

COMMONWEALTH of VIRGINIA

DEPARTMENT OF ENVIRONMENTAL QUALITY TIDEWATER REGIONAL OFFICE

Doug Domenech Secretary of Natural Resources 5636 Southern Boulevard, Virginia Beach, Virginia 23462 (757) 518-2000 Fax (757) 518-2009 www.deg.virginia.gov

David K. Paylor Director

Maria R. Nold Regional Director

July 17, 2012

Mr. James R. Cole President Dominion Terminal Associates, LLP 600 Harbor Road Newport News, Virginia 23607

> Location: Newport News Registration No.: 60997 AFS id. No.: 51-700-00074

Dear Mr. Cole:

Attached is a minor amendment to your new source review permit to construct and operate a coal and petroleum coke receiving, storage and shipping facility in accordance with the provisions of the Virginia Regulations for the Control and Abatement of Air Pollution. This permit supersedes your permit dated September 20, 2006.

This permit contains legally enforceable conditions. Failure to comply may result in a Notice of Violation and/or civil charges. Please read all permit conditions carefully.

The Department of Environmental Quality (DEQ) deemed the application complete on May 1, 2012 and has determined that the application meets the requirements of 9 VAC 5-80-1280 A, B, and C for a minor amendment to a new source review permit.

This permit approval to construct and operate shall not relieve Dominion Terminal Associates of the responsibility to comply with all other local, state, and federal permit regulations.

The Board's Regulations as contained in Title 9 of the Virginia Administrative Code 5-170-200 provide that you may request a formal hearing from this case decision by filing a petition with the Board within 30 days after this case decision notice was mailed or delivered to you. 9 VAC 5-170-200 provides that you may request direct consideration of the decision by the Board if the Director of the DEQ made the decision. Please consult the relevant regulations for additional requirements for such requests.

Mr. James R. Cole Dominion Terminal Associates, LLP July 17, 2012 Page 2

As provided by Rule 2A:2 of the Supreme Court of Virginia, you have 30 days from the date you actually received this permit or the date on which it was mailed to you, whichever occurred first, within which to initiate an appeal of this decision by filing a Notice of Appeal with:

David K. Paylor, Director Department of Environmental Quality PO Box 1105 Richmond, VA 23218-1105

If this permit was delivered to you by mail, three days are added to the thirty-day period in which to file an appeal. Please refer to Part Two A of the Rules of the Supreme Court of Virginia for information on the required content of the Notice of Appeal and for additional requirements governing appeals from decisions of administrative agencies.

If you have any questions concerning this permit, please contact Kelly R. Giles by phone at (757) 518-2155 or by e-mail at kelly.giles@deq.virginia.gov.

Sincerely.

Troy D. Breathwaite

Regional Air Permits Manager

TDB/KRG/60997_005_12_NSRminamd_DTA.docx

Attachment:

Permit

cc: Manager, Data Analysis (electronic file submission)
Manager/Inspector, Air Compliance



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Doug Domenech Secretary of Natural Resources 5636 Southern Boulevard, Virginia Beach, Virginia 23462 (757) 518-2000 Fax (757) 518-2009 www.deq.virginia.gov

David K. Paylor Director

Maria R. Nold Regional Director

STATIONARY SOURCE PERMIT TO CONSTRUCT AND OPERATE

This permit supersedes your permit dated September 20, 2006.

In compliance with the Federal Clean Air Act and the Commonwealth of Virginia Regulations for the Control and Abatement of Air Pollution,

Dominion Terminal Asociates, LLP 600 Harbor Road
Newport News, Virginia 23607
Registration No.: 60997
AFS Id. No.: 51-700-00074

is authorized to construct and operate

a coal and petroleum coke receiving, storage and shipping facility

located at

600 Harbor Road Newport News, Virginia

in accordance with the Conditions of this permit.

Approved on:

Maria R. Nold

July 17, 2012 Signature Date

Permit consists of 8 pages. Permit Conditions 1 to 31.

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INTRODUCTION

1. This permit approval is based on the permit application dated August 17, 1981, October 15, 2002, May 8, 2004, including amendment information dated August 25, 1981, October 19, 1989, April 22, 1992, December 11, 2002, July 13, 2004, April 3, 2006, and April 24, 2012. Any changes in the permit application specifications or any existing facilities which alter the impact of the facility on air quality may require a permit. Failure to obtain such a permit prior to construction may result in enforcement action. In addition, this facility may be subject to additional applicable requirements not listed in this permit.

Words or terms used in this permit shall have meanings as provided in 9 VAC 5-10-10 of the State Air Pollution Control Board Regulations for the Control and Abatement of Air Pollution. The regulatory reference or authority for each condition is listed in parentheses () after each condition.

Annual requirements to fulfill legal obligations to maintain current stationary source emissions data will necessitate a prompt response by the permittee to requests by the DEQ or the Board for information to include, as appropriate: process and production data; changes in control equipment; and operating schedules. Such requests for information from the DEQ will either be in writing or by personal contact.

The availability of information submitted to the DEQ or the Board will be governed by applicable provisions of the Freedom of Information Act, § 2.2-3700 through 2.2-3714 of the Code of Virginia, § 10.1-1314 (addressing information provided to the Board) of the Code of Virginia, and 9 VAC 5-170-60 of the State Air Pollution Control Board Regulations. Information provided to federal officials is subject to appropriate federal law and regulations governing confidentiality of such information.

PROCESS REQUIREMENTS

2. Equipment List - Equipment at this facility consists of the following:

Equipment permitted prior to the date of this permit:					
Reference No.	Equipment Description	Rated Capacity	Air Pollution Control(s)		
RD-1	Tandem rotary rail car dumper	5800 tons/hr	Enclosed bldg. with water spray		
SS-1	Surge silo	1000 tons	Fabric filter (DC-1)		
SS-2	Surge silo	3800 tons	Fabric filter (DC-6)		
SS-3	Surge silo	4100 tons	Fabric filter (DC-7)		
BC-1 through BC- 13	Various coal handling and storage conveyors	Largest belt 6800 tons/hr	All fully enclosed (except 4, 7, and 13 – yard belts)		
S/R-1 & S/R-2	Two (2) rotary stacker/reclaimers	5900 tons/hr stacking, 6500 tons/hr reclaim	Wet suppression		
R-3	Rotary reclaimer	6800 tons/hr reclaim only	Wet suppression		
OS-1 through OS-4	Coal and coke storage piles	Up to 350,000 tons	Wet suppression system (computerized)		
SL-1	Ship/barge loader	6800 tons/hr	Wet suppression, telescoping loading chutes		

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Equipment removed by this permit:				
Reference No.	Equipment Description	Rated Capacity		
UL-1	Marine vessel grab unloader	2000 tons/hr		
UL-2	Marine vessel grab unloader	2000 tons/hr		
BH-1	Ship unload hopper	3400 tons/hr		
BH-2	Ship unload hopper	3400 tons/hr		
BC-14	Ship unload conveyor	6800 tons/hr		
BC-15	Ship unload conveyor	6800 tons/hr		

Specifications included in the permit under this Condition are for informational purposes only and do not form enforceable terms or conditions of the permit.

(9 VAC 5-80-1180 D 3)

3. Emission Controls - Particulate emissions from the enclosed rotary rail car dumper building (RD-1) shall be controlled by wet suppression, which, if necessary, shall include the use of a surfactant. The surfactant to water ratio shall be in accordance with the manufacturer's recommendations. The minimum amount of water applied shall be 130 gallons per tandem dump. Compliance shall be achieved if there are no visible emissions.

(9 VAC 5-80-1180 and 9 VAC 5-50-260)

- 4. Emission Controls Particulate emissions from the transfer points and stacker/reclaimers (S/R-1, S/R-2, and R-3) shall be controlled by wet suppression as necessary and by wet suppression with surfactant as necessary. Continuous wetting is not mandatory.

 (9 VAC 5-80-1180 and 9 VAC 5-50-260)
- 5. Emission Controls Particulate emissions from the conveyor system shall be controlled by conveyor hoods and wind guards. Ground level reclaim conveyor belts shall be controlled by wet suppression as necessary. (9 VAC 5-80-1180 and 9 VAC 5-50-260)
- 6. Fugitive Dust Emission Controls Fugitive dust emissions from the storage piles shall be controlled by a wet suppression system capable of wetting the entire storage area. Wet suppression cycles shall be implemented in accordance with Appendix A. Each cycle shall consist of no less than 35,500 gallons of water and, with assistance from other equipment, attain 100 percent coverage of the storage area. The wet suppression system shall be provided with adequate access for inspection.

 (9 VAC 5-50-90, 9 VAC 5-80-1180, and 9 VAC 5-50-260)
- 7. Fugitive Dust Emission Controls All storage piles shall be truncated, stacker/reclaimers used to build flat top piles, or the top compacted to minimize fugitive emissions.

 (9 VAC 5-50-90, 9 VAC 5-80-1180, and 9 VAC 5-50-260)
- 8. Emission Controls Wet suppression shall be applied as necessary to all incoming loaded railcars located within facility boundaries if they are not to be dumped within 24 hours. (9 VAC 5-80-1180 and 9 VAC 5-50-260)

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- 9. Emission Controls Work areas shall be monitored and wet suppression applied as necessary to control emissions while operating a piece of auxiliary handling equipment (e.g., front end loader, bulldozer, etc.). (9 VAC 5-80-1180 and 9 VAC 5-50-260)
- 10. Emission Controls Wet suppression shall be utilized when operating a particular piece of handling equipment (e.g., a dumper, a conveyor, etc.), unless the use of such controls would cause a safety hazard or damage to the equipment from freezing.

 (9 VAC 5-80-1180 and 9 VAC 5-50-260)
- 11. Emission Controls Particulate emissions from each surge silo (SS-1, SS-2, and SS-3) shall be controlled by a fabric filter (DC-1, DC-6, and DC-7). The fabric filters shall be provided with adequate access for inspection.

 (9 VAC 5-80-1180 and 9 VAC 5-50-260)
- 12. Monitoring Fabric Filters Once per day, when in operation, the exhaust from each surge silo fabric filter (DC-1, DC-6, and DC-7) shall be observed by the permittee for a period of no less than one minute for the presence of visible emissions. If visible emissions are observed, the permittee shall perform corrective actions to eliminate the cause of the visible emissions. The permittee shall maintain a log of the date, time, location, name of person performing the observation, whether or not visible emissions were detected, and any corrective actions taken, if necessary. These records shall be available for inspection by the DEQ and shall be current for the most recent five years.

 (9 VAC 5-80-1180 D, 9 VAC 5-50-20 C, and 9 VAC 5-50-260)
- 13. Monitoring Process Equipment Once per day, when in operation, particulate emissions from the enclosed rotary rail car dumper building (RD-1) and the conveyor systems shall be observed by the permittee for a period of no less than one minute for the presence of visible emissions. If visible emissions are observed, the permittee shall perform corrective actions to eliminate the cause of the visible emissions. The permittee shall maintain a log of the date, time, location, name of person performing the observation, whether or not visible emissions were detected, and any corrective actions taken, if necessary. These records shall be available for inspection by the DEQ and shall be current for the most recent five years. (9 VAC 5-80-1180 D, 9 VAC 5-50-20 C, and 9 VAC 5-50-260)
- 14. Wet Suppression System The wet suppression system for the storage piles shall be implemented as specified in Appendix A or by any other procedure as may be approved by the DEQ prior to use. Such approval shall be contingent on adequate documentation that any alternative procedure shall achieve at least as high an efficiency as Appendix A. This applies to all other dust control measures required by this permit. Request for changes in procedures shall be accompanied by an explanation of the proposed changes and the anticipated effect they shall have. These requests, if approved by the DEQ, shall be subject to a test and evaluation procedure prior to being accepted as permanent changes to the control procedures. (9 VAC 5-50-260)

OPERATING LIMITATIONS

- 15. Storage On a daily annual average basis, the maximum quantity of coal and petroleum coke (combined) in storage shall not exceed 1,100,000 tons, and at no time shall more than 1,400,000 tons of coal and petroleum coke (combined) be stored at the facility.

 (9 VAC 5-80-1180)
- 16. **Throughput** The throughput of coal/petroleum coke (combined), via barge and ship, shall not exceed 24,000,000 tons per year, calculated monthly as the sum of each consecutive 12-month period. Compliance for the consecutive 12-month period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding 11 months. (9 VAC 5-80-1180)

EMISSION LIMITS

17. Emission Limits – Particulate emissions from the operation of the coal/petroleum coke receiving, storage and shipping facility shall not exceed the limits specified below:

Pollutant	Tons/yr
Particulate Matter (PM)	54.0
PM-10	9.7

These emissions are derived from the estimated overall emission contribution from operating limits. Exceedance of the operating limits may be considered credible evidence of the exceedance of emission limits. Compliance with these emission limits may be determined as stated in Condition numbers 3-16 and 18 - 23.

(9 VAC 5-80-1180 and 9 VAC 5-50-260)

18. Visible Emission Limit – There shall be no detectable visible emissions from the enclosed rotary rail car dumper building (RD-1). Failure to meet this limitation due to the presence of water vapor shall not be a violation.

(9 VAC 5-80-1180 and 9 VAC 5-50-260)

19. Visible Emission Limit – There shall be no detectable visible emissions from any fabric filter exhaust stack (DC-1, DC-6, and DC-7).

(9 VAC 5-80-1180 and 9 VAC 5-50-260)

- 20. Visible Emission Limit There shall be no detectable visible emissions from the conveyor belt transfer points. Failure to meet this limitation due to the presence of water vapor shall not be a violation. (9 VAC 5-80-1180 and 9 VAC 5-50-260)
- 21. Monitoring PM₁₀ Dominion Terminal Associates shall install and operate a PM10 monitor at the Newport News Housing Authority Maintenance Building (180-J), or other such location as approved by DEQ, to ascertain the ambient air quality in the area surrounding the coal/petroleum coke terminal. Operation shall be in accordance with Appendix J of 40 CFR Part 50. (9 VAC 5-160-170)

- 22. Control of Emissions The following actions are considered detrimental to the control of coal/petroleum coke emissions:
 - a. Failure to stop any coal/petroleum coke movement operation when it becomes known that installed air pollution control systems are inoperative and would cause excess emissions.
 - b. Failure to stop a coal/petroleum coke movement operation when it becomes known that the coal/petroleum coke handling equipment needed for that operation is malfunctioning or operating significantly below designated specifications.
 - c. Failure of equipment operators to take immediate precautions to preclude fugitive dust emissions from the operation of bulldozers, front-end loaders, automobiles, or trucks (e.g., the use of water suppressant or limiting the speed of movement to below 10 miles per hour).
 - d. Failure of operational personnel to give precedence to designated personnel with the responsibility for controlling dust emissions.
 - (9 VAC 5-80-1180 and 9 VAC 5-50-260)

RECORDS

- 23. On Site Records The permittee shall maintain records of emission data and operating parameters as necessary to demonstrate compliance with this permit. The content and format of such records shall be arranged with the Director, Tidewater Regional Office. These records shall include, but are not limited to:
 - a. Annual throughput of coal/petroleum coke (combined), via barge and ship, calculated monthly as the sum of each consecutive 12-month period. Compliance for the consecutive 12-month period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding 11 months.
 - b. Records of visible emission observations for fabric filters (DC-1, DC-6, and DC-7) as required in Condition 12.
 - c. Records of visible emission observations for the process equipment as required in Condition 13.
 - d. Records of PM10 monitoring operations as required by Appendix J of 40 CFR Part 50.
 - e. Maximum daily quantity of coal/petroleum coke (combined) in storage.
 - f. Annual daily average of coal/petroleum coke (combined) in storage.
 - g. Records of dust control measures as required by Appendix A.

These records shall be available for inspection by the DEQ and shall be current for the most recent five years.

(9 VAC 5-80-1180 and 9 VAC 5-50-50)

GENERAL CONDITIONS

- 24. Permit Suspension/Revocation This permit may be suspended or revoked if the permittee:
 - a. Knowingly makes material misstatements in the permit application or any amendments to it;
 - b. Fails to comply with the conditions of this permit;

- c. Fails to comply with any emission standards applicable to a permitted emissions unit;
- d. Causes emissions from the stationary source which result in violations of, or interfere with the attainment and maintenance of, any ambient air quality standard; or
- e. Fails to operate in conformance with any applicable control strategy, including any emission standards or emission limitations, in the State Implementation Plan in effect at the time an application for this permit is submitted.
- (9 VAC 5-80-1210 F)
- 25. Right of Entry The permittee shall allow authorized local, state, and federal representatives, upon the presentation of credentials:
 - a. To enter upon the permittee's premises on which the facility is located or in which any records are required to be kept under the terms and conditions of this permit;
 - b. To have access to and copy at reasonable times any records required to be kept under the terms and conditions of this permit or the State Air Pollution Control Board Regulations;
 - c. To inspect at reasonable times any facility, equipment, or process subject to the terms and conditions of this permit or the State Air Pollution Control Board Regulations; and
 - d. To sample or test at reasonable times.

For purposes of this condition, the time for inspection shall be deemed reasonable during regular business hours or whenever the facility is in operation. Nothing contained herein shall make an inspection time unreasonable during an emergency.

(9 VAC 5-170-130 and 9 VAC 5-80-1180)

26. Maintenance/Operating Procedures – At all times, including periods of start-up, shutdown and malfunction, the permittee shall, to the extent practicable, maintain and operate the affected source, including associated air pollution control equipment, in a manner consistent with good air pollution control practices for minimizing emissions.

During each shift, one designated person shall be responsible for compliance with the procedures of Appendix A. Actions required in support of these procedures shall take precedence over routine coal and petroleum coke handling procedures.

(9 VAC 5-50-20 E and 9 VAC 5-80-1180 D)

27. Record of Malfunctions — The permittee shall maintain records of the occurrence and duration of any bypass, malfunction, shutdown or failure of the facility or its associated air pollution control equipment that results in excess emissions for more than one hour. Records shall include the date, time, duration, description (emission unit, pollutant affected, cause), corrective action, preventive measures taken and name of person generating the record.

(9 VAC 5-20-180 J and 9 VAC 5-80-1180 D)

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- 28. Notification for Facility or Control Equipment Malfunction The permittee shall furnish notification to the Director, Tidewater Regional Office of malfunctions of the affected facility or related air pollution control equipment that may cause excess emissions for more than one hour, by facsimile transmission, telephone or telegraph. Such notification shall be made as soon as practicable but no later than four daytime business hours after the malfunction is discovered. The permittee shall provide a written statement giving all pertinent facts, including the estimated duration of the breakdown, within two weeks of discovery of the malfunction. When the condition causing the failure or malfunction has been corrected and the equipment is again in operation, the permittee shall notify the Director, Tidewater Regional Office. (9 VAC 5-20-180 C and 9 VAC 5-80-1180)
- 29. Violation of Ambient Air Quality Standard The permittee shall, upon request of the DEQ, reduce the level of operation or shut down a facility, as necessary to avoid violating any primary ambient air quality standard and shall not return to normal operation until such time as the ambient air quality standard will not be violated.

(9 VAC 5-20-180 I and 9 VAC 5-80-1180)

- 30. Change of Ownership In the case of a transfer of ownership of a stationary source, the new owner shall abide by any current permit issued to the previous owner. The new owner shall notify the Director, Tidewater Regional Office of the change of ownership within 30 days of the transfer. (9 VAC 5-80-1240)
- 31. Permit Copy The permittee shall keep a copy of this permit on the premises of the facility to which it applies.

(9 VAC 5-80-1180)