

May 9, 2014

Via E-mail

Jeff Koerner, Administrator
Air Permitting and Compliance Program
Division of Air Resource Management
Florida Department of Environmental Protection
2600 Blair Stone Road
Tallahassee, FL 32399
Jeff.koerner@dep.state.fl.us

RE: Argos Newberry Cement Plant

Permit No. 0010087-048-AV

Kilns 003 and 010--Regulatory Applicability Analysis Clinker Coolers (EUs 004 and 011 - Extension Request

Dear Mr. Koerner:

On behalf of Argos Cement, LLC, I would like to thank you and your staff for meeting with our representatives on Monday, April 14, 2014. We appreciated your time and felt that the meeting was productive and helpful. As a follow-up to our discussions, please accept this correspondence as our notice to the Department that both kilns at the above-referenced Newberry Cement Plant are subject to federal requirements promulgated under the authority of Section 129 of the Clean Air Act, 42 U.S.C. 7429 (CISWI) and therefore, are not subject to NESHAP requirements promulgated at 40 CFR 63 Subpart LLL. In addition, we wanted to let you know that Argos will most likely seek an extension to the effective date of the new clinker cooler particulate matter standards applicable under Subpart LLL to allow time for the replacement of the existing ESPs with the latest state of-the-art baghouse technology.

As CISWI units, we acknowledge that the emission guidelines under 40 CFR 60 Subpart DDDD, which the Department adopted and incorporated by reference under Rule 62-204.800, Florida Administrative Code (effective January 24, 2014) apply to the two kilns. We request that the Department confirm that the emission guidelines apply to the kilns based upon our analysis provided below. We also request that the Department revise the current Title V permit to delete references to the Subpart LLL NESHAP as an applicable requirement relative to the kilns and the in-line raw mills. This could be accomplished when the permit is re-opened to

incorporate recently revised applicable requirements of 40 CFR 63 Subpart LLL relative to the other affected sources at our Newberry facility.

Because compliance with Subpart DDDD's emission limitations as incorporated into the Department's rules is not required until after expiration of the Newberry Cement Plant's current Title V permit, we do not believe it is necessary to address those requirements when the current permit is re-opened within the next several weeks, but will defer to the Department's discretion in this regard.

A determination that the two kilns at the Newberry Cement Plant are subject to the Subpart DDDD emission guidelines is supported by the following information previously discussed with the Department. The emission guidelines under Subpart DDDD establish that existing operating units burning non-hazardous secondary materials that have been discarded and not further processed into a fuel product, and that do not qualify as a "traditional fuel," are subject to the emission guidelines of Subpart DDDD. The two existing kilns at the Newberry Cement Plant burn coal, which is a traditional fuel, and they also burn whole tires. While the Newberry Cement Plant purchases tires from established tire collection programs that manage tires removed from vehicles before discard, the plant also uses tires that are known to have been discarded. Specifically, the plant collects tires for use in the kilns that have been previously abandoned, disposed of, or thrown away (e.g., retrieved from legacy piles and community clean-up programs for tires previously discarded at a residence). The Department of Environmental Protection authorizes the plant to collect tires from these sources under Chapter 62-701, F.A.C., and the plant files an annual report with the Department identifying the sources and quantities of tires it collects. Newberry Cement Plant's use of these whole, discarded tires as a fuel in the kilns, without processing the tires into a fuel product subjects the kilns to regulation under Section 129 of the CAA and the Subpart DDDD emission guidelines.

As you know, kilns subject to Subpart DDDD emission guidelines are not subject to the requirements of Subpart LLL of 40 CFR 63. The Department recently sent a letter from the Northeast District Office to the Argos Newberry Cement Plant suggesting that the Department intends to re-open the Title V air operation permit to incorporate the newly applicable requirements under Subpart LLL that became effective on February 12, 2013. Because the Subpart LLL requirements do not apply to the Newberry kilns, one approach would be simply to remove the Subpart LLL requirements from the kiln-related portions of the permit. Alternately, the Department may wish to address the requirements of the Subpart DDDD emission guidelines applicable to the kilns when the permit is re-opened for cause, as part of a single permit revision.

As mentioned above, Argos intends to replace the existing ESP control devices currently in place on the clinker coolers (and kilns) with new, state of-the-art baghouses in an effort to help ensure that the coolers meet the new emission standards. Argos is currently evaluating the need to install more effective controls to ensure that the coolers can consistently meet the new Subpart LLL limit of 0.07 pounds of particulate matter per ton of clinker produced. This new limit would apply to the coolers at the Newberry Plant beginning September 9, 2015, unless the

Department extends that deadline for cause, up to one year (or September 9, 2016). As a result of just acquiring the plant, we are about to complete the technical assessment for upgrading plant emission controls. Once we have a more detailed schedule for placing the equipment order, a firm construction schedule and the time to shake down and test the new control equipment, I anticipate submitting a formal extension request with supporting documentation within the next 30-45 days. If you have any concerns with an extension of the effective date for the new clinker cooler particulate matter limits, we would appreciate your letting us know as soon as possible.

Lastly, please be advised that we will be following through on submitting an air construction permit application to the Department for authorization to use additional alternate fuel materials. It is my understanding that this permit request is consistent with what has been approved for the other Florida cement plants.

Thank you for your consideration of this information and our specific requests. We look forward to working with you and your staff to update the current Title V permit for the Newberry Cement Plant and we will be in contact with you soon with more details. If you have any questions in the meantime, or if the Department has any concerns regarding applicability of the Subpart DDDD emission guidelines to the existing cement kilns at the plant, please feel free to call me at 678/392-2147 (w) or 770-843-3456 (c) so we can schedule a conference call at your earliest convenience.

Sincerely,

Argos Cement LLC

William Voshell

US Environmental Director

William Voshell

cc: A. Morrison, Esq.

M. Lee, Koogler & Associates, Inc.