STATEMENT OF BASIS

BP Products North America, Inc.
Facility ID No.: 0310179
Duval County

Initial Title V Air Operation Permit
PROPOSED Air Operation Permit No.: 0310179-014-AV

This permit is the Initial Title V Air Operation Permit, No. 0310179-014-AV. This permit is for the purpose of incorporating the applicable terms and conditions identified in Construction Permit No. 0310179-012-AC issued on April 8, 2010 and Construction Permit No. 0310179-013-AC issued on June 24, 2010. BP Products North America, Inc. is a bulk petroleum products storage and distribution terminal.

This Title V Air Operation Permit is issued under the provisions of Chapter 403, Florida Statutes (FS), and Chapters 62-4, 62-210 and 62-213, Florida Administrative Code (FAC). The above named permittee is hereby authorized to operate the facility shown on the application and approved drawing(s), plans, and other documents, attached hereto or on file with the permitting authority, in accordance with the terms and conditions of this permit.

BP Products North America, Inc. is a bulk petroleum products storage and distribution terminal. Petroleum products (gasoline, diesel fuel, kerosene and jet fuel) and denatured ethanol are received from sea going vessels, railcar tankers and tanker trucks. These products are stored in the appropriate fixed or floating roof storage tanks. Gasoline, diesel fuel, denatured ethanol and jet fuel are then loaded into tanker trucks at one of the two tank truck loading rack systems. VOC and HAP emissions from these loading operations are controlled by use of either a carbon adsorption/absorption vapor recovery unit (VRU) or a vapor combustion unit (VCU). Distillates, denatured ethanol, and/or lower vapor pressure petroleum products can be loaded into marine vessels and railcar tankers. Petroleum contact water (PCW) from storm water and spills at the truck loading rack and from water draws from the gasoline and distillate storage tanks go to PCW tanks and is stored until it is shipped offsite for disposal.

Summary of Emission Unit (EU) ID Nos. and Brief Descriptions

EU No.	EU Description, Terminal A
011	Petroleum Storage Tank Nos. 113 and 116 [NSPS, Subpart Kb]
016	Terminal A Tank Truck Loading System and Denatured Ethanol loading System
019	Petroleum/Denatured Ethanol Storage Tank Nos. 102 through 105, and 109 through 112 [RACT]
020	Fixed Roof Petroleum Storage Tank Nos. 106, 108, 114, 115, and 117
022	Marine Petroleum Loading System

023 Railcar Tanker Loading System

EU No.	**EU Description, Terminal B**
024	Terminal B Tank Truck Loading Rack
026	Petroleum Storage Tank No. 1
027	Petroleum/Denatured Ethanol Storage Tank Nos. 2, 3, and 4 [RACT]
028	Petroleum/Denatured Ethanol Storage Tank No. 5 [NSPS, Subpart Ka]

Additional Emission Units:

EU No.	**EU Description**
030	Fugitive VOC and Fugitive HAP Emissions
032	Emergency Diesel Engines

This facility shall be subject to the following subparts:

40 CFR 60, Subpart A, General Provisions (Emission Unit No. 032)

40 CFR 60, Subpart Ka, Standards of Performance for Storage Vessels for Petroleum Liquids for Which Construction Reconstruction, or Modification Commenced after May 18, 1978, and prior to July 23, 1984 (Emission Unit No.028)

40 CFR 60, Subpart Kb, Standards of Performance for Volatile Organic Liquid (VOL) Storage Vessels (Including Petroleum Liquid Storage Vessels) for Which Construction, Reconstruction, or Modification Commenced after July 23, 1984 (Emission Unit No. 011)

40 CFR 60, Subpart XX, Standards of Performance for Bulk Gasoline Terminals (Emission Unit No. 024)

40 CFR 63, Subpart A, General Provisions, Reporting Requirements, Notification Requirements, and Standards of Performance (Emission Unit Nos. 011, 016, 019, 024, 027, 028 and 030)

40 CFR 63, Subpart R, National Emission Standards for Gasoline Distribution Facilities (Bulk Gasoline Terminals and Pipeline Breakout Stations: 40 CFR 63. 420(a), 40 CFR 63. 420(c), and 40 CFR 63.428(i) (Facility)

40 CFR 63, Subpart BBBBBB, National Emission Standards for Hazardous Air Pollutants for Source Category: Gasoline Distribution Bulk Terminals, Bulk Plants, and Pipeline Facilities (Emission Unit Nos. 011, 016, 019, 024, 027, 028 and 030)

The Marine Vessel Loading Operation (Emission Unit No. 022) shall not be subject to the National Emission Standards for Marine Tank Vessel Tank Loading Operations [40 CFR 63, Subpart Y] since the Marine Tank Vessels Tank Loading Operation is not a major source.

The Tank Truck Loading System at Terminal A (Emission Unit No 016) shall not be subject to 40 CFR 60, Subpart XX, Standards of Performance for Bulk Gasoline Terminals since the replacement of an existing vapor processing system with a new vapor processing system did not constitute the building of a new loading rack nor modification or reconstruction of an existing loading rack. Refer to BP Products North America, Inc. letter dated September 10, 2002.

The following minor changes from Permit No. 0310179-013-AC has been made to Initial Title V Air Operation Permit No. 0310179-014-AV:

The Control Device Description under Emission Unit Nos. 016 and 024 has been clarified. The Carbon Adsorption/Absorption Vapor Recovery Unit (VRU), Jordan Model JT-9078-8540-700 is located at Terminal A and the Callidus, Inc. Vapor Combustion Unit [VCU (Backup)] is located at Terminal B.

The Emission Unit Description for Emission Unit No. 030, Fugitive VOC and Fugitive HAP Emissions has been clarified. Tank water bottoms has been removed from the description so that the facility wide miscellaneous fugitive emissions includes only fugitive emissions from the pumps, valves & fittings, flanges, truck loading racks, and roof landings.

See Bob baker E-mail dated August 10, 2011.

All tanks except the Petroleum Contact Water Tanks that were originally placed under Emission Unit No. 021, Miscellaneous Storage Tanks, Terminal A and Emission Unit No. 029, Miscellaneous Storage Tanks, Terminal B in Air Construction Permit No. 0310179-013-AC have been listed in Appendix I-1, List of Insignificant Emissions Units and/or Activities since the emissions are minimal. The following tanks have been renamed as follows:

Tank J has been renamed Tank No. 150J
Tank E has been renamed Tank No. 151E

See Bob Baker e-mail dated July 19, 2011.

Tank No. 154 was not in Air Construction Permit No. 0310179-014-AC and has been listed in Appendix I-1, List of Insignificant Emissions Units and/or Activities:

See Bob Baker e-mail dated July 19, 2011.

New Emission Unit No. 031, Petroleum Contact Water (PCW) Tanks, has been created and placed in Appendix U-1, List of Unregulated Emission Units and/or Activities. Tank Nos. 152 and 153 were originally under Emission Unit No. 021 and Tank B was originally under Emission Unit No. 029 in Construction Permit No. 0310179-013-AC. The PCW is comprised of spills and stormwater at the truck loading racks, wastewater from internal tank cleanings and tank water draws from the gasoline and distillate storage tanks. The PCW tanks have been renamed as follows: Petroleum Contact Water Tank No. 150 has been renamed Tank No. 152 and Petroleum Contact Water Tank No. 151 has been renamed Tank No. 153. Emission Unit Nos. 021 and 029 no longer exist. The miscellaneous tanks that were under Emission Units Nos. 021 and 029 are listed in Appendix I-1, List of Insignificant Emissions Units and/or Activities.

New Emission Unit No. 032, Emergency Diesel Engines, has been created and added to this permit. The engines are listed below.

Description of Engine	Year Built	Displacement/ Horsepower	Rule Applicability
250 KW Cummins Emergency Generator	2010	1.5 Liters/Cylinder & 399 HP	40 CFR Part 60, Subpart IIII
500 KW Cummins Emergency Generator	2009	2.5 Liters/Cylinder & 755 HP	40 CFR Part 60, Subpart IIII
800 KW Cummins Emergency Generator	2010	2.5 Liters/Cylinder & 1490 HP	40 CFR Part 60, Subpart IIII
175 HP Clarke Fire Pump	2007	1.1 Liters/Cylinder & 175 HP	40 CFR Part 60, Subpart IIII

These emission units are regulated under 40 CFR 60, Subpart IIII, Standards of Performance for Stationary Compression Ignition Internal Combustion Engines and 40 CFR 60, Subpart A, General Provisions.

The construction of the internal floating roof for Tank No. 108 has not begun. Therefore, Tank No. 108 will not be placed under Emission Unit No. 011 as indicated in Permit No. 0310179-013-AC. This tank will remain under Emission Unit No. 020. Upon completion of construction of the internal floating roof for Tank No. 108, a Title V Revision of Permit No. 0310179-014-AV will be necessary to place Tank No. 108 under Emission Unit No. 011.

Changes have been made to the draft permit as a result of the comments of Mr. Robert A. Baker, P.E. Responses to Mr. Baker's comments have been incorporated into the Proposed Determination.

The following changes have been made to the Statement of Basis:

From: The following tanks were not in Air Construction Permit No. 0310179-013-AC and have been listed in Appendix I-1, List of Insignificant Emissions Units and/or Activities:

Tank No. 12 (1,700 Gallons) with Emergency Generator
Tank No. 13 (1,700 Gallons) with Emergency Generator
Tank No. 14 (4,200 Gallons) with Emergency Generator
Tank No. 15 (300 Gallons) with Fire Pump
Tank No. 16 (100 Gallons) with Emergency Generator by Warehouse
Tank No. 154 (8,000 Gallons) - Invigorate Gasoline Additive

To: Tank No. 154 was not in Air Construction Permit No. 0310179-014-AC and has been listed in Appendix I-1, List of Insignificant Emissions Units and/or Activities:

Tank No. 12 with Emergency Generator, Tanks No. 13 with Emergency Generator, Tank No. 14 with Emergency Generator and Tank No. 15 with Clarke Fire Pump have been removed from Appendix I-1, List of Insignificant Emissions Units and/or Activities since they have already been placed under Emission Unit No. 032, Emergency Diesel Engines.

Tank No. 16 with an emergency generator by a warehouse on the property of BP Products North America, Inc has also been removed from Appendix I-1, List of Insignificant Emissions Units and/or Activities. The tank and emergency generator are owned by Pipeline Transportation, Inc., a tenant on the property of BP Products North America. BP Products of North America, Inc. and Pipeline Transportation, Inc. are under separate ownership.

Pipeline Transportation is not under the direct control of BP North America, Inc. and does not support any activities of BP Products North America, Inc.

Additional language describing new Emission Unit No. 031, Petroleum Contact Water (PCW) Tanks, has been added to indicate Emission Unit Nos. 021 & 029 no longer exist. In addition, the miscellaneous tanks that were under Emission Units Nos. 021 and 029 are now listed in Appendix I-1, List of Insignificant Emissions Units and/or Activities.

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

Emission Unit Nos. 016 and 024 are subject to Compliance Assurance Monitoring (CAM) requirements. Appendix CAM is attached.

Based on the Title V Air Operation Permit application received June 20, 2011, this facility is not a major source of hazardous air pollutants (HAPs).