Florida Department of Environmental Protection

Central District Office
3319 Maguire Boulevard, Suite 232
Orlando, Florida 32803-3767

Charlie Crist
Governor

Jeff Kottkamp
Lt. Governor

Michael W. Sole
Secretary

Electronically sent – Received Receipt requested
mcarlton@smartfuelsllc.com

Michael Carlton, Vice President Operations
Smart Fuels Florida, LLC
2405 US Hwy 441/27
Building #6
Fruitland Park, FL 34731

Re: Project No. 0694859-001-AC
Smart Fuels Florida, LLC
After-the-Fact Minor Air Construction Permit
Biodiesel Production Facility

Dear Mr. Carlton:

On September 30, 2009 you submitted an application requesting an After-the-Fact Minor Air Construction Permit for Smart Fuels Florida, LLC, a biodiesel production facility. This facility is located in Lake County at 2405 US Hwy 441/27, Building #6 in Fruitland Park, Florida. Enclosed are the following documents: the Technical Evaluation and Preliminary Determination; the Draft Permit and Appendices, if applicable; the Written Notice of Intent to Issue Air Permit; and the Public Notice of Intent to Issue Air Permit. The Public Notice of Intent to Issue Air Permit is the actual notice that you must have published in the legal advertisement section of a newspaper of general circulation in the area affected by this project. If you have any questions, please contact the project engineer, Jeffrey Rustin, P.E. at 407-893-3335.

Sincerely,

Caroline D. Shine
Program Administrator
Air Resource Management

12/4/09
Date

Enclosures
jr/tla

Copies provided to:

Christine Ng, Senior Associate, Environ, **(cng@environcorp.com)**
Russell Kemp, P.E., Principal Engineer, Environ, **(rkemp@environcorp.com)**
Lisa A. Kelley, Multimedia Coordinator, **(lisa.kelley@dep.state.fl.us)**

WRITTEN NOTICE OF INTENT TO ISSUE AIR PERMIT

In the Matter of an
Application for Air Permit by:

Smart Fuels Florida, LLC
2405 US Hwy 441/27
Building #6
Fruitland Park, FL 34731

Project No. 0694859-001-AC
After-the- Fact Minor Source Air
Construction Permit
Lake County, Florida

Authorized Representative:
Michael Carlton, Vice President Operations

Smart Fuels Florida, LLC
Biodiesel Facility Facility

Facility Location: Smart Fuels Florida, LLC is located in Lake County at 2405 US Hwy 441/27 in Fruitland Park, Florida.

Project: This is an after-the-fact air construction permit for much of the facility. The applicant has already constructed much of the biodiesel production facility. The major operations conducted at the facility consist of removing impurities from waste vegetable oil, producing biodiesel and glycerol in a batch process, and blending pure biodiesel with diesel fuel to create biodiesel blends based on customer specifications. Each methanol-containing storage tank has a nitrogen blanket. Completed construction includes the installation of storage tanks for waste vegetable oil, methanol, diesel, biodiesel, glycerol, and intermediate products, and one process unit with a 150-gallon batch capacity. There are currently thirteen (13) tanks at the facility. Nine (9) of the thirteen (13) tanks have insignificant emissions. These nine tanks include: 1 x 10,000 gallon waste vegetable oil tank, 4 x 5,000 gallon waste vegetable oil tanks, 1 x 5,000 gallon centrifuged waste vegetable oil tank, 2 x 10,000 gallon biodiesel tanks, and 1 x 10,000 gallon diesel fuel tank for biodiesel blending only. The facility also plans to operate a three million British thermal unit per hour (3 MMBtu/hr) boiler fueled by a blend of glycerol, methanol, and biodiesel or filtered vegetable oil; and a 250 kW biodiesel-fueled generator. The existing emission units include a boiler, a generator, and 4 storage tanks. Each methanol-containing storage tanks has a nitrogen blanket. A 500-gallon boiler blend tank will be installed and will be classified under Emission Unit 003. It will not have a nitrogen blanket. After the 500-gallon boiler blend tank is built, there will be 14 tanks at the facility. The facility plans to install a second process unit with a 650-gallon batch capacity within 6-8 months. The maximum project biodiesel production rate for both process units combined is approximately 7,500 gallons per day, or 2.74 million gallons per year, assuming an operating schedule of 24 hours per day, 365 days per year. Details of the project are provided in the application and the enclosed Technical Evaluation and Preliminary Determination.

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 Department of Environmental Protection's Air Resource Section in the Central District Office. The Permitting Authority's physical address is: 3319 Maguire Blvd., Suite 232, Orlando, Florida 32803. The Permitting Authority's mailing address is: 3319 Maguire Blvd., Suite 232, Orlando, Florida 32803. The Permitting Authority's telephone number is 406/894-7555.

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 address indicated above for the Permitting Authority. The complete project file includes the Draft Permit, the Technical Evaluation and Preliminary Determination, the application, and the information submitted by the applicant, exclusive of confidential records under Section 403.111, F.S. Interested persons may contact the Permitting Authority's project review engineer for additional information at the address or phone number listed above.

Notice of Intent to Issue Permit: The Permitting Authority gives notice of its intent to issue an air permit to the

applicant for the project described above. The applicant has provided reasonable assurance that operation of the 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.

Public Notice: Pursuant to Section 403.815, F.S. and Rules 62-110.106 and 62-210.350, F.A.C., you (the applicant) are required to publish at your own expense the enclosed Public Notice of Intent to Issue Air Permit (Public Notice). The Public Notice shall be published one time only as soon as possible in the legal advertisement section of a newspaper of general circulation in the area affected by this project. The newspaper used must meet the requirements of Sections 50.011 and 50.031, F.S. in the county where the activity is to take place. If you are uncertain that a newspaper meets these requirements, please contact the Permitting Authority at above address or phone number. Pursuant to Rule 62-110.106(5) and (9), F.A.C., the applicant shall provide proof of publication to the Permitting Authority at the above address within 7 days of publication. Failure to publish the notice and provide proof of publication may result in the denial of the permit pursuant to Rule 62-110.106(11), F.A.C.

Comments: The Permitting Authority will accept written comments concerning the proposed Draft Permit for a period of 14 days from the date of publication of the Public Notice. Written comments must be received by the Permitting Authority by close of business (5:00 p.m.) on or before the end of the 14-day period. If written comments received result in a significant change to the Draft Permit, the Permitting Authority shall revise the Draft Permit and require, if applicable, another Public Notice. All comments filed will be made available for public inspection.

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 (Telephone: 850/245-2241). Petitions filed by the applicant or any of the parties listed below must be filed within 14 days of receipt of this Written Notice of Intent to Issue Air Permit. 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 the attached Public Notice or within 14 days of receipt of this Written Notice of Intent to Issue Air Permit, 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 Permitting Authority'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 when and how each petitioner received notice of the agency action or proposed decision; (d) A statement of all disputed issues of material fact. If there are none, the petition must so state; (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 including an explanation of how the alleged facts relate to the specific rules or statutes; and, (g) A statement of the relief sought by the petitioner, stating precisely the action the 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 Written 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 in this proceeding.

Executed in Orlando, Florida.

Caroline D. Shine
Program Administrator
Air Resource Management

12/4/09
Date

CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this Written Notice of Intent to Issue Air Permit package (including the Written Notice of Intent to Issue Air Permit, the Public Notice of Intent to Issue Air Permit, the Technical Evaluation and Preliminary Determination and the Draft Permit) was sent by electronic mail (or a link to these documents made available electronically on a publicly accessible server) with received receipt requested before the close of business on 12/4/09 to the persons listed below.

Michael Carlton, Vice President Operations, Smart Fuels Florida, LLC, **(mcarlton@smartfuelsllc.com)**
Christine Ng, Senior Associate, Environ, **(cng@environcorp.com)**
Russell Kemp, P.E., Principal Engineer, Environ, **(rkemp@environcorp.com)**
Lisa A. Kelley, Multimedia Coordinator, **(lisa.kelley@dep.state.fl.us)**

Clerk Stamp

FILED, on this date, pursuant to Section 120.52(7), Florida Statutes, with the designated Department Clerk, receipt of which is hereby acknowledged.

(Clerk) (Date) 12/4/09

PUBLIC NOTICE OF INTENT TO ISSUE AIR PERMIT

Florida Department of Environmental Protection
Air Resource Section, Central District Office
Draft Minor Source Air Construction Permit
Project No. 0694859-001-AC
Smart Fuels Florida, LLC
Lake County, Florida

Applicant: The applicant for this project is Smart Fuels Florida, LLC. The applicant's authorized representative and mailing address is: Michael Carlton, Vice President Operations, Smart Fuels Florida, LLC, 2405 US Hwy 441/27, Building #6, Fruitland Park, Florida.

Facility Location: Smart Fuels Florida, LLC operates the existing Smart Fuels Florida, LLC facility, which is located in Lake County at 2405 US Hwy 441/27, Building #6, Fruitland Park, Florida 34731.

Project: This is an after-the-fact air construction permit for much of the facility. The applicant has already constructed much of the biodiesel production facility. The major operations conducted at the facility consist of removing impurities from waste vegetable oil, producing biodiesel and glycerol in a batch process, and blending pure biodiesel with diesel fuel to create biodiesel blends based on customer specifications. Each methanol-containing storage tank has a nitrogen blanket. Completed construction includes the installation of storage tanks for waste vegetable oil, methanol, diesel, biodiesel, glycerol, and intermediate products, and one process unit with a 150-gallon batch capacity. There are currently thirteen (13) tanks at the facility. Nine (9) of the thirteen (13) tanks have insignificant emissions. These nine tanks include: 1 x 10,000 gallon waste vegetable oil tank, 4 x 5,000 gallon waste vegetable oil tanks, 1 x 5,000 gallon centrifuged waste vegetable oil tank, 2 x 10,000 gallon biodiesel tanks, and 1 x 10,000 gallon diesel fuel tank for biodiesel blending only. The facility also plans to operate a three million British thermal unit per hour (3 MMBtu/hr) boiler fueled by a blend of glycerol, methanol, and biodiesel or filtered vegetable oil; and a 250 kW biodiesel-fueled generator. The existing emission units include a boiler, a generator, and 4 storage tanks. Each methanol-containing storage tanks has a nitrogen blanket. A 500-gallon boiler blend tank will be installed and will be classified under Emission Unit 003. It will not have a nitrogen blanket. After the 500-gallon boiler blend tank is built, there will be 14 tanks at the facility. The facility plans to install a second process unit with a 650-gallon batch capacity within 6-8 months. The maximum project biodiesel production rate for both process units combined is approximately 7,500 gallons per day, or 2.74 million gallons per year, assuming an operating schedule of 24 hours per day, 365 days per year. Details of the project are provided in the application and the enclosed Technical Evaluation and Preliminary Determination.

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 Department of Environmental Protection's Air Resource Section in the Central District Office. The Permitting Authority's physical address is: 3319 Maguire Blvd., Suite 232, Orlando, Florida 32803. The Permitting Authority's mailing address is: 3319 Maguire Blvd., Suite 232, Orlando, Florida 32803. The Permitting Authority's telephone number is 407/894-7555.

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 available on the following web site: http://www.dep.state.fl.us/air/eproducts/apds/default.asp.

(Public Notice to be Published in the Newspaper)

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 14 days from the date of publication of this Public Notice. Written comments must be received by the Permitting Authority by close of business (5:00 p.m.) on or before the end of the 14-day period. If written comments received result in a significant change to the Draft Permit, the Permitting Authority shall revise the Draft Permit and require, if applicable, another Public Notice. All comments filed will be made available for public inspection.

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 (Telephone: 850/245-2241). 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 Permitting Authority'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 rights will be affected by the agency determination; (c) A statement of when and how the petitioner received notice of the agency action or proposed decision; (d) A statement of all disputed issues of material fact. If there are none, the petition must so state; (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 including an explanation of how the alleged facts relate to the specific rules or statutes; and, (g) A statement of the relief sought by the petitioner, stating precisely the action the 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.

(Public Notice to be Published in the Newspaper)

Florida Department of Environmental Protection

Central District Office
3319 Maguire Boulevard, Suite 232
Orlando, Florida 32803-3767

Charlie Crist
Governor

Jeff Kottkamp
Lt. Governor

Michael W. Sole
Secretary

DRAFT PERMIT

Electronically sent – Received Receipt requested
mcarlton@smartfuelsllc.com

PERMITTEE
Smart Fuels Florida, LLC
2405 US Hwy 441/27, Bldg. #6
Fruitland Park, FL 34731

Authorized Representative: Michael Carlton, VP Operations

Air Permit No. 0694859-001-AC
Permit Expires: February 28, 2011
Smart Fuels Florida, LLC
After-the-Fact Minor Source Air Construction Permit
Biodiesel Production Facility

This is the **DRAFT** After-the-Fact air construction permit, which includes After-the-Fact construction at the biodiesel production facility; and authorizes additional construction at the site. A boiler, a generator, a process unit with a 150-gallon batch capacity, and 14 storage tanks have been constructed. A 500-gallon boiler blend tank and a second process unit with a 650-gallon batch capacity will be installed. Work has been conducted and future work will be conducted at Smart Fuels Florida, LLC (Major Group Standard Industrial Classification Code 28 and Facility Standard Industrial Classification Code 2869). The facility is located in Lake County at 2405 US Hwy 441/27, Bldg. #6 in Fruitland Park, Florida. The UTM coordinates are Zone 17, 441.75 km East and 3194.47 km North.

This **DRAFT** permit is organized by the following sections.

Section 1. General Information
Section 2. Administrative Requirements
Section 3. Emissions Unit Specific Conditions
Section 4. Appendices

Because of the technical nature of the project, the permit contains numerous acronyms and abbreviations, which are defined in Appendix A of Section 4 of this permit.

This air pollution construction permit is issued under the provisions of Chapter 403 of the Florida Statutes (F.S.) and Chapters 62-4, 62-204, 62-210, 62-212, 62-296 and 62-297 of the Florida Administrative Code (F.A.C.). The permittee is authorized to conduct the proposed work in accordance with the conditions of this permit. This project is subject to the general preconstruction review requirements in Rule 62-212.300, F.A.C. and is not subject to the preconstruction review requirements for major stationary sources in Rule 62-212.400, F.A.C. for the Prevention of Significant Deterioration (PSD) of Air Quality.

Upon issuance of this final permit, any party to this order has the right to seek judicial review of it under Section 120.68 of the Florida Statutes by filing a notice of appeal under Rule 9.110 of the Florida Rules of Appellate Procedure with the clerk of the Department of Environmental Protection in the Office of General Counsel (Mail Station #35, 3900 Commonwealth Boulevard, Tallahassee, Florida, 32399-3000) and by filing a copy of the notice of appeal, accompanied by the applicable filing fees, with the appropriate District Court of Appeal. The notice must be filed within 30 days after this order is filed with the clerk of the Department.

Executed in Orlando, Florida

_____
Caroline D. Shine
Program Administrator
Air Resource Management

_____
Date

CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this **Draft Air Permit** package was sent by electronic mail (or a link to these documents made available electronically on a publicly accessible server) with received receipt requested before the close of business on _____ to the persons listed below.

Christine Ng, Senior Associate, Environ, **(cng@environcorp.com)**
Russell Kemp, P.E., Principal Engineer, Environ, **(rkemp@environcorp.com)**
Lisa A. Kelley, Multimedia Coordinator, **(lisa.kelley@dep.state.fl.us)**

Clerk Stamp

FILED, on this date, pursuant to Section 120.52(7), Florida Statutes, with the designated agency clerk, receipt of which is hereby acknowledged.

_____ _____
Clerk Date

FACILITY AND PROJECT DESCRIPTION

Existing Facility (After-the-Fact Construction)

The facility is Smart Fuels Florida, LLC., a new biodiesel production facility that will produce biodiesel from waste vegetable oil. The major operations conducted at the facility consist of removing impurities from waste vegetable oil, producing biodiesel and glycerol in a batch process, and blending pure biodiesel with diesel fuel to create biodiesel blends based on customer specifications. Each methanol-containing storage tank has a nitrogen blanket. The first phase of construction includes the installation of storage tanks for waste vegetable oil, methanol, diesel, biodiesel, glycerol, and intermediate products, and one process unit with a 150-gallon batch capacity. There are currently thirteen (13) tanks at the facility. Nine (9) of the thirteen (13) tanks have insignificant emissions. These nine tanks include: 1 x 10,000 gallon waste vegetable oil tank, 4 x 5,000 gallon waste vegetable oil tanks, 1 x 5,000 gallon centrifuged waste vegetable oil tank, 2 x 10,000 gallon biodiesel tanks, and 1 x 10,000 gallon diesel fuel tank for biodiesel blending only. The facility also plans to operate a three million British thermal unit per hour (3 MMBtu/hr) boiler fueled by a blend of glycerol, methanol, and biodiesel or filtered vegetable oil; and a 250 kW biodiesel-fueled generator. The existing facility consists of the following emissions units:

Facility ID No. 0694859

ID No.	Emission Unit Description
001	**Boiler**
002	**Generator**
003	**Storage Tanks (4): 1 x 20,000-gallon methanol tank, 1 x 10,000 gallon glycerol/methanol tank, 2 x 7,000-gallon methanol / vegetable oil / acid tanks**

Proposed Project

This project will add the following emissions units (EU ID Nos. 001, 002, and 003). A 500-gallon boiler blend tank will be installed and will be classified under Emission Unit 003. It will not have a nitrogen blanket. After the 500-gallon boiler blend tank is built, there will be fourteen (14) tanks at the facility. Ten (10) of the fourteen (14) tanks have insignificant emissions. The facility plans to install a second process unit with a 650-gallon batch capacity within 6-8 months. The maximum project biodiesel production rate for both process units combined is approximately 7,500 gallons per day, or 2.74 million gallons per year, assuming an operating schedule of 24 hours per day, 365 days per year. Both 1st and 2nd construction phases are covered by this permit.

Facility ID No. 0694859

ID No.	Emission Unit Description
001	**Boiler**
002	**Generator**
003	**Storage Tanks (5): 1 x 20,000-gallon methanol tank, 1 x 10,000 gallon glycerol/methanol tank, 2 x 7,000-gallon methanol / vegetable oil / acid tanks, and a 500-gallon aboveground storage tank to store its boiler fuel blend. The boiler fuel blend consists of 60 percent glycerol and 20 percent methanol and 20 percent filtered vegetable oil or biodiesel. The 500-gallon boiler blend tank will not be equipped with nitrogen blanketing.**

FACILITY REGULATORY CLASSIFICATION

- The facility is not a major source of hazardous air pollutants (HAP).
- The facility has no units subject to the acid rain provisions of the Clean Air Act (CAA).
- The facility is not a Title V major source of air pollution in accordance with Chapter 213, F.A.C.
- The facility is not a major stationary source in accordance with Rule 62-212.400(PSD), F.A.C.
- The facility is subject to 40 CFR 60, Subpart A; the recordkeeping requirements of §60.116b in 40 CFR 60, Subpart Kb; and § 60.486a(i) of 40 CFR 60, Subpart VV-a

1. Permitting Authority: The permitting authority for this project is the Florida Department of Environmental Protection, Central District Office. The Central District Office's mailing address is 3319 Maguire Blvd., Suite 232, Orlando, Florida 32803-3767. The phone numbers for Permitting Section are 407-893-3335 or 407-893-3334. All documents related to applications for permits to operate an emissions unit shall be submitted to the Central District Office.

2. Compliance Authority: All documents related to compliance activities such as reports, tests, and notifications shall be submitted to the Central District Office. The mailing address of the Central District Office is: 3319 Maguire Blvd., Suite 232, Orlando, Florida 32803-3767. The phone number for Compliance Section is 407-893-3333.

3. Appendices: The following Appendices are attached as part of this permit:

   a. Appendix A. Citation Formats and Glossary of Common Terms;

   b. Appendix B. General Conditions;

   c. Appendix C. Common Conditions; and

   d. Appendix D. Common Testing Requirements.

   e. Appendix E. 40 CFR 60, Subpart A – General Provisions

   g. Appendix F. 40 CFR 60, Subpart Kb – Standards of Performance for Volatile Organic Liquid Storage Vessels

   h. Appendix G. 40 CFR Part 60, Subpart VV-a – Standards of Performance for Equipment Leaks of VOC in the Synthetic Organic Chemicals Manufacturing Industry Volatile Organic Liquid Storage Vessels

   i. Appendix H. 40 CFR Part 80, Subpart A – General Provisions

   j. Appendix I. 40 CFR Part 80, Subpart I – Motor Vehicle, Nonroad, Locomotive, and Marine Diesel Fuel

4. Applicable Regulations, Forms and Application Procedures: Unless otherwise specified in this permit, the construction and operation of the subject emissions units shall be in accordance with the capacities and specifications stated in the application. The facility is subject to all applicable provisions of: Chapter 403, F.S.; and Chapters 62-4, 62-204, 62-210, 62-212, 62-213, 62-296 and 62-297, F.A.C. Issuance of this permit does not relieve the permittee from compliance with any applicable federal, state, or local permitting or regulations.

5. New or Additional Conditions: For good cause shown and after notice and an administrative hearing, if requested, the Department may require the permittee to conform to new or additional conditions. The Department shall allow the permittee a reasonable time to conform to the new or additional conditions, and on application of the permittee, the Department may grant additional time. [Rule 62-4.080, F.A.C.]

6. Modifications: The permittee shall notify the Compliance Authority upon commencement of construction. No new emissions unit shall be constructed and no existing emissions unit shall be modified without obtaining an air construction permit from the Department. Such permit shall be obtained prior to beginning construction or modification. [Rules 62-210.300(1) and 62-212.300(1)(a), F.A.C.]

7. Source Obligation:

   (a) At such time that a particular source or modification becomes a major stationary source or major modification (as these terms were defined at the time the source obtained the enforceable limitation) solely by virtue of a relaxation in any enforceable limitation which was established after August 7, 1980, on the capacity of the source or modification otherwise to emit a pollutant, such as a restriction

on hours of operation, then the requirements of subsections 62-212.400(4) through (12), F.A.C., shall apply to the source or modification as though construction had not yet commenced on the source or modification.

(b) At such time that a particular source or modification becomes a major stationary source or major modification (as these terms were defined at the time the source obtained the enforceable limitation) solely by exceeding its projected actual emissions, then the requirements of subsections 62-212.400(4) through (12), F.A.C., shall apply to the source or modification as though construction had not yet commenced on the source or modification. [Rule 62-212.400(12), F.A.C.]

8. Permit Application: The construction/modification shall reasonably conform to the plans and schedule submitted in the application. If the permittee is unable to complete construction on schedule, he must notify the Department in writing at least 90 days prior to the expiration of the construction permit and submit an application for an extension of the construction permit.

An operating permit is required for this source. To obtain an operating permit, the permittee must demonstrate compliance with the conditions of the construction permit and submit the application fee, along with compliance test results, and an Application for Air Permit (4 copies) to the Department's Central Florida District office [Rule 62-4.220, F.A.C.]. **The application shall be submitted no later than December 30, 2010.**

A. Biodiesel Production

This section of the permit addresses the following emissions units.

ID No.	Emission Unit Description
001	**Boiler**
002	**Generator**
003	**Storage Tanks (5): 1 x 20,000-gallon methanol tank, 1 x 10,000 gallon glycerol/methanol tank, 2 x 7,000-gallon methanol / vegetable oil / acid tanks, and a 500-gallon aboveground storage tank to store its boiler fuel blend. The boiler fuel blend consists of 60 percent glycerol and 20 percent methanol and 20 percent filtered vegetable oil or biodiesel. The 500-gallon boiler blend tank will not be equipped with nitrogen blanketing. Storage Tanks**

EQUIPMENT

1. Equipment Name: The permittee has constructed 14 tanks, a boiler, a generator, one process unit with a 150-gallon batch capacity, and related equipment such as piping, heat exchangers, etc. The permittee is authorized to construct/install a 500-gallon aboveground storage tank to store its boiler fuel blend and a second process unit. The second process unit has a 650-gallon batch capacity. The permittee is authorized to construct/install related equipment such as piping, heat exchangers, etc. After construction is complete, there will be 15 storage tanks, 5 of the 15 are classified under Emission Unit No. 3. The emissions from the other 10 storage tanks are considered insignificant. The facility also plans to operate a three million British thermal unit per hour (3 MMBtu/hr) boiler fueled by a blend of glycerol, methanol, and biodiesel or filtered vegetable oil; and a 250 kW biodiesel-fueled generator. [Application No. 0694859-001-AC]

PERFORMANCE RESTRICTIONS

2. Permitted Capacity: The permitted capacity for the facility is 2.74 million gallons of biodiesel fuel. [Application No. 0694859-001-AC and 62-210.200(PTE), F.A.C.]

3. Authorized Fuel: The permittee is authorized to combust a fuel blend consisting of 60 percent glycerol, 20 percent methanol, and 20 percent filtered vegetable oil or biodiesel for the boiler. The permittee is authorized to combust biodiesel (B100) for the generator. [Application No. 0694859-001-AC and 62-210.200(PTE), F.A.C.]

4. Restricted Operation: The hours of operation of are not limited (8760 hours per year). [Rules 62-4.070(3) and 62-210.200(PTE), F.A.C.]

5. Restricted Operation: The nitrogen blanket shall be maintained in each methanol-containing storage tank unless the tank vapor pressure has increased beyond the relief valve set point. [Rules 62-4.070(3) and 62-210.200(PTE), F.A.C.]

PRECAUTIONS AND PROCEDURES TO MINIMIZE EMISSIONS

6. Unconfined particulate matter: All reasonable precautions shall be taken to prevent emissions of unconfined particulate matter. Reasonable precautions shall include, but not be limited to, the following [Rule 62-296.320(4)(c), F.A.C.]:

   a) Application of water, when necessary, to control emissions.
   b) Removal of particulate matter from roads and other paved areas under control of the owner or operator to prevent re-entrainment, and from buildings or work areas to prevent particulate.

A. Biodiesel Production

7. Volatile Organic Compound: No person shall store, pump, handle, process, load, unload or use in any process or installation, volatile organic compounds (VOCs) or organic solvents without applying known and existing vapor emission control devices or systems deemed necessary and ordered by the Department [Rule 62-296.320(1)(a), F.A.C.] To comply, procedures to minimize pollutant emissions should include, but not be limited to the following:

   a) tightly cover or close all VOC containers when they are not in use,
   b) tightly cover, where possible, all open troughs, basins, baths, tanks, etc. when they are not in use,
   c) maintain all piping, valves, fittings, etc. in good operating condition,
   d) prevent excessive air turbulence across exposed VOCs,
   e) immediately confine and clean up VOC spills and make sure certain wastes are placed in closed containers for reuse, recycling or proper disposal [Rule 62-296.320(1)(a), F.A.C.]

EMISSIONS LIMITS AND STANDARDS

8. Emissions Standards: Visible emissions are limited to less than 20 percent opacity. See Condition No. 8 of Appendix C. [Application No. 0090078-005-AC and Rule 62-296.320(4)(b)1, F.A.C.]

9. Emissions Limits: The maximum facility-wide nitrogen oxides (NO_X) emission rate shall not exceed 75.0 tons per consecutive twelve months, volatile organic compound (VOC) emission rate shall not exceed 10.0 tons per consecutive twelve months, carbon monoxide (CO) emission rate shall not exceed 10.0 tons per consecutive twelve months, total HAP emissions are limited to less than 25.0 tons per consecutive twelve months, and each HAP emission is limited to less than 10.0 tons per consecutive twelve months. [Rule 62-210.200, (Potential to Emit), F.A.C.]

10. Performance Standards: The facility is not subject to 40 CFR 60, Subpart Dc-Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units; 40 CFR 60, Subpart IIII – Standards of Performance for Stationary Compression Ignition Combustion Engines; 40 CFR 60, Subpart NNN – Standards of Performance for Volatile Organic Compounds (VOC) Emissions From Synthetic Organic Chemical Manufacturing Industry (SOCMI) Distillation Operations; 40 CFR 60, Subpart RRR – Standards of Performance for Volatile Organic Compounds (VOC) Emissions From Synthetic Organic Chemical Manufacturing Industry (SOCMI) Reactor Processes.

11. Performance Standards: The facility is subject to the recordkeeping requirements of §60.116b in 40 CFR 60, Subpart Kb – Standards of Performance for Volatile Organic Liquid Storage Vessels. The facility is required to maintain a record of the methanol tank dimensions, contents, capacity, period of storage, and the maximum true vapor pressure. [40 CFR 60, Subpart Kb – Standards of Performance for Volatile Organic Liquid Storage Vessels]

12. Performance Standards: The facility is subject to §60.486a(i) in 40 CFR 60, Subpart VV-a – Standards of Performance for Equipment Leaks of VOC in the Synthetic Organic Chemicals Manufacturing Industry.

A. Biodiesel Production

TESTING REQUIREMENTS

13. Initial Compliance Test: Prior to August 30, 2010, the generator shall be tested using EPA Method 20 to determine compliance with the NO_X emissions limit specified in specific condition number 9. A visible emissions test to determine compliance with the opacity limit specified in Specific Condition No. 8 and Condition No. 8 of Appendix C. shall be conducted for the generator concurrently with each NO_X emissions test. The test method for the visible emissions test shall be EPA Method 9. The testing for NO_X emissions and visible emissions shall consist of 3 runs, each of 30 minutes duration.
[Rule 62-4.070(3), F.A.C.]

14. Initial Compliance Test: Prior to August 30, 2010, the boiler shall be tested using EPA Method 9 to determine compliance with the opacity limit specified in Specific Condition No. 8 and Condition No. 8 of Appendix C. The visible emission testing for the boiler shall consist of one run of 30 minutes duration.
[Rule 62-4.070(3), F.A.C.]

15. Test Requirements (Calculation of Emission Rate): The indicated emission rate or concentration shall be the arithmetic average of the emission rate or concentration determined by each of the separate test runs unless otherwise specified in a particular test method or applicable rule. [Rule 62-297.310(3), F.A.C.]

16. Test Requirements: The permittee shall notify the Compliance Authority in writing at least 15 days prior to any required tests. Tests shall be conducted in accordance with the applicable requirements specified in Appendix D (Common Testing Requirements) of this permit. [Rule 62-297.310(7)(a)9, F.A.C.]

17. Test Requirements: There is no test requirement for the storage tanks unless the Department, after investigation, has good reason to believe that any applicable emission standard contained in a Department rule or in a permit issued pursuant to those rules is being violated. [Rules 62-4.070(3) and 62-297.310(7), F.A.C.]

18. Test Methods: Required tests shall be performed in accordance with the following reference methods.

Method	Description of Method and Comments
EPA 9	Visual Determination of the Opacity of Emissions from Stationary Sources
EPA 20	Determination of Nitrogen Oxides, Sulfur Dioxide and Diluent Emissions from Stationary Sources.

The above methods are described in Appendix A of 40 CFR 60 and are adopted by reference in Rule 62-204.800, F.A.C. No other methods may be used unless prior written approval is received from the Department. [Rules 62-204.800 and 62-297.100, F.A.C.; and Appendix A of 40 CFR 60]

MONITORING REQUIREMENTS

19. The biodiesel fuel that will be combusted in the generator shall be sampled and tested; and shall meet the requirements of ASTM 6751 for B100 biodiesel. Additionally, the sulfur content of the biodiesel for the generator shall not exceed 500 ppm prior to June 1, 2010; and on June 1, 2010 and afterwards, the sulfur content shall not exceed 15 ppm. The sulfur content shall be determined using ASTM D5453 or one of the ASTM methods listed in Specific Condition No. 21.
[Rule 62-4.070(3), F.A.C. and 40 CFR 80, Subpart I]

A. Biodiesel Production

20. The biodiesel fuel that may be used as part (20 percent) of the fuel blend for combustion in the boiler (applicant may use filtered vegetable oil as an alternative to biodiesel in the fuel blend) shall be sampled and tested; and shall meet the requirements of ASTM 6751 for B100 biodiesel fuel. Additionally, the sulfur content of the biodiesel fuel that may be used as part (20 percent) of the fuel blend for the boiler shall not exceed 500 ppm prior to June 1, 2010; and on June 1, 2010 and afterwards, the sulfur content of the biodiesel fuel shall not exceed 15 ppm. The sulfur content shall be determined using ASTM D5453-09 or one of the ASTM methods listed in Specific Condition No. 21.
[Rule 62-4.070(3), F.A.C. and 40 CFR 80, Subpart I]

21. The permittee shall maintain records to demonstrate that the sulfur content, by weight, of each shipment of diesel fuel is no more than 500 ppm prior to June 1, 2010; and on June 1, 2010 and afterwards, the diesel fuel is no more than 15 ppm; and that the sulfur content was determined using ASTM methods ASTM D4057-88 and one of ASTM D2622-94, ASTM D4294-98, ASTM D1552-95 or ASTM D129-91 or more recent editions adopted and incorporated by reference in Rule 62-297.440(1), F.A.C. Alternately, after written notification to and approval by the Department, the permittee may use other DEP Air Program-approved methods, i.e. alternate sampling procedures, for sulfur in petroleum products including ASTM D7039-07 or latest editions of previously approved methods. The facility may comply with this requirement by retaining a signed certification statement from the fuel supplier for each fuel shipment that, based on representative testing using the methods specified above, the sulfur content of the fuel delivered complies with the sulfur limit of 15 ppm and the fuel meets the diesel fuel specifications and requirements of 40 CFR 80.510(b) for non road diesel fuel. The certification shall include the name, address, and telephone number of the fuel supplier and the items listed in general condition 14(c) in Appendix B.
[Rule 62-4.070, F.A.C. and 40 CFR 80, Subpart I]

RECORDS AND REPORTS

22. In order to demonstrate compliance with specific conditions no. 2 and no. 9, and pursuant to Rule 62-4.070(3), F.A.C., the permittee shall maintain a monthly log at the facility for a period of at least five years from the date the data is recorded. The log, at a minimum, shall contain the following:

    Monthly

    a) Designation of the month and year of operation for which the records are being tabulated;
    b) Consecutive 12-month total of biodiesel (gallons) produced by the facility;
    c) One month total of biodiesel (gallons) produced by the facility;
    d) Consecutive 12-month total of NOx emissions, VOC emissions, CO emissions, total HAPs emissions, and each HAP emissions;
    e) One month total of NOx emissions, VOC emissions, CO emissions, total HAPs emissions, and each HAP emissions; and
    f) Consecutive 12-month total of biodiesel burned in the generator (gallons)
    g) One month total of biodiesel burned in the generator (gallons)
    h) Records of the monitoring results listed in specific conditions no. 18 and no. 19.

    [Rule 62-4.070(3), F.A.C.]

    Note: A consecutive 12-month total is equal to the total for the month in question plus the totals for the eleven months previous to the month in question. A consecutive 12-month total treats each month of the year as the end of a 12-month period. A 12-month total is not a year-to-date total. Facilities that have not been operating for 12 months should retain 12-month totals using whatever number of months of data is available until such a time as a consecutive 12-month total can be maintained each month. The monthly logs shall be completed by the end of the following month. [Rule 62-4.070(3), F.A.C.]

A. Biodiesel Production

23. Supporting documentation (chemical usage tracking logs, MSDS sheets, purchase orders, EPA "As Supplied" data sheets, EPA Method 24, etc.) shall be kept for each chemical and associated products which includes sufficient information to determine usage rates and emissions. These records shall be made available to the Department upon request. Documentation of each chemical reclaimed will use a mass balance method to determine usage/emissions (amount used minus amount collected for disposal or recycle). The log and documents shall be kept at the facility for at least five years and made available to the Department. The monthly logs shall be completed by the end of the following month.
[Rule 62-4.070(3), F.A.C.]

24. Logs must document the method, calculations, and formulas used in determining the usage rate and the emission rate. This includes, but is not limited to, the product name, density, individual and total HAP contents, and individual and total VOC content. All calculations, including those used to derive emission credits for mass balance, must be clearly documented, and may be presented in the form of a template of sample calculations, which is filed with the logs required in this specific condition and available for review on site by regulatory inspectors.
[Rule 62-4.070(3), F.A.C.]

25. Test Reports: The permittee shall prepare and submit reports for all required tests in accordance with the requirements specified in Appendix D (Common Testing Requirements) of this permit. For each test run, the report shall also indicate the information listed in Rules 62-297.310(8)(c) 12., 18., and 19., F.A.C. [Rule 62-297.310(8), F.A.C.]

26. Annual Operating Report: An Annual Operating Report is required to be completed and submitted for this facility as specified in Appendix C (Common Conditions) of this permit. This facility is classified as a true minor facility. [Rule 62-210.370(3), F.A.C.]

BEST MANAGEMENT PRACTICES PLAN (BMPP)

27. Best Management Practices Plan: No later than **March 31, 2010**, Smart Fuels Florida shall provide to the Compliance Authority a copy of the most recent version of the facility's Best Management Practices Plan that addresses Fire; Fire Prevention; Fire Procedures; and Safety Procedures for Chemicals including Acids. [Rule 62-4.070(3), F.A.C.]

TECHNICAL EVALUATION
&
PRELIMINARY DETERMINATION

APPLICANT

Smart Fuels Florida, LLC
2405 US Hwy 441/27
Building #6
Fruitland Park, FL 34731

Smart Fuels Florida, LLC Facili
Facility ID No. 0694859

Copy of Technical Evaluation in file.

PROJECT

Project No. 0694859-001-A(
Application for Air Construction
Construction of Biodiesel Productio

COUNTY

Lake County, Florida

PERMITTING AUTHOR

Florida Department of Environmental Protection
Air Resource Section
Central District Office
3319 Maguire Blvd., Suite 232
Orlando, FL 32803

November 17, 2009

1. GENERAL PROJECT INFORMATION

Air Pollution Regulations

Projects at stationary sources with the potential to emit air pollution are subject to the applicable environmental laws specified in Section 403 of the Florida Statutes (F.S.). The statutes authorize the Department of Environmental Protection (Department) to establish regulations regarding air quality as part of the Florida Administrative Code (F.A.C.), which includes the following applicable chapters: 62-4 (Permits); 62-204 (Air Pollution Control – General Provisions); 62-210 (Stationary Sources – General Requirements); 62-212 (Stationary Sources – Preconstruction Review); 62-213 (Operation Permits for Major Sources of Air Pollution); 62-296 (Stationary Sources - Emission Standards); and 62-297 (Stationary Sources – Emissions Monitoring). Specifically, air construction permits are required pursuant to Rules 62-4, 62-210 and 62-212, F.A.C.

In addition, the U. S. Environmental Protection Agency (EPA) establishes air quality regulations in Title 40 of the Code of Federal Regulations (CFR). Part 60 specifies New Source Performance Standards (NSPS) for numerous industrial categories. Part 61 specifies National Emission Standards for Hazardous Air Pollutants (NESHAP) based on specific pollutants. Part 63 specifies NESHAP based on the Maximum Achievable Control Technology (MACT) for numerous industrial categories. The Department adopts these federal regulations on a quarterly basis in Rule 62-204.800, F.A.C.

Glossary of Common Terms

Because of the technical nature of the project, the permit contains numerous acronyms and abbreviations, which are defined in Appendix A of this permit.

Facility Description and Location

Smart Fuels Florida, LLC operates the existing Smart Fuels Florida Facility, which is a biodiesel production facility. The facility is categorized under Standard Industrial Classification Code No. 2869. The facility is located in Lake County at 2405 US Hwy 441/27, Building #6 in Fruitland Park, Florida. The UTM coordinates of the existing facility are Zone 17, 411.75 km East, and 3194.47 km North. This site is in an area that is in attainment (or designated as unclassifiable) for all air pollutants subject to state and federal Ambient Air Quality Standards (AAQS).

Facility Regulatory Categories

- The facility is not a major source of hazardous air pollutants (HAP).
- The facility has no units subject to the acid rain provisions of the Clean Air Act.
- The facility is not a Title V major source of air pollution in accordance with Chapter 213, F.A.C.
- The facility is not a major stationary source in accordance with Rule 62-212.400, F.A.C. for the Prevention of Significant Deterioration (PSD) of Air Quality.
- The facility is subject to 40 CFR 60, Subpart A and the recordkeeping requirements of §60.116b in 40 CFR 60, Subpart Kb

Project Description

Project: This is an after-the-fact air construction permit for much of the facility. The applicant has already constructed much of the biodiesel production facility. The major operations conducted at the facility consist of removing impurities from waste vegetable oil, producing biodiesel and glycerol in a batch process, and blending pure biodiesel with diesel fuel to create biodiesel blends based on customer specifications. Each methanol-containing storage tank has a nitrogen blanket. Completed construction includes the installation of storage tanks

for waste vegetable oil, methanol, diesel, biodiesel, glycerol, and intermediate products, and one process unit with a 150-gallon batch capacity. There are currently thirteen (13) tanks at the facility. Nine (9) of the thirteen (13) tanks have insignificant emissions. These nine tanks include: 1 x 10,000 gallon waste vegetable oil tank, 4 x 5,000 gallon waste vegetable oil tanks, 1 x 5,000 gallon centrifuged waste vegetable oil tank, 2 x 10,000 gallon biodiesel tanks, and 1 x 10,000 gallon diesel fuel tank for biodiesel blending only. The facility also plans to operate a three million British thermal unit per hour (3 MMBtu/hr) boiler fueled by a blend of glycerol, methanol, and biodiesel or filtered vegetable oil; and a 250 kW biodiesel-fueled generator. The existing emission units include a boiler, a generator, and 4 storage tanks. Each methanol-containing storage tanks has a nitrogen blanket. A 500-gallon boiler blend tank will be installed and will be classified under Emission Unit 003. It will not have a nitrogen blanket. After the 500-gallon boiler blend tank is built, there will be 14 tanks at the facility. The facility plans to install a second process unit with a 650-gallon batch capacity within 6-8 months. The maximum project biodiesel production rate for both process units combined is approximately 7,500 gallons per day, or 2.74 million gallons per year, assuming an operating schedule of 24 hours per day, 365 days per year.

Processing Schedule

09/30/09 Received the application for a minor source air pollution construction permit
10/16/09 Requested additional information.
11/02/09 Received additional information; application complete.

2. PSD APPLICABILITY

General PSD Applicability

For areas currently in attainment with the state and federal AAQS or areas otherwise designated as unclassifiable, the Department regulates major stationary sources of air pollution in accordance with Florida's PSD preconstruction review program as defined in Rule 62-212.400, F.A.C. Under preconstruction review, the Department first must determine if a project is subject to the PSD requirements ("PSD applicability review") and, if so, must conduct a PSD preconstruction review. A PSD applicability review is required for projects at new and existing major stationary sources. In addition, proposed projects at existing minor sources are subject to a PSD applicability review to determine whether potential emissions *from the proposed project itself* will exceed the PSD major stationary source thresholds. A facility is considered a major stationary source with respect to PSD if it emits or has the potential to emit:

- 250 tons per year or more of any regulated air pollutant; or
- 100 tons per year or more of any regulated air pollutant and the facility belongs to one of the following 28 PSD-major facility categories: fossil fuel-fired steam electric plants of more than 250 million British thermal units per hour heat input, coal cleaning plants (with thermal dryers), Kraft pulp mills, portland cement plants, primary zinc smelters, iron and steel mill plants, primary aluminum ore reduction plants, primary copper smelters, municipal incinerators capable of charging more than 250 tons of refuse per day, hydrofluoric, sulfuric, and nitric acid plants, petroleum refineries, lime plants, phosphate rock processing plants, coke oven batteries, sulfur recovery plants, carbon black plants (furnace process), primary lead smelters, fuel conversion plants, sintering plants, secondary metal production plants, chemical process plants, fossil fuel boilers (or combinations thereof) totaling more than 250 million British thermal units per hour heat input, petroleum storage and transfer units with a total storage capacity exceeding 300,000 barrels, taconite ore processing plants, glass fiber processing plants and charcoal production plants.

Once it is determined that a project is subject to PSD preconstruction review, the project emissions are compared to the "significant emission rates" defined in Rule 62-210.200, F.A.C. for the following pollutants: carbon monoxide (CO); nitrogen oxides (NO_X); sulfur dioxide (SO_2); particulate matter (PM); particulate matter with a mean particle diameter of 10 microns or less (PM_{10}); volatile organic compounds (VOC); lead (Pb); fluorides (Fl); sulfuric acid mist (SAM); hydrogen sulfide (H_2S); total reduced sulfur (TRS), including H_2S; reduced sulfur compounds, including H_2S; municipal waste combustor organics measured as total tetra- through octa-chlorinated

dibenzo-p-dioxins and dibenzofurans; municipal waste combustor metals measured as particulate matter; municipal waste combustor acid gases measured as SO_2 and hydrogen chloride (HCl); municipal solid waste landfills emissions measured as non-methane organic compounds (NMOC); and mercury (Hg). In addition, significant emissions rate also means any emissions rate or any net emissions increase associated with a major stationary source or major modification which would construct within 10 kilometers of a Class I area and have an impact on such area equal to or greater than 1 $\mu g/m^3$, 24-hour average.

If the potential emission exceeds the defined significant emissions rate of a PSD pollutant, the project is considered "significant" for the pollutant and the applicant must employ the Best Available Control Technology (BACT) to minimize the emissions and evaluate the air quality impacts. Although a facility or project may be *major* with respect to PSD for only one regulated pollutant, it may be required to install BACT controls for several "significant" regulated pollutants.

PSD Applicability for Project

Currently the facility wide potential emissions for NO_X are 59.14 tons/yr. The project is not subject to PSD Review.

3. APPLICATION REVIEW

Discussion of Emissions

Currently the facility wide potential emissions for NO_X are 59.14 tons/yr. Note that NO_X is the pollutant with the highest potential emission rate. This is a new facility. Potential Emissions based on the application are PM10 3.12 tons/yr., SO_X 1.62 tons/yr., CO 5.88 tons/yr., VOC 2.59 tons/yr., and total HAPs 1.24 tons/yr.

State Requirements
Rule 62-210.200(242), F.A.C. (potential to emit) and Rule 62-210.300(1), F.A.C. (air construction permits).

Federal NSPS Provisions
The facility is subject to 40 CFR 60, Subpart A and the recordkeeping requirements of §60.116b in 40 CFR 60, Subpart Kb. Additionally, the facility is subject §60.486a(i) in CFR Part 60, Subpart VV-a – Standards of Performance for Equipment Leaks of VOC in the Synthetic Organic Chemicals Manufacturing Industry Volatile Organic Liquid Storage Vessels. and requirements of

Federal NESHAP Provisions
N/A

Other Draft Permit Requirements
The requirements of 40 CFR Part 80, Subpart I – Motor Vehicle, Nonroad, Locomotive, and Marine Diesel Fuel apply with regard to the generator/engine.

4. PRELIMINARY DETERMINATION

The Department makes a preliminary determination that the proposed project will comply with all applicable state and federal air pollution regulations as conditioned by the draft permit. This determination is based on a technical review of the complete application, reasonable assurances provided by the applicant, and the conditions specified in the draft permit. Jeffrey Rustin, P.E. is the project engineer responsible for reviewing the application and drafting the permit. Additional details of this analysis may be obtained by contacting the project engineer at the Florida Department of Environmental Protection, Central District Office, 3319 Maguire Blvd., Suite 232, Orlando, Florida 32803-3767; 407-893-3334.