

**HESS CORPORATION
JACKSONVILLE TERMINAL**

FACILITY ID NO.: 0310180
DUVAL COUNTY
AIR CONSTRUCTION PERMIT
DRAFT PERMIT NO.: 0310180-014-AC

PERMITTING AND COMPLIANCE AUTHORITY
ENVIRONMENTAL AND COMPLIANCE DEPARTMENT
ENVIRONMENTAL QUALITY DIVISION
117 WEST DUVAL STREET
SUITE 225
JACKSONVILLE, FL 32202
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Air Construction Permit
Draft Permit No.: 0310180-014-AC

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<u>EU No.</u>	<u>EU Description</u>	<u>Control Equipment</u>
015	Petroleum Storage Tank No. 7706 [RACT]	Internal Floating Roof

ENVIRONMENTAL AND COMPLIANCE DEPARTMENT



Permittee:
Hess Corporation
1 Hess Plaza
Woodbridge, NJ 07095

Draft Permit No.: 0310180-014-AC
Facility ID No.: 0310180
SIC No.: 51
Project: Air Construction Permit

This permit is for the construction/modification of petroleum storage tank no. 7706 at the Hess Corporation bulk gasoline fuel terminal. The modification allows the storage of gasoline, ethanol, distillate fuel oil and other lower vapor pressure petroleum and non-petroleum fuel compounds in the tank. The bulk gasoline fuel terminal is located at the Hess Corporation facility, 2617 Heckscher Drive, Jacksonville, Duval County, Florida, 32229. UTM Coordinates: Zone 17, 442.770 km East and 3364.620 km North; Latitude: 30° 24' 54" North and Longitude: 81° 35' 48" West.

This permit is issued under the provisions of Chapter 403, Florida Statutes, and Florida Administrative Code (FAC), Rules 62-4, 62-204, 62-210, 62-212, 62-213, 62-296, and 62-297. The above named permittee is hereby authorized to perform the work or operate the facility shown on the application and approved drawing(s), plans, and other documents attached hereto or on file with the Environmental and Compliance Department, Environmental Quality Division (Department), and made a part hereof, in accordance with the terms of this permit.

Title V Air Operation Permit Application Due Date: *October 1, 2008
Expiration Date: March 31, 2009

Environmental and Compliance Department
Environmental Quality Division

Robert Steven Pace, P.E.
Air Quality Branch Manager

*See Section II, Subsection B, Specific Condition 6

RSP/JW

Section I. Facility Information

Subsection A. Project & Facility Description

The purpose of this construction/modification permit is to allow the storage of gasoline, ethanol, distillate fuel oil and other lower vapor pressure petroleum and non-petroleum fuels in tank no. 7706. The tank currently is a fixed roof storage tank storing distillate fuel oil. Hess Corporation, Jacksonville Terminal, will install an internal floating roof with a mechanical shoe seal to control volatile organic compound emissions and hazardous air pollutant emissions. The maximum throughput of the terminal is currently capped at 700 million gallons of gasoline per year. This modification will not increase that cap.

The facility is currently a major source of air pollution because the potential emissions of regulated criteria air pollutants are greater than 100 tons per year. The potential emissions of Hazardous Air Pollutants (HAP) are synthetically limited by operational restrictions to less than 10 tons per year for a single HAP and less than 25 tons per year for total HAPs in accordance with Rule 62-210, FAC, and JEPB Rule 2.301.

The facility is minor for purposes of Prevention of Significant Deterioration. The modification of tank no. 7706 itself will not be a major source of air pollution; therefore, a Best Available Control Technology Determination is not required. The tank modification will allow operational flexibility to the Hess Corporation during the storage and handling of petroleum and non-petroleum fuel products.

Gasoline and other petroleum and non petroleum products are received from sea going vessels, trucks, railcars, or pipelines, stored in fixed and floating roof storage tanks and dispensed through a six bay tank truck loading rack system and/or marine vessels. Volatile Organic Compounds (VOC) from gasoline loading operations are controlled through a primary vapor combustion unit (John Zink Company Vapor Combustor, Model Number ZCT-3-9-50-X-2/8-2/8-X. Either of two McGill carbon adsorption/absorption vapor recovery units shall be used as back-up vapor control units.

Subsection B. Summary of Emission Unit (EU) ID Nos. and Brief Descriptions

<u>EU No.</u>	<u>EU Description</u>	<u>Control Equipment</u>
015	Petroleum Storage Tank No. 7706 [RACT]	Internal Floating Roof

Subsection C. Relevant documents

Permit application received October 22, 2007

Section II. Facility Wide Conditions

Subsection A. General Conditions

1. The terms, conditions, requirements, limitations, and restrictions set forth herein are “Permit Conditions” and are binding and enforceable pursuant to Sections 403.141, 403.727, or 403.859 through 403.861, Florida Statutes. The permittee is placed on notice that the Department will review this permit periodically and may initiate enforcement action for any violation of these conditions.
2. This permit is valid only for the specific process and operations applied for and indicated in the approved drawings or exhibits. Any unauthorized deviation from the approved drawings, exhibits, specifications, or conditions of this permit may constitute grounds for revocation and enforcement action by the Department.
3. As provided in subsections 403.087(6) and 403.722(5), Florida Statutes, the issuance of this permit does not convey any vested rights or any exclusive privileges. Neither does it authorize any injury to public or private property or any invasion of personal rights, nor any infringement of federal, state, or local laws or regulations. This permit is not a waiver of or approval of any other department permit that may be required for other aspects of the total project which are not addressed in this permit.
4. This permit conveys no title to land or water, does not constitute State recognition or acknowledgement of title, and does not constitute authority for the use of submerged lands unless herein provided and the necessary title or leasehold interests have been obtained from the State. Only the Trustees of the Internal Improvement Trust Fund may express State opinion as to title.
5. This permit does not relieve the permittee from liability for harm or injury to human health or welfare, animal, or plant life, or property caused by the construction or operation of this permitted source, or from penalties therefore, nor does it allow the permittee to cause pollution in contravention of Florida Statutes and Department rules, unless specifically authorized by an order from the Department.
6. The permittee shall properly operate and maintain the facility and systems of treatment and control (and related appurtenances) that are installed and used by the permittee to achieve compliance with the conditions of this permit, as required by Department rules. This provision includes the operation of backup or auxiliary facilities or similar systems when necessary to achieve compliance with the conditions of the permit and when required by Department rules.
7. The permittee, by accepting this permit, specifically agrees to allow authorized Department personnel, upon presentation of credentials or other documents as may be required by law and at reasonable times, access to the premises where the permitted activity is located or conducted to:
 - a. Have access to and copy any records that must be kept under conditions of the permit;
 - b. Inspect the facility, equipment, practices, or operations regulated or required under this permit; and
 - c. Sample or monitor any substances or parameters at any location reasonably necessary to assure compliance with this permit or Department rules.

Reasonable time may depend on the nature of the concern being investigated.

8. If, for any reason, the permittee does not comply with or will be unable to comply with any condition or limitation specified in this permit, the permittee shall immediately provide the Department with the

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following information:

- a. A description of and cause of noncompliance; and
 - b. The period of noncompliance, including dates and times; or, if not corrected, the anticipated time the noncompliance is expected to continue, and steps being taken to reduce, eliminate, and prevent recurrence of the noncompliance.
9. In accepting this permit, the permittee understands and agrees that all records, notes, monitoring data and other information relating to the construction or operation of this permitted source which are submitted to the Department may be used by the Department as evidence in any enforcement case involving the permitted source arising under the Florida Statutes or Department rules, except where such use is prescribed by Sections 403.111 and 403.73, Florida Statutes. Such evidence shall only be used to the extent it is consistent with the Florida Rules of Civil Procedure and appropriate evidentiary rules.
10. The permittee agrees to comply with changes in Department rules and Florida Statutes after a reasonable time for compliance; provided, however, the permittee does not waive any other rights granted by Florida Statutes or Department rules.
11. This permit is transferable only upon Department approval in accordance with Rules 62-4.120 and 62-730.300, FAC, as applicable. The permittee shall be liable for any noncompliance of the permitted activity until the transfer is approved by the Department.
12. This permit or a copy thereof shall be kept at the work site of the permitted activity.
13. This permit also constitutes:
- Determination of Best Available Control Technology (BACT)
 - Determination of Prevention of Significant Deterioration (PSD)
 - Certification of Compliance with State Water Quality Standards (Section 401, PL 92-500)
 - Compliance with New Source Performance Standards
14. The permittee shall comply with the following:
- a. Upon request, the permittee shall furnish all records and plans required under Department rules. During enforcement actions, the retention period for all records will be extended automatically unless otherwise stipulated by the Department.
 - b. The permittee shall hold at the facility or other location designated by this permit records of all monitoring information (including all calibration and maintenance records and all original strip chart recordings for continuous monitoring instrumentation) required by this permit, copies of all reports required by this permit, and records of all data used to complete the application for this permit. These materials shall be retained at least three years from the date of the sample, measurement, report, or application unless otherwise specified by Department rule.
 - c. Records of monitoring information shall include:
 1. the date, exact place, and time of sampling or measurements;
 2. the person responsible for performing the sampling or measurements;
 3. the date(s) analyses were performed;
 4. the person responsible for performing the analyses;
 5. the analytical techniques or methods used;
 6. the results of such analyses.

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15. When requested by the Department, the permittee shall within a reasonable time furnish any information required by law, which is needed to determine compliance with the permit. If the permittee becomes aware that relevant facts were not submitted or were incorrect in the permit application or in any report to the Department, such facts or information shall be corrected promptly.

Subsection B. Specific Conditions

1. Permittee shall notify the Department fifteen (15) days prior to EU testing.
[Rule 62-297.310(7)(a)(9), FAC, and Rule 2.1101, Jacksonville Environmental Protection Board (JEPB)]
2. Copies of the test report(s) shall be submitted to the Department within forty-five (45) days of completion of testing.
[Rule 62-297.310(8)(b), FAC, and Rule 2.1101, JEPB]
3. Any revision(s) to a permit (and application) shall be submitted to and approved by the Department prior to implementing.
[Rule 62-4.080(2), FAC, and Rule 2.1301, JEPB]
4. Permittee shall submit an annual operation report to the Department for this emission unit(s) on the form(s) supplied for each calendar year on or before March 1.
[Rule 62-210.370(3), FAC, and Rule 2.301, JEPB]
5. 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, the Department must be notified in writing sixty (60) days prior to the expiration of the construction permit. A new schedule and request for an extension of the construction permit must be submitted.
[Rule 62-4.080(2), FAC, and Rule 2.1301, JEPB]
6. To obtain a permit to operate, the permittee must demonstrate compliance with the conditions of the construction permit and submit a complete application for a Title V Air Operating Permit with compliance records and test results, to the Department, at least one hundred eighty (180) days prior to the expiration date of the construction permit but no later than 180 days after initial tank start-up, whichever occurs first. The permittee may continue to operate in compliance with all terms of the construction permit until its expiration date. Operation beyond the construction permit expiration date requires a valid operating permit to operate.
[Rule 62-210.300(2), FAC, Rule 62-213.420(1)(a)2., FAC, Rule 2.301, JEPB, and Rule 2.501, JEPB]
7. General Pollutant Emission Limiting Standards. Objectionable Odor Prohibited. The permittee shall not cause, suffer, allow, or permit the discharge of air pollutants which cause or contribute to an objectionable odor.
[Rule 62-296.320(2), FAC, and Rule 2.1001, JEPB]
8. No person shall cause, let, permit, suffer or allow the emissions of unconfined particulate matter emissions from any activity, including vehicular movement; transportation of materials; construction, alteration, demolition or wrecking; or industrially related activities such as loading, unloading, storing or handling; without taking reasonable precautions to prevent such emissions. Reasonable precautions include the following:
 - a. Paving and maintenance of roads, parking areas and yards.

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- b. Application of water or chemicals to control emissions from such activities as demolition of buildings, grading roads, construction, and land clearing.
- c. Application of asphalt, water, oil, chemicals or other dust suppressants to unpaved roads, yards, open stock piles and similar activities.
- d. Removal of particulate matter from roads and other paved areas under the control of the owner or operator of the facility to prevent reentrainment, and from buildings or work areas to prevent particulate from becoming airborne.
- e. Landscaping or planting of vegetation.
- f. Use of hoods, fans, filters, and similar equipment to contain, capture and/or vent particulate matter.
- g. Confining abrasive blasting where possible.
- h. Enclosure or covering of conveyor systems.

[Rule 62-296.320(4)(c)2., FAC, and Rule 2.1001, JEPB]

9. The permittee shall submit all compliance-related notifications and reports required of this permit to the Department at:

Environmental and Compliance Department
Environmental Quality Division
117 West Duval Street, Suite 225
Jacksonville, FL 32202
Telephone: 904/630-4900
Fax: 904/630-3638

10. The facility shall be subject to City of Jacksonville Ordinance Code, Title X, Chapter 360 [Environmental Regulation], Chapter 362 [Air and Water Pollution], Chapter 376 [Odor Control], and JEPB Rule 1 [Final Rules with Respect to Organization, Procedure, and Practice].
11. The facility shall be subject to JEPB Rule 2, Part Nos. I through VII, and Part Nos. IX through XIII.
12. Excess emissions resulting from startup, shutdown, or malfunction of any emission unit shall be permitted, providing (1) best operational practices to minimize emissions are adhered to and (2) the duration of excess emissions shall be minimized but in no case exceed two hours in any 24 hour period, unless specifically authorized by the Department for longer duration. Excess emissions which are caused entirely or in part by poor maintenance, poor operation, or any other equipment or process failure which may reasonably be prevented during startup, shutdown, or malfunction shall be prohibited. In the case of excess emissions resulting from malfunctions, each owner or operator shall notify the Permitting Authority in accordance with Rule 62-4.130, FAC and Rule 2.1301, JEPB. A full written report on the malfunctions shall be submitted to the Permitting Authority in a quarterly report, if requested by the Permitting Authority.
[Rule 62-210.700, FAC, and Rule 2.201, JEPB]

Section III. Emission Units and Conditions

Emission Unit No. 015 - Fuel Storage Tank No. 7706 [RACT]

Emission Unit Description: Fuel storage tank no. 7706 (approximately 1.42 MM gallon capacity) for the storage of gasoline, ethanol, distillate fuel oil and other lower vapor pressure petroleum and non-petroleum fuel compounds.

Control Device Description: Internal floating roof with mechanical shoe seal

Reasonably Available Control Technology (RACT) requirements including **Volatile Organic Compounds (VOC) and Nitrogen Oxides (NOx) Emitting Facilities** [Rule 62-296.500(1 & 2), FAC, and Rule 2.1001, JEPB]; and **Petroleum Liquid Storage** [Rule 62-296.508, FAC, and Rule 2.1001, JEPB] shall apply to this emission unit.

Essential Potential to Emit (PTE) Parameters

1. This EU shall be allowed to operate continuously, i.e., 8760 hours per year. [Rule 62-210.200, FAC, and Rule 2.301, JEPB]

Emission Limitations and Standards

2. This fixed roof gasoline storage tank with an internal floating roof shall be subject to control technologies and operation requirements as specified in Rule 62-296.508, FAC, and Rule 2.1001, JEPB. When distillate fuel oil and other lower vapor pressure petroleum and non-petroleum fuel products are stored in this storage tank it shall be subject to Rule 62-296.320(1)(a), FAC, and Rule 2.1001, JEPB.

Test Methods and Procedures

3. Compliance with the standards in Rule 62-296.508, FAC and Rule 2.1001, JEPB shall be demonstrated in accordance with the procedures described on Page 6-2 of EPA document 450/2-77-036. Compliance demonstration testing shall be performed annually. Internal Floating Roof and Roof Seals compliance demonstration testing shall be conducted by visual inspection of the floating cover through the roof hatches. The cover should be uniformly floating on or above the liquid, there should be no visible defects in the surface of the cover or liquid accumulated on the cover. The seal must be intact and uniformly in place around the circumference of the cover between the cover and the tank wall. Testing requirements do not apply to this storage tank when distillate fuel oil or other lower vapor pressure petroleum or non-petroleum fuel products are stored. [Rule 62-296.508(3)(a), FAC, Chapter 62-297, FAC; Rule 2.1001, JEPB, and Rule 2.1101, JEPB]

Record-keeping and Reporting Requirements

4. Testing (inspection results) shall be maintained for a period of five (5) years and shall be made available to the Department upon request. Within 30 days after tank start-up (initial fuel loading date) notify the Department of the actual start-up date. [Rule 62-4.070, FAC, and Rule 2.1301, JEPB]

Section IV. Special Conditions for the Hess Corporation Bulk Gasoline Terminal

1. The Hess Corporation, Jacksonville Terminal, shall be subject to the following provisions of 40 CFR 63, Subpart R, National Emission Standards for Gasoline Distribution Facilities (Bulk Gasoline Terminals and Pipeline Breakout Stations): 40 CFR 63. 420(a), 40 CFR 63. 420(c), and 40 CFR 63.428(i).
2. The permittee shall operate the facility such that none of the facility parameters used to calculate results under paragraph (a)(1) of 40 CFR 63. 420 is exceeded in any rolling 30 day period. These parameters are the parameters used in the letters dated March 13, 2001 and January 20, 2006, from Koogler and Associates concerning the Hess Corporation, Jacksonville Terminal.

Since the construction/modification of the subject fuel storage tank no. 7706 will affect the parameters previously submitted concerning 40 CFR 63, Subpart R, National Emission Standards for Gasoline Distribution Facilities (Bulk Gasoline Terminals and Pipeline Breakout Stations), a revised submittal of the information required in item three (3) below shall be submitted to the Department prior to the initial loading of gasoline or other fuel compounds into modified tank no. 7706.

3. The permittee shall perform the requirements of 40 CFR 63. 428(i) [all of which shall be available for public inspection] as follows:
 - (a) Document and report to the Department the methods, procedures and assumptions supporting the calculations for determining criteria in 40 CFR 63.420(c). Note: Originally fulfilled by above referenced letter dated March 13, 2001.
 - (b) Maintain records to document that the facility parameters established under 40 CFR 63.420(c) have not been exceeded.
 - (c) Report annually (include with the Annual Operating Report) to the Department that the facility parameters established under 40 CFR 63.420(c) have not been exceeded.
 - (d) At any time prior to the above referenced parameter(s) being exceeded the permittee may submit a report to request modification of any facility parameter to the Department for approval. Each such request shall document any expected HAP emission change resulting from the change in parameter.

[40 CFR 63. 420(a), 40 CFR 63. 420(c), and 40 CFR 63.428(i), Rule 62-204.800, FAC, and Rule 2.201, JEPB]

FILING AND ACKNOWLEDGMENT

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

Clerk

Date