PUBLIC NOTICE OF INTENT TO ISSUE AIR PERMIT

Florida Department of Environmental Protection
Division of Air Resource Management, Bureau of Air Regulation

Draft Air Permit No. 0530021-033-AC (PSD-FL-351D)
CEMEX Brooksville South Cement Plant – Line 2
Permitted Capacity Increase
Hernando County

Applicant: The applicant for this project is CEMEX Construction Materials Florida, LLC (CEMEX). The applicant's authorized representative and mailing address is: Mr. James S. Daniel, Plant Manager, CEMEX Brooksville South Cement Plant, 10311 Cement Plant Road, Brooksville, Florida 32669.

Facility Location: The applicant, CEMEX, operates the existing Brooksville South Cement Plant, which is located in Hernando County at 10311 Cement Plant Road in Brooksville, Florida.

Project: The project is to issue an air construction permit to reflect the as-built mechanical capacity for the previously permitted and constructed Portland Cement Line 2. Line 2 has a permitted capacity of 2,800 tons per day of clinker and was constructed pursuant to Air Permit 0530021-009-AC (PSD-FL-351) issued in 2005 and revised in 2010 (Air Permit 0530021-018-AC, PSD-FL-351C) to reflect the as-built physical configuration. A review for the Prevention of Significant Deterioration (PSD) and a determination of Best Available Control Technology (BACT) were conducted for Line 2 as part of the original project. This line began operation in November 2008. A new PSD review is not required for this project to recognize the full installed capacity of the kiln.

The techniques used to control emissions from Kiln 2 (the main emissions unit) are:

- Staged combustion calciner and raw material selection for the control of volatile organic compounds (VOC), carbon monoxide (CO) and nitrogen oxides (NO_X);
- Selective non-catalytic reduction (SNCR) by ammonia injection to further control NO_X;
- Chemical reactions in the kiln, dry scrubbing in the calciner and contact with moist limestone in the raw mill to control sulfur dioxide (SO_2);
- Fabric filter baghouses to control particulate matter (PM/PM_{10}); and
- Raw material and fuel selection coupled with kiln filter dust shuttling to minimize mercury (Hg) emissions.

The present request is to increase the permitted capacity of Line 2 from 2,800 tons per day (TPD) to 3,500 TPD; an increase of 25%. Although presently restricted by the permit to 2,800 TPD, the plant was constructed with a daily nominal capacity of 3,000 TPD based on an hourly permitted capacity of 125 tons per hour (TPH). Therefore, the requested final daily production limit represents only a 16.7% increase beyond the "nominal capacity" of the kiln.

The pyroprocessing equipment supplier was F.L. Smidth (FLS). FLS supplied similarly designed pyroprocessing lines at the Cemex Cement Plant in Miami and the Titan/Tarmac Pennsuco Cement Plant in Medley. Both kilns were able to accommodate production increases similar to the increase requested by Cemex for Brooksville South Line 2.

The Cemex expert who oversaw the production increase at the Miami Plant and the construction and commissioning of Line 2 at the Brooksville South Plant reviewed the design basis and performance of Line 2 and concluded that:

- The pyroprocessing area and kiln fan capacity of Line 2 are greater than the Miami Plant that has demonstrated sustained clinker production greater than 3,600 TPD;
- The raw material handling system and the raw mill were designed with more than adequate capacity to support 3,500 TPD of clinker production;

- The main baghouse and the gas conditioning tower have adequate reserve to support 3,500 TPD of clinker production;
- The kiln feed system design capacity is at the level necessary to support 3,500 TPD of clinker production and likely has reserve capacity even at this production level

The Department reviewed the continuous emission monitoring system (CEMS) records indicating emissions 25% less, or even lower, than the permitted emission rates. The Department concurs with CEMEX that Kiln 2 can comply with the present mass emission rate limitations in terms of pounds per hour (lb/hr) given in the PSD permit while producing 3,500 TPD. The Department concludes that Kiln 2 can and will be required to comply with 25% lower BACT limits in terms of lb/ton of clinker compared with the values given in the original permit.

CEMEX closed the two kilns at its nearby Brooksville North facility in 2008 due to economic reasons. The older and less efficient Line 1 at the Brooksville South Plant generally now operates when Line 2 does not. The ability to operate Line 2 at a higher daily rate will further reduce the need to operate Line 1 to provide marginal amounts of clinker in the present market. Operating at higher daily rates until stocks are full will generally be followed by longer periods of clinker production down time.

Under the present circumstances the Department has determined that Line 2 has not begun normal operations. Furthermore, the Department may presume that unit-specific allowable emissions for an emissions unit are equivalent to the actual emissions of the emissions unit provided that such unit-specific allowable emissions limits are federally enforceable. Based on the foregoing, there will not be an increase in any PSD pollutant equal to or greater than the respective significant emission rate (SER) as defined in the Department rules and the project is not subject to PSD review.

Permitting Authority: Applications for air construction permits are subject to review in accordance with the provisions of Chapter 403, Florida Statutes (F.S.) and Chapters 62-4, 62-210 and 62-212 of the Florida Administrative Code (F.A.C.). The proposed project is not exempt from air permitting requirements and an air permit is required to perform the proposed work. The Permitting Authority responsible for making a permit determination for this project is the Bureau of Air Regulation in the Department of Environmental Protection's Division of Air Resource Management. The Bureau of Air Regulation's physical address is: 111 South Magnolia Drive, Suite #4, Tallahassee, Florida. The Bureau of Air Regulation's mailing address is: 2600 Blair Stone Road, MS #5505, Tallahassee, Florida 32399-2400. The Bureau of Air Regulation's telephone number is 850/717-9000.

Project File: A complete project file is available for public inspection during the normal business hours of 8:00 a.m. to 5:00 p.m., Monday through Friday (except legal holidays), at the physical address indicated above for the Permitting Authority. The complete project file includes the Draft Permit, the Technical Evaluation and Preliminary Determination, the application and information submitted by the applicant (exclusive of confidential records under Section 403.111, F.S.). Interested persons may contact the Permitting Authority's project engineer for additional information at the address and phone number listed above. In addition, electronic copies of these documents are at the following website:

www.dep.state.fl.us/Air/emission/construction/rinker.htm

Notice of Intent to Issue Air Permit: The Permitting Authority gives notice of its intent to issue an air construction permit to the applicant for the project described above. The applicant has provided reasonable assurance that operation of proposed equipment will not adversely impact air quality and that the project will comply with all appropriate provisions of Chapters 62-4, 62-204, 62-210, 62-212, 62-296 and 62-297, F.A.C. The Permitting Authority will issue a Final Permit in accordance with the conditions of the proposed Draft Permit unless a timely petition for an administrative hearing is filed under Sections 120.569 and 120.57, F.S. or unless public comment received in accordance with this notice results in a different decision or a significant change of terms or conditions.

Comments: The Permitting Authority will accept written comments concerning the proposed Draft Permit for a period of 30 days from the date of publication of the Public Notice. Written comments must be received by the close of business (5:00 p.m.), on or before the end of this 30-day period by the Permitting Authority at the above

address. As part of his or her comments, any person may also request that the Permitting Authority hold a public meeting on this permitting action. If the Permitting Authority determines there is sufficient interest for a public meeting, it will publish notice of the time, date, and location in the Florida Administrative Weekly (FAW). If a public meeting is requested within the 30-day comment period and conducted by the Permitting Authority, any oral and written comments received during the public meeting will also be considered by the Permitting Authority. If timely received written comments or comments received at a public meeting result in a significant change to the draft permit, the Permitting Authority shall issue a revised draft permit and require, if applicable, another Public Notice. All comments filed will be made available for public inspection. For additional information, contact the Permitting Authority at the above address or phone number.

Petitions: A person whose substantial interests are affected by the proposed permitting decision may petition for an administrative hearing in accordance with Sections 120.569 and 120.57, F.S. The petition must contain the information set forth below and must be filed with (received by) the Department's Agency Clerk in the Office of General Counsel of the Department of Environmental Protection at 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000. Petitions filed by any persons other than those entitled to written notice under Section 120.60(3), F.S. must be filed within 14 days of publication of this Public Notice or receipt of a written notice, whichever occurs first. Under Section 120.60(3), F.S., however, any person who asked the Permitting Authority for notice of agency action may file a petition within 14 days of receipt of that notice, regardless of the date of publication. A petitioner shall mail a copy of the petition to the applicant at the address indicated above, at the time of filing. The failure of any person to file a petition within the appropriate time period shall constitute a waiver of that person's right to request an administrative determination (hearing) under Sections 120.569 and 120.57, F.S., or to intervene in this proceeding and participate as a party to it. Any subsequent intervention (in a proceeding initiated by another party) will be only at the approval of the presiding officer upon the filing of a motion in compliance with Rule 28-106.205, F.A.C.

A petition that disputes the material facts on which the Department's action is based must contain the following information: (a) The name and address of each agency affected and each agency's file or identification number, if known; (b) The name, address, and telephone number of the petitioner, the name, address, and telephone number of the petitioner's representative, if any, which shall be the address for service purposes during the course of the proceeding; and an explanation of how the petitioner's substantial interests will be affected by the agency determination; (c) A statement of how and when petitioner received notice of the agency action or proposed action; (d) A statement of all disputed issues of material fact. If there are none, the petition must so indicate; (e) A concise statement of the ultimate facts alleged, including the specific facts the petitioner contends warrant reversal or modification of the agency's proposed action; (f) A statement of the specific rules or statutes the petitioner contends require reversal or modification of the agency's proposed action; and (g) A statement of the relief sought by the petitioner, stating precisely the action petitioner wishes the agency to take with respect to the agency's proposed action. A petition that does not dispute the material facts upon which the Permitting Authority's action is based shall state that no such facts are in dispute and otherwise shall contain the same information as set forth above, as required by Rule 28-106.301, F.A.C.

Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means that the Permitting Authority's final action may be different from the position taken by it in this Public Notice of Intent to Issue Air Permit. Persons whose substantial interests will be affected by any such final decision of the Permitting Authority on the application have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above.

Mediation: Mediation is not available for this proceeding.