

COMMISSION

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EXECUTIVE DIRECTOR

ROGER P. STEWART



ADMINISTRATIVE OFFICES, LEGAL &
WATER MANAGEMENT DIVISION
1900 - 9TH AVENUE
TAMPA, FLORIDA 33605
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AIR MANAGEMENT DIVISION
TELEPHONE (813) 272-5530

WASTE MANAGEMENT DIVISION
TELEPHONE (813) 272-5788

WETLANDS MANAGEMENT DIVISION
TELEPHONE (813) 272-7104

June 26, 1996

Willis M. Kitchen
President
Gulf Coast Recycling, Inc.
1901 N. 66th Street
Tampa, FL 33619

Re: Soda Ash Silo
#0570057-003-AC

Dear Mr. Kitchen:

On March 26, 1996, the Environmental Protection Commission of Hillsborough County Air Management Division received a complete application for construction of the referenced air pollution source. During the review process it was determined that this operation should be included in the PSD permit application currently under review by the Florida Department of Environmental Protection (DEP) in Tallahassee. Subsequently, on June 20, 1996 the referenced application was denied.

The information submitted to this office will be forwarded to DEP for inclusion in their review.

As discussed between Jerry Campbell of this office and your counsel, Bill Taylor, this application may be withdrawn and the \$250.00 application review fee refunded. The withdrawal must occur before the denial becomes final, i.e., within 14 days of the date of your receipt of the denial or before any deadline established by your requesting an extension of time to file for administrative hearing per Chapter 120 F.S.

I am available at this office at 272-5530, if you have any questions.

Sincerely,

Richard C. Kirby, IV, P.E.
Chief, Air Permitting Section

bm

RECEIVED

JUL 1 1996

BUREAU OF
AIR REGULATION

G-11-96

June 10¹¹, 1996

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. Willis M. Kitchen, President
Gulf Coast Recycling, Inc.
1901 North 66th Street
Tampa, Florida 33619

Re: Construction Permit Application (PSD-FL-215)

Dear Mr. Kitchen:

On March 15, the Department received a response to our letter of February 8 requesting additional information related to the subject application. On March 28, representatives of the Department met with George Townsend of your company together with Larry Carlson of Lake Engineering, Bill Taylor, and Steve Smallwood of ERM-South.

It was agreed that Gulf Coast Recycling (GCR) would subsequently provide to the Department more concise and complete answers to our February 8 letter and also provide to the Hillsborough County Environmental Protection Commission (HCEPC) some additional details on the selection of the desulfurization system. So far, we have received a copy of the submittal to HCEPC but not the update of your March 15 letter.

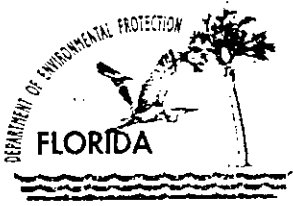
This is to clarify that the permit application remains incomplete until we receive the update and that we do not have sufficient information to process it. It is important that the information requested be submitted soon. A complete permit application is required based on the 1991 EPA-approved consent order between GCR and HCEPC.

If there are any questions about what was expected based on the March 28 meeting or on anything else related to this matter, please call A. A. Linero at (904)488-1344.

Sincerely,

C. H. Fancy, Chief
Bureau of Air Regulation

cc: J. Harper, EPA
J. Bunyak, NPS
I. Choronenko, HCEPC
J. Campbell, HCEPC
J. Pennington, DEP
D. Beason, DEP



Department of Environmental Protection

Lawton Chiles
Governor

Twin Towers Office Building
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

Virginia B. Wetherell
Secretary

June 11, 1996

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. Willis M. Kitchen, President
Gulf Coast Recycling, Inc.
1901 North 66th Street
Tampa, Florida 33619

Re: Construction Permit Application (PSD-FL-215)

Dear Mr. Kitchen:

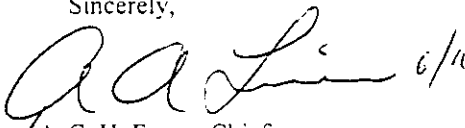
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It was agreed that Gulf Coast Recycling (GCR) would subsequently provide to the Department more concise and complete answers to our February 8 letter and also provide to the Hillsborough County Environmental Protection Commission (HCEPC) some additional details on the selection of the desulfurization system. So far, we have received a copy of the submittal to HCEPC but not the update of your March 15 letter.

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Sincerely,


for C. H. Fancy, Chief
Bureau of Air Regulation

cc: J. Harper, EPA
J. Bunyak, NPS
I. Choronenko, HCEPC
J. Campbell, HCEPC
J. Pennington, DEP
D. Beason, DEP

Fold at line over top of envelope to the right of the return address

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- Addressee's Address
- Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
 Willis M. Kitchen, Pres.
 Gulf Coast Recycling
 1901 N. 66th St.
 Tampa, FL 33619

4a. Article Number
 P 339 251 102

4b. Service Type
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

7. Date of Delivery
 6/11/96

8. Addressee's Address (Only if requested and fee is paid)

5. Signature (Addressee)

6. Signature (Agent)
 Ellen A. Egan

Thank you for using Return Receipt Service.

P 339 251 102

US Postal Service
Receipt for Certified Mail
 No Insurance Coverage Provided.
 Do not use for International Mail (See reverse)

Sent to Willis M. Kitchen	
Street & Number Gulf Coast R	
Post Office, State, & ZIP Code Tampa, FL	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	6-11-96
PSD-FI-215	

PS Form 3800, April 1995



GULF COAST RECYCLING, INC.

1901 NORTH 66th STREET • TAMPA, FLORIDA 33619
PHONE: (813) 626-6151 FAX: (813) 622-8388

RECEIVED

JUN 4 1996

BUREAU OF
AIR REGULATION

May 31, 1996

By Hand Delivery

Mr. Jerry Campbell, P.E.
Assistant Director
Hillsborough County Environmental
Protection Commission
Post Office Box 1101
Tampa, Florida 33605

Re: Gulf Coast Recycling, Inc., Proposed BACT for SO₂ (PSD-FL-215)

Dear Mr. Campbell:

Following are Gulf Coast's comments to your letter dated April 4, 1996 requesting additional information concerning the proposed BACT SO₂ determination for our pending PSD application.

1) After a thorough investigation of all SO₂ control technologies that are used outside the United States we have concluded that these technologies are the same or substantially similar to those that have been analyzed for this project. There are some technologies which are different than those proposed by Gulf Coast, but are not feasible for incorporation by Gulf Coast. For example, several copper smelters have installed sulfuric acid recovery plants to both control SO₂ emissions and to recover and reuse the acid. This technology is not feasible for Gulf Coast due primarily to the small amount of acid that would be present for recovery and, therefore, application of this technology would be uneconomical. Some petroleum refineries have tail gas units, or sulfur recovery units, to recover and market the sulfur content of the flue gas. This technology would not be feasible for use by Gulf Coast due to economic constraints.

No innovative technologies other than the proposed desulfurization have been identified. Desulfurization technology is the most innovative technology that is feasible for use on this project. Desulfurization provides a means of pollution prevention technology with no resulting generation of hazardous waste or other materials that require disposal. With desulfurization no pollution trade-offs exists. Desulfurization is proven technology in this industry, including a new facility in EPA Region 4 that has a design throughput capacity approximately three times that of Gulf Coast.

2) We examined the alternative of adding a dry scrubber to work "in series" with desulfurization as a means to further reduce potential SO₂ emissions. As will be explained, this alternative is uneconomical, resulting in the company being competitively disadvantaged, and would create a waste end product for disposal. Our analysis established that while the inlet SO₂ concentration would be reduced by two-thirds with this alternative, the capital and annual costs associated with the scrubber operation would make this alternative cost prohibitive. Adding a scrubber would also create hazardous wastes which would require disposal and the associated costs.

Currently 50% of the company's sales volume results from tolling of spent lead acid batteries. Under a tolling agreement, the company recycles batteries and refines the lead for a battery manufacturer at a fixed unit weight price for a one year term, regardless of the market price for lead. Since 1985 the company has not had an increase in the tolling charge for battery processing. But in fact, contractual and situational demands have forced seven decreases in the tolling charge for battery processing. During this same period operational and environmental cost have steadily increased, resulting in a net decrease in gross margin. The company will be incurring an additional \$19.00 per ton cost with the desulfurization operation. The addition of a dry scrubber for further SO₂ removal will require an additional annual operating expenditure of \$19.00 per ton. The total increased \$38.00 expenditure will erode the gross profit to a point of operational loss.

A dry scrubber will cause the expenditure of an additional \$352,481 per year or \$654.00 for every ton of SO₂ removed by the dry scrubber. The company is not able to absorb this additional recurring annual cost. It is also not able to fund the associated capital expenditure of \$645,000 for the scrubber in addition to the \$2.1 million capital costs to desulfurize the furnace feed stock.

The company must also meet its other environmental commitments to the EPA, FDEP and EPC. This includes various expenditures which are outlined in the attachment.

Below is a comparison of cost and sulfur removal efficiencies associated with the implementation of desulfurization as compared to dry scrubber technology.

	<u>Desulfurization</u>	<u>Dry Scrubber (incremental)</u>	<u>Total</u>
Inlet Emission Rate:	520 lbs/hr	175 lbs/hr	520 lbs/hr
Removal Efficiency:	66%	70%	90%
Total Hourly SO ₂ Removed:	345 lbs/hr	123 lbs/hr	468 lbs/hr
Annual Reduction:	1,511 tons	539 tons	2,050 tons
Net Annual Cost:	\$472,220	\$398,935	871,155
N.A.C./Ton SO ₂ Removed:	323/Ton	740/Ton	425/Ton
Capital Cost:	\$2,082,973	\$645,000	\$2,727,973

It is unrealistic to view a determination of BACT using financial analysis on a set minimum of cost per ton of SO₂ removed eg. \$1,000 a ton cost to some lower sum. Production Volume and ability to pass the increased cost must be closely viewed and put in a realistic perspective.

We hope that the above provides an adequate response to your questions. We feel that the continued viability of the Gulf Coast facility which performs an essential service in the recycling of lead outweighs the benefit received in meeting a 90% reduction level of SO₂ amounting to an approximately 123 lbs/hr decrease. In balance and after considering the variables permitted in the BACT rule we are confident that your agency will favorably recommend the desulfurization as the technology of choice.

Sincerely,

GULF COAST RECYCLING, INC.


Willis M. Kitchen
President

WMK:gjw

cc: Mr. Al Linero, Florida DEP, Tallahassee

cc: J. Reynolds, BAR
C. Helladay, BAR
B. Thomas, SWD
EPA
NPS

Gulf Coast Recycling - 1996 / 1997 Environmental & Capital Expenditures

Battery Reclamation Equipment w/ Desulfurization	\$1,531,000.00 *
New Building for above w/ Double Liner and Leak Detection System	\$341,959.86 *
Soda Ash Silo and Feed Screws for Desulfurization Process	\$179,400.00 *
Acid Holding Tanks (2)	\$30,613.34 *
Subtotal	\$2,082,973.20
After Burner	\$248,000.00
New Cooling Loops w/ Screw Conveyors	\$125,000.00
Two Replacement Baghouses/408 Bags @ \$15.60 ea	\$24,649.60
New Dust Transfer Screw for Hygiene Baghouse System	\$11,000.00
New Slag Tap Enclosure and six low profile pots	\$10,000.00
New Lead Well Ventilation Hood	\$7,500.00
Group Pile Storage Area Wheel Washes and Pumps	\$90,000.00 *
Replacement of Roof over Work Areas	\$98,435.00 *
Group Pile Roof Replacement	\$62,480.00 *
On-Site Slurry Wall & Engineering	\$300,000.00
Dewatering System	\$64,000.00 *
Environmental Assessment - Onsite	\$100,000.00
Normandy Park (proposed NPL listing) Risk Assessment	\$25,000.00
Normandy Park HRS Sampling	\$25,000.00
Projected Sodium Hydroxide Usage @ \$385.00 Per Ton	\$351,120.00
Projected Soda Ash Usage @ \$265.00 Per Ton	\$329,355.78

I N T E R O F F I C E M E M O R A N D U M

Date: 28-Mar-1996 10:34am EST
From: Alvaro Linero TAL
LINERO_A
Dept: Air Resources Management
Tel No: 904/921-9532
SUNCOM: 291-9532

TO: John Reynolds TAL (REYNOLDS_J)
CC: Elizabeth Deken TPA (DEKEN_E @ A1 @ EPIC66)
Subject: Gulf Recycling Meeting

MEETING WITH GULF COAST RECYCLING
MARCH 28, 1996

A meeting was held with Gulf Coast and its consultants and attorney to discuss the status of their PSD application which is under review by DEP in Tallahassee.

Present were:

Al Linero	<u>Representing</u>
Jim Pennington	DEP Tallahassee
Dennis Tober	DEP Tallahassee
Liz Deken (by phone)	DEP Tallahassee
George Townsend	Hillsborough EPC
Bill Taylor, Esq.	Gulf Coast
Larry Carlson	Gulf Coast
Steve Smallwood	Lake Engineering
	ERM South

I (Al Linero) gave a run-down on my understanding of the history of the issue beginning with the installation of the furnace in the 80's which should have required a PSD/BACT. This was followed by a consent order with HCEPC in 1991 which incorporated EPA's requirement that a PSD review be conducted after the fact. A PSD application was submitted and has never reached completeness yet Gulf appears to have satisfied the consent order condition that they apply for a PSD permit. Time continues to go by and we still have some questions. The process has also been complicated by recent production increases which make it difficult to determine just what are the baseline dates and what exactly the project is. I mentioned that we understood nevertheless that their purpose in meeting was to discuss the SO₂ BACT technology its cost effectiveness.

Mr. Taylor asked for an explanation of how the baseline issue is related to the BACT issue. I explained that it is all part of the same PSD review process. Liz Deken stated that the main concern of

HCEPC is the BACT issue. She clarified that there is not really another expansion, but rather that the facility is running at a higher than allowable rate within its present capacity. Therefore the review can still be of the projected operating scenario compared to levels before construction of the furnace. She said HCEPC wants to get more information, but not cause the clock to be stopped and was therefore working on its own BACT proposal.

I brought up the fact that in response to the VOC control equipment issue in our letter of February 8, Gulf Coast sent us an EPA memo on federal enforceability. I pointed out that Florida has an EPA-approved SIP and is not bound by the EPA policies - particularly when they are as unclear as the one of January 22. I pointed out that even if it did apply to Florida, we must still have some kind of enforceable device which would necessarily mean a permit.

Mr. Smallwood gave his view. He believes that an industry can go ahead and install a piece of control equipment (such as the afterburner for VOC control) to get out of PSD applicability and that this is a normal practice. I pointed out that they did not really get out of PSD because they actually built the furnace and experienced the emissions which did in-fact trigger PSD. He felt that the latter issue was addressed by the penalty component in the consent order.

I mentioned that in our letter of February 8, we had asked for details of the years chosen as the baseline for particulate emissions. It turns out that the years with the highest values ever experienced were picked and it also appears that there were years before and after the furnace was installed which exhibited much lower particulate emissions. With a proposed particulate emissions rate of 20 TPY, the choice of the baseline years becomes very critical as to BACT applicability. It appears that the proposed particulate emission rate is much higher than anything ever experienced and they should consider using lower (and more representative) past actual emissions and lower proposed limits.

I suggested trying to give concise and accurate answers to our letter of February 8 instead of debating each point and opening up new ones in doing so.

The conversation shifted back to the BACT-on-SO₂ issue. Liz said that HCEPC was working on its own BACT recommendation. Mr. Smallwood and Mr. Taylor asked for clarification on who was responsible for the BACT. It was clarified that DEP remains responsible for the BACT determination. GCR will provide to HCEPC the details of why certain scrubbing options not proposed, would be cost-prohibitive. I pointed out that even the National Park Service review of the October 10, 1995 submittal noted deficiencies in the SO₂ BACT proposal although they were happier with the proposed rate than with one proposed 2 years ago by GCR.

GCR will submit more concise and complete answers to the

February 8 letter and (I expect) avoid bickering. I encouraged them to have their technical representative respond completely to inquiries from our permit review engineer, John Reynolds, and to consult with him. They will supply the BACT-on-SO₂ cost effectiveness information to our satisfaction and that of HCEPC. HCEPC will provide a recommended BACT on SO₂ to DEP. We will consider it in making our own determination.

GCR has not changed its sulfur removal plans (contrary to what I believed). They are mainly concerned that if HCEPC recommends or if we set a more stringent BACT, they will not be able to make any money. They said they want to make sure that such impacts are considered when determining BACT.

Although I intended to, we will not go through the consent order route to expedite the process unless the process bogs down again. The reason is that it looks as if we can't avoid conducting a PSD review because emissions after controls still trigger PSD for some pollutants. The possibility of turning it over to EPA is also an option if things don't move soon.

For reference, EPA conducted an inspection a few weeks ago and found that on several occasions the facility operated at levels in excess of their present permit (4.58 TPD). Dennis Tober accompanied that inspector which is why I asked him to come to the meeting. A consent order is (I believe) being drafted by HCEPC.

COMMISSION

DOTTIE BERGER
PHYLLIS BUSANSKY
JOE CHILLURA
CHRIS HART
JIM NORMAN
ED TURANCHIK
SANDRA WILSON



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TELEPHONE (813)272-7104

EXECUTIVE DIRECTOR

ROGER P. STEWART

ENVIRONMENTAL PROTECTION COMMISSION
OF HILLSBOROUGH COUNTY

347-1681

FAX TRANSMITTAL SHEET

DATE: 03-27-96

TO: ~~Jim Pennington DIRM~~ FERNANDO RIVERA

FAX PHONE: (404)347-1681 VOICE PHONE: _____

TOTAL NUMBER OF PAGES INCLUDING THIS COVER PAGE: 7

EPC FAX TRANSMISSION LINE: (813) 272-5605
FOR RETRANSMISSION OR ANY FAX PROBLEMS, CALL: (813) 272-5530

FROM: Kim Switzer (THRU ALLINERD OF DEP)
(CIRCLE APPLICABLE SECTION BELOW)

AIR DIVISION

- ENFORCEMENT
- ENGINEERING
- SUPPORT OPERATIONS

SPECIAL INSTRUCTIONS: Fernando - As you requested. Looks like PSD issue was addressed in 1991 Consent Order. Progress has been slow. We need to put in dates by which they will do things.

BEFORE THE
ENVIRONMENTAL PROTECTION COMMISSION
OF HILLSBOROUGH COUNTY

ENVIRONMENTAL PROTECTION COMMISSION
OF HILLSBOROUGH COUNTY
Complainant,

vs.

Case No. 00809KLS057

GULF COAST RECYCLING, INC.
Respondent.

CONSENT ORDER

This Consent Order is made and entered into between the Environmental Protection Commission of Hillsborough County ("Commission") and Gulf Coast Recycling, Inc. ("GCR"), pursuant to Chapter 84-446, Laws of Florida and interagency agreement with the Florida Department of Environmental Regulation ("DER").

The Commission alleges the following and nothing herein shall be construed to be an admission of wrong doing by GCR. This document may not be used as evidence in any proceeding, except to enforce the terms thereof.

1. GCR is a corporation duly authorized to conduct business in the State of Florida. GCR owns and operates a facility located at 1901 North 66th Street, Tampa, in Hillsborough County, Florida.

2. GCR's business activities include the recovery of lead from damaged or spent lead-acid batteries. The operation of the secondary lead blast furnace is subject to the requirements of DER Permit No. AO29-173310; the New Source Performance Standards of 40 CFR 60, Subpart L; Federal and State Regulations regarding Prevention of Significant Deterioration ("PSD"); the Federal Implementation Plan ("FIP") contained in 40 CFR 52.535; the Florida Administrative Code and the Rules of the Commission. The three refining kettles are subject to the requirements of DER Permit No. AO29-95365, the New Source Performance Standards, the FIP contained in 40 CFR 52.535, the Florida Administrative Code, and the Rules of the Commission.

3. On August 9, 1990, representatives of PEI Associates, Inc., the United States Environmental Protection Agency ("EPA"), and the DER inspected the GCR's facility at the aforementioned location. For a period of thirty seconds, there was an opacity of 80 percent at the blast furnace slag tap, in violation of the 5 percent opacity standard in 40 CFR 52.535(c)(1)(ii).

4. GCR's number 3 refining kettle was constructed without a DER construction permit. This was in violation of Section 17-2.210, F.A.C., and Section 1-3.21, Rules of the Commission. However, GCR operated the number 3 refining kettle under permit # A029-95365, issued January 28, 1985, with the approval of the Commission and the DER.

5. GCR constructed a blast furnace without a DER construction permit. Prior to the construction of the blast furnace, representatives of GCR, the Commission and DER met to determine whether or not a construction permit was going to be needed. At those meetings, joint decisions were made that the blast furnace could be constructed without a construction permit and that further testing would be needed to decide whether PSD for SO₂ would be triggered. Since previous SO₂ test results on the old furnace were extremely varied and a single SO₂ run did not cover a complete charging cycle, a testing protocol for the old furnace was agreed upon to establish a baseline for SO₂. It was agreed that ten - one hour SO₂ runs would be performed on the furnace and the results from the ten tests would be averaged. This testing protocol was carried out in December 1983. After a comparison of this test data and test results taken subsequently from the newer furnace, it was decided by Agency representatives that PSD was not applicable for SO₂. However, subsequent to this determination, EPA has determined that a construction permit was required at the time in question and has directed the Commission staff to require GCR to submit an after-the-fact construction permit and address PSD for a number of pollutants including SO₂.

6. GCR submitted an after-the-fact permit application, August 2, 1990, for construction of its number 3 refining kettle. Issuance of the final permit is pending.

WHEREFORE, GCR and the Commission mutually agree and it is ORDERED:

7. Within thirty (30) days of the effective date of this Consent Order, GCR shall submit a plan to address air emissions from the blast furnace. The plan shall describe all measures GCR has taken and intends to take to ensure compliance with all applicable opacity regulations.

8. Within one hundred and twenty (120) days of the effective date of this Consent Order, GCR shall submit an after-the-fact construction permit application for the blast furnace. The following items are necessary for the fulfillment of this requirement:

A. The application shall be submitted on DER form 17-1.202(1).

B. Pursuant to Section 17-4.05(3), F.A.C., the application shall be submitted in quadruplicate with original P.E. seals and signatures.

C. The review fee of \$400.00, payable to the Hillsborough County Board of County Commissioners, shall be submitted with the application.

D. GCR shall contact the DER to determine the permit review fee and shall submit same, payable to the Florida Department of Environmental Regulation, with the application.

9. Within fifteen (15) days of the effective date of this Consent Order, GCR shall deliver to the Director a check payable to the Pollution Recovery Fund of Hillsborough County in the amount of five thousand eight hundred dollars (\$5,800.00). This amount constitutes a reasonable settlement amount ascribed to the above violations.

10. Within fifteen (15) days of the effective date of this Consent Order, GCR shall deliver to the Director a check payable to the Environmental Protection Commission of Hillsborough County in the amount of one hundred forty-two dollars and fifty cents (\$142.50). This amount constitutes the reasonable expenses of the Commission for 4.75 hours at \$30 each in investigating and resolving this matter.

11. The Commission, for and in consideration of the complete and timely performance by GCR of the obligations agreed to in this Consent Order, hereby waives its right to seek judicial imposition of damages or civil penalties for violations outlined in this Order. GCR waives its right to a hearing or judicial review of this Order.

12. Entry into this Consent Order does not relieve GCR of the need to comply with other applicable federal, state, or local laws, regulations or ordinances. The entry of this Consent Order does not abrogate the rights of substantially affected persons who are not parties to this Consent Order.

13. The Commission hereby expressly reserves the right to initiate appropriate legal action to prevent or prohibit the future violation of applicable statutes, or the rules promulgated thereunder.

14. The terms and conditions set forth in this Consent Order may be enforced in a court of competent jurisdiction. Failure to comply with the terms of this Consent Order is a violation of Chapter 403, Florida Statutes and of Chapter 84-446, Laws of Florida.

15. GCR is fully aware that a violation of the terms of this Consent Order may subject GCR to judicial imposition of damages, civil penalties of up to \$10,000 per violation, criminal penalties and costs and expenses incurred in litigating this matter.

16. This consent order shall take effect upon the date of execution by the Director of the Commission and shall constitute final agency action by the Commission.

FOR THE RESPONDENT

Bonnie Phillips
Witness

Willis M. Kitchen
Willis M. Kitchen
President

AFFIDAVIT

State of Florida
County of Hillsborough

Before me this day personally appeared Willis M. Kitchen, who being duly sworn, deposes and says that he, Willis M. Kitchen, as president of Gulf Coast Recycling, Inc., ("GCR") at 1901 N. 66th Street, Tampa, Florida, is the authorized representative of GCR, that he is duly authorized under the articles of incorporation and by-laws of GCR to bind GCR by his signature to this Consent Order and that it is his signature which first appears above on behalf of GCR.

Sworn to and subscribed before me this 15th day of October, 1991.

[Signature]
Notary Public
My commission expires

NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXPIRES OCT. 4, 1995
RECORDED THRU GENERAL INS. UNIT

DONE AND ORDERED this 15 of Oct, 1991 in Tampa, Florida.

[Signature]
Roger P. Stewart, Executive Director
Environmental Protection Commission
of Hillsborough County
1900 Ninth Avenue
Tampa, Florida 33605
(813) 272-5960

Vernick



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION IV

345 COURTLAND STREET, N.E.
ATLANTA, GEORGIA 30365

MEMORANDUM

JUN 14 1991

DATE:

SUBJECT: PSD Determination of Gulf Coast Recycling, Inc.

FROM: Brian L. Beals, Chief
Source Evaluation Unit *BLB*

TO: Mark A. Armentrout, Chief
Northern Compliance Unit

This determination concerns the operations at Gulf Coast Recycling, Inc. and is in response to your memorandum dated April 26, 1991. Our determinations with respect to PSD are as follows:

- (1) Gulf Coast Recycling is classified as a major stationary source, as defined in CFR 51.155, therefore, when notification was made of impending construction of a new 60 ton blast furnace, the PSD application process should have been initiated. This furnace qualified as a major modification as defined in CFR 51.166, due to the fact that construction would result in a significant net emissions increase and potential to emit increase in pollutants. Based on the emissions sampling data from 1979-90, there was a 43.7% increase in actual SO2 emissions from the pre-construction to post-construction periods. From 1979-84, actual SO2 emissions averaged 208.7 pounds per hour. After completion of the 60 ton blast furnace, actual SO2 emissions from 1985-90 averaged 300.0 pounds per hour. Based on Gulf Coast's annual operating level of 7800 hours per year, the actual emissions increase for SO2 rose from 814 tons per year in 1979-84 to 1170 tons per year in 1985-90. The significant rate of emissions for SO2 is defined as being 40 tons per year or more of that pollutant.
- (2) The preconstruction requirements as outlined in Section 165 of the Clean Air Act should have been met. This would have included obtaining a construction permit for the 60 ton blast furnace prior to its fabrication, instead of obtaining one 6 years after the fact.
- (3) The source is classified as a secondary lead smelter and due to the expected increases in pollutants, PSD review would subject all pollutants in the category to review. This would broaden the scope to include PM, Pb, CO, SO2, NOx, sulfuric acid mist, and hydrogen sulfide.

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- (4) Best Available Control Technology (BACT) analysis would be applicable for any pollutants subject to PSD review (from determination (3) above) which exceed their respective significant emissions rate.
- (5) Further investigation is warranted into whether VOC emissions from the 60 ton blast furnace exceeds the 40 tons per year limit for NSR. If NSR is applicable, then LAER and emissions offsets would have to be taken into consideration.
- (6) A final concern with respect to the operations at Gulf Coast pertains to the 50-ton refining kettle built and operated with no construction permit, designated as kettle #3. A valid construction permit should have addressed the operating limitations of kettle #3, specifically with reference to the simultaneous operation of more than two 50-ton kettles. Federally enforceable permit limits should have been incorporated into the construction permit, as they were in the eventual operating permit. According to Gulf Coast, kettle #1 operates independently; kettle #2 (calcium lead formation) is dependent upon the operations of kettle #3 (lead softening). The only impediment to simultaneous operation of all three kettles is manpower constraints, not design features; therefore, it is physically possible for all three 50-ton refining kettles to be operating simultaneously. The potential lead emissions for kettle #3 were 0.874 tons per year - an amount above the significance level of 0.6 tons per year; consequently, a PSD application was required for refining kettle #3.

Should you have any questions, please contact either Dennis Beaugard or Scott Davis at x5014.