Specialty Minerals, Inc.
Pensacola PCC Plant
Facility ID No.: 0330248
Escambia County

Air Operation Permit
Permit No.: 0330248-007-AO

Permitting and Compliance Authority
Department of Environmental Protection
Northwest District Office
160 W. Government Street, Suite 308
Pensacola, Florida 32502-5740
Telephone: 850.595.8300
Fax: 850.595.8393

Air Operation Permit
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FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION
160 West Government Street, Suite 308
Pensacola, Florida 32502-5794

Rick Scott
Governor

Carlos Lopez-Cantera
Lt. Governor

Herschel T. Vinyard Jr.
Secretary

February 25, 2014

Permittee:
Specialty Minerals, Inc.
Pensacola PCC Plant

Permit No.: 0330248-007-AO
Facility ID No.: 0330248
SIC No(s).: 28, 2819
Project: Air Operation Permit

This permit is for the operation of the Specialty Minerals, Inc., Pensacola PCC (Precipitated Calcium Carbonate) Plant located at 375 Muscogee Road in Cantonment on a leased site within International Paper property, Escambia County; UTM Coordinates: Zone 16, 469.6 km East and 3374.6 km North; Latitude: 30° 30' 19" North and Longitude: 87° 19' 13" 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: February 25, 2014
Renewal Application Due Date: December 27, 2018
Expiration Date: February 25, 2019

/s/
J. Charles Harp
Program Administrator
Waste Management/Air Resources
Northwest District

JCH/dm/m

Section I. Facility Information.

This is a renewal of Permit 0330248-005-AO, effective March 13, 2009. The facility is not currently operating at the time of this permit renewal. It has been shutdown since September 2012 (see shutdown letter received December 2012). The facility has requested the permit renewal in the event that the plant reopens. Specialty Minerals shall notify the Department at least 60 days prior to resuming operation.

Subsection A. Facility Description.

The Specialty Minerals Cantonment facility produces Precipitated Calcium Carbonate (PCC). The facility consists of dry lime receiving, transfer and storage equipment, and carbonation reactors. Dry lime (calcium oxide) is received by rail car or tanker truck and transferred to storage silos. Fabric filters minimize particulate emissions from lime receiving and from the storage vessels. Process lime is conveyed by screw conveyor to the lime slaker where it is mixed with water. The slaked lime slurry is pumped to the carbonators. A portion of the stack gas from the International Paper (IP) lime kiln is routed to PCC process gas scrubbers for cleaning and the cleaned stack gas, high in carbon dioxide, is routed to the carbonators (batch reactors) for reaction with the slaked lime to produce PCC. Carbonator exhaust stacks are equipped with mist eliminators to control liquid particulate emissions. The final PCC product is then pumped from Specialty Minerals storage tank to trucks which transport the final product to customers.

This facility utilizes a portion of the stack gas from the IP lime kiln; it is not the intent of this permit to penalize this facility or IP for emissions that would normally be expected to originate from the lime kiln stack by double-accounting of the emissions.

Based on the permit application received January 10, 2014, this facility is not a major source of hazardous air pollutants (HAPs).

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

E.U. ID No.	Brief Description
001	Lime Handling System Fabric Filters: Vacuum Blowers: VB1, VB2, VB3 (in-line dust filters) Surge Bin Dust Collector: SB Lime Silo 1: LS1, Lime Silo 2: LS2
002	Carbonator Exhausts: Carbonator 1, Carbonator 2, Carbonator 3

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 (EPSAP No. 6355-1) received January 10, 2014

Section II. Facility-wide Conditions.

The following conditions apply facility-wide:

1. All listed Appendices are 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. [Rule 62-296.320(2), F.A.C.]

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. Notification of compliance testing and completed test reports may be submitted by electronic mail to nwdair@dep.state.fl.us. [Rule 62-297.310(7)(b), F.A.C.]

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. Annual Operating Report. An Annual Operating Report for Air Pollutant Emitting Facility, DEP Form 62-210.900(5), shall be submitted for each year by April 1 of the following year. A copy of the form and instructions may be obtained from the Department's Northwest District office or electronically at http://www.dep.state.fl.us/air/rules/forms/aor.htm. If the report is submitted using the Department's electronic annual operating report software, there is no requirement to submit a copy to any DEP or local air program office. [Rule 62-210.370(3)(c), F.A.C.]

8. Unconfined Particulate Matter. 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 shall include:

a) Paving and maintenance of roads, parking areas and yards.
b) Application of water or chemicals to control emissions from such activities as demolition of buildings, grading roads, construction, and land clearing.
c) Application of asphalt, water, oil, chemicals or other dust suppressants to unpaved roads, yards, open stock piles and similar activities.
d) Removal of particulate matter from roads and other paved areas under the control of the owner or operator of the facility to prevent reentrainment, and from buildings or work areas to prevent particulate from becoming airborne.
e) Landscaping or planting of vegetation.
f) Use of hoods, fans, filters, and similar equipment to contain, capture and/or vent particulate matter.

g) Confining abrasive blasting where possible.
h) Enclosure or covering of conveyor systems.
i) Periodic sweeping and/or vacuuming of work areas.
j) Protecting dust transfer points and containers from wind.

[Rule 62-296.320(4)(c), F.A.C., and Permit 0330248-001-AC]

9. Permit Renewal Application. Sixty days prior to the expiration date of this operation permit, the Permittee shall submit a permit renewal application 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. You can obtain a permit application form or apply for permit renewal electronically at the following web address: http://www.dep.state.fl.us/air/rules/forms/application.htm . [Rule 62-4.090, F.A.C.]

10. 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 Waste Management/Air Resources Program
160 W. Government Street, Suite 308
Pensacola, Florida 32502-5740
Telephone: 850.595.8300; Fax: 850.595.8393

Notification of compliance testing and completed test reports may be submitted by electronic mail to: nwdair@dep.state.fl.us.

11. The Department telephone number for reporting problems, malfunctions or exceedances under this permit is 850.595.8300, 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.]

12. Operations & Maintenance Plan (O&M). This plan outlines the procedures the permittee incorporates during the normal operation of this facility and provides necessary assurance that the facility will operate in compliance. The permittee shall follow all procedures outlined in the most recently submitted and approved O&M Plan. [Rule 62-4.070, F.A.C.]

{Permit Note: An O&M plan should be a living document that provides procedures to help in maintaining the subject facility in compliance with applicable air regulations. Keeping this document up to date with the facility's current activities will not require any permit action; however, modifications shall be submitted to the Department for approval. This does not alleviate the facility from the air construction permitting requirements for facility modifications (per Rule 62-210.300(1)(a), F.A.C.}

13. Startup after long term temporary shutdown. The permittee shall notify the Department at least 60 days prior to resuming operations after the long term temporary shutdown (shutdown since Sept 2012 - notification letter to DEP December 2012).

(a) The notification shall include information as to the startup date, anticipated emission rates or pollutants released, changes to processes or control devices which will result in changes to emission rates, and any other conditions which may differ from the valid outstanding operation permit.
(b) If, due to an emergency, a startup date is not known 60 days prior thereto, the owner shall notify the Department as soon as possible after the date of such startup is ascertained.

The owner or operator must demonstrate to the Department prior to reactivation that such reactivation would not constitute any modification or reconstruction pursuant to this chapter or any federal regulation adopted by reference at Rule 62-204.800, F.A.C. Emissions testing must be conducted within 30 days after resuming operations. [Rules 62-4.070(3), 62-210.300(2)(a)4., and 62-210.300(5), F.A.C]

Section III. Emissions Unit(s) and Conditions.

Subsection A. This section addresses the following emissions unit(s).

E.U. ID No.	Brief Description
001	Lime Handling System Fabric Filters Vacuum Blowers: VB1, VB2, VB3 (in-line dust filters) Surge Bin Dust Collector: SB Lime Silo 1: LS1, Lime Silo 2: LS2

Lime from railcars is transferred by gravity to the vacuum blowers (VB1, VB2, VB3), which move the lime to a surge bin (SB) and then to one of the two lime silos (LS1or LS2). Only one silo may be filled at a given time. Lime can be fed through one or more vacuum blower at any given time. All dust collected in the baghouses is returned to the process for reuse. Compliance assurance is based on the facility's O&M Plan required baghouse inspections, including daily visible emissions (VE) inspections, and preventative maintenance.

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

Essential Potential to Emit (PTE) Parameters

A.1. Capacity. The rated capacity for testing purposes of each of the vacuum blowers is 17 Tons per hour (TPH) of lime transferred. The rated capacity for testing purposes of the lime surge bin is 40 TPH of lime transferred. The rated capacity for testing purposes of each of the lime silos is 40 TPH of lime transferred. These rated capacities are not limits and are only intended to be used for compliance testing when needed. [Rules 62-4.070(3) and 62-210.200(PTE), F.A.C., and Permit 0330248-005-AO (applicant request)]

{Permit Note: No testing is currently required for these emission units. However, if it is thought that these units are not being operated or maintained appropriately, testing may be required in accordance with Rule 62-297.310(7)(b), F.A.C.}

A.2. Methods of Operation.

- **a** Lime Handling System Vacuum Blowers VB1, VB2, and VB3, the Surge Bin and the Lime Silos shall not have operating hour's restrictions
- **b.** Permittee shall keep record of hours of operation for the Lime Handling System Vacuum Blowers and make records available for Department inspection.

[Rules 62-4.070(3), 62-210.200(PTE), F.A.C., and Permits 0330248-002-AC and 0330248-004-AO, letter May 6, 1999]

Subsection B. This section addresses the following emissions unit(s).

E.U. ID No.	Brief Description
002	Carbonator Exhausts Carbonator 1, Carbonator 2, Carbonator 3

Process lime is conveyed by screw conveyor to the lime slaker to be mixed with water. The slaked lime slurry is pumped to the carbonators. A portion of the stack gas from the International Paper lime kiln is routed to PCC process gas scrubbers for cleaning and the cleaned stack gas, high in carbon dioxide, is routed to the carbonators for reaction with the slaked lime to produce precipitated calcium carbonate. Carbonator exhaust stacks are equipped with mist eliminators to control liquid and solid particulate emissions.

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

Essential Potential to Emit (PTE) Parameters

B.1. Capacity. The maximum allowable operating rate for each of the carbonators is given in the proprietary process description in Company Confidential file. [Rules 62-4.070(3) and 62-210.200(PTE), F.A.C.]

B.2. Hours of Operation. To avoid triggering the 100 Ton/year major source threshold for NOx emissions, the cumulative hours of stack gas injection for all three carbonators shall not exceed 25,200 hours/year. This is assured by proprietary process description in Company Confidential file. [Rules 62-4.070(3) and 62-210.200(PTE), F.A.C., and Permit 0330248-002-AC]

Emission Limitations and Standards

B.3. Particulate Matter (PM) Emissions. Maximum allowable particulate emissions from each Carbonator Stack are given in the Company Confidential attachment to the permit. [Rule 62-296.320(4)(a)2., F.A.C.]

B.4. Visible emissions. VE from the Carbonator stacks shall not be greater than 5% opacity. This self-imposed limit is in exchange of waiver of particulate testing. Compliance with the required 5% VE limit shall be presumptive of compliance with each of the carbonators' confidential PM emission limits. [Permittee request; 0330248-002-AC; Rule 62-297.310(7)(c), F.A.C.]

{Permit Note: Currently Carbonator #3(C3) is not in operation. Permittee has been advised when C3 is brought back on line an emissions test must be performed within 30 days of start-up.}

Monitoring, Recordkeeping and Reporting Requirements

B.5. Stack Gas Injection Logs. Permittee shall keep logs of stack gas injection time for each carbonator and make them available for Department inspection for a period of five years. [Rules 62-4.070, 62-210.200(PTE), F.A.C., and Permit 0330248-002-AC]

Test Methods and Procedures

B.6. Visible Emissions Tests. VE tests are required to show compliance with the standards of the Department. VE tests shall be conducted using EPA Method 9 for 30 minutes. PM testing is waived if compliance with the VE limit of 5% opacity is met. Such tests shall be scheduled once during each federal fiscal year (October 1 – September 30). If compliance with the VE limit is not met, PM tests shall be conducted using EPA Method 5,

within 45 days. All test results must provide reasonable assurance that the source is capable of compliance at the permitted maximum operating rate. [Rules 62-4.070, 62-296.320(4)(a)3., 62-297.310(7), and 62-297.401(9), F.A.C.]

B.7. Test Reports. The test reports shall comply with applicable portions of Rule 62-297.310, F.A.C., Test Reports. 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(8) and 62-297.620(1), F.A.C.]

B.8. Operating Rate During Testing. 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.]

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.