Halcorp, Incorporated
Pensacola Asphalt Terminal
Facility ID No.: 0330060
Escambia County

Air Operation Permit
Permit No.: 0330060-010-AO

Permitting and Compliance Authority
Department of Environmental Protection
Northwest District Office
160 W. Government Street, Suite 308
Pensacola, FL 32502-5740
Telephone: 850/595-8300
Fax: 850/595-8096

[Electronic file name: 0330060-010-AO.doc]

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Florida Department of
Environmental Protection
Northwest District
160 W. Government Street, Suite 308
Pensacola, Florida 32502-5740

Rick Scott
Governor

Jennifer Carroll
Lt. Governor

Herschel T. Vinyard Jr.
Secretary

Permittee:
Halcorp, Incorporated

Permit No.: 0330060-010-AO
Facility ID No.: 0330060
SIC No(s).: 51, 5171
Project: Air Operation Permit Renewal

This permit is for the operation of the Pensacola Asphalt Terminal located at 640 S. Barracks, Escambia County; UTM Coordinates: Zone 16, 479.6 km East and 3363.4 km North; Latitude: 30° 24' 13" North and Longitude: 87° 12' 43" West.

STATEMENT OF BASIS: This air operation permit is issued under the provisions of Chapter 403, Florida Statutes (F.S.) and Florida Administrative Code (F.A.C.) Chapters 62-4 and 62-210. The above named permittee is hereby authorized to perform the work or 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.

Effective Date: January 5, 2012
Renewal Application Due Date: November 6, 2016
Expiration Date: January 5, 2017

FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION

/s/

Rick Bradburn
Air Program Administrator

RB/aj/c

Section I. Facility Information.

This is a renewal of Permit 0330060-009-AO, effective February 28, 2007. Construction permit 0330060-003-AC allowed the use of No. 2 Distillate fuel oil for Emissions Unit (EU) 067. The facility no longer uses No. 2 Distillate on the heaters and the piping and storage for the No. 2 Distillate have been removed. References to No. 2 Distillate fuel oil have been removed from this renewal permit.

Emissions Unit 067 consists of the two natural gas fired heaters, identified as Heaters 1 and 2. Heater 2 (South Heater) is temporarily out of service as of the effective date of this permit. The duration of the visible emissions test required for EU 067 has been changed in this renewal to reflect rule requirements.

Subsection A. Facility Description.

This facility consists of an asphalt terminal with heated tanks. Asphalt is received by barge and pumped into asphalt storage tank No. 3. Asphalt is transferred into No. 6 storage tank, then to a smaller working tank, and subsequently loaded into tanker trucks. Emissions from tanker truck loading are collected by an asphalt vapor collection system and treated by a venturi scrubber.

This facility also consists of the two natural gas fired heaters, with a maximum heat input of 10.59 MMBtu/hr each. The heaters are used to heat thermal fluid (hot oil) contained in a piping system that heats the tanks.

In addition, the facility has the following small tanks that are exempt based on Rule 62-210.300(3)(b), F.A.C.:

Identification/Name	Container Location	Capacity = gallons	Oil Type
Tank No. 7	NE of Truck Rack	8,022 (191 bbls)	Hydrolene
Tank No. 8	NE of Truck Rack	8,232 (196 bbls)	Anti-Strip
Tank No. 9	NE of Truck Rack	8,232 (196 bbls)	Hydrolene
TankNo. 10	SE of Storage Bldg	2,394 (57 bbls)	Heat Transfer Oil
Overflow Reserve Tank	Below Tank No. 10	500	Heat Transfer Oil

bbls = barrels

Based on the permit application received October 14, 2011, this facility is not a major source of hazardous air pollutants (HAP).

Subsection B. Summary of Emissions Unit ID No(s). and Brief Description(s).

E.U. ID No.	Brief Description
066	Truck Loading Rack, Storage Tanks 3 & 6, and Barge Offloading
067	Two Natural Gas fired Hot Oil Heaters

Please reference the Permit No., Facility ID No., and appropriate Emissions Unit(s) ID No(s). on all correspondence, test report submittals, applications, etc.

Subsection C. Relevant Documents.

The documents listed below are not a part of this permit; however, they are specifically related to this permitting action.

These documents are on file with permitting authority:
Permit Application received October 14, 2011

Section II. Facility-wide Conditions.

The following conditions apply facility-wide:

1. APPENDIX G-1, GENERAL CONDITIONS, is a part of this permit.

2. General Pollutant Emission Limiting Standards. Objectionable Odor Prohibited. The permittee shall not cause, suffer, allow, or permit the discharge of air pollutants that cause or contribute to an objectionable odor. Objectionable odor is any odor present in the outdoor atmosphere that by itself or in combination with other odors is or may be harmful or injurious to human health or welfare, which unreasonably interferes with the comfortable use and enjoyment of life or property, or which creates a nuisance.

In the event of objectionable odor complaints verified by the Department, the permittee shall evaluate the applicability and feasibility of additional odor control devices to reduce emissions of objectionable odors, and shall provide the Department appropriate plans and a time schedule for the installation of the additional odor control devices. The plans and time schedule shall be submitted to the Department within three months of notification of verified objectionable odor complaints.
[Rule 62-296.320(2), F.A.C., and Letter from DEP dated April 6, 2007]

3. General Particulate Emission Limiting Standards. General Visible Emissions Standard. Except for emissions units that are subject to a particulate matter or opacity limit set forth or established by rule and reflected by conditions in this permit, no person shall cause, let, permit, suffer or allow to be discharged into the atmosphere the emissions of air pollutants from any activity, the density of which is equal to or greater than that designated as Number 1 on the Ringelmann Chart (20 percent opacity). EPA Method 9 is the method of compliance pursuant to Chapter 62-297, F.A.C. [Rules 62-296.320(4)(b)1. & 4., F.A.C.]

4. Special Compliance Tests. When the Department, after investigation, has good reason (such as complaints, increased visible emissions or questionable maintenance of control equipment) to believe that any applicable emission standards contained in a Department rule or in a permit issued pursuant to those rules is being violated, it may require the owner or operator of the emissions unit to conduct compliance tests that identify the nature and quantity of pollutant emissions from the emissions unit and to provide a report on the results of said tests to the Department. [Rule 62-297.310(7)(b), F.A.C.]

5. General Pollutant Emission Limiting Standards. Volatile Organic Compounds (VOC) Emissions or Organic Solvents (OS) Emissions. The permittee shall allow no person to store, pump, handle, process, load, unload or use in any process or installation, volatile organic compounds (VOC) or organic solvents (OS) without applying known and existing vapor emission control devices or systems deemed necessary and ordered by the Department. All containers that are used for temporary and permanent storage of VOCs or organic solvents shall be covered where feasible to prevent vaporization of organic compounds when not in use. All equipment, pipes, hoses, lids, fittings, etc., shall be operated and maintained in such a manner as to minimize leaks, fugitive emissions, and spills of VOC materials. [Rule 62-296.320(1), F.A.C.]

6. 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.]

7. No person shall cause, let, permit, suffer or allow the emissions of unconfined particulate matter from any activity, including vehicular movement; transportation of materials; construction, alteration, demolition or wrecking; or industrially related activities such as loading, unloading, storing or handling; without taking reasonable precautions to prevent such emissions. Reasonable precautions to prevent emissions of unconfined particulate matter at this facility include:

a) Paving and maintenance of roads, parking areas and yards.
b) Use of hoods, fans, filters, and similar equipment to contain, capture and/or vent particulate matter.

[Rule 62-296.320(4)(c), F.A.C.]

8. Sixty days prior to the expiration date of this operation permit, the Permittee shall submit two permit renewal applications using the current version of the renewal form along with the processing fee established in Rule 62-4.050(4), F.A.C., to the Northwest District office of the Department. [Rule 62-4.090, F.A.C.]

9. The permittee shall submit all compliance related notifications and reports required of this permit to the Department's Northwest District office:

Department of Environmental Protection
Northwest District Office
160 W. Government Street, Suite 308
Pensacola, Florida 32502-5740
Telephone: 850/595-8300; Fax: 850/595-8096

Notification of compliance testing may be submitted by electronic mail to nwdair@dep.state.fl.us.

10. The Department telephone number for reporting problems, malfunctions or exceedances under this permit is 850/595-0578, day or night, and for emergencies involving a significant threat to human health or the environment is 800/320-0519. For routine business, telephone 850/595-8300 during normal working hours. [Rules 62-210.700 and 62-4.130, F.A.C.]

Section III. Emissions Unit(s) and Conditions.

Subsection A. This section addresses the following emissions unit.

E.U. ID No.	Brief Description
066	Truck loading rack, storage tanks 3 & 6, and barge offloading

Asphalt is received by barge and pumped into asphalt storage tank No. 3. Asphalt is transferred into storage tank No. 6, then to a smaller working tank, and subsequently loaded into tanker trucks. Emissions from tanker truck loading are collected by an asphalt vapor collection system and treated by a venturi scrubber.

The following specific conditions apply to the emissions unit listed above:

Essential Potential to Emit (PTE) Parameters

A.1. Capacity. The truck loading rate shall not exceed 450 gallons/minute or approximately three 5,500-gallon trucks/hour per lane (approximately six trucks per hour for both lanes). [Rules 62-4.160(2) and 62-210.200(PTE), F.A.C.]

A.2. Hours of Operation. This emissions unit is allowed to operate continuously, i.e., 8,760 hours/year. [Rules 62-4.160(2) and 62-210.200(PTE), F.A.C.]

Operation

A.3. Truck Loading. Truck loading shall not occur unless the asphalt vapor collection and treatment system is operating in good condition. This system is described by letters dated November 25, 1996 from Coastal Fuels Marketing, Inc., and January 22, 1996 from Advanced Biological Solutions, Inc. [Rule 62-4.070, F.A.C., and Permit Application received December 6, 2006]

Record Keeping Requirements

A.4. Permittee shall maintain a record identifying on a daily basis: number of trucks loaded, wind velocity and direction. In additional, the permittee shall maintain records of objectionable odor complaints received by Permittee, identifying the meteorological conditions at the time of the complaint (wind direction, velocity, temperature) and describing the particulars of the complaint and the follow up actions taken as a result of the complaint. These records shall be maintained at the facility for a period of five years, and shall be made available as necessary for Department inspection. [Rule 62-4.070, F.A.C.]

Section III. Emissions Unit(s) and Conditions.

Subsection B. This section addresses the following emissions unit.

E.U. ID No.	**Brief Description**
067	Two Natural Gas fired hot oil heaters

Heaters 1(North) and 2 (South) are subject to the requirements of 40 CFR Part 60 Subpart Dc - Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units, which applies to boilers constructed after June 9, 1989 with a heat input between 10 and 100 MMBtu/hr and produces steam or heats water or any other heat transfer medium. Subpart Dc requires record keeping for natural gas. Construction permit 0330060-003-AC allowed the use of No. 2 Distillate fuel oil for EU 067. The facility no longer uses No. 2 Distillate on the heater. References to No. 2 Distillate fuel oil have been removed from this renewal permit.

{Permit Note: Heater 2 (South Heater) is temporarily out of service.}

The following specific conditions apply to the emissions unit listed above:

Essential Potential to Emit (PTE) Parameters

B.1. Capacity. The maximum allowable operating rate for each heater is 10.59 MMBtu/hr heat input [Rules 62-4.160(2), and 62-210.200(PTE), F.A.C.; and Permit 0330060-003-AC]

B.2. Methods of Operation - (i.e., Fuels). Each heater shall use only natural gas. [Rule 62-4.070, F.A.C., Permit 0330060-003-AC, and permittee request e-mail dated 1/03/2012]

B.3. Hours of Operation. This emissions unit is allowed to operate continuously, i.e., 8,760 hours/year. [Rules 62-4.160(2) and 62-210.200(PTE), F.A.C.]

Emission Limitations and Standards

B.4. Visible Emissions. Visible emissions shall not exceed 20 percent opacity except for one six-minute period per hour during which opacity shall not exceed 27 percent. [Rule 62-296.406(1), F.A.C., and Permit 0330060-003-AC]

Test Methods and Procedures

B.5. Visible Emissions. Visible emissions tests are required to show compliance with the standards of the Department. The test results must provide reasonable assurance that each heater is capable of compliance at the permitted maximum operating rate. The visible emissions tests for each heater shall be conducted in accordance with EPA Method 9 for one hour. Such tests shall be scheduled during the Federal fiscal year (Oct 1 – Sept 30) prior to permit expiration. The Department shall be notified at least 15 days prior to testing to allow witnessing. Results shall be submitted to the Department within 45 days after testing. [Rules 62-4.070, 62-296.406(1), 62-297.310(7) and 62-297.401(9), F.A.C.; Permit 0330060-003-AC]

B.6. Heater 2 (South Heater) is temporarily out of service as of the effective date of this permit. Prior to placing the emissions unit back in operation, the permittee shall:

a. Advise the Department within seven days of startup.
b. Conduct tests for visible emissions within 30 days after achieving permitted capacity.

[Rules 62-4.070, 62-296.406(1), 62-297.310(7) and 62-297.401(9), F.A.C.; Permit 0330060-003-AC]

B.7. The test reports shall comply with applicable portions of Rule 62-297.310, Test Reports, F.A.C. The Department can require special compliance tests in accordance with Rule 62-297.310(7), F.A.C. Other test methods and alternate compliance procedures may be used only after prior Departmental approval has been obtained in writing. [Rules 62-297.310(7) and 62-297.620(1), F.A.C.]

B.8. Testing of emissions shall be conducted with the source operating at capacity. Capacity is defined as 90-100% of rated capacity. If it is impractical to test at capacity, sources may be tested at less than capacity; in this case subsequent source operation is limited to 110% of the test load until a new test is conducted. Once the unit is so limited, operation at higher capacities is allowed for no more than 15 days for purposes of additional compliance testing to regain the rated capacity in the permit, with prior notification to the Department. [Rules 62-297.310(2) and 62-4.070, F.A.C.]

Recordkeeping and Reporting Requirements

B.9. Permittee shall submit reports to the Department, postmarked by the 30th day following each six-month period during which natural gas is used. [Rule 62-204.800(8)(b)4, F.A.C., and 40 CFR 60.48c(j)]

B.10. The submitted reports shall identify the calendar dates in the reporting period, and records of fuel supplier certification**.** The report shall also include a certified statement signed by the owner or operator that the records of fuel supplier certifications submitted represent all of the fuel combusted during each calendar month. [Rules 62-204.800(8)(b)4., and 62-4.070, F.A.C., 40 CFR 60.48c(e)(11), and Permit 0330060-003-AC]

B.11. (a) Except as provided under paragraphs (b) and (c) of this specific condition, the owner or operator of each affected facility shall record and maintain records of the amount of each fuel combusted during each operating day.
(b) As an alternative to meeting the requirements of paragraph (a) of this specific condition, the owner or operator of an affected facility that combusts only natural gas, wood, fuels using fuel certification in §60.48c(f) to demonstrate compliance with the SO_2standard, fuels not subject to an emissions standard (excluding opacity), or a mixture of these fuels may elect to record and maintain records of the amount of each fuel combusted during each calendar month.
(c) As an alternative to meeting the requirements of paragraph (b) of this section, the owner or operator of an affected facility or multiple affected facilities located on a contiguous property unit where the only fuels combusted in any steam generating unit (including steam generating units not subject to this subpart) at that property are natural gas, wood, distillate oil meeting the most current requirements in §60.42C to use fuel certification to demonstrate compliance with the SO_2standard, and/or fuels, excluding coal and residual oil, not subject to an emissions standard (excluding opacity) may elect to record and maintain records of the total amount of each steam generating unit fuel delivered to that property during each calendar month.
[Rules 62-204.800(8)(b)4., and 62-4.070, F.A.C., 40 CFR 60.48c(g), and Permit 0330060-003-AC]

B.12. These records shall be maintained at the facility for a period of five years, and shall be made available as necessary for Department inspection. [Rule 62-4.070, F.A.C., and Permit 0330060-003-AC]

40CFR Part 60 Subpart A - General Provisions Requirements

B.13. Permittee shall comply with applicable parts of 40 CFR Part 60 subpart A, as an affected facility subject to 40CFR Part 60 subpart Dc. [Rule 62-204.800(8)(b)4., F.A.C., and 40 CFR 60.1]

1. The terms, conditions, requirements, limitations, and restrictions set forth in this permit are "permit conditions", and are binding and enforceable pursuant to Sections 403.141, 403.727, or 403.859 through 403.861, Florida Statutes. The permittee is placed on notice that the Department will review this permit periodically and may initiate enforcement action for any violation of these conditions.

2. This permit is valid only for the specific processes and operations applied for and indicated in the approved drawings or exhibits. Any unauthorized deviation from the approved drawings, exhibits, specifications, or conditions of this permit may constitute grounds for revocation and enforcement action by the Department.

3. As provided in Subsections 403.087(6) and 403.722(5), Florida Statutes, the issuance of this permit does not convey any vested rights or any exclusive privileges. Neither does it authorize any injury to public or private property or any invasion of personal rights, nor any infringement of federal, state or local laws or regulations. This permit is not a waiver of or approval of any other Department permit that may be required for other aspects of the total project which are not addressed in the permit.

4. This permit conveys no title to land or water, does not constitute State recognition or acknowledgment of title, and does not constitute authority for the use of submerged lands unless herein provided and the necessary title or leasehold interests have been obtained from the State. Only the Trustees of the Internal Improvement Trust Fund may express State opinion as to title.

5. This permit does not relieve the permittee from liability for harm or injury to human health or welfare, animal, or plant life, or property caused by the construction or operation of this permitted source, or from penalties therefore; nor does it allow the permittee to cause pollution in contravention of Florida Statutes and Department rules, unless specifically authorized by an order from the Department.

6. The permittee shall properly operate and maintain the facility and systems of treatment and control (and related appurtenances) that are installed and used by the permittee to achieve compliance with the conditions of this permit, are required by Department rules. This provision includes the operation of backup or auxiliary facilities or similar systems when necessary to achieve compliance with the conditions of the permit and when required by Department rules.

7. The permittee, by accepting this permit, specifically agrees to allow authorized Department personnel, upon presentation of credentials or other documents as may be required by law and at reasonable times, access to the premises where the permitted activity is located or conducted for the purpose of:

a. Have access to and copy any records that must be kept under conditions of this permit;
b. Inspect the facility, equipment, practices, or operations regulated or required under this permit; and,
c. Sample or monitor any substances or parameters at any location reasonably necessary to assure compliance with this permit or Department rules.

Reasonable time may depend on the nature of the concern being investigated.

8. If, for any reason, the permittee does not comply with or will be unable to comply with any condition or limitation specified in this permit, the permittee shall immediately provide the Department with the following information:

a. A description of and cause of noncompliance; and
b. The period of noncompliance, including exact dates and times; or, if not corrected, the anticipated time the noncompliance is expected to continue, and steps being taken to reduce, eliminate, and prevent recurrence of the noncompliance. The permittee shall be responsible for any and all damages that may result and may be subject to enforcement action by the Department for penalties or for revocation of this permit.

9. In accepting this permit, the permittee understands and agrees that all records, notes, monitoring data and other information relating to the construction or operation of this permitted source which are submitted to the Department may be used by the Department as evidence in any enforcement case involving the permitted source arising under the Florida Statutes or Department rules, except where such use is proscribed by Sections 403.73 and 403.111, Florida Statutes. Such evidence shall only be used to the extent it is consistent with Florida Rules of Civil Procedure and appropriate evidentiary rules.

10. The permittee agrees to comply with changes in Department rules and Florida Statutes after a reasonable time for compliance, provided however, the permittee does not waive any other rights granted by Florida Statutes or Department rules.

11. This permit is transferable only upon Department approval in accordance with Florida Administrative Code Rules 62-4.120 and 62-730.300, as applicable. The permittee shall be liable for any noncompliance of the permitted activity until the Department approves the transfer.

12. This permit or a copy thereof shall be kept at the work site of the permitted activity.

13. The permittee shall comply with the following:

a. Upon request, the permittee shall furnish all records and plans required under Department rules. During enforcement actions, the retention period for all records will be extended automatically unless otherwise stipulated by the Department.

b. The permittee shall hold at the facility or other location designated by this permit records of all monitoring information (including all calibration and maintenance records and all original strip chart recordings for continuous monitoring instrumentation) required by the permit, copies of all reports required by this permit, and records of all data used to complete the application for this permit. These materials shall be retained at least three years from the date of the sample, measurement, report or application unless otherwise specified by Department rule.

c. Records of monitoring information shall include:
- the date, exact place, and time of sampling or measurement;
- the person responsible for performing the sampling or measurements;
- the dates analyses were performed;
- the person responsible for performing the analyses;
- the analytical techniques or methods used;
- the results of such analyses.

14. When requested by the Department, the permittee shall within a reasonable time furnish any information required by law which is needed to determine compliance with the permit. If the permittee becomes aware the relevant facts were not submitted or were incorrect in the permit application or in any report to the Department, such facts or information shall be corrected promptly.