

AIR POLLUTION CONTROL

Shelby County Health Department

OPERATING PERMIT

COMPANY NAME: RUNYON INDUSTRIES

COMPANY ADDRESS: 4334 Millington Rd., Memphis, Tennessee 38127

ISSUANCE DATE: xx/xx/2021

PERMIT NUMBER: 00984-04I

EXPIRATION DATE: xx/xx/2026

SOURCE DESCRIPTION

One (1) Flare

Emission Point: Flare EP-001

The holder of this permit shall comply with all conditions contained in this permit as well as all applicable provisions of the City of Memphis Code. A permit condition may be appealed by filing a petition for reconsideration within thirty (30) days after the mailing date of the permit.

This permit may be subject to revocation, suspension, modification or amendment by the Technical Manager for cause including evidence of non-compliance with any of the above; or for any misrepresentation made in the application(s) received June 15, 2020 & February 26, 2021, supporting data entered therein or attached thereto, or any subsequent submittal or supporting data; or for any alterations affecting the emissions from this source.

This Permit is further subject to and conditioned upon the terms, conditions, limitations, standards, or schedules contained in or specified on the attached 10 pages.

LARRY SMITH
ACTING MANAGER
POLLUTION CONTROL SECTION

Issuance of this permit shall not relieve any owner or operator of the responsibility to comply fully with any other requirements of local, State, or Federal law.

NON - TRANSFERABLE

POST OR FILE AT INSTALLATION ADDRESS

SECTION I: EMISSION LIMITS AND OPERATIONAL RESTRICTIONS

1. This permit authorizes the operation of tank car degassing and cleaning operation with a flare as an emission control device.
2. All purging and depressurization of volatile organic compound (VOC) vapors with a true vapor pressure greater than or equal to 0.5 pounds per square inch (psi) at seventy-five degree Fahrenheit (75 °F) shall be sent to the flare.
3. All VOC vapors requiring vapor control from a tank car must be routed to the flare until the VOC concentration measured in the transfer line is less than 34,000 parts per million by volume (ppmv) expressed as methane or 50% of the lower explosive limit (LEL).
4. Maximum allowable emissions from tank car degassing and cleaning shall be as follows:

Emission Unit	Emission Point	Emission Limits (TPY ^a)					
		PM ₁₀ ^b	SO ₂	VOC ^c	CO	NO _x	HAP ^d
FL001- Tank cars Degassing and Cleaning Flare System	Flare Tip EP- 001	0	0	99.0	5.73	1.26	9.9 / 24.9

^a Tons per consecutive 12-month rolling period.

^b Emission is based on the flare being smokeless.

^c Facility-wide VOC allowable emission.

^d Facility-wide allowable, single HAP emission less than 9.9 tpy and combine HAPs less than 24.9 tpy.

5. The permittee is placed on notice that Condition 4 contains limitations that allow the permittee to opt-out of the major source operating permit program requirements specified in City of Memphis Code Section 16-77 [Reference Rules and Regulations of Tennessee, Rule 1200-3-9-.02(11)]. Failure to abide by these limits will not only subject the permittee to enforcement action by the Department, but it may also result in the imposition of Federal enforcement action by the EPA and the loss of Federal recognition as a conditional minor source.
6. The flare must be designed and operated in accordance with 40 Code of Federal Regulations §60.18(b) - (f) (as amended through December 22, 2008 (73 FR 78209)).
7. The flare shall be operated with no visible emissions as determined by the methods specified in 40 CFR §60.18 (f), except for periods not to exceed a total of 5 minutes during any 2 consecutive hours.
8. The flare system shall be in use and functioning properly according to manufacturer's specification at all times during operations.

9. Supplemental natural gas at an approximate 6,000 standard cubic feet per hour (scfh) supply rate shall be added to the flare feed stream when steam and ambient air purging the tank car is performed.
10. All non-pressurized tank cars containing residual liquids at ambient temperature shall be drained prior to flaring and the residual liquid must be stored in closed containers.
11. All tank cars requiring vapor control prior to cleaning must have all hatches, openings, or vents sealed or closed to keep vapor-tight all times, until the tank car is connected to degassing or purge system.
12. No avoidable liquid or gaseous leaks, as determined by sight, sound, or odor may originate during degassing and purging operations. Any observed leak must be repaired prior to beginning another operation.

SECTION II: MONITORING AND RECORD KEEPING REQUIREMENTS

13. The following monitoring requirements shall be applied during the degassing and cleaning of tank cars.
 - a) Any monitoring device must be installed, calibrated, maintained, and operated according to the manufacturer's instructions;
 - b) The owner or operator shall continuously monitor the net heating value of the gas stream routed to the flare, or use calculations, or continuously monitor the total volume of supplemental fuel added to demonstrate compliance with the minimum net heating value requirements in 40 CFR §60.18;
 - c) The owner or operator shall monitor the VOC concentration or the percent LEL at the sample line on the tank car, or at the vacuum breaker, or sample port on the four (4) inch direct to flare line after each flaring operation; and
 - d) The presence of a flare pilot flame during degassing shall be monitored with a thermocouple or other equivalent device.
14. The following records must be maintained on site for a minimum of three (3) years and shall be made available for inspection by the Department upon request:
 - a) For each tank car degassed:
 - a. Date of processing;
 - b. Tank car identification number and capacity;
 - c. Identification of the commodity previously stored in the tank car;
 - d. Initial tank car pressure as received;
 - e. Calculation of VOC and other pollutant emissions; and
 - f. VOC concentration or percent LEL at the end of flaring operation;
 - b) Maintenance and calibration of all monitoring equipment;
 - c) Monthly leak inspection and repair;
 - d) Daily bump test;
 - e) Monthly and consecutive 12-month rolling pollutant emissions; and

- f) Monthly and consecutive 12-month rolling supplemental natural gas consumption.

SECTION III: NOTIFICATION AND REPORTING REQUIREMENTS

- 15. The facility owner or operator shall submit an initial compliance certification within 180 days after the start-up of flaring process. The certification shall include the minimum information listed in Reference Rules and Regulations of Tennessee 1200-3-18-.04 (1)(a) and (1)(b).
- 16. If threshold quantity of each regulated substance is present at the facility under section 112 (r) of the Clean Air Act (Table 1 to 40 CFR 68.130), the facility owner or operator shall file an Accidental Release Plan to EPA and annual certification of properly following the plan to Shelby County Health Department no later than January 31 of each year.
- 17. The facility owner or operator shall submit an annual summary report by February 28th of each calendar year to the Department. This report shall contain the following information:
 - a) Monthly and consecutive 12-month rolling quantity of tank cars degassed with a summary of each tank car commodity name and initial tank pressure as received;
 - b) Monthly and consecutive 12-month rolling quantity of supplemental natural gas usage; and
 - c) Monthly and consecutive 12-month rolling pollutants emission calculations.

General conditions applicable to this source are attached in Appendix A.

APPENDIX A

General Permit Conditions for Synthetic Minor Sources

SECTION I: OPERATIONAL REQUIREMENTS

1. The facility owner or operator shall control dust, fumes, gases, mist, vapors, or any combination thereof in such a manner as to not cause a nuisance in accordance with City of Memphis Code Section 16-88(a).
2. The facility owner or operator shall not cause, suffer, allow, or permit any air contaminant source to be operated without employing suitable measures for the control of the emission of objectionable odors in accordance with City of Memphis Code Section 16-88(b).
3. The facility owner or operator shall not discharge from any source whatsoever such quantities of air contaminant, uncombined water, or other materials, which cause a traffic hazard, in accordance with City of Memphis Code Section 16-77 [Reference Rules and Regulations of Tennessee, Rule 1200-3-9-.03(3)].
4. The facility owner or operator shall not cause, suffer, allow, or permit any materials to be handled, transported, or stored; or a building, its appurtenances, or a road to be used, constructed, altered, repaired or demolished without taking reasonable precautions to prevent particulate matter from becoming airborne, in accordance with City of Memphis Code Section 16-89.
5. The open burning of residential, commercial, institutional, or industrial solid waste is prohibited except as specified in this permit or in City of Memphis Code Section 16-50.
6. Air contaminant sources must take all reasonable measures to keep emissions to a minimum during startups, shutdowns, and malfunctions in accordance with City of Memphis Code Section 16-87 [Reference Rules and Regulations of Tennessee, Rule 1200-3-20-.02]. These measures may include installation and use of alternate control systems, changes in operating methods or procedures, cessation of operation until the process equipment and/or air pollution control equipment is repaired, maintaining sufficient spare parts, use of overtime labor, use of outside consultants and contractors, and other appropriate means. Failures that are caused by poor maintenance, careless operation or any other preventable upset condition or preventable equipment breakdown shall not be considered malfunctions, and shall be considered in violation of the emission standard exceeded and this rule.

SECTION II: TESTING REQUIREMENTS

7. The facility owner or operator may be required to conduct or have conducted such tests as are necessary to establish the quantity or identity of air contaminants emitted

from an air contaminant source. Such tests shall be conducted in a manner approved in advance by the Technical Manager, in accordance with City of Memphis Code Section 16-85.

8. Whenever the Technical Manager has reason to believe that the emission limits of the regulations set forth herein are being violated, the Technical Manager may require The facility owner or operator to conduct or have conducted at the owner's or operator's expense, tests to determine the emission level of specific air contaminants, in accordance with City of Memphis Code Section 16-85.
9. The facility owner or operator of an air contaminant source to be tested shall provide the Technical Manager at least 30 days prior written notice of any performance test and the test protocol form, except as otherwise specified in a promulgated test method, to afford the Technical Manager the opportunity to have an observer present and to approve the test protocol, in accordance with City of Memphis Code Section 16-85.
10. Performance tests shall be conducted under representative performance conditions of the tested air contaminant source(s) for which compliance is to be demonstrated by the test. Samples shall be taken in such number, duration and location as to be statistically significant and representative of performance conditions for which compliance is to be demonstrated by the test, in accordance with City of Memphis Code Section 16-85. Unless otherwise specified in the test method, each performance test shall be corrected to standard conditions, defined as a temperature of 293 K (68° F) and a pressure of 101.3 kilopascals (29.92 in Hg).
11. The facility owner or operator may be required to retest at the request of the Technical Manager if the maximum production rate that occurred during compliance testing is exceeded by 10 percent or more, in accordance with City of Memphis Code Section 16-86.
12. Unless otherwise specified in the test method, each performance test shall consist of three separate runs using the applicable test method. Each test run shall be conducted for the time and under the conditions specified in the applicable test method. For the purpose of determining compliance with an applicable standard, the arithmetic mean of results of the three runs shall apply. In the event that a sample is accidentally lost or conditions occur in which one of the three runs must be discontinued because of forced shutdown, failure of an irreplaceable portion of the sample train, extreme meteorological conditions, or other circumstances beyond the owner or operator's control, compliance may, upon the Administrator's approval, be determined using the arithmetic mean of the results of the two other runs, in accordance with City of Memphis Code Section 16-85, [Reference the Rules and Regulations of Tennessee, Rule 12003-10].

SECTION III: MONITORING/RECORDKEEPING REQUIREMENTS

13. A log of all malfunctions, startups, and shutdowns resulting in emissions in excess of the standards in the City of Memphis Code or any permit issued thereto must be kept at the facility in accordance with City of Memphis Code Section 16-87 [Reference Rules and Regulations of Tennessee, Rule 1200-3-20-.04]. This log must record at least the following:
- a) Stack or emission point involved;
 - b) Time of malfunction, startup, or shutdown or when first noticed;
 - c) Type of malfunction and/or reason for shutdown;
 - d) Time startup or shutdown was complete or time the air contaminant source returned to normal operation; and
 - e) The company employee making entry on the log must sign, date and state the time of each log entry. The information under items (a) and (b) above must be entered into the log by the end of the shift during which the malfunction, startup, or shutdown began.

All information shall be entered in the log no later than twenty-four (24) hours after the startup or shutdown is complete, or the malfunction has ceased or has been corrected. Any later discovered corrections can be added in the log as footnotes with the reason given for the change.

SECTION IV: REPORTING/NOTIFICATION REQUIREMENTS

14. When any air contaminant source malfunctions in such a manner as to cause the emission of air contaminants in excess of the applicable emission standards contained in Division 1200-3 or any permit issued thereto, or of sufficient duration to cause damage to property or public health, The facility owner or operator of the air contaminant source shall promptly notify the Technical Manager of such malfunction and provide a statement giving all pertinent facts, including the estimated duration of the malfunction, in accordance with City of Memphis Code Section 16-87 [Reference Rules and Regulations of Tennessee, Rule 1200-3-20-.03]. Violations of the visible emission standard (excluding visible emissions caused by hazardous air pollutants named in Chapter 1200-3-11), which occur for less than 20 minutes in one day (midnight to midnight) need not be reported. Prompt notification will be within 24 hours of the malfunction and shall be provided by telephone to the Shelby County Health Department, Pollution Control Section.
15. The Technical Manager shall be notified when the malfunction has been corrected, in accordance with City of Memphis Code Section 16-87 [Reference Rules and Regulations of Tennessee, Rule 1200-3-20-.03]. In attainment and unclassified areas if emissions other than from sources designated as significantly impacting on a nonattainment area in excess of the standards will not and do not occur over more than a 24-hour period (or will not recur over more than a 24-hour period) and no

damage to property and or public health is anticipated, notification is not required. Any malfunction that creates an imminent hazard to health must be reported by telephone immediately to the Shelby County Health Department, Pollution Control Section and the Emergency Management Agency.

16. The facility owner or operator shall submit a report to the Department, on an annual basis, that establishes the amount of actual emissions of each regulated pollutant for the facility according to the provisions in City of Memphis Code Section 16-98. This report shall be submitted no later than February 28th of each calendar year and shall include emissions that occurred during the previous calendar year.

SECTION V: MISCELLANEOUS GENERAL REQUIREMENTS

17. The facility owner or operator shall apply for a permit renewal at least sixty (60) calendar days prior to the expiration of this permit in accordance with City of Memphis Code Section 16-77 [Reference Rules and Regulations of Tennessee, Rule 1200-3-9-.02(3)(a)].
18. The facility owner or operator shall pay fees in accordance with City of Memphis Code Sections 16-93 through 16-96.
19. This permit is not transferable from one person to another person, nor from one air contaminant source to another air contaminant source, nor from one location to another location pursuant to City of Memphis Code Section 16-77 [Reference Rules and Regulations of Tennessee, Rule 1200-3-9-.03(6)].
20. The facility owner or operator shall maintain this operating permit readily available for inspection by the Technical Manager or his/her designated representative on the operating premises. A person required by regulations to have one or more operating permits shall keep at least one operating permit prominently and conspicuously displayed on the operating premises in accordance with City of Memphis Code Section 16-77 [Reference Rules and Regulations of Tennessee, Rule 1200-3-9-.02(5)].
21. The Shelby County Health Department in conjunction with the Memphis and Shelby County Air Pollution Control Board shall have authority, at their option, to institute and litigate proceedings for violations as set out therein, in accordance with City of Memphis Code Section 16-57. Any person who knowingly:
 - a) Violates or fails to comply with any provision of the City of Memphis Code, any board or administrative order or any permit condition;
 - b) Makes any false material statement, representation, or certification in any record, report, plan or other document required by permit to be either filed or maintained;
 - c) Falsifies, tampers with, renders inaccurate or fails to install any monitoring device or method required to be maintained or followed; or
 - d) Fails to pay a fee

commits a Class C misdemeanor pursuant to the Tennessee Code Annotated with the fine not to exceed ten thousand dollars (\$10,000) per day per violation. For the purpose of this section, each day of continued violation constitutes a separate offense and is punishable as such.

22. The facility owner or operator of any air contaminant source shall be responsible for complying with emission regulations as contained in other chapters of these regulations at the earliest practicable time and for this purpose the Board shall have the authority and responsibility to require compliance with these regulations at an earlier date than indicated where such earlier compliance may reasonably be accomplished, in accordance with City of Memphis Code Section 16-77 [Reference Rules and Regulations of Tennessee, Rule 1200-3-9-.03(1)].
23. The facility owner or operator shall not use any plan, activity, device or contrivance which the Technical Manager determines will, without resulting in an actual reduction of air contaminants, conceal or appear to minimize the effects of an emission which would otherwise constitute a violation of these Regulations, in accordance with City of Memphis Code Section 16-77 [Reference Rules and Regulations of Tennessee, Rule 1200-3-9-.03(2)]. Methods considered circumvention of the regulations include but are not limited to the following:
 - a) Air (or other gases) introduced for dilution purposes only; or
 - b) The staggered installation and operation of a facility to avoid coverage by a standard that applies only to operations larger than a specified size.
24. The Technical Manager may suspend or revoke any construction or operating permit if the permit holder fails to comply with the provisions, stipulations, or compliance schedules specified in the permit; all provisions of these regulations; and all provisions of the Tennessee Air Quality Act, in accordance with City of Memphis Code Section 16-77 [Reference Rules and Regulations of Tennessee, Rule 1200-3-9-.03(7)]. Upon permit suspension or revocation, if the permit holder fails to take remedial action, he shall become immediately subject to enforcement actions prescribed by law.
25. Failure to comply with any of the provisions of the City of Memphis Code shall constitute a violation thereof and shall subject the person or persons responsible therefore to any and all of the penalties provided by law, in accordance with City of Memphis Code Section 16-57.
26. For the purpose of carrying out the requirements of the City of Memphis Code, the Technical Manager or his/her authorized representatives shall be permitted at all reasonable times to enter into any manufacturing plants, business buildings or other buildings, and all lots, grounds and premises, in order to thoroughly examine any items

in relation to public health and air pollution thereon and therein, in accordance with City of Memphis Code Section 16-61.

27. The facility owner or operator shall not begin the construction of a new air contaminant source or the modification of an air contaminant source which may result in the discharge of air contaminants without first having applied for and received from the Technical Manager a construction permit for the construction or modification of such air contaminant source, in accordance with City of Memphis Code Section 16-77 [Reference Rules and Regulations of Tennessee, Rule 1200-3-9-.01(1)(a)], except as specifically exempted in Rule 1200-3-9-.04 or excluded in subparagraph 1200-3-2-.01(1)(aa) or subparagraph 1200-3-2-.01(1)(cc).
28. The application for a construction permit shall be made on forms available from the Technical Manager not less than ninety (90) days prior to the estimated starting date of construction in accordance with City of Memphis Code Section 16-77 [Reference Rules and Regulations of Tennessee, Rule 1200-3-9-.01(1)(b)]. Sources identified in Paragraph 1200-3-9-.01(4) shall make application for a construction permit not less than one hundred twenty (120) days prior to the estimated date of construction.