



New Mexico Health and Environment Department

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Deputy Secretary

RICHARD MITZELFELT
Director

January 31, 1990

CERTIFIED MAIL NO. P 996 328 937
RETURN RECEIPT REQUESTED

Mr. Terry Neff
FnF Mining
1921 South Alma School Road
Suite 101
Mesa, Arizona 87210

Air Quality Permit No. 803

Dear Mr. Neff:

Air Quality Permit No. 803 is issued by the Air Quality Bureau of the Environmental Improvement Division ("Division") to FnF Mining, pursuant to the Air Quality Control Act ("Act") and regulations adopted pursuant to the Act including Air Quality Control Regulation 702, Permits (AQCR 702) and is enforceable pursuant to the Act and the air quality control regulations applicable to this source. This permit authorizes FnF Mining to construct and operate a 450 ton per hour CMI PVM-2000 asphalt drum mix plant with baghouse in New Mexico. No national emission standards for hazardous air pollutants (NESHAP) apply to this facility. This plant is subject to federal new source performance standards (NSPS), 40 CFR 60, Subpart A, General Provisions, and Subpart I, Standards of Performance for Asphalt Concrete Plants. The plant shall be constructed and operated in accordance with the permit application dated November 15, 1989, received by the Bureau on November 17, 1989. The Division has reviewed the permit application for the proposed plant and performed air quality modeling as part of the permit review. Based on the control measures described in your application and the conditions of this permit, the Division has determined that the provisions of the Act and ambient air quality standards will be met. Conditions have been imposed in this permit in order to assure continued compliance. AQCR 702, Part Two K.4 states that any term or condition imposed by the division on a permit or permit revision is enforceable to the same extent as a regulation of the board. Pursuant to AQCR 702 the facility is subject to the following conditions:

CONDITIONS

1. Construction and Operation
 - a) The production rate shall not exceed 450 tons per hour.

- b) The facility is authorized to operate only 8 hours per day between the hours of 7 a.m. and 6 p.m., 5 days per week, 52 weeks per year.
- c) This facility is subject to NSPS 40 CFR 60, Subpart I-Standards of Performance for Hot Mix Asphalt Facilities, and shall comply with both the notification requirements in Subpart A and with the specific requirements of Subpart I.

Conditions 1.a) and 1.b) have been placed in the permit in accordance with AQCR 702 Part Two K.1 which provides that the contents of the application specifically identified shall become terms and conditions of the permit. The 450 ton per hour production rate contained in condition 1.a) and the hours of operation in condition 1.b) were specified in the permit application and was the basis used in the Division's modeling analysis to determine compliance with the applicable ambient air quality standards and form one of the foundations for issuance of this permit. Condition 1.c) has been placed in the permit in accordance with AQCR 702 Part Two K.2.c which states that the Division shall, as appropriate, specify conditions upon a permit, including compliance with applicable NSPS and NESHAP.

Compliance with the above conditions will be based upon Division inspections of the facility and Division reviews of production records.

2. Particulate Emissions

a) Stack Emissions

Stack emissions to the atmosphere shall not contain particulate matter in excess of 0.04 gr/dscf and the stack shall not exhibit 20% opacity or greater. Hourly emission rates shall not exceed those contained in AQCR 501.A which are based on hourly asphalt production rates.

b) Fugitive Emissions

Fugitive emissions from process equipment shall be controlled by a fugitive dust control system that shall be operated and maintained so that all particulate emissions are limited to the stack outlet.

c) The use of 2.0% hydrated lime is permitted.

d) Haul roads going in and out of the plant site shall be watered, treated with a surface stabilizing agent, or paved with an

appropriate surface as necessary to minimize dust emissions. The measures shall be used on the roads as far as the nearest public access road.

Condition 2.a) has been placed in the permit in accordance with the standard for particulate matter contained in AQCR 750, the federal new source performance standards (NSPS) 40 CFR 60, Subpart I, and AQCR 501. AQCR 501.A determines the maximum amounts of particulate matter emissions allowed to the atmosphere by asphalt processing equipment based on the aggregate process rate. Compliance with the particulate emissions and opacity limitations in the permit were verified in the August 1989 American Environmental Testing, Inc. (AET) facilities test provided with the permit application. The use and location of the control measures are based on the modelling analysis done by the Division to demonstrate that the ambient air quality standards in AQCR 201 and 40 CFR Part 50 would be met.

Condition 2.b) has been placed in the permit in accordance with the AQCR 501.C.

Condition 2.c) has been placed in the permit to allow FnF to meet New Mexico Highway Department specifications which could require up to 2.0% lime.

Condition 2.d) has been placed in the permit in accordance with AQCR 702 Part Two K.2.a.(i) and K.2.b because the Division has determined that such control measures are necessary to protect the ambient air quality standard for particulate matter.

Compliance with these conditions will be based on Division inspections of the facility and on particulate matter concentrations and opacity readings conducted in accordance with 40 CFR Part 60, Appendix A, Methods 1, 2, 3, 5 and 9.

3. Baghouse Malfunctions

In the event that bags become damaged, torn or ripped, as determined by an increase of opacity, the plant shall cease operation until the bags are replaced.

This condition has been placed in the permit in accordance with AQCR 702 Part Two K.2.d to ensure that ambient standards are not violated during control equipment failure.

4. Monitor Requirements

The inlet and exit static pressure of the baghouse shall be

monitored by the use of pressure gauges, which shall be maintained in good operating condition.

Inlet and exit temperatures of the baghouse shall be monitored and recorded continuously on charts. The temperature sensors and charts shall be maintained in good operating condition.

This condition has been placed in the permit in accordance with AQCR 702, Part Two K. Pressure and temperature gauges on the inlet and exit of the baghouse will allow plant and Division personnel to check on the performance of the baghouse. Pressure and temperature drop are good indications of the baghouse's operational efficiency.

5. Plant Relocation

The Division shall be notified in writing fifteen (15) days prior to any relocation of the plant and shall be provided with a description of the new location including a plot plan showing the plant in respect to the property boundaries and all other particulate emitting facilities within one (1) mile from the proposed plant boundary. The relocation notice shall include the permit number, the estimated date of startup, and the estimated time at that location. If other particulate emitting facilities are located within one mile from the proposed plant, then the plant cannot be located or operated until the Division reviews the new site and provides written authorization to the company. When this plant leaves New Mexico, the Division shall be notified in accordance with this condition. If the plant is going to return to New Mexico, the Division shall be notified in accordance with this condition.

This condition has been placed in the permit in accordance with AQCR 702 Part Two A.5. This regulation requires relocation protocols to ensure that the ambient air quality standards will continue to be met at the new location, to allow the Division to track the movements of the operation, and to ensure the continued compliance with the requirements of this permit.

Compliance will be based on timely notifications and submission of the information required in this permit condition.

6. Posting of the Permit

A copy of this permit shall be posted and in view at the plant site at all times and shall be made available to Division personnel for inspection upon request.

Condition 6 has been placed in the permit in accordance with AQCR 702 Part Two K.2.d to allow Division personnel to identify

the equipment that constitutes the plant and to identify the permit conditions that apply to the facility.

Compliance with this condition will be based on Division inspections of the facility which show that a copy of the permit has been posted.

7. Restriction on Location

The plant, as indicated by its property boundary, is not authorized to be located such that its property boundary is any closer than 1/4 mile from any inhabited dwelling. This plant is not authorized to be located and operated on the same property with a crushing operation, or located within 1/2 mile of a crushing operation. Location and operation in a manner other than approved in this permit will require the review and approval of a modified permit prior to such location and operation.

This condition has been placed in the permit in accordance with AQCR 702 Part Two A.5, I.4.a and K.2.d because the facility and the protocol for relocation was reviewed in terms of maintaining ambient standards during all operating conditions. Crushing operations can cause exceedances of standards 1/2 mile or more from their operations and this restriction ensures attainment. The 1/4 mile restriction to inhabited dwellings is to ensure that ambient air quality impacts from emission generating activities at the facility which were not explicitly considered in the modeling, such as fugitive dust from truck operations, do not cause an exceedance at inhabited dwellings.

Compliance with this condition will be based on Division inspections of the facility and relocation notifications within fifteen(15) days.

8. Recordkeeping and Reporting

Daily operating log and records of the following operating parameters and information recorded during all hours the asphalt plant is operating shall be kept.

- a) Pressures at the inlet and exit of the baghouse shall be recorded twice each day.
- b) Baghouse inlet and outlet temperature continuous (or circular) charts shall be retained at the plant.
- c) Hours of operation shall be recorded. Intermittent operation shall be noted by recording time operations ceased and time of subsequent startup.

- d) Asphalt production rate shall be recorded each hour, on the hour, for the previous hour of operation.
- e) Baghouse bag failure data sheets shall be maintained and retained at the plant.

All malfunctions or other problems with process or control equipment shall be reported to EID as required by AQCR 801-Excess Emissions During Malfunction, Startup, Shutdown, or Scheduled Maintenance.

All records shall be maintained on-site for a minimum of six months from the time of recording.

This condition has been placed in the permit in accordance with AQCR 702 Part Two K.2 and K.5 to allow the Division to determine compliance with the terms and conditions of the permit.

9. Right to Access Property and Review Records

The Division shall be given the right to enter the facility at all reasonable times to verify the terms and conditions of this permit. The company, upon either a verbal or written request from an authorized representative of the Division, shall produce any records or information necessary to establish that the terms and conditions of this permit are being met, including submission of reports to the division according to time frames specified by the Division.

This condition has been placed in the permit in accordance with AQCR 702 Part Two K.2 and K.5 to allow the Division to determine compliance with the terms and conditions of the permit.

Compliance with this condition will be based on Division inspections of the facility; production of records and information required to be maintained; and non-restricted entry to the property.

10. Notification to Subsequent Owners

The permit and conditions apply in the event of any change in control or ownership of the facility. No permit modification is required in such case; however, in the event of any such change in control or ownership, the permittee shall notify the succeeding owner of the permit and the conditions.

This condition has been placed in the permit in accordance with AQCR 702 Part One 17.(1) and Part Two K.2.d to ensure that new owners are aware of the permit and its conditions.

Compliance with this condition will be determined upon the permittee's notification of the permit and its conditions to any succeeding owner.

11. Revisions and Modifications

Any future physical changes or changes in the method of operation may constitute a modification as defined by AQCR 702, Permits, and shall be preceded by the submittal of a permit application for review by the Division. No modification shall begin prior to issuance of a permit.

Revisions to this permit shall be processed in accordance with AQCR 702 Part Two C.

This condition has been placed in the permit in accordance with AQCR 702 Part Two A.1.a.(i), A.4 and K.2.d to enable the Division to review proposed changes to the facility which may constitute a permit modification prior to such changes.

Compliance with this condition will be based upon Division inspections and the submission of appropriate permit modifications or revisions.

12. Performance Tests

A performance test for particulate matter is required and shall be conducted in accordance with Methods 1 through 5 and 9 contained in the Code of Federal Regulations, Title 40, Part 60, Appendix A. The tests shall be conducted, as part of this plant's next job in New Mexico, within sixty (60) days of achieving the maximum production rate at which the source will be operated, but not later than one hundred eighty (180) days of initial startup, whichever is sooner. The Division shall be notified of the date and time of such testing so that the Division may have an opportunity to have an observer present during testing. The permittee shall arrange a pretest meeting with the Division two weeks prior to the anticipated test date and shall observe the following pre-testing and testing procedures:

- a) Any variation in the sampling and analytical procedure or plant operating conditions shall be presented to the Division for approval at least two weeks prior to the anticipated test date.

- b) The permittee shall provide (1) sampling ports adequate for the test methods applicable to such facility, (2) safe sampling platforms, (3) safe access to sampling platforms, and (4) utilities for sampling and testing equipment. Three inch diameter ports shall be located on the baghouse stack in accordance with the provisions of Method 1 of the Code of Federal Regulations, Title 40, Part 60, Appendix A. The stack shall be of sufficient height and diameter so that a representative test of the emissions can be performed in accordance with Method 1.
- c) Where necessary to prevent cyclonic flow in the stack, flow straighteners shall be installed in accordance with CFR 40 Part 60, Appendix A, Method 1.
- d) During the performance tests, the baghouse pressure drop and the plant's hourly production rate shall be monitored and recorded. This information shall be included with the test report that is required to be furnished to the Bureau. FNF Mining shall conduct the test at the maximum production rate at which the plant will be operated, using 2.0% hydrated lime, to demonstrate compliance with the emission limits.
- e) The compliance test reports shall be submitted to the Division within forty-five (45) days after the completion of testing.
- f) The test requirement may be reimposed as necessary if inspection of this source indicates noncompliance with this permit or if the test was technically unsatisfactory.

This condition has been place in the permit in accordance with AQCR 702, Part Two N.

Compliance with this condition will be based on the satisfactory completion of the performance tests, the timely submittal of the test report to the EID, and on meeting the emission limits specified in this permit.

ADDITIONAL REQUIREMENTS

Air Quality Control Regulation No. 702, Part Two L, Permit Cancellations, requires that:

1. the Division shall automatically cancel any permit for any source which ceases operation for five (5) years or more, or permanently. Reactivation of any source after the five (5) year period shall require a new permit.
2. the Division may cancel a permit if the construction or modification is not commenced within two (2) years from the

Mr. Terry Neff
January 31, 1990
Page 9

date of issuance or, if during the construction or modification, work is suspended for a total of one (1) year.

Air Quality Control Regulation No. 702, Part Two M, Permittee's Notification Requirements to Division, requires that any owner or operator subject to this regulation shall notify the Division in writing of or provide the Division with:

1. any change of operators within fifteen (15) days of such change;
2. every two (2) years, as calculated from the date of issuance of the permit, an updated emissions inventory for the source, together with descriptions of any reconfiguration of process technology and air pollution control equipment, with concomitant demonstrations that reconfiguration will not cause or create additional risk of significant increases in ambient concentrations of any regulated air contaminant. This requirement applies to all regulated air contaminants except toxic air pollutants. A letter indicating that no change has occurred, if such is the case, shall be sufficient to comply with this requirement; and,
3. any necessary update or correction no more than sixty (60) days after the operator knows or should have known of the condition necessitating the update or correction of the permit.

Notifications and permit applications shall be submitted to:

Program Manager, Technical Analysis and Permits Section
Environmental Improvement Division
Air Quality Bureau
1190 St. Francis Dr., Runnels Bldg.
Santa Fe, New Mexico 87503

APPEAL PROCEDURES

AQCR 702, Part Two H, Permit Decisions and Appeals, paragraph 5, provides that if the applicant is dissatisfied with the action taken by the Division, a hearing may be requested before the Environmental Improvement Board. The request must be made in writing to the Director of the Environmental Improvement Division within thirty (30) days after notice of the Division's action has been received by the applicant. Unless a timely request for hearing is made, the decision of the Division shall be final. Requests for a hearing shall be sent to:

Director, Environmental Improvement Division
1190 St. Francis Dr., Runnels Bldg.
Santa Fe, New Mexico 87503

Mr. Terry Neff
January 31, 1990 -
Page 10

If you have any questions regarding this permit please contact Bruce Nicholson or Bobby Myers in Santa Fe at (505) 827-0070.

Sincerely,



Cecilia Williams
Bureau Chief
Air Quality Bureau

CW/BN/dp

xc: Kenneth Smith, District III Manager, Las Cruces
Mary Black, Health Program Manager, Deming
Bill Hargraves, Program Manager, Surveillance & Enforcement
Dianne Sales, U.S. EPA Region VI, Dallas

att: AQCR 501, Asphalt Processing Equipment, June 26, 1971