

Attachment #1
AIR PERMIT
FOLDER LEVEL

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TEXAS AIR CONTROL BOARD
PERMIT APPLICATION SUMMARY

PAGE: 1

***GENERAL PERMIT INFORMATION

PERMIT: 43737 ENGR: PINHEIRO, SHASHI /
ISSUED TO: SCHENECTADY INTERNATIONAL, INC.
UNIT NAME: PLANT 3 & 4, DISTILLATION OPERATIONS
OPERATING SCHEDULE: 24.0 HRS/DAY 7 DAYS/WK 52 WKS/YR
LAT: 28-50-00 LONG: 095-03-15 REGION: 12 COUNTY: BRAZORIA
NEAR CITY: FREEPORT LOC: 702 FM 523

GROUP: COAT ID: BLOO48R

***PERMIT/SITE CONTACT INFORMATION:

PERSON: JAN PAVLISCAK ADDR1: 702 FM 523
TITLE: DIRECTOR TEXAS OPERATIONS ADDR2:
CITY: FREEPORT STATE: TX ZIP: 77541 PHONE: (009) 233-3584

** CONSTRUCTION **

TYPE APPL (C,S,X): (X)
APPL RECD : 02-28-00
DEFIC LTR SNT :
SUPP INFO REQ :
SUPP INFO RECD :
APPL CMPLT :
COMP LTR SNT :
PUB NTC SNT :
PUB NTC PUB :
PUB HEAR (R,H) : ()
CNST TYPE (C,X,S): (X)
DISP (I) : 04-07-00
CNST START DATE :

** OPERATING **

OPERATION START :
OPER APPL RECD :
OPER APPL CMPLT :
DISP (I,D): ()
OPR TYPE (R,S) : ()

*
* I= ISSUED D=DENIED *
* E=EXPIRED *
* C=CNST S=SPECIAL *
* X=EXEMPT R=OPER *

** CONTINUANCE **

NOTICE MAILED :
APPL RECD :
DEFIC LTR SNT :
SUPP INFO REQ :
SUPP INFO RECD :
APPL CMPLT :
COMP LTR SNT :
PUB NTC SNT :
PUB NTC PUB :
PUB HEAR (R,H) : ()
DISP (I,D,E): () :

***EMISSIONS CHANGED :

***REMARKS:

***OTHER PERMIT DATES:

APP/PERMIT VOIDED:
APP ON HOLD UNTIL:
CONST STOPPED UNTIL:

REASON:
REASON:

VOID/HOLD CODES:
CR-COMPANY REQUEST
DD-DATA DELAY
RE-REISSUED

PD-PLT DISMANTLED
TI-TIME EXPIRED
TD-TECH DIFFICULTY
NR-NO RESPONSE

***PERMIT TYPES/STANDARDS:

NEW MAJ SOURCE:> 100 TPY:
MAJOR MODIFICATION:
NON-ATTAIN REVIEW:
INSIGNIFICANT EMISSIONS:
FUEL CONVERSION:

SIC: 2869
PORTABLE:
NSPS:
NESHAP:
TOXIC MATERIALS:

RELATED PERMITS: SUFFIX REASON
TACB: CHG LOC:
PSD-TX: CHG OWN:
STD EX NO.:

***AIR CONTAMINANT INFORMATION:
NAME

CODE MAX ALLOWABLE RATE ACTUAL
LBS/HR TONS/YR TONS/YR

***ABATEMENT EQUIPMENT:

Robert J. Huston, *Chairman*
R. B. "Ralph" Marquez, *Commissioner*
John M. Baker, *Commissioner*
Jeffrey A. Saitas, *Executive Director*



TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

Protecting Texas by Reducing and Preventing Pollution

April 6, 2000

Mr. Jan Pavliscak
Director Texas Operations
Schenectady International, Inc.
702 FM 523
Freeport, Texas 77541

Re: Permit by Rule Registration No. 43737
Plants 3 and 4 Distillation Operations
Freeport, Brazoria County
Account ID No. BL-0048-R

Dear Mr. Pavliscak:

This is in response to your permit by rule Form PI-7, concerning the modification of operations at Plant 3 and 4 at your Freeport facility located in Freeport, Brazoria County. We understand that while reaction operations at both plants will remain the same, distillation operations will now be performed at either plant for the chemicals currently produced at the 2 plants. Total emissions increase from this project are less than 0.02 ton per year of volatile organic compounds.

After evaluation of the information which you have furnished, we have determined that your modification is exempt from permitting procedures under 30 Texas Administrative Code (TAC) Sections 106.261 and 106.262 if operated as described in your registration request. These permits by rule were authorized by the Executive Director of the Texas Natural Resource Conservation Commission (TNRCC) pursuant to 30 TAC Chapter 106. Copies of the permits by rule in effect at the time of this registration are enclosed. You must operate in accordance with all requirements of the enclosed permits by rule.

You are reminded that regardless of whether a permit is required, these facilities must be in compliance with all air quality rules and regulations of the TNRCC and of the U.S. Environmental Protection Agency at all times.

Mr. Jan Pavliscak

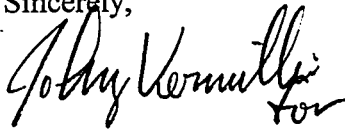
Page 2

April 6, 2000

Re: Permit by Rule Registration No. 43737

Your cooperation in this matter is appreciated. If you need further information or have any questions, please call Mr. Shashi Pinheiro at (512) 239-2366 or write to him at Texas Natural Resource Conservation Commission, Office of Permitting, Remediation, and Registration, Air Permits Division (MC-162), P.O. Box 13087, Austin, Texas 78711-3087.

Sincerely,

A handwritten signature in cursive script, appearing to read "Tammy Villarreal", with a small "for" written below it.

Tammy Villarreal
Manager, Chemical and Coatings Section
Air Permits Division

TV/SP/jo

Enclosures

cc: Mr. Richard Flannery, Acting Air Section Manager, Houston
Mr. Donald Mudd, Director of Environmental Health, Brazoria County Health Department,
Angleton

Record No. 71457

AIR PERMIT BY RULE REVIEW

Registration No.: 43737 Record No.: 71457 Account ID NO.: BL-0048-R Date received: 02/28/00

Company: **Schenectady International**

County: **Brazoria**

Contact Name: **Michael McCabe**

Phone/Fax Nos.: **(409) 415 1022**

General Rules Check:

- * Project Emissions Acceptable? YES
- * PSD/Non-attainment Netting Required? NO
- * Sitewide PBR Emissions Acceptable? YES
- * Limits on use of PBRs at this site? NO
- * NSPS/NESHAPS/MACT Standards Apply? NO
- * Compliance with all other applicable rules and regulations? YES

Overall Site / Unit Description: Specialty Chemicals / Distillation Columns

Project Sources / Facilities, PBRs Claimed, Applicable Standards, Emissions and Control Summary:

Company operates a specialty chemical facility near Freeport, Brazoria County. The site is currently permitted under Permit R-2341. This PBR seeks to modify distillation operations at Plants 3 and 4 at this site. While the reaction operations at these plants will remain unchanged, Schenectady seeks the flexibility to perform distillation of various chemicals at either plant. Schenectady claims 106.261 and 106.262. This project will result in additional fugitive and flare emissions.

Essentially, Plants 3 and 4 consist of batch reactors, distillation columns, and support equipment. Raw materials are fed to the reactors. The reaction is aided by catalysts. The released heat is removed along with the byproducts. The crude product is fed to a series of distillation towers in which the final product is separated. A detailed process description is provided in the confidential section of this submittal.

Fugitive and flare emissions will not exceed 0.11 tpy and 0.01 lb/hr of VOC. The emissions will be routed to the X-695 flare system. 28 MID LDAR program will be implemented for the fugitive components.

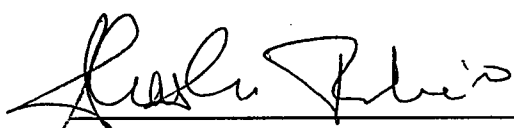
All facilities are located at least 100 feet away from any off-site receptor. Total emissions increases of all chemicals including DTPB, TTBP, TBX, dimethyl phenol, trimethyl phenol, and other alkylated phenol byproducts will not exceed 1.0 lb/hr. Emissions of phenol (<0.01 lb/hr) will be less than the $E = L/K$ (19/154) value of 0.12 lb/hr.

. All requirements for Permits by Rules 261 and 262 are satisfied.

Site Review required? NO

Public Notice Required? NO

Are all general and specific applicable rule conditions satisfied? YES



Reviewer / Date

04/06/00

 4/6/00

Team Leader/Section Manager/Backup Date



TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

EXEMPTIONS §106.261
REGISTRATION FORM 11-7-261
See instructions on the back of this formPlease mail to: TNRCC, Office of Permitting, New Source Review Permits Division (MC-162),
PO Box 13087, Austin, TX 78711-3087Send copies to: TNRCC Regional Office ☒ Done
Local Program(s) (if applicable) ☒ Done

43737

I. Company Name Schenectady International, Inc. Attn: Jan Pavliscak - Director Texas Operations
(Corporation, Company, Government Agency, Firm, etc.) (Company Representative)
Mailing Address 702 FM 523, Freeport, Texas 77541
Technical Contact Terry Graham Title Supervisor - Regulatory Affairs
(Consultant, Owner, Operator, etc.)
Contact's Address 702 FM 523, Freeport, Texas 77541 Telephone (409) 233-3584 Fax (409) 233-0757

II. PHYSICAL LOCATION OF EXEMPT FACILITY

Name of Plant or Site Texas Operation Operating Unit Name (if applicable): Plants 3 and 4Physical Address 702 FM 523, Freeport, Texas 77541

(A physical address or accurate driving directions must be provided on all registrations.)

Nearest City Freeport Zip Code 77541 County BrazoriaTNRCC Account Number: BL-0048-R or, if not assigned, give: Latitude 28 ° 58 ' 21 " Longitude 95 ° 20 ' 43 "

- SITE REQUIREMENTS: A. Submit a plot plan to scale of the property locating and identifying emission points, the facility, plant boundaries, and plant equipment.
B. Furnish an area map to scale showing the facility and surrounding area, including nearest receptor (§106.261 (2)).
C. A&B need not be duplicated if the information has previously been submitted in Permit No. _____ or Exemption Registration No. _____. (If authorizing a new facility, more information concerning the location of emission points may be submitted in IV. D. below).
D. Does the company (including subsidiaries and parent companies) employ 100 or fewer persons? [] YES [x] NO

III. TYPE OF FACILITY:

- A. Previous authorization (Special Exemption, Exemption Registration, or Permit) Number R-2341
B. Operating Schedule: Hours/day 24 Days/week 7 Weeks/year 52
C. Permanent [x] Temporary []
D. Start of Construction 01/03/00 (Date) Start of Operation 2/25/00 (Date) End of Operation NA (Date)

IV. PROCESS INFORMATION

This Exemption is being used to:

- A. [] Change chemical service from _____ to _____
B. [] Add chemical(s): _____
C. [x] Add process fugitive components
D. [] Other uses (including add new unit or equipment): Attach brief, written descriptions of the process and location of new emission points (if not submitted in II. A. and B. above).

V. EMISSIONS DATA Attach emission calculations.

Emission Point Number (from Plot Plan)	Emission Point Name (Ex: Thermal Oxidizer, solvent distillate unit, Fugitive area 1, cyclone)	Name of Air Contaminant (Ex: acetylene, sulfur dioxide, limestone)	CAS Number	Distance to nearest receptor (§106.261 (2)) (ft)	Vent type (stack or fugitive)	Emission Rate of Each Air Contaminant	
						lb/hr	tons/year
F1001	Plant Fugitives	VOC		275	Fugitive	<0.01	0.01
P6001	Flare X-695	VOC		275	Stack	<0.01	<0.01

VI. I, Jan Pavliscak

(Name)

Director - Texas Operations

(Title)

state that I have knowledge that the facts represented and submitted in this claim are true and correct to the best of my knowledge and belief. I further state that to the best of my knowledge and belief, the project will satisfy the conditions and limitations of exemption §106.261.

DATE 2/24/00SIGNATURE [Signature]

Corporate Address

P.O. Box 1046
Schenectady, New York 12301
518-370-4200
Telex: 145-457
Fax: 518-346-3111



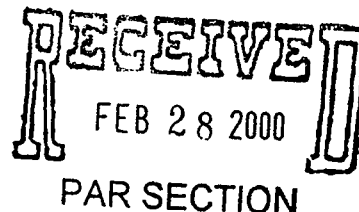
Texas Operations

702 FM 523
Freeport, Texas 77541
409-233-3584
Fax: 409-233-0757

February 24, 2000

NSRP Division, MC 162
TNRCC
P.O. Box 13087
Austin, Texas 78711

43737



Certified Mail #: Z-382-550-294

Re: Plant 3/4 Rationalization Project Permit Exemption Application for Schenectady International, Inc., Texas Operations

To whom it may concern:

Please find attached Schenectady International, Inc., Texas Operation's signed permit exemption application for the Plant 3/4 Rationalization Project. The complete application consists of a public and a confidential document.

If you have any questions or require additional information about this application, please call me at (409) 415-1022.

Sincerely,

Michael McCabe
Environmental Specialist

Cc: J. Pavliscak, Director of Texas Operations
K. Slack, Director of Manufacturing
W. Scheffer, Director of EH&S
T. Graham, Manager of Regulatory Affairs
K. Brown, Crain, Caton & James

TNRCC Region 12
5425 Polk, Suite H
Houston, Texas 77023-1423
Certified Mail # Z-382-550-295

Brazoria County Health Department
436 East Mulberry
Angleton, Texas 77515
Certified Mail # Z-382-550-296



Integrated
Environmental
Solutions



11811 IH-10 East, Suite 450
Houston, TX 77029-1954
Telephone: 713-450-1882
Fax: 713-450-1639

REQUEST FOR EXEMPTION
FROM AIR PERMITTING
EXEMPTION §106.261/262
PLANTS 3/4 RATIONALIZATION
PROJECT

43737

SCHENECTADY INTERNATIONAL, INC.

February 2000

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Section 1

Introduction

Schenectady International, Inc. (Schenectady) operates a specialty chemical processing company at its Freeport, Texas facility. The site is currently permitted under Texas Natural Resource Conservation Commission (TNRCC) Permit R-2341. The purpose of this document is to demonstrate that a change in operations at Plants 3 and 4 meet the requirements of Exemption §106.261/262. Schenectady is proposing a modification for Plants 3 and 4, in which reaction operations at both plants will remain the same, and distillation operations will be performed at either plant. Additionally, this document demonstrates that the plants are in compliance with all applicable rules and regulations of the Texas Clean Air Act.

1.1 Emissions Impact

The proposed modification will result in additional fugitive and flare emissions. The change will result in a slight increase in hourly and annual emissions of volatile organic compound (VOC). Emission calculations and a summary of the proposed changes in emissions are provided in Appendix A.

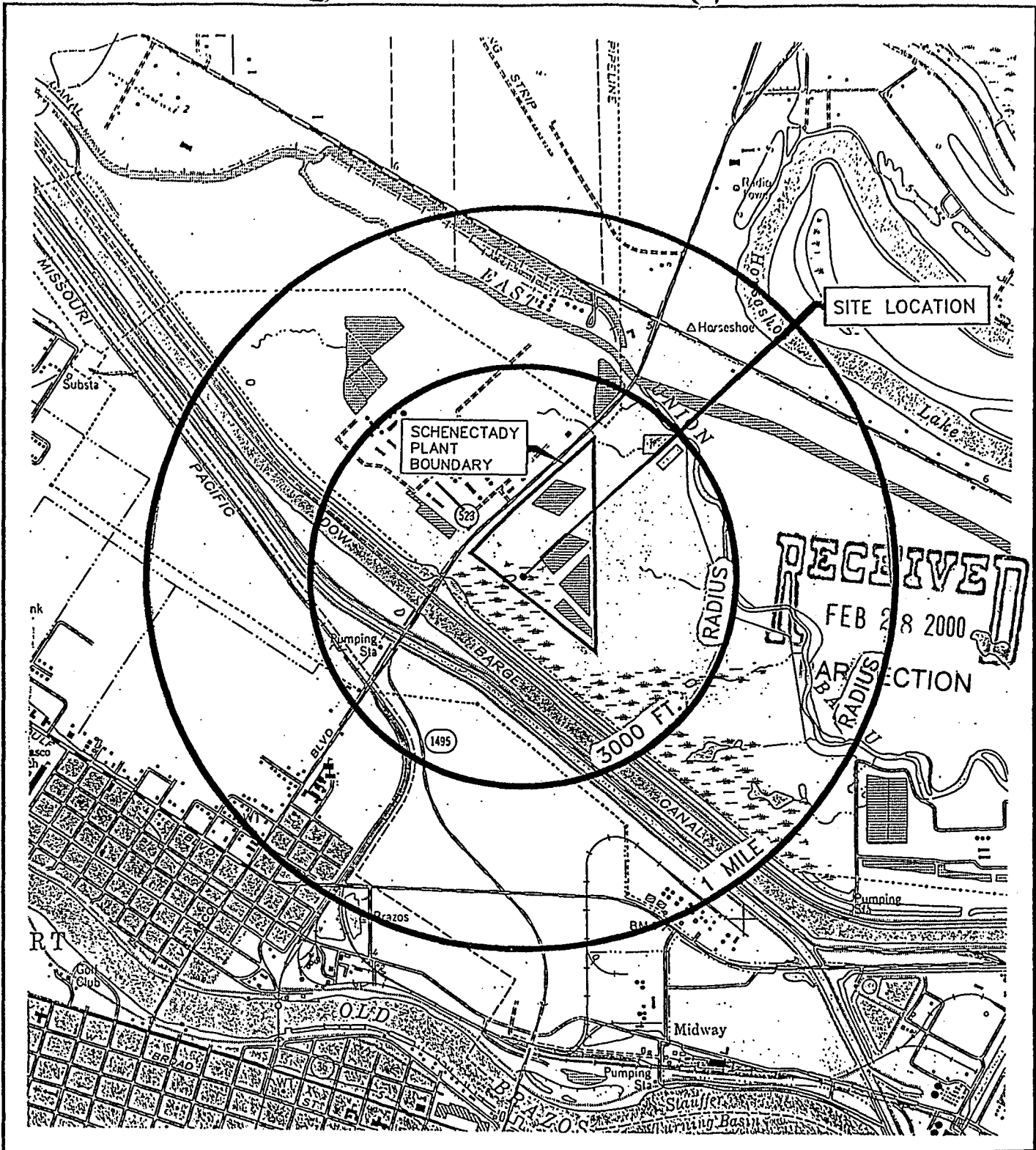
1.2 Regulatory Forms and Information

TNRCC forms and items required to complete this exemption are listed below and are provided in Appendix B.

PI-7-261	Registration Form for Exemption 261
PI-8	Special Certification Form for Standard Exemptions
	Standard Exemption Section 106.4 Checklist
	Standard Exemption 106.261 Checklist
	Standard Exemption 106.262 Checklist

1.3 Site Description

The Schenectady facility is located in Brazoria County, which is classified as a severe ozone nonattainment area. Figure 1-1, Area Location Map, is a United States Geological Survey (USGS) map which details the location of the facility. It includes a 3,000-foot radius circle and one mile radius circle. As shown, there are no schools within the 3,000-foot radius. Figure 1-2 is a plant plot plan that shows plant boundaries in relations to geographical features such as highways, roads, streams, lakes, and significant facilities not owned by Schenectady.



SOURCE : USGS TOPOGRAPHIC 7.5 MIN.
 SERIES : FREEPORT, TEX. QUADRANGLE (1974)

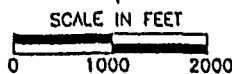


FIGURE 1-1
 AREA LOCATION MAP
 PLANT 3/4 RATIONALIZATION PROJECT
 SCHENECTADY INTERNATIONAL, INC.
 FREEPORT, TEXAS

RMT HOUSTON

OWN. BY:	W.B.
APPROVED BY:	R.T.
DATE:	2/1/00
PROJ. #	50-01743.07
FILE #	174307-1.dwg

Section 2

Process Description

Plant 3 and 4 consist of batch reactors, distillation columns and support equipment. Raw materials are fed to the reactors. The reaction is aided by the addition of catalyst. The released heat is removed and byproducts are removed. The crude product is fed to a series of distillation towers in which the final product is separated. A detailed process description and process flow diagram are located in the confidential section of this document.

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Section 3

Basis for Emission Calculations

This section describes and summarizes the air emission associated with this project. The potential emissions from the project are VOC emissions. Detailed emission calculations are provided in Appendix A.

3.1 Fugitive Emissions

Fugitive emissions from equipment leaks associated with the project were calculated using the estimated number of mechanical components, the stream compositions, and the applicable Synthetic Organic Chemical Manufacturing Industry (SOCMI) average emission factors, as represented in the March 1995 TNRCC Technical Guidance Package for Equipment Leak Fugitives. The total fugitive emissions were estimated based upon the proposed number of mechanical components for this project. Schenectady is proposing to implement the TNRCC 28MID fugitive monitoring program and the appropriate credits were applied in estimating the emissions. Total fugitive VOC emissions associated with the proposed project are estimated to be 0.01 tpy and <0.01 lbs/hr.

3.2 Flare Emissions

During normal operations of the proposed modifications, there will be an increase in process flow vented to the flare system. Vent from the columns will go to the X-695 flare system. The VOCs in this vent stream are phenol, DTBP, TTBP, TBX, and alkylated phenol byproducts.

Emission calculations from the flare are included in Appendix A. Emissions are based on a 98% destruction efficiency for the flare. The additional VOC emissions from flare X-695 will be <0.01 lb/hr and <0.01 tpy.

Section 4

Considerations for Claim of Standard Exemption

Compliance with 30 TAC §106.4 (General Requirements) and §106.261/262 (previously SE No. 106/118) is presented in this section. The corresponding TNRCC checklists are included in Appendix B of this document.

4.1 Demonstration of Compliance with §106.4

§106.4(a)(1)

The total actual emissions from this project will not exceed 250 tons per year (tpy) of carbon monoxide (CO) or Nitrogen Oxide (NO_x); or 25 tpy of VOCs, sulfur oxides (SO_x), or particulate matter less than 10 microns in size (PM₁₀); or 25 tpy of any other air contaminant excluding carbon dioxide, methane, ethane, nitrogen, hydrogen, oxygen, and water.

§106.4(a)(2)

The proposed facilities do not constitute a major modification under §116.150, regarding applicability of Nonattainment Review permitting.

106.4(a)(3)

The proposed facilities do not constitute a major modification as defined in 40 CFR §52.21, regarding applicability of Prevention of Significant Deterioration (PSD) permitting.

§106.4(a)(4)

At least one facility at Schenectady has been subject to public notification and comment as required by 30 TAC 116, Subchapters B or D.

§106.4(a)(5)

The proposed project will commence prior to the effective date of a revision of Chapter 106 under which the construction or modification would no longer be exempt.

§106.4(a)(6)

There are no New Source Performance Standards (NSPS) and National Emissions Standards for Hazardous Air Pollutants (NESHAPS) applicable to the proposed project.

§106.4(a)(7)

There are no permits under the same TNRCC Account Number for Schenectady that contain a condition or conditions precluding the use of a standard exemption.

§106.4(b)

Schenectady will not use artificial limitations to circumvent the permitting requirements of §116.110.

§106.4(c)

Schenectady will comply with all applicable rules and regulations of the TNRCC and with the intent of the TCAA, including protection of health and property of the public. All emissions control equipment will be maintained in good condition and operated properly during operation of the facility.

§106.4(d)

There is no local air pollution control agency for this Schenectady site.

4.2 Demonstration of Compliance with §106.261

§106.261 (1)

This section is not used to authorize construction of or any change to a facility authorized in another section of this chapter.

§106.261(2)

Flare X-695 and Plants 3 and 4 fugitive sources are located at least 100 feet from any recreational area or residence or other structure not occupied or used solely by Schenectady.

§106.261(3)

The proposed modifications will not result in emissions of the materials listed in this subsection.

§106.261(4)

Total new or increased emissions of DTBP, TTBP, TBX, dimethyl phenol, trimethyl phenol, and other alkylated phenol byproducts will not exceed 1.0 lb/hr.

§106.261(5)

There will be no changes to or additions of any air pollution abatement equipment.

§106.261(6)

Visible emissions, except uncombined water, to the atmosphere will not exceed 5.0% opacity in any five-minute period.

§106.261(7)

The changes in annual emissions associated with this project are less than the threshold amount listed in this subsection.

§106.261(8), (9)

A completed PI-7-261 is included in Appendix B.

4.3 Demonstration of Compliance with §106.262

§106.262(1)

This section is not used to authorize construction of or any change to a facility authorized in another section of this chapter.

§106.262(2)

Flare X-695 and Plants 3 and 4 fugitive sources are located at least 100 feet from any recreational area or residence or other structure not occupied or used solely by Schenectady.

§106.262(3)

New or increased emissions, including fugitives, of phenol, will not exceed 5 tpy nor in a quantity greater than E as determined using the equation $E=L/K$. Components and their maximum allowable hourly rates are shown below:

Component	Limit (L) (mg/cm)	Distance (Feet)	K	Maximum Allowable Emission Rate (lb/hr)	Estimated Emission Rate (lb/hr)
Phenol	19	275	154	0.12	<0.01

§106.262(4)

Notification will be provided using Form PI-7-261 within ten days following modification of the facilities.

§106.262(5)

None of the listed chemicals will be handled at Plants 3 and 4.

§106.262(6)

There will be no changes to or additions of any air pollution abatement equipment.

§106.262(7)

Visible emissions, except uncombined water, to the atmosphere will not exceed 5.0% opacity in any five-minute period.

Appendix A

Emission Calculations (Confidential)

Appendix B

TNRCC Forms

TEXAS NATURAL RESOURCE CONSERVATION COMMISSION

SPECIAL CERTIFICATION FORM FOR EXEMPTIONS (Chapter 106) AND STANDARD PERMITS (Chapter 116) - FORM PI-8

Note: This form should be used to establish enforceable allowable emission rates which are below those allowed by Chapter 106 or Chapter 116, Section 116.610.

I. Company Name Schencelady International, Inc.
(Corporation, Company, Government Agency, Firm, etc.)
Mailing Address 702 FM 523, Freeport, Texas 77541
Individual Authorized to Act for Applicant: Name Terry Graham Title Supervisor - Regulatory Affairs
Address 702 FM 523, Freeport, Texas 77541 Telephone 409-233-3584 FAX # 409-233-0757

II. LOCATION OF FACILITY:

Name of Plant or Site Texas Operations Name of Facility Plants 3 and 4
Street Address 702 FM 523, Freeport, Texas 77541
Nearest City Freeport Zip Code 77541 County Brazoria Latitude 28° 58' 21" N Longitude 95° 20' 43" W
Does the company (including subsidiaries and parent companies) employ 100 or fewer persons? ☐ YES ☒ NO

SITE REQUIREMENTS: Include a plot plan of the property drawn to scale that shows the location of plant boundaries, plant equipment, the exempted facility location, and the immediate surrounding area.

III. TYPE OF FACILITY:

A. Exemption or Standard Permit Section Number(s) \$106.261/262 Account ID BL - 0048 - R
B. Associated or Previous Special Exemption or Permit Number(s) R-2341
C. Operating Schedule 24 Hours/day 7 Days/week 52 Weeks/year ☒ Continuous or Hours/year
D. Start of Construction 01/03/00 (Date) Start of Operation 02/25/00 (Date)
E. ☐ New Source ☒ Modification of Existing Source ☐ Certification of Existing Source

IV. PROCESS DESCRIPTION: Submit a summary which describes the construction, process, operation, and compliance of the facility. The description must be in sufficient detail to indicate how the facility conforms to the specified exemption or standard permit and verifies the maximum emission rates indicated below.

V. MAXIMUM EMISSIONS RATE DATA: Submit documentation which demonstrates the basis for each Emission Point Number's maximum emission rates represented below including fugitives (calculations, emission factors, equipment capacity, sampling, monitoring, etc.).

Emission Point Number	Name of Source	Name of Air Contaminant	Emission Rate of Each Air Contaminant			
			Maximum lb/hr		Actual tons/yr	
			Gaseous	Particulate	Gaseous	Particulate
F1001	Plant Fugitives	VOC	<0.01		0.01	
P6001	Flare X-695	VOC	<0.01		0.01	

Any additional data required should be shown on an attached sheet.

VI. If required, was a copy of this certification sent to the TNRCC New Source Review Permits Division and the TNRCC Regional Office: ☒ Yes ☐ No Date:

TNRCC, Office of Permitting, Air Permits Division (MC-162), PO Box 13087, Austin, TX 78711-3087, Telephone (512) 239-1250

VII. I, Jan Pavliscak Director - Texas Operations
(Name) (Title)
state that I have knowledge of the facts herein set forth and that the same are true and correct to the best of my knowledge and belief. I also certify that the maximum emission rates listed on this certification reflect the maximum anticipated emissions due to the operation of this facility. To the best of my knowledge and belief, the project will satisfy the conditions and limitations of the indicated exemption or standard permit. The facility will operate in compliance with all Regulations of the Texas Natural Resource Conservation Commission and with Federal Environmental Protection Agency Regulations governing air pollution.

DATE 2/24/00

SIGNATURE [Signature]

Company Name: Scheneclady International, Inc. Checklist completed by: R. Terrazas Date: January 2000
Facility Type: Fugitives and Flare Exemption(s) claimed: §106.261/262
Project Description: Plants 3/4 rationalization project. Switch distillation operations between plants 3 and 4.

(including equipment, materials, and brief process description)

List the maximum annual emission rates, in TONS PER YEAR (TPY), for this project:

CO : 0.0 NO_x: 0.0 PM : 0.0
SO₂: 0.0 VOCs: 0.011 Other: 0.0

The following questions require a "Yes" or "No" answer to be indicated for this exemption claim:

A. §106.4(a)(5): Current Exemption Requirements

Yes X No Have you checked to determine if this exempt project is being claimed under the current version of 30 TAC 106?

If "Yes", continue to next question

If "No", please contact the TNRCC NSRP Division for a copy of the current exemption to be claimed.

B. §106.4(a)(7): Exemption prohibition check

Yes No X Are there any air permits under the same account containing permit conditions which prohibit or restrict the use of standard exemptions?

If "No", continue to next question

If "Yes", exemptions may not be used or their use must meet the restrictions of the permit.

A new permit or permit amendment may be required. List permit number(s):

C. §106.4(b): Circumvention check

§106.4(b) states "No person shall circumvent by artificial limitations the requirements of §116.110 of this title (covering permitting)." Circumvention by artificial limitations may include but is not limited to:

1. dividing a complete project into separate segments to circumvent §106.4(a)(1) limits;
2. claiming feed or production rates below the physical capacity of the project's equipment in order to begin constructing facilities before a permit or permit amendment is approved for full scale operations, particularly when the unit will not be economically viable at less than permitted capacity;
3. claiming a limited chemical list in order to begin constructing facilities before a permit or permit amendment is approved for additional chemicals, particularly when the unit will not be economically viable until the additional chemicals are authorized.

Yes No X Does your project meet any of the criteria listed above?

If "No", continue to next rule question

If "Yes", an exemption may not be claimed

D. §106.4(c) - (d): Compliance with all Rules

Yes X No Will the facility comply with all rules and regulations of the TNRCC, the intent of the Texas Clean Air Act, and any local permitting or registration requirements?

If "Yes", continue to next rule question

If "No", an exemption may not be claimed.

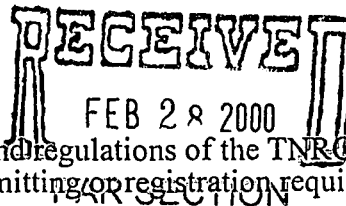
E. §106.4(a)(1): Emission limits check

Yes No X The maximum emissions from all facilities at the site, including this exemption claim, are less than 25 tpy of any contaminant.

If the answer to this questions is "Yes", no further review is needed to complete this checklist.

Forward all information needed to verify your exemption claim to the TNRCC.

If "No", please continue through the remaining applicable pages of the checklist.



Detailed §106.4 Requirements

F. §106.4(a)(1): Emission limits check continued....

1. Yes ☒ No ☐ Are SO_x, PM, VOC, and other emissions shown above each less than 25 TPY?
 2. Yes ☒ No ☐ Are the NO_x and CO emissions shown above each less than 250 TPY?
- If the answer to either question is "No", an exemption cannot be claimed.
If the answer to both questions is "Yes", continue to next rule question*

G. §106.4(a)(4): Site exemption emissions (For all exemptions at the property and/or under the same Account ID No.)

1. Yes ☒ No ☐ Are total NO_x and CO emissions each less than 250 TPY?
 2. Yes ☐ No ☒ Are total emissions of all other contaminants each less than 25 TPY?
- If the answer to both questions is "Yes", continue to next rule question
If either question is answered "No" please answer the following:*
3. Yes ☒ No ☐ Has any facility at the property had public notification and comment as required in 30 TAC 116 (or applicable procedures of Chapter 116 in effect at the time)?
*If "Yes", please describe the associated permit action and when notice occurred: _____
If "No", an exemption may not be claimed.*

H. §106.4(a)(6): Federal Requirements for NSPS & NESHAPs

1. Yes ☐ No ☒ Are any EPA New Source Performance Standards (NSPS) applicable to the facilities for which the exemption is being claimed?
2. Yes ☐ No ☒ Are any EPA National Emissions Standards for Hazardous Air Pollutants (NESHAPs) applicable to the facilities for which the exemption is being claimed?
*If "No", continue to next rule question
If "Yes", Please list the applicable SubPart(s): _____
Please attach a discussion of how the facilities will meet applicable standards.*

I. §106.4(a)(2): Nonattainment checklists

1. Yes ☒ No ☐ The facility to be exempted is located in a nonattainment county? (See list pages 1 & 2)
*If "Yes", complete applicable pages of this checklist, then answer the next question
If "No", continue to the PSD questions below*
2. Yes ☐ No ☒ For any regulated nonattainment contaminant, has this project triggered a nonattainment review?
*If "No", continue to the PSD questions below
If "Yes", the project is a major source or a major modification and an exemption may not be used.
A Nonattainment Permit review must be completed to authorize the project.*

J. §106.4(a)(3): Prevention of Significant Deterioration (PSD) checklist

- Yes ☐ No ☒ For any regulated National Ambient Air Quality Standard (NAAQS) contaminant, has this project triggered a PSD review? (Please complete the last page of this checklist, then answer:)
*If "No", no further review is needed to complete the checklist for Chapter 106. Forward all information needed to verify your exemption claim to the TNRCC.
If "Yes", the project is a major source and an exemption may not be used. A PSD Permit review must be completed to authorize the project.*

Houston/Galveston Nonattainment Applicability Checklist

If the facility to be exempted is located in Brazoria, Chambers, Ft. Bend, Galveston, Harris, Liberty, Montgomery or Waller County and has the potential for VOC or NO_x emissions, please complete the following

For this project only:

		VOC	NO _x
New allowable rate	+	0.011	0.0
Old actual rate**	-	0.000	0.0
Project Increase	=	0.011	0.0

The following questions require a "Yes" or "No" answer to be indicated for this exemption claim:

K. VOCs

1. Yes ☒ No ☐ The facility to be exempted has the potential for VOC emissions.
If "No", continue to the NO_x questions (Section L) below
If "Yes", please answer the following
2. Yes ☒ No ☐ Are site-wide VOC emissions from all sources * greater than 25 TPY? (i.e. Is this site an existing major source?)
If "No", continue to the NO_x questions below
If "Yes", please complete the following :
3. Yes ☐ No ☒ Is the project increase of VOCs greater than 5 TPY? (i.e. Does this action trigger netting?)
If "No", continue to the NO_x questions below
If "Yes", please provide contemporaneous netting calculations (attach) and answer the following question
4. Yes ☐ No ☐ Is the contemporaneous net increase of VOCs greater than 25 TPY? (i.e. Is this project a major modification?)
If "No", continue to the NO_x questions below
If "Yes", this project will be a major modification and an exemption may not be used. A Nonattainment permit review must be completed.

L. NO_x

1. Yes ☐ No ☒ The facility to be exempted has the potential for NO_x emissions.
If "No", continue to the PSD questions
If "Yes", please answer the following
2. Yes ☐ No ☐ Are site-wide NO_x emissions from all sources * greater than 25 TPY? (i.e. Is this site an existing major source?)
If "No", continue to question 3
If "Yes", please complete the following :
 - A. Yes ☐ No ☐ Is the project increase of NO_x greater than 5 TPY? (i.e. Does this action trigger netting?)
If "No", continue to the PSD questions
If "Yes", please provide contemporaneous netting calculations (attach) and answer the following question
 - B. Yes ☐ No ☐ Is the contemporaneous net increase of NO_x greater than 25 TPY? (i.e. Is this project a major modification?)
If "No", continue to the PSD questions
If "Yes", this project will be a major modification and an exemption may not be used. A Nonattainment permit review must be completed.
3. Yes ☐ No ☐ For new or existing minor sources, are project increases greater than 25 TPY?
If "No", continue to the PSD questions
If "Yes", this project will be major in itself and an exemption may not be used. A Nonattainment permit review must be completed.

* "all sources" and "site-wide" should include facilities which are permitted, exempted, or grandfathered, excluding this project

** Actual emission rates are based on the average emissions from all existing facilities affected by this exemption claim (project) for the previous 2 years

§106.4(a)(3): Prevention of Significant Deterioration (PSD) checklist

Please note that If the facility is located in a non-attainment area for VOCs, CO or PM₁₀, you do not have to be reviewed again for PSD Applicability for that contaminant.

The following questions require a "Yes" or "No" answer to be indicated for this exemption claim:

S. PSD Applicability check

Named Sources

1. Yes ☒ No ☐ Is the SITE a **named** PSD source? (See list on page 2 of checklist)
If "No", continue to the un-named source questions (#4) below
If "Yes", please answer the following:
2. Yes ☒ No ☐ Prior to this action, are site-wide emissions of any NAAQS regulated pollutant (including fugitives) greater than 100 TPY? (i.e. Is this site an existing major source?)
If "Yes", the site is a major source. Please answer questions #6-8 below (PSD "Significance")
If "No", answer the next question
3. Yes ☐ No ☐ For any regulated NAAQS contaminant (except as noted above), will the project's increases be greater than 100 TPY? (i.e. Is this project major?)
If "No", no further review is needed to complete the checklist for Chapter 106.
If "Yes", the project is a major source and an exemption may not be used and a PSD Permit review must be completed to authorize the project.

Un-named Sources

4. Yes ☐ No ☒ Is the SITE an **un-named** PSD source? (See list on page 2 of checklist)
If "No", the above questions regarding named sources should be completed
If "Yes", please answer the following:
5. Yes ☐ No ☐ Prior to this action, are site-wide emissions of any NAAQS regulated pollutant (point sources only) greater than 250 TPY? (i.e. Is this site an existing major source?)
If "Yes", the site is a major source. Please answer questions #6-8 below (PSD "Significance")
If "No", no further review is required. Please send this checklist and all additional documentation to the TNRCC NSRP Division and the applicable Regional office.

6. PSD "Significance" check:

If the existing site is a major source, Complete the following chart and attach calculations to determine the project's emission increases for all regulated NAAQS compounds (in TPY).

		NO _x	PM ₁₀	CO	VOCs	SO ₂	Other:	Other:
New allowable rate	+	0.0	0.0	0.0	N/A	0.0		
Old actual rate**	-	0.0	0.0	0.0	N/A	0.0		
Project Increase	=	0.0	0.0	0.0	N/A	0.0		

7. Yes ☐ No ☒ For any regulated NAAQS contaminant, will the project's increases be greater than the PSD 'significant' rates? (i.e. Does this action trigger netting?) (See list on page 2 of checklist)
If "No", no further review is needed to complete the checklist for Chapter 106.
If "Yes", PSD Applicability review and netting calculations must be completed (attach).
These netting calculations should be used to answer the following:
8. Yes ☐ No ☐ For any regulated NAAQS contaminant, are the contemporaneous net increases greater than the PSD 'significant' rates? (i.e. Is this project a major modification?)
If "No", no further review is needed to complete the checklist for Chapter 106. Please attach all netting calculations and documentation for review by TNRCC NSRP staff.
If "Yes", the project is a major modification and an exemption may not be used.
A PSD Permit review must be completed to authorize the project.

Exemption §106.261 Checklist
(Previously Standard Exemption 106)
Facilities (Emission Limitations)

This exemption requires registration with a PI-7-261

The following checklist has been developed to help you confirm that you meet the requirements of Exemption §106.261, previously Standard Exemption 106. Any "no" answers indicate that the claim of exemption may not meet all the requirements for the use of Exemption §106.261. If you do not meet all the requirements, you may alter the project design/operation in such a way that all the requirements of the exemption are met or obtain other authorization (i.e. construction permit, standard permit, etc).

YES	NO	NA	DESCRIPTION
☒	☐		Have you included a description of how this exemption claim meets the general rule for the use of exemptions? (A §106.4 checklist is available to satisfy this demonstration.)
☒	☐		Have you reviewed all other exemptions to ensure that none would have authorized the proposed construction or change had all the requirements of the exemption been met?
☒	☐		Is each emission source located at least 100 feet from any recreational area, residence, or other structure not occupied or used solely by the owner or operator of the facilities or the owner of the property upon which the facilities are located?
☐	☐	☒	Are the new or increased emissions, including fugitives, for each chemical listed in Exemption §106.261(3) less than or equal to 10 tons per year?
☐	☐	☒	Are the new or increased emissions, including fugitives, for each chemical listed in Exemption §106.261(3) less than or equal to 6 pounds per hour.
☐	☐	☒	Are all new or increased emissions less than or equal to one (1) pound per hour for any chemical shown in Table 262 or the 1997 ACGIH TLV list and having an L value or TLV of 200 mg/m ³ or more? (Emissions from compounds with a limit value of less than 200 mg/m ³ are not allowed under §106.261.) (List chemicals and attach calculations.)
☒	☐	☐	Are all new or increased emissions less than or equal to one (1) pound per hour for any other chemical not listed or referenced in Table 262?
☒	☐	☐	For physical changes or modifications to <u>existing</u> facilities, does all air pollution abatement equipment remain unchanged (i.e., no change or addition is allowed)? (This requirement does not mean that new facilities may not have control equipment.)
☒	☐	☐	Will all visible emissions, except uncombined water, have opacity less than or equal to 5 percent in any five-minute period?
☐	☐	☒	If the project emissions are 5 tons per year or more, has a PI-7-261 form been completed and submitted within 10 days of the installation or change.
☒	☐	☐	If the project emissions are less than 5 tons per year, has a PI-7-261 form been completed and submitted within 10 days of the installation or change.
			Are the following included with the notification form:
☒	☐		description of the project?
☒	☐		emission calculations?
☒	☐		data identifying specific chemical names (MSDS, CAS number, etc.)?
☒	☐		limit values? and
☒	☐		description of control equipment, if any?

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**Exemption §106.262 Checklist
(Previously Standard Exemption 118)
Facilities (Emission and Distance Limitations)**

This exemption requires registration with a PI-7 and submittal of supporting documentation within ten days of installation or modification of facilities.

The following checklist has been developed to help you confirm that you meet the requirements of Exemption §106.262, previously Standard Exemption 118 (STDX 118). Any "no" answers indicate that the claim of exemption may not meet all the requirements for the use of Exemption §106.262. If you do not meet all the requirements, you may alter the project design/operation in such a way that all requirements of the exemption are met or obtain other authorization (i.e. construction permit, standard permit, etc.).

YES	NO	NA	DESCRIPTION
☒	☐	☐	Have you included a description of how this exemption claim meets the general rule for the use of standard exemptions? (A §106.4 checklist is available to satisfy this demonstration.)
☒	☐	☐	Have you reviewed all other exemptions to ensure that none would have authorized the proposed construction or change had all requirements of the exemption been met?
☒	☐	☐	If this claim is to qualify the use of other chemicals at a facility authorized by another exemption, are all the requirements of that specific exemption met? (Include a description of how that exemption's requirements are met.)
☒	☐	☐	Is each emission source located at least 100 feet from any recreational area, residence, or other structure not occupied or used solely by the owner or operator of the facilities or the owner of the property upon which the facilities are located? (Attach a scaled map.)
☒	☐	☐	Do all the chemicals that will be part of new or changed emissions at the facility appear in Table 262 or in the 1997 version of the list of Threshold Limit Values (TLV) published by the American Conference of Governmental Industrial Hygienists? (List the compounds and their L value from Table 262 or their TLV.)
☒	☐	☐	Are the calculated new or increased emissions, including fugitives, for each chemical less than or equal to 5 tons per year? (Attach calculations.)
☒	☐	☐	Are the calculated new or increased emissions, including fugitives, for each chemical less than or equal to "E" pounds per hour as determined using the formula in §106.262(3), or 6 pounds per hour, whichever is lower? (Attach both the "E" and emissions calculations for each compound.)
☒	☐	☐	Has a completed PI-7 been submitted?

Exemption §106.262 Checklist
Page 2

- Are the following included with the PI-7 notification form:
- ☒ — description of the project?
 - ☒ — emission calculations?
 - ☒ — data identifying specific chemical names (MSDS, CAS number, etc.)?
 - ☒ — limit (L) values?
 - ☒ — distance (D) values? and
 - ☒ — description of control equipment, if any?
-
- ☐ — ☒ Are all the facilities in which the compounds listed in §106.262(5) are handled, located at least 300 feet from the nearest property line and 600 feet from the nearest off-property receptor? (Attach scaled map showing the effected facilities, the nearest fence lines, and receptors.)
 - ☐ — ☒ Are the total on-property quantities of each compound listed in §106.262(5) less than or equal to 500 pounds? (This requirement does not apply to permit authorizations.)
 - ☐ — ☒ Are all compounds listed in §106.262(5) handled only in unheated containers operated in compliance with U.S. Department of Transportation Regulations (49 CFR 171 through 178)?
 - ☐ — ☒ Are the containers containing chemicals listed in §106.262(5) not vented or opened directly to the atmosphere? (Attach descriptions as necessary.)
 - ☒ — — For physical changes or modifications to existing facilities, does all air pollution abatement equipment remain unchanged (i.e. no change or addition is allowed)? (This requirement does not mean that new facilities may not have control equipment.)
 - ☒ — — Will all visible emissions, except uncombined water, have opacity less than or equal to 5 percent in any five-minute period?

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Appendix A

Emission Calculations (Confidential)

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