Florida Department of Environmental Protection

Northeast District
8800 Baymeadows Way West, Suite 100
Jacksonville, Florida 32256

Rick Scott
Governor

Carlos Lopez-Cantera
Lt. Governor

Jonathan P. Steverson
Secretary

Sent by Electronic Mail – Received Receipt Requested

Mr. William L. Donohue, General Manager
PCS Sales (USA), Inc.
P.O. Box 300
White Springs, FL 32096

Re: Exemption from the Requirement to Obtain an Operating Permit
PCS Sales (USA), Inc.
Project No. 0230041-008-AO
Truck/Rail Material Transfer and Storage Terminal

Dear Mr. Donohue,

On September 21, 2015, PCS (USA) Sales, Inc., submitted a request to determine if the Material Transfer and Storage Terminal facility can be exempted from the requirements to obtain an air permit. The existing PCS (USA) Sales, Inc., is located in Columbia County at northwest of US 90 and the Still Road intersection in Lake City, Florida. The emissions units included in this Exemption are: EU001-The Molten Sulfur Storage and Handling System, and EU002 - The two fossil fuel fired steam generating boilers.

Determination: A complete review of this project is summarized in the attached Technical Evaluation. Pursuant to Rule 62-210.300(3)(a) and (b), of the Florida Administrative Code (F.A.C.) and for the reasons stated in the Technical Evaluation, the Office of Permitting determined that the activity will not emit air pollutants, "… in sufficient quantity, with respect to its character, quality or content, and the circumstances surrounding its location, use and operation, as to contribute significantly to the pollution problems within the State, so that the regulation thereof is not reasonably justified." Therefore, the project is exempt from the requirement to obtain an air operating permit. This determination may be revoked if the proposed activity is substantially modified or the basis for the exemption is determined to be materially incorrect. A copy of this letter shall be maintained at the site of the proposed activity. This permitting decision is made pursuant to Chapter 403, Florida Statutes.

Permitting Authority: Applications for air operating 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, F.A.C. The Permitting Authority responsible for making a permit determination for this project is the Northeast District Office. The Permitting Authority's physical address is: 8800 Baymeadows Way West, Suite 100, Jacksonville, Florida 32256-7590. The Permitting Authority's mailing address is: 8800 Baymeadows Way West, Suite 100, Jacksonville, Florida 32256-7590. The Permitting Authority's telephone number is 904-256-1700.

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 agency clerk in the Office of General Counsel of the Department of Environmental Protection, 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000. Petitions must be filed within 21 days of receipt of this exemption from air permitting requirements. 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 permitting action. 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.

Effective Date: This permitting decision is final and effective on the date filed with the clerk of the Permitting Authority unless a petition is filed in accordance with the above paragraphs or unless a request for extension of time in which to file a petition is filed within the time specified for filing a petition pursuant to Rule 62-110.106, F.A.C., and the petition conforms to the content requirements of Rules 28-106.201 and 28-106.301, F.A.C. Upon timely filing of a petition or a request for extension of time, this action will not be effective until further order of the Permitting Authority.

Judicial Review: Any party to this permitting decision (order) has the right to seek judicial review of it under Section 120.68, F.S., 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 Jacksonville, Florida

Richard S. Rachal III, P.G.
Program Administrator
Permitting Program

RSR/lm

CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this Air Permit Exemption was sent by electronic mail, or a link to this document made available electronically on a publicly accessible server, with received receipt requested before the close of business on the date indicated below to the following person.

FILING AND ACKNOWLEDGEMENT & CERTIFICATE OF SERVICE

Filed on this date pursuant to § 120.52, Florida Statutes, with the designated Department Clerk, receipt of which is hereby acknowledged. The undersigned hereby certifies that this Exemption and all copies were sent before the close of business on September 29, 2015 to the listed persons.

Leslie Naylor — September 29, 2015
Clerk — Date

Mr. William L. Donohue, White Springs Agricultural Chemicals, Inc. (bdonohue@pcsphosphate.com)
Mr. Pradeep Raval, Koogler and Associates, Inc. (praval@kooglerassociates.com)
Mr. David Still, Manager Environmental Affairs - White Springs Agricultural Chemicals, Inc. (DaStill@potashcorp.com)
Mr. John Koogler, P.E., Koogler & Associates, Inc. (jkoogler@kooglerassociates.com)

CONDITIONS OF EXEMPTION

Subject to the following provisions and restrictions, the PCS Sales (USA), Inc. is authorized to be exempted from the requirements to obtain an air permit in accordance with the following conditions.

1. EU001-The Molten Sulfur Storage and Handling System: Rule 62-296.411 Sulfur Storage and Handling Facilities was repealed on February16, 2012. Therefore, EU001 is not currently subject to that rule or any of the federal or state rules. This unit meets the Generic Exemption criteria under Rule 62-210.300(3)(b)1. F.A.C. However, if in the future this facility becomes subject to state, local or federal rules effecting this type of unit, the facility may be required to apply for an air construction and/or air operating permit.
2. EU002 - The Two Fossil Fuel Fired Steam Generating Boilers: The boilers are subject to standards under 40 CFR 60, Subpart Dc and Rule 62-296.406, F.A.C.

40 CFR 60, Subpart Dc-

- No owner or operator of an affected facility that combusts oil shall combust oil in the affected facility that contains greater than 0.5 weight percent sulfur. [40 CFR 60.42c(d), Rule 62-204.800, F.A.C.]
- Compliance with the emission limits or fuel oil sulfur limits under this section may be determined based on a certification from the fuel supplier, as described under 40 CFR 60.48c(f). [40 CFR 60.42c (h)(1), Rule 62-204.800, F.A.C.]
- The owner or operator of each affected facility subject to fuel oil sulfur limits under 40 CFR 60.42c shall keep records and submit reports as required. [40 CFR 60.48c(e)(1) and (11), Rule 62-204.800, F.A.C.]

Rule 62-296.406, F.A.C. -

- BACT Determination for Sulfur Dioxide and PM: The boiler shall be subject to a Best Available Control Technology Determination for SO_2 emissions and PM emissions. Both emissions shall be controlled by the use of natural gas or ULSD No. 2 fuel oil (maximum of 0.05% sulfur content by weight). [Rule 62-296.406(2), and (3), F.A.C.]

However, these are only recordkeeping or reporting requirements. In accordance with Rule 62-210.200(295), F.A.C., "Unit-Specific Limitation or Requirement" – For purposes of the air construction and air operation permitting requirements of Chapters 62-210 and 62-212, F.A.C., a unit-specific limitation or requirement means any limitation or requirement that applies specifically to a given emissions unit, including a PAL; however, limitations and requirements which are not considered unit-specific limitations or requirements for these purposes include the following: (b)2., Any subpart of 40 CFR Part 60, 61, or 63 that imposes nothing more than recordkeeping or reporting requirement on an emission unit.

PCS SALES - LAKE CITY
NATURAL GAS USE DATA

Capacity	est max. 1 unit	179 MMCF
2014	meter reading	107.4 MMCF
2015	projected meter	106.9 MMCF
Rule exemption for 1 unit		150 MMCF
Rule exemption for multi-units		375 MMCF

NOTE: No fuel oil use, as it is only used in case of natural gas curtailment.

The fuel firing rate of the boilers are far below design capacity due to physical operating constraint that restricts the fuel use in the boilers to a steam pressure setting in the system that only allows the fuel firing to match the steam requirement. Thus, the boilers do not run continuously at maximum capacity due to this operational design restriction. The two fossil fuel fired steam generating boilers work in tandem, and will meet the Categorical Exemption criteria under Rule 62-210.300(3)(a)(34), F.A.C., provided all the following conditions are met with respect to each such unit:

a. The unit is not subject to any unit-specific limitation or requirement.

b. The rated heat input capacity of the unit is less than 100 million Btu per hour and, collectively, the total rated heat input capacity of all units claiming this exemption at the same facility is less than 250 million Btu per hour.

c. The unit shall not burn more than the maximum annual amount of a single fuel, as given in sub-subparagraph e., or equivalent maximum annual amounts of multiple fuels, as addressed in sub-subparagraph f.

d. Collectively, all units claiming this exemption at the same facility shall not burn more than the collective maximum annual amount of a single fuel, as given in sub-subparagraph g., or equivalent collective maximum annual amounts of multiple fuels, as addressed in sub-subparagraph h.

e. If burning only one (1) type of fuel, the annual amount of fuel burned by the unit shall not exceed 150 million standard cubic feet of natural gas, one million gallons of propane, one million gallons of fuel oil with a sulfur content not exceeding 0.05 percent, by weight, 290,000 gallons of fuel oil with a sulfur content not exceeding 0.5 percent, by weight, or 145,000 gallons of fuel oil with a sulfur content not exceeding 1.0 percent, by weight.

f. If burning more than one (1) type of fuel, the equivalent annual amount of each fuel burned by the unit shall not exceed the maximum annual amount of such fuel, as given in sub-subparagraph e., multiplied by a fuel percentage. The fuel percentage is the percentage ratio of the total annual amount of the fuel burned by the unit to the total annual amount of such fuel allowed to be burned by the unit pursuant to sub-subparagraph e. The sum of the fuel percentages for all fuels burned by the unit must be less than or equal to 100 percent.

g. If burning only one (1) type of fuel, the collective annual amount of fuel burned by all units claiming this exemption at the same facility shall not exceed 375 million standard cubic feet of natural gas, 2.5 million gallons of propane, 2.5 million gallons of fuel oil with a sulfur content not exceeding 0.05 percent, by weight, 290,000 gallons of fuel oil with a sulfur content not exceeding 0.5 percent, by weight, or 145,000 gallons of fuel oil with a sulfur content not exceeding 1.0 percent, by weight.

h. If burning more than one (1) type of fuel, the equivalent collective annual amount of each fuel burned by the units claiming this exemption at the same facility shall not exceed the collective maximum annual amount of such fuel, as given in sub-subparagraph g., multiplied by a fuel percentage. The fuel percentage is the percentage ratio of the total annual amount of the fuel burned by all units claiming this exemption at the same facility to the total annual amount of such fuel allowed to be burned by all units claiming this exemption at the same facility pursuant to sub-subparagraph g. The sum of the fuel percentages for all fuels burned by the units claiming this exemption at the same facility must be less than or equal to 100 percent.

<u>Applicable Air Regulations</u>

1. Exemption from the requirement to obtain an air operating permit does not relieve any emissions unit or activity from complying with any requirement under 40 CFR Part 60, 61, or 63, adopted and incorporated by reference at Rule 62-204.800, F.A.C., to which it is subject, even if such requirement is not a unit-specific applicable requirement. [Rule 62-210.300(3), F.A.C.]

2. Exemption from the requirement to obtain an air operating permit does not relieve the owner or operator of a facility or emissions unit from complying with any applicable requirements, any emission limiting standards or other requirements of the air pollution rules of the Department or any other such requirements under federal, state, or local law. [Rule 62-210.300(3), F.A.C.]

Exemption from the requirement to obtain an air operating permit does not relieve the owner or operator of a facility or emissions unit from complying with the Rule 62-296.320, F.A.C. - General Pollutant Emission Limiting Standards: Subsection 62-296.320(2), F.A.C. -Objectionable Odor Prohibited; Subsection 62-296.320(3), F.A.C.- Industrial, Commercial, and Municipal Open Burning Prohibited; Paragraph 62-296.320(4)(b), F.A.C.- General Visible Emissions Standard; and Paragraph 62-296.320(4)(c), F.A.C.-Unconfined Emissions of Particulate Matter.