

# Florida Department of Environmental Protection

Bob Martinez Center 2600 Blairstone Road Tallahassee, Florida 32399-2400 Charlie Crist Governor Jeff Kottkamp Lt. Governor Michael W. Sole Secretary

February 22, 2008

Electronically Sent - Received Receipt Requested

GClemons@transmontaigne.com

Mr. Garrett Clemons Manager, Air Compliance Transmontaigne Product Services, Inc. (TPSI) 1670 Broadway, Suite 3100 Denver, Colorado 80202

Re: Exemption of Limited Ethanol Blending Activity
TPSI Tampa Terminal (DEP File No. 0570081-011-AV)

Dear Mr. Clemons:

The Department has reviewed the information provided on February 19, 2008 describing the system to blend ethanol into the gasoline product at the TPSI Tampa Terminal and claiming a generic exemption from air permitting pursuant to Rule 62-210.300(3)(b)(1), Florida Administrative Code (F.A.C.).

The Department has determined that the described activity does not qualify for the requested exemption but has determined that it can be considered for an exemption under Paragraph 62-4.040, F.A.C., Exemptions.

### I. Determination of Exemption

The Department may determine that certain activities are exempt from the permit requirements of Chapter 62-4, F.A.C. Such activities include "any existing or proposed installation which the Department shall determine does not or will not cause the issuance of air or water contaminants 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. Such a determination is agency action and is subject to Chapter 120, F.S. Such determination shall be made in writing and filed by the Department as a public record. Such determination may be revoked if the installation is substantially modified or the basis for the exemption is determined to be materially incorrect." (Paragraph 62-4.040, F.A.C.)

Based upon the findings stated below and subject to the Conditions for Exemption in II, below, the Department has determined the permanent activities described below are exempt from construction permitting pursuant to 62-4.040, F.A.C.

Mr. Garrett Clemons Transmontaigne Tampa Terminal Page 2 of 4

According to the information provided, TPSI will install an ethanol injection system at the terminal. The injection system will be used to inject ethanol into the gasoline stream (maximum percent ethanol) before being loaded onto trucks at the existing truck loading rack. The facility Title V permit air operation permit allows the terminal a throughput of 350,000,000 gallons per year of gasoline. By practicing maximum 10 percent (%) blending to produce E10, TPSI anticipates blending approximately 35,000,000 gallons per year of ethanol. The allowable throughput after blending will not change.

Additional emissions due to this activity will not likely be greater than the emissions from the ethanol portion of the E10 product. TPSI believes the additional emissions directly related to the processing of E10 (compared with pure gasoline), through the existing loading rack equipment plus the injection system, will be less than 5 TPY without consideration of the fact that an equal amount of pure gasoline will likely be replaced by the ethanol. If the gasoline replaced was considered, the increases would be of a very minor nature.

Based on the information provided, the Department hereby determines that the proposed blending activity will not cause the issuance of air or water contaminants 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. Therefore the installation is exempt from permitting per Paragraph 62-4.040, F.A.C., subject to the Conditions for Exemption identified in paragraph II, below.

## II. Conditions for Exemption:

# A. Project Description

TPSI will install and operate an ethanol storage and injection system at the terminal. The system will be used to inject ethanol into the gasoline stream to produce an E10 product before being loaded into tanker trucks at the existing truck loading rack.

#### B. Conditions

The ethanol activity shall comply with the following conditions:

- 1. Inclusion of the activity in the next Title V permit renewal application.
- 2. The gasoline product from the terminal shall contain 10 percent or less ethanol.
- 3. With reference to Specific Condition A.1 of Title V Permit No. 0570081-011-AV, the maximum allowable gasoline product throughput of the Gasoline Tanks Group shall not exceed 350,000,000 gallons per year including the ethanol component.

The proposed permitting exemption shall become final unless a timely petition for an administrative determination (hearing) is filed under sections 120.569 and 120.57, F.S., before the deadline for filing a petition. The procedures for petitioning for a hearing are set forth below.

A person whose substantial interests are affected by the proposed permitting exemption may petition for an administrative proceeding (hearing) under sections 120.569 and 120.57 of the Florida Statutes (F.S.). The petition must contain the information set forth below and must be filed (received) in the Office of General Counsel of the Department at 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida, 32399-3000. Petitions filed by the permit applicant or any of the parties listed below must be filed within 21 days of receipt of this exemption decision. Petitions filed by any persons other than those entitled to written notice

Mr. Garrett Clemons Transmontaigne Tampa Terminal Page 3 of 4

under section 120.60(3) of the Florida Statutes must be filed within 21 days of publication of the public notice or within 21 days of receipt of this permitting exemption decision, whichever occurs first. Under section 120.60(3), however, any person who asked the Department for notice of agency action may file a petition within 21 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 discretion of the presiding officer upon the filing of a motion in compliance with Rule 28-106.205 of the Florida Administrative Code.

A petition that disputes the material facts on which the Department'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 how and when petitioner received notice of the agency action or proposed action; (d) A statement of all disputed issues of material fact. If there are none, the petition must so indicate; (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 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 Department'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.

Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means that the Department's final action may be different from the position taken by it in this notice. Persons whose substantial interests will be affected by any such final decision of the Department on the application have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above. Mediation is not available in this proceeding.

This decision is final and effective on the date filed with the clerk of the Department 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 order will not be effective until further order of the Department.

Mr. Garrett Clemons Transmontaigne Tampa Terminal Page 4 of 4

Any party to this decision (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 thirty days after this order is filed with the clerk of the Department.

Executed in Tallahassee, Florida.

Bureau of Air Regulation

#### **CERTIFICATE OF SERVICE**

The undersigned duly designated deputy agency clerk hereby certifies that this Permit Exemption and all copies were sent electronically (with Received Receipt) before the close of business on to the person(s) listed below.

Garrett Clemons: GClemons@transmontaigne.com

Jerry Campbell: campbell@epchc.org Diana Lee, HCEPC: lee@epchc.org Sterlin Woodard: woodard@epchc.org

Clerk Stamp

FILING AND ACKNOWLEDGMENT FILED, on this date, pursuant to §120.52, Florida Statutes, with the designated

Department Clerk, receipt of which is

hereby acknowledged.

Enclosure

From: GClemons@transmontaigne.com Sent: Tuesday, February 19, 2008 4:06 PM

To: Linero, Alvaro

Subject: TransMontaigne-Tampa Ethanol Injection

Mr. Linero,

TransMontaigne Product Services Inc. (TPSI) owns and operates the Tampa Terminal, located in Tampa, Florida. TPSI will be installing an ethanol injection system at the terminal. The injection system will be utilized to inject ethanol into the gasoline stream (i.e. up to E10, 10% ethanol) before being loaded onto trucks at the existing truck loading rack. The installation of an ethanol injection system does not trigger 40 CFR 60 (NSPS) Subpart XX, since NSPS Subpart XX already applies to the existing truck loading rack. Further, the ethanol injection system will not trigger any other applicable requirements. The Title V permit allows the terminal a throughput of 350,000,000 gallons/year of gasoline. By blending E10 (maximum blending), TPSI anticipates blending approximately 35,000,000 gallons/year of ethanol.

The blending of E10 is a change in the method of operation and also a physical change. However, TPSI evaluated how these changes affect emissions by comparing actual emissions from the entire unit (loading rack, tanks and skid) before and after the project using the definitions stated in 62-210.200(11). This calculation shows an emissions increase of approximately 18.5 tons per year. However, this increase is a result of comparing past actual emissions to permitted emissions (no change). In reality, the emissions can not be greater than the emissions from the E10 product. TPSI believes the potential emissions directly related to the processing of E10, through the existing loading rack equipment plus the injection system, will be less than 5 tons/year (without consideration of the fact that an equal amount of pure gasoline will likely be offset).

Based upon the facts stated above, TPSI believes that the installation of the ethanol injection system meets the requirements as set forth by 62-210.300(3)(b)(1), Generic and Temporary Exemptions:

Except as otherwise provided at subsection 62-210.300(3), F.A.C., above, an emissions unit or pollutant-emitting activity that is not entitled to a categorical or conditional exemption pursuant to paragraph 62-210.300(3)(a), F.A.C., shall be exempt from any requirement to obtain an air construction permit or non-Title V air operation permit, or to use an air general permit pursuant to Rule 62-210.310, F.A.C., if it meets all of the following criteria:

a. It would be subject to no unit-specific applicable requirement;

The ethanol injection system will not be subject to a unit-specific requirement. The existing loading rack operates in accordance with 40 CFR 60 NSPS

Subpart XX and would not become subject to any additional requirements as a result of the project.

b. It would neither emit nor have the potential to emit: 500 pounds per year or more of lead and lead compounds expressed as lead; 1,000 pounds per year or more of any hazardous air pollutants; or 5.0 tons per year or more of any other regulated pollutant.

As shown by the attached calculations, the ethanol injection system will remain below the emission thresholds stated above.

c. Its emissions, in combination with the emissions of other units and activities at the facility, would not cause the facility to emit or have the potential to emit any pollutant in such amount as to make the facility a Title V source.

The facility currently operates under Title V Permit No. 0570081-011-AV.

d. In the case of a proposed new emissions unit at an existing facility, the emissions of such unit, in combination with the emissions of any other proposed new or modified units and activities at the facility, would not result in a modification subject to the preconstruction review requirements of subparagraph 62-204.800(11)(d)2, 62-212.400 or 62-212.500, F.A.C.

The installation of an ethanol injection system does not result in a modification subject to preconstruction review requirements. There will be no emissions increase when using the Baseline Actual-to-Projected Actual Applicability Test for Modifications at Existing Emissions Units as described in Rule 62-212.400(2)(a)1., F.A.C. in conjunction with the definitions for the terms in 62-210.200(36 & 248), F.A.C.

e. In the case of a proposed new pollutant-emitting activity, such activity would not constitute a modification of any existing non-exempt emissions unit at a non-Title V source or any existing non-insignificant emissions unit at a Title V source.

This provision does not apply to the project.

TPSI proposes install and operate the ethanol injection skid under 62-210.300(3)(b)(1). TPSI will incorporate the ethanol injection system in the Title V permit application at the next renewal. If you have any questions, or need any further information, please call me at (303) 626-8209.

Sincerely,

Garrett Clemons Manager, Air Compliance TransMontaigne Inc. (303) 626-8209

From:

Harvey, Mary

Sent:

Friday, February 22, 2008 5:05 PM

To:

'GClemons@transmontaigne.com'; 'campbell@epchc.org'; 'lee@epchc.org';

'woodard@epchc.org'

Cc:

Linero, Alvaro; Walker, Elizabeth (AIR); Gibson, Victoria

Subject:

Mr. Garrett Clemons - Transmontaigne Products Services, Inc. - Exemption Letter - DEP File

No. 0570081-011-AV

Attachments: XTrans -DEP File #0570081-011-AV.pdf; TransReq - #0570081-011-AV.pdf

Tracking:

Recipient Read
GCiemons@transmontaigne.com'

Campbell@epchc.org

L woodard@epchc.org

Linero, Alvaro

Read: 2/22/2008 7:25 PM

Walker, Elizabeth (AIR)

Gibson, Victoria

Read: 2/25/2008 10:14 AM

#### Dear Sir/Madam:

Please send a "reply" message verifying receipt of the attached document(s); this may be done by selecting "Reply" on the menu bar of your e-mail software and then selecting "Send". We must receive verification of receipt and your reply will preclude subsequent e-mail transmissions to verify receipt of the document(s).

The document(s) may require immediate action within a specified time frame. Please open and review the document(s) as soon as possible.

The document is in Adobe Portable Document Format (pdf). Adobe Acrobat Reader can be downloaded for free at the following internet site: http://www.adobe.com/products/acrobat/readstep.html.

The Bureau of Air Regulation is issuing electronic documents for permits, notices and other correspondence in lieu of hard copies through the United States Postal System, to provide greater service to the applicant and the engineering community. Please advise this office of any changes to your e-mail address or that of the Engineer-of-Record.

Thank you,

DEP, Bureau of Air Regulation

From: Woodard, Sterlin [Woodard@epchc.org]

**Sent:** Monday, February 25, 2008 9:18 AM

To: Harvey, Mary

Subject: RE: Mr. Garrett Clemons - Transmontaigne Products Services, Inc. - Exemption Letter - DEP File

No. 0570081-011-AV

----Original Message-----

From: "Harvey, Mary" < Mary. Harvey@dep.state.fl.us>

To: "GClemons@transmontaigne.com" <GClemons@transmontaigne.com>; "Campbell, Jerry"

<Campbell@epchc.org>; "Lee, Diana" <Lee@epchc.org>; "Woodard, Sterlin" <Woodard@epchc.org>

Cc: "Linero, Alvaro" <Alvaro.Linero@dep.state.fl.us>; "Walker, Elizabeth (AIR)"

<Elizabeth.Walker@dep.state.fl.us>; "Gibson, Victoria" < Victoria.Gibson@dep.state.fl.us>

Sent: 2/22/2008 5:05 PM

Subject: Mr. Garrett Clemons - Transmontaigne Products Services, Inc. - Exemption Letter - DEP File No.

0570081-011-AV

#### Dear Sir/Madam:

Please send a "reply" message verifying receipt of the attached document(s); this may be done by selecting "Reply" on the menu bar of your e-mail software and then selecting "Send". We must receive verification of receipt and your reply will preclude subsequent e-mail transmissions to verify receipt of the document(s).

The document(s) may require immediate action within a specified time frame. Please open and review the document(s) as soon as possible.

The document is in Adobe Portable Document Format (pdf). Adobe Acrobat Reader can be downloaded for free at the following internet site: http://www.adobe.com/products/acrobat/readstep.html.

The Bureau of Air Regulation is issuing electronic documents for permits, notices and other correspondence in lieu of hard copies through the United States Postal System, to provide greater service to the applicant and the engineering community. Please advise this office of any changes to your e-mail address or that of the Engineer-of-Record.

Thank you,

DEP, Bureau of Air Regulation

The Department of Environmental Protection values your feedback as a customer. DEP Secretary Michael W. Sole is committed to continuously assessing and improving the level and quality of services provided to you. Please take a few minutes to comment on the quality of service you received. Simply click on this link to the DEP Customer Survey. Thank you in advance for completing the survey.

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From:

Lee, Diana [Lee@epchc.org]

To:

Harvey, Mary

Sent:

Monday, February 25, 2008 9:31 AM

Subject:

Read: Mr. Garrett Clemons - Transmontaigne Products Services, Inc. - Exemption Letter -

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DEP File No. 0570081-011-AV

Your message

To:

Lee@epchc.org

Subject:

was read on 2/25/2008 9:31 AM.

From: GClemons@transmontaigne.com

Sent: Friday, February 22, 2008 5:27 PM

To: Harvey, Mary

Subject: Re: Mr. Garrett Clemons - Transmontaigne Products Services, Inc. - Exemption Letter - DEP File

No. 0570081-011-AV

Message received.

From: Linero, Alvaro To: Harvey, Mary

Sent: Friday, February 22, 2008 7:25 PM

Subject: Read: Mr. Garrett Clemons - Transmontaigne Products Services, Inc. - Exemption Letter -

DEP File No. 0570081-011-AV

#### Your message

To: 'GClemons@transmontaigne.com'; 'campbell@epchc.org'; 'lee@epchc.org'; 'woodard@epchc.org'

Cc: Linero, Alvaro; Walker, Elizabeth (AIR); Gibson, Victoria

Subject: Mr. Garrett Clemons - Transmontaigne Products Services, Inc. - Exemption Letter - DEP File No. 0570081-011-AV

Sent: 2/22/2008 5:05 PM

was read on 2/22/2008 7:25 PM.

From:

Campbell, Jerry [Campbell@epchc.org]

To:

Harvey, Mary

Sent:

Monday, February 25, 2008 8:19 AM

Subject:

Read: Mr. Garrett Clemons - Transmontaigne Products Services, Inc. - Exemption Letter -

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DEP File No. 0570081-011-AV

Your message

To:

Campbell@epchc.org

Subject:

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From:

Gibson, Victoria

To:

Harvey, Mary

Sent:

Monday, February 25, 2008 10:14 AM

Subject:

Read: Mr. Garrett Clemons - Transmontaigne Products Services, Inc. - Exemption Letter -

sometalence President Commission for the Proposition of the Commission of the Commis

DEP File No. 0570081-011-AV

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To:

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Cc:

Linero, Alvaro; Walker, Elizabeth (AIR); Gibson, Victoria

Subject:

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Sent:

2/22/2008 5:05 PM

was read on 2/25/2008 10:14 AM.

From:

Woodard, Sterlin [Woodard@epchc.org]

To:

Harvey, Mary

Sent:

Friday, February 22, 2008 5:13 PM

Subject:

Read: Mr. Garrett Clemons - Transmontaigne Products Services, Inc. - Exemption Letter -

DEP File No. 0570081-011-AV

Your message

To:

Woodard@epchc.org

Subject:

was read on 2/22/2008 5:13 PM.