TECHNICAL EVALUATION

AND

PRELIMINARY DETERMINATION

FOR

Gulf Marine Repair/Hendry Corporations

Hillsborough County

Construction Permit and Title V Operating Permit

Application Number

0570442-015-AC and 0570442-016-AV

Environmental Protection Commission of

Hillsborough County

Tampa, FL

June 28, 2011

Concurrent Construction/Title V Operating Permits
Permit Nos. 0570442-015-AC/0570442-016-AV

APPLICANT

The applicant for this project is Gulf Marine Repair/Hendry Corporations. The applicant's responsible official and mailing address are: C.R. Watts, Vice President, Gulf Marine Repair/Hendry Corporations, 1800 Grant Street, Tampa, Florida 33605.

The professional engineer who sealed the application is: Omana Antony Taylor, P.E., ETG, Inc., 12 Halfmoon River Ct., Savannah, Georgia, 31410. The P.E. registration number is: 51996.

PROJECT DESCRIPTION

Attached are DRAFT Permit Nos. 0570442-015-AC and 0570442-016-AV. Permit No. 0570442-015-AC identifies changes to the existing Title V permit relating to testing requirements, recordkeeping requirements, and the use of additional types of slag for blasting. Permit No. 0570442-016-AV revises the current Title V permit to incorporate these changes. These permits are being issued concurrently since there is no new construction authorized by Permit No. 0570442-015-AC and the changes to the permit only result in one additional compliance test. Permit No. 0570442-016-AV incorporates Permit No. 0570442-015-AC. The Process Description has also been updated, and the Title V permit was reformatted using latest version of the preferred Title V permit format.

The project has been assigned NEDS Source Classification Code Nos. 4-02-023-99, Petroleum and Solvent Evaporation, Surface Coating Operations, Large Ships and 3-09-002-03, Abrasive Blasting of Metal Parts, Slag Abrasive. The Standard Industrial Code for the project is No. 3731, Ship and Boat Building and Repair. The project is located at 1800 Grant Street, Tampa, FL 33605. UTM Coordinates of the location are 17-358.17 E and 3091.90 N.

FACILITY DESCRIPTION

The applicant operates a ship building and repair facility, which is located in Hillsborough County at 1800 Grant Street, Tampa, Florida.

Both Gulf Marine Repair (GMR) and Hendry Corporation conduct ship building and repair operations, which include blasting and painting of ships and miscellaneous metal parts. Both are located next to each other at the Port of Tampa. GMR operates at Berths 250, 251, 252 and 253, and at the Hooker's Point Power Plant area. Hendry operates at the South Slip of Berth 250.

The activities at Gulf Marine Repair (GMR) include the blasting and coating of marine vessels. Both external and internal blasting of ships occurs at the facility. The abrasive material currently used for blasting is coal slag. Steel shot is also an approved blasting media. The blasting equipment includes five blasting pots with a capacity of 40 tons and up to eight diesel compressors. A maximum of 16 blasting nozzles with ½-inch diameters and maximum delivery pressures of 100 psig may be used at any given time. GMR is also authorized to operate at the property formerly identified as TECO's Hooker's Point Power Plant. The property is located directly south of the main yard and will support up to 3 additional dry docks. This area also includes up to an additional 8 diesel compressors, 4 grit silos, 5 blasting pots and 16 internal and external blasting nozzles. Also included as part of the Title V permit is the similar operation at Hendry Corporation. This facility operates the ship maintenance activities through the use of a single submergible dry dock. This area includes a diesel compressor, 2 grit silos, 2 blasting pots, 8 internal and external blasting nozzles, and a blasting/coating containment area for the blasting and painting of miscellaneous parts.

Particulate emissions from storage silo loading are limited by passing the displaced air through fabric filters (or baghouses). Compressor emissions are controlled by the use of diesel fuel only and a limitation on the amount of diesel fuel used in any 12 month period. Particulate emissions from blasting are minimized with a limit on the amount of abrasive grit used in any 12 month period, the use of tarps/barriers that surround the blasting area, and other reasonable precautions. When blasting an internal section of a ship, the displaced air is passed through a filter device or a tarp enclosure that covers the exhaust points from the internal blasting prior to exhausting to the atmosphere. Miscellaneous parts are also blasted/coated away from the ships and the permittee utilizes a partially-enclosed blasting/coating booth with permanent walls on all but one side and a baghouse for particulate emissions control. Blasting/coating containment areas with stationary tarps are also present at the main GMR yard and the Hendry yard for control of emissions generated from blasting or coating smaller parts. A permanent coating building is also present for the painting of miscellaneous metal parts. The coating building is located over an impervious surface, and is open on two sides with tarps/curtains for control of overspray from those openings during coating operations.

PROJECT REVIEW

The application requested changes to two existing permit conditions based on prior discussions between the applicant and the Environmental Protection Commission of Hillsborough County (EPC) and changes in permit requirements already completed for a similar source operating in Hillsborough County. The changes are summarized below and only affect recordkeeping and visible emission testing requirements, so they do not result in any change in potential emissions for the facility.

A supplemental request was received from the facility's consultant (on behalf of the applicant) following the application receipt date. The applicant also requested authorization to add metallic slag (specifically Ebony Grit) to the list of abrasive materials that can be used in their blasting operation. The use of this metallic slag is not expected to generate more particulate matter emissions compared to coal slag due to the hardness and high density of this metallic slag and its higher resistance to fracture. This metallic slag is a by-product of copper production. The language in the permits has been changed allowing metallic slags which will be recognized individually by the permitting authority to be used as additional blasting medias as long as their properties relating to hardness and density are consistent with coal slag and not expected to result in any increase in particulate matter emissions. A 7-day prior notification requirement for use of any new metallic slag has been added to the permit, and a visible emission test upon initial blasting with any new metallic slag is required.

The changes included in the construction permit and concurrently processed Title V revision permit are summarized as follows:

1) The Title V permit was reformatted using latest version of the preferred Title V permit format. Appendix TV-6 was replaced with new Appendix TV, and Appendices RR and TR were added to document reporting and testing requirements.

2) Construction Permit No. 0570442-015-AC amended Specific Condition Nos. A.23 and C.23 of the Title V permit to remove the requirement that all cleanup solvents used be individually tracked and reported, consistent with other similar source permits. Emissions from overall cleanup solvent usage are still required to be documented.

3) Construction Permit No. 0570442-015-AC amended Specific Condition No. B.9 of the Title V permit to remove the requirement that both the exterior hull and deck or superstructure of a marine vessel be tested annually for visible emissions, consistent with other similar source permits. An annual visible emission test is still required on the exterior of a vessel, but the blasting location for testing is no longer specified.

4) The Process Description, Facility-Wide Condition FW6, and Specific Condition No. C.43 of the Title V permit were changed to reflect that other types of slag, specifically metallic slags that have been recognized by the EPC, are also allowed in addition to the previously specified coal slag. Ebony Grit (manufactured by Opta Minerals USA) has been approved by EPC as a metallic slag that can be used as a blasting media at

the facility. A visible emission test is required upon its initial use. A 7-day prior notification requirement for use of any new metallic slag has been added to the permit, and a visible emission test upon initial blasting with any new metallic slag is required.

5) The Process Description was updated to reflect that the permanent coating building has been completed since issuance of the last Title V operating permit.

The combined facility, GMR/Hendry Corporation, is a major source of HAPs and is subject to 40 CFR 63, Subpart II - National Emission Standards for Shipbuilding and Ship Repair (Surface Coating). The facility is not subject to 40 CFR 63, Subpart MMMM, for the surface coating of miscellaneous metal parts and products since the facility is already subject to the Subpart II pursuant to 40 CFR 63.3881(c)(12). The facility is also subject to PM-RACT and VOC-RACT. The facility is a major source for HAPs, NOx and VOC emissions.

PROCESSING SCHEDULE AND RELATED DOCUMENTS

Application for concurrent processing of an air construction permit and a Title V Air Operation Permit Revision received on: April 7, 2011.
Additional information requested on: none requested.
Application considered complete on: April 7, 2011.

PRIMARY REGULATORY REQUIREMENTS

This project is subject to the preconstruction review requirements of Chapter 403, Florida Statutes, Chapters, 62-204, 62-210, 62-212, 62-296, and 62-297, Florida Administrative Code (F.A.C.) and Chapter 1-3 of the Rules of the Environmental Protection Commission of Hillsborough County.

This project is not subject to the requirements of Rule 62-212.400, Prevention of Significant Deterioration, F.A.C. or Rule 62-212.500, New Source Review for Nonattainment Areas, F.A.C., since this project is minor by state definition.

This project is subject to the requirements of Rule 62-212.300, Sources Not Subject to Prevention of Significant Deterioration or Nonattainment Requirements, F.A.C., since it is a source of air pollution requiring a permit under this rule.

This project is subject to the requirements of Rule 62-213, Operation Permits for Major Sources of Air Pollution, F.A.C., since the facility is a Title V Source by state definition.

This project is subject to the requirements of Rule 62-296.320, General Pollutant Emission Limiting Standards, F.A.C., since the facility is a potential source of particulate matter, visible emissions and odors.

This project is not subject to the requirements of Rule 62-296.401 through 62-296.417, Specific Emission Limiting and Performance Standards, F.A.C., since there is no applicable source specific category in this rule.

This project is subject to the requirements of Rule 62-296.500, Reasonably Available Control Technology for VOC and NOX Emitting Facilities, F.A.C., since there is an applicable source specific category in this rule: Coating of Miscellaneous Metal Parts and Products. [Rule 62-296.513, F.A.C.].

This project is not subject to the requirements of Rule 62-296.600, Reasonably Available Control Technology - Lead, F.A.C., since there is no applicable source category.

This project is subject to the requirements of Rule 62-296.700, Reasonably Available Control Technology Particulate Matter, F.A.C., since the source falls under Miscellaneous Manufacturing Process Operations (Rule 62-296.712, F.A.C.).

This project is subject to the requirements of Rule 62-204.800, Federal Regulations Adopted by Reference, F.A.C., since the facility is subject to the requirements in 40 CFR 63, Subpart II, Shipbuilding and Ship Repair. The facility is not subject to 40 CFR 63, Subpart MMMM, for the surface coating of miscellaneous metal parts and products since the facility is already subject to the Subpart II pursuant to 40 CFR 63.3881(c)(12).

This project is subject to the requirements of Chapter 84-446, Laws of Florida and Chapter 1-3, Rules of the Environmental Protection Commission of Hillsborough County.

SUMMARY OF EMISSIONS

The changes authorized in this construction permit are primarily language changes regarding testing and recordkeeping, and do not result in any changes to the existing facility's potential to emit; therefore, a facility-wide regulated pollutant emission summary is being listed for reference:

Regulated Pollutants	Actual Emissions*	Potential Emissions	Allowable Emissions
	ton/yr	ton/yr	
VOC	29.2	242.4	3.5 lb/gal (various Subpart II req.)
Total HAP	14.4	189.7	(various Subpart II req.)
Particulate Matter	20.3	83.4	0.03 gr/dscf (baghouse exhaust) 5% opacity (PM-RACT sources) 20% opacity (non-PM-RACT sources)

* - Actual emissions were based on the average of facility-wide emissions from the last two consecutive calendar years (2009-2010) as submitted in the Annual Operating Reports.

Inventory of Title III pollutants for the facility is estimated to be more than 10 ton/yr individually and more than 25 ton/yr collectively.

CONCLUSION

The emission limits proposed by the applicant will meet all of the requirements of Chapters 62-204, 62-210, 62-212, 62-296, and 62-297, F.A.C., and Chapter 1-3, Rules of the Commission.

The General and Specific Conditions listed in the proposed permit (attached) will assure compliance with all the applicable requirements of Chapters 62-204, 62-210, 62-212, 62-296, and 62-297, F.A.C.

PROPOSED AGENCY ACTION

Pursuant to Section 403.087, Florida Statutes and Rule 62-4.070, Florida Administrative Code the Environmental Protection Commission of Hillsborough County hereby gives notice of its intent to issue a permit to construct the aforementioned air pollution source in accordance with the draft permit and its conditions as stipulated (see attached).