STATEMENT OF BASIS

Central Florida Pipeline, LLC
Tampa Terminal
Facility ID No.: 0570085
Hillsborough County

Title V Air Operation Permit Renewal

DRAFT Permit No.: 0570085-023-AV

This Title V Air Operation Permit Renewal is issued under the provisions of Chapter 403, Florida Statutes (F.S.), and Florida Administrative Code (F.A.C.) Chapters 62-4, 62-210 and 62-213. 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.

This permit is for the renewal of the Title V Air Operation Permit and the incorporation of a construction permit, Permit No. 0570085-022-AC, issued on April 1, 2010. The construction permit authorized the construction of a VRU and a new Additive Tank (Tank A-10), and increased the product throughputs for all emissions units.

The facility, located at 2101 GATX Drive, Tampa, Florida 33605, is a bulk gasoline terminal facility which stores and handles gasoline, jet fuel, diesel fuel, biodiesel fuel, ethanol, additives, and other volatile organic liquids (VOLs) in floating roof and fixed roof storage tanks. All of the products are delivered by either ship or railcar. The products are subsequently loaded into railcars or trucks for shipment offsite or can be delivered into two pipelines. The operations at this facility include 46 permitted storage tanks; degassing of the storage tanks; a barge loading operation; four loading racks; a Vapor Recovery Unit (VRU); and an open flame flare unit (OFFU). The storage tanks (EUs 001, 002, 007, 008, 009, 013, and 015) include the gasoline floating roof group tanks, jet fuel group tanks, biodiesel group tanks, additive group tanks, PCW (Petroleum Contact Water) group tanks, ethanol group tanks, and miscellaneous group tanks. Each tank group is subject to various operating restrictions such as throughput, products stored, and product vapor pressure.

The facility has four loading racks: Truck Loading Racks T/T Area Nos. 1, 2A, 3 and 7. Truck Loading Rack T/T Area No. 1 has one loading arm. Truck Loading Rack T/T Area No. 2A has four (4) loading arms. Truck Loading Racks T/T Area Nos. 1 and 2A are permitted to load biodiesel and other volatile organic liquids into trucks or railcars for shipment offsite. VOC emissions from the Truck Loading Racks T/T Area Nos. 1 and 2A are controlled using submerged filling techniques.

Truck Loading Rack T/T Area No. 3 has two (2) ethanol loading arms, three (3) jet fuel loading arms, and one (1) PCW loading arm to load products into trucks. Truck Loading

Rack T/T Area No. 7 has five lanes. Lanes A, B and C each have eight (8) loading arms and Lanes D and E each have six (6) loading arms. Truck Loading Rack T/T Area No. 7 can load gasoline, ethanol, diesel, jet fuel, and PCW into trucks for shipment offsite.

Truck Loading Racks T/T Area No. 3 and T/T Area No. 7 are controlled by submerged filling and a Vapor Recovery Unit (VRU). The VRU, a Jordan Technologies, Model JT-100100-1500 Dry VRU, is operated as the primary control device for these loading racks. The open flame flare unit (OFFU), a John Zink Company, Model GV-LH-8400-2 open flame, air assisted flare unit, is operated as a back-up unit. The OFFU is only used when the VRU is down for maintenance or repair. The VRU has two identical carbon adsorption beds. One bed recovers vapors from loading, while the other bed undergoes a regeneration cycle to desorb the collected hydrocarbons. The carbon beds alternate on a timed cycle approximately every 15 minutes. The carbon bed regeneration is accomplished by a deep vacuum cycle of a minimum of 25" Hg with the introduction of purge air for more complete regeneration. The vacuum pump extracts the rich hydrocarbon vapors from the carbon absorption vessels and sends them to an absorption tower. In the absorber, fresh, cool gasoline is used over packing to contact the vapor and condense the hydrocarbons. Liquid gasoline is pumped from a storage tank to the skid with a supply pump and distributed over the absorber packing. Liquid gasoline, including the condensed hydrocarbons, is returned to a storage tank using a return pump. During the absorption phase, a small stream of air and residual vapor exits the top of the absorption column and is recycled back into the carbon beds for adsorption.

The VRU is equipped with a Continuous Emissions Monitoring System (CEMS), which will monitor VOC emissions. Pursuant to 40 CFR 64.2(b)vi the emission unit is not subject to CAM if the air permit specifies a continuous compliance determination method, as defined in 40 CFR 64.1. 40 CFR 64.1 defines *Continuous compliance determination method* as a method, specified by the applicable standard or an applicable permit condition, which: (1) Is used to determine compliance with an emission limitation or standard on a continuous basis, consistent with the averaging period established for the emission limitation or standard; and (2) Provides data either in units of the standard or correlated directly with the compliance limit. Because the VRU is equipped with a CEMS, it is exempt from CAM. However, the Truck Loading Racks T/T Area No. 3 and T/T Area No. 7 are subject to CAM when the OFFU is operating.

The barge loading operation involves loading diesel fuel, jet fuel, biodiesel, additives, and other low volatile petroleum or organic liquids with a true vapor pressure equal to or less than 0.013 psia. VOC emissions from this operation are controlled using submerged filling techniques. Because the products being handled by CFPL have a vapor pressure less than 1.5 psia and the facility is not a new source as defined by 40 CFR 63.561, this emissions unit is exempt from 40 CFR 63, Subpart Y – National Emission Standards for Marine Tank Vessel Loading Operations pursuant to 40 CFR 63.560(d)(1).

The facility also has four diesel-fired stationary reciprocating internal combustion engines – one 175 HP Clarke fire pump manufactured in 2007, one 18.5 HP Deutz Diesel Corp. diesel pump manufactured in 1991, one 158 HP Deutz Diesel Corp. air compressor

manufactured prior to 2005, and one 47.5 HP Grimmer Schmidt air compressor manufactured prior to 2005. The 175 HP Clarke fire pump is subject to 40 CFR 60 Subpart IIII - Standards of Performance for Stationary Compression Ignition Internal Combustion Engines and 40 CFR 63 Subpart ZZZZ - National Emissions Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines. The 18.5 HP Deutz Diesel Corp. diesel pump, the 158 HP Deutz Diesel Corp. air compressor, and the 47.5 HP Grimmer Schmidt air compressor are subject to 40 CFR 63 Subpart ZZZZ. However, because the engines are subject to recordkeeping and reporting requirements only and are not subject to any unit-specific applicable requirement, they can be deemed insignificant emission units pursuant to Rule 62-213.430(6)(b), F.A.C.

The Truck Loading Racks T/T Area No. 3 and T/T Area No. 7 are subject to Rule 62-296.320, F.A.C. and 40 CFR 60 Subpart XX. Because the facility is not a major source of HAP emissions, it is not subject to 40 CFR 63 Subpart R – National Emission Standards for Gasoline Distribution Facilities (Bulk Gasoline Terminals and Pipeline Breakout Stations) or 40 CFR 63 Subpart EEEE – National Emission Standards for Hazardous Air Pollutants: Organic Liquids Distribution (Non-Gasoline). However, because the facility is classified as an area source bulk gasoline terminal for HAPS and because it is not subject to 40 CFR 63 Subpart R, it is subject to 40 CFR 63 Subpart BBBBBB - National Emission Standards for Hazardous Air Pollutants for Source Category: Gasoline Distribution Bulk Terminals, Bulk Plants, and Pipeline Facilities.

Based on the Title V Air Operation Permit Renewal application received December 14, 2010, this facility is not a major source of hazardous air pollutants (HAPs).