through (12), F.A.C., shall apply to the source or modification as though construction had not yet commenced on the source or modification.
  - (b) At such time that a particular source or modification becomes a major stationary source or major modification (as these terms were defined at the time the source obtained the enforceable limitation) solely by exceeding its projected actual emissions, then the requirements of subsections 62-212.400(4) through (12), F.A.C., shall apply to the source or modification as though construction had not yet commenced on the source or modification.

[Rule 62-212.400(12), F.A.C.]

**SECTION 3. EMISSIONS UNIT SPECIFIC CONDITIONS**

**A. EU010 Fusion Bonded Epoxy Powder Surface Coating Activities**

This section of the permit addresses the following emissions unit.

<b>ID No.</b>	<b>Emissions Unit Description</b>
010	Fusion Bonded Epoxy Powder Surface Coating Activities

This emission unit includes equipment to coat heated spinning pipe with an epoxy powder which is fusion bonded to the pipe. Projects 0050048-007-AC and 0050048-008-AC replaced the existing powder spray booth and dust collectors with two new booths each having integrated dust collectors with primary and secondary filters that recirculate filtered air back into the work area. As a result, EU010 is now designated as an insignificant activity.

Twin cyclones are to be added to this emissions unit to capture large particles upstream of the current integrated dust collectors. The cyclones will replace the existing filter dust collectors.

**The following specific conditions apply to the emissions unit(s) listed above:**

1. Previous Permits: This permit supplements all previously issued air construction and operation permits for this emissions unit. Except for the change noted below, the unit remains subject to the conditions of all other legally binding air construction and operating permits. [Rules 62-4.070(3) and 62-210.300(1), F.A.C.]
2. Conditions Removed. The Permitted Capacity specific condition that limited the epoxy powder application rate for EU010 is now obsolete and hereby removed. The Recordkeeping and Reporting Requirements specific condition that requires 12-month rolling total summaries of epoxy powder consumption is also removed. [Application No. 0550048-009-AC]
3. The annual epoxy powder consumption for this insignificant activity will be recorded as part of the facility wide recordkeeping. [Application No. 0550048-009-AC]

**SECTION 3. EMISSIONS UNIT SPECIFIC CONDITIONS**

**B. Emissions Unit 012 Emergency Stationary Reciprocating Internal Combustion Engine**

This section of the permit addresses the following emissions unit.

<b>ID No.</b>	<b>Emissions Unit Description</b>
012	Emergency Stationary Reciprocating Internal Combustion Engine (RICE)

Emissions unit 012 is an existing emergency stationary compression ignition (CI) RICE but is being added as a new emissions unit (EU) because it was previously an unregulated unit without an EU number. The 237 horsepower (hp) Generac Model Number SD135 diesel engine powers the facility’s boiler feedwater pumps in the event of a loss of normal electric power from the grid. The unit powers the IT servers and database systems. The engine was purchased and started up in March of 2009 and has no emissions controls.

The following table provides important details for this/these emissions units:

<b>E.U. ID No.</b>	<b>Engine Brake HP</b>	<b>Date of Construction</b>	<b>Primary Fuel</b>	<b>Type of Engine</b>	<b>Displacement liters/cylinder(l/c)</b>	<b>Date of last mod. or reconst.</b>
012	237	03/2009	Diesel	Emergency	1.13 L/ cyl	N/A

**PERFORMANCE RESTRICTIONS**

1. **Authorized Fuel.** Diesel fuel must be used that meets the requirements in 40 CFR 80.510(b) for nonroad diesel fuel, except that any existing diesel fuel purchased (or otherwise obtained) prior to October 1, 2010, may be used until depleted. The following requirements must be met for non-road diesel fuel:
  - a. *Sulfur Content.* The sulfur content shall not exceed 15 ppm = 0.0015% weight for Non-Road fuel.
  - b. *Cetane and Aromatic.* The fuel must have a minimum cetane index of 40 or must have a maximum aromatic content of 35 volume percent.[40 CFR 60.4207(b) and 40 CFR 80.510(b)]
  
2. **Restricted Operation:** An emergency stationary ICE must be operated according to the requirements in paragraphs (f)(1) through (3) of 40 CFR 60.4211. Any operation other than emergency operation, maintenance and testing, emergency demand response, and operation in non-emergency situations for 50 hours per year, as described in paragraphs (f)(1) through (3) of 40 CFR 60.4211, is prohibited. If the engine is not operated according to the requirements in paragraphs (f)(1) through (3) of 40 CFR 60.4211, the engine will not be considered an emergency engine under 40 CFR 60 subpart IIII and must meet all requirements for non-emergency engines. The emergency stationary ICE may be operated for any combination of the purposes specified in paragraphs (f)(2)(i) through (iii) of 40 CFR 60.4211 for a maximum of 100 hours per calendar year. Any operation for non-emergency situations as allowed by paragraph (f)(3) of 40 CFR 60.4211 counts as part of the 100 hours per calendar year allowed by paragraph (f)(2).
  - a. *Emergency Situations.* There is no time limit on the use of emergency stationary RICE in emergency situations. [40 CFR 60.4211(f)(1)]
  - b. *Maintenance and Testing.* Emergency stationary ICE may be operated for maintenance checks and readiness testing, provided that the tests are recommended by federal, state, or local government, the manufacturer, the vendor, the regional transmission organization or equivalent balancing authority and transmission operator, or the insurance company associated with the engine. The owner or operator may petition the Administrator for approval of additional hours to be used for maintenance checks and readiness testing, but a petition is not required if the owner or operator maintains records indicating that federal, state, or local standards require maintenance and testing of emergency ICE beyond 100 hours per calendar year. [40 CFR 60.4211(f)(2)(i)]
  - c. *Emergency Demand Response.* Emergency stationary ICE may be operated for emergency demand response for periods in which the Reliability Coordinator under the North American Electric Reliability Corporation (NERC) Reliability Standard EOP-002-3, Capacity and Energy Emergencies (incorporated

### SECTION 3. EMISSIONS UNIT SPECIFIC CONDITIONS

#### B. Emissions Unit 012 Emergency Stationary Reciprocating Internal Combustion Engine

by reference, see 40 CFR 60.17), or other authorized entity as determined by the Reliability Coordinator, has declared an Energy Emergency Alert Level 2 as defined in the NERC Reliability Standard EOP-002-3. [40 CFR 60.4211(f)(2)(ii)]

- d. *Deviation of Voltage.* Emergency stationary ICE may be operated for periods where there is a deviation of voltage or frequency of 5 percent or greater below standard voltage or frequency. [40 CFR 60.4211(f)(2)(iii)]
- e. *Non-emergency Situations.* Emergency stationary ICE may be operated for up to 50 hours per calendar year in non-emergency situations. The 50 hours of operation in non-emergency situations are counted as part of the 100 hours per calendar year for maintenance and testing and emergency demand response provided in paragraph (f)(2) of 40 CFR 60.4211. Except as provided in paragraph (f)(3)(i) of 40 CFR 60.4211, the 50 hours per calendar year for non-emergency situations cannot be used for peak shaving or non-emergency demand response, or to generate income for a facility to an electric grid or otherwise supply power as part of a financial arrangement with another entity. . [40 CFR 60.4211(f)(3)]
- f. *Supply Power Conditions.* The 50 hours per year for non-emergency situations can be used to supply power as part of a financial arrangement with another entity if all of the following conditions are met:
  1. The engine is dispatched by the local balancing authority or local transmission and distribution system operator;
  2. The dispatch is intended to mitigate local transmission and/or distribution limitations so as to avert potential voltage collapse or line overloads that could lead to the interruption of power supply in a local area or region.
  3. The dispatch follows reliability, emergency operation or similar protocols that follow specific NERC, regional, state, public utility commission or local standards or guidelines.
  4. The power is provided only to the facility itself or to support the local transmission and distribution system.
  5. The owner or operator identifies and records the entity that dispatches the engine and the specific NERC, regional, state, public utility commission or local standards or guidelines that are being followed for dispatching the engine. The local balancing authority or local transmission and distribution system operator may keep these records on behalf of the engine owner or operator.

[40 CFR 60.4211(f)(3)(i)]

#### EMISSIONS STANDARDS

3. Emissions Standards: The owner or operator must comply with the certification emission standards for new nonroad CI engines for the same model year and maximum engine power in 40 CFR 89.112 and 40 CFR 89.113 for all pollutants. Owners and operators of stationary CI ICE must operate and maintain stationary CI ICE that achieve the emission standards as required in 40 CFR 60.4205 over the entire life of the engine. [40 CFR 60.4202(a)(2), 60.4205(b), and 60.4206]
4. NMHC and NO<sub>x</sub> Emissions. Nonmethane hydrocarbon plus nitrogen oxide emissions shall not exceed 4.0 g/KW-hr. [40 CFR 60.4202(a)(2), 60.4205(b), and 40 CFR 89.112]
5. CO Emissions. Carbon monoxide emissions shall not exceed 3.5 g/KW-hr. [40 CFR 60.4202(a)(2), 60.4205(b), and 40 CFR 89.112]
6. PM emissions. Particulate matter emissions shall not exceed 0.20 g/KW-hr. [40 CFR 60.4202(a)(2), 60.4205(b), and 40 CFR 89.112]
7. Exhaust Opacity. Opacity levels are to be measured and calculated as set forth in 40 CFR part 86, subpart I. Exhaust opacity must not exceed the following:
  - a. *Acceleration mode:* 20% during acceleration mode.
  - b. *Lugging mode:* 15% during lugging mode.

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## SECTION 3. EMISSIONS UNIT SPECIFIC CONDITIONS

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### B. Emissions Unit 012 Emergency Stationary Reciprocating Internal Combustion Engine

- c. *Either acceleration or lugging modes.* 50% during the peaks in either the acceleration or lugging modes.

[40 CFR 60.4202(a)(2), 60.4205(b), and 40 CFR 89.113]

### MONITORING REQUIREMENTS

8. Hour Meter. The owner or operator must install a non-resettable hour meter if one is not already installed.  
[40 CFR 60.4209(a)]

### COMPLIANCE

9. Compliance Requirements. Owner or operator must demonstrate compliance according to all of the following:
- Operate and maintain the stationary CI internal combustion engine and control device according to the manufacturer's emission-related written instructions.
  - Change only those emission-related settings that are permitted by the manufacturer; and
  - Meet the requirements of 40 CFR Part 89, 94, and/or 1068, as applicable.
  - Purchase an engine certified to the emission standards in 40 CFR 60.4205(b) for the same model year and maximum engine power. The engine must be installed and configured according to the manufacturer's emission-related specifications, except as permitted in paragraph (g) of 40 CFR 60.4211.  
[40 CFR 60.4211(a) & (c)]
10. Alternative Compliance. If the engine is not installed, configured, operated, and maintained according to the manufacturer's emission-related written instructions, or emission-related settings are changed in a way that is not permitted by the manufacturer, compliance must be demonstrated by keeping a maintenance plan and records of conducted maintenance and must, to the extent practicable, maintain and operate the engine in a manner consistent with good air pollution control practice for minimizing emissions. In addition, an initial performance test must be conducted to demonstrate compliance with the applicable emission standards within 1 year of startup, or within 1 year after an engine and control device is no longer installed, configured, operated, and maintained in accordance with the manufacturer's emission-related written instructions, or within 1 year after emission-related settings are changed in a way that is not permitted by the manufacturer. [40 CFR 62.11(g)]

### RECORDS AND REPORTS

11. Annual Report. If the emergency engine is operated for the purposes specified in 40 CFR 60.4211(f)(3)(i), an annual report must be submitted according to the following requirements:
- The report must contain the following information:
    - Company name and address where the engine is located.
    - Date of the report and beginning and ending dates of the reporting period.
    - Engine site rating and model year.
    - Latitude and longitude of the engine in decimal degrees reported to the fifth decimal place.
    - Hours operated for the purposes specified in 40 CFR 60.4211(f)(2)(ii) and (iii), including the date, start time, and end time of engine operation.
    - Number of hours the engine is contractually obligated to be available for the purposes specified in 40 CFR 60.4211(f)(2)(ii) and (iii).
    - Hours spent for operation for the purposes specified in 40 CFR 60.4211(f)(3)(i), including the date, start time, and end time for engine operation for the purposes specified in 40 CFR 60.4211(f)(3)(i).

### SECTION 3. EMISSIONS UNIT SPECIFIC CONDITIONS

#### B. Emissions Unit 012 Emergency Stationary Reciprocating Internal Combustion Engine

The report must also identify the entity that dispatched the engine and the situation that necessitated the dispatch of the engine.

- b. The first annual report must cover the calendar year 2015 and must be submitted no later than March 31, 2016. Subsequent annual reports for each calendar year must be submitted no later than March 31 of the following calendar year.
- c. The annual report must be submitted electronically using the subpart specific reporting form in the Compliance and Emissions Data Reporting Interface (CEDRI) that is accessed through EPA's Central Data Exchange (CDX) ([www.epa.gov/cdx](http://www.epa.gov/cdx)). However, if the reporting form specific to this subpart is not available in CEDRI at the time that the report is due, the written report must be submitted to the Administrator at the appropriate address listed in 40 CFR 60.4.

[40 CFR 60.4214(d)]

#### GENERAL PROVISIONS

12. 40 CFR 60 Subpart A, General Provisions. This engine shall comply with all applicable requirements of 40 CFR 60 Subpart A, General Provisions, which have been adopted by reference in Rule 62-204.800(8)(d), F.A.C. This engine shall comply with the applicable portions of Appendix 40 NSPS Subpart A included with this permit, as specified below.

General Provisions Citation	Subject of Citation
§ 60.1	General applicability of the General Provisions
§ 60.2	Definitions (see also 40 CFR 60.4219)
§ 60.3	Units and abbreviations
§ 60.4	Address
§ 60.5	Determination of construction or modification
§ 60.6	Review of plans
§ 60.7	Notification and Recordkeeping (as specified in 40 CFR 60.4214(a))
§ 60.8	Performance tests (if required)
§ 60.9	Availability of information
§ 60.10	State Authority
§ 60.12	Circumvention
§ 60.14	Modification
§ 60.15	Reconstruction
§ 60.16	Priority list
§ 60.17	Incorporations by reference
§ 60.19	General notification and reporting requirements

[40 CFR 60.4218]