

November 13, 2002

Mr. John Kirk, III
President and CEO
Associated Asphalt Salisbury, Inc.
Post Office Box 12626
Roanoke, VA 24027

Subject: **Air Permit No. 08428R03**
 Associated Asphalt Salisbury, Inc.
 Salisbury, Rowan County, North Carolina
 Fee Class: Small
 Site Number: 03/80/00148

Dear Mr. Kirk:

In accordance with your completed application received November 04, 2002, we are forwarding herewith Permit No. 08428R03 to Associated Asphalt Salisbury, Inc., Salisbury, Rowan County, North Carolina for the construction and operation of air emissions sources or air cleaning devices and appurtenances. Additionally, any emissions activities determined from your air permit application as meeting the exemption requirements contained in 15A NCAC 2Q .0102 have been listed for information purposes as an "ATTACHMENT" to the enclosed air permit. Please note the records retention requirements are contained in General Condition 2 of the General Conditions and Limitations.

If any parts, requirements, or limitations contained in this permit are unacceptable to you, you have the right to request a formal adjudicatory hearing within 30 days following receipt of this permit, identifying the specific issues to be contested. Such a request will stay the effectiveness of the entire permit. This hearing request must be in the form of a written petition, conforming to G.S. 150B-23 of the North Carolina General Statutes, and filed with the Office of Administrative Hearings, 6714 Mail Service Center, Raleigh, NC 27699-6714. The form for requesting a formal adjudicatory hearing may be obtained upon request from the Office of Administrative Hearings. Unless a request for a hearing is made pursuant to G.S. 150B-23, this air permit shall be final and binding.

You may request modification of your air permit through informal means pursuant to G.S. 150B-22. This request must be submitted in writing to the Director and must identify the specific provisions or issues

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for which the modification is sought. Please note that the permit will become final and binding regardless of a request for informal modification unless a request for a hearing is also made under G.S. 150B-23.

Unless exempted by a condition of this permit or the regulations, construction of new air pollution sources or air cleaning devices, or modifications to the sources or air cleaning devices described in this permit must be covered under a permit issued by the Division of Air Quality prior to construction. Failure to do so is a violation of G.S. 143-215.108 and may subject the Permittee to civil or criminal penalties as described in G.S. 143-215.114A and 143-215.114B.

This permit shall be effective from November 13, 2002 until October 31, 2007, is nontransferable to future owners and operators, and shall be subject to the conditions and limitations as specified therein.

Should you have any questions concerning this matter, please contact Ms. Denise Fogleman at (704) 663-1699.

Sincerely,

Michael S. Landis
Air Quality Regional Supervisor

DSF:df

Enclosures

c: Laura Butler, Raleigh Central Office
MRO Files
Central Files

NORTH CAROLINA ENVIRONMENTAL MANAGEMENT COMMISSION

DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES

DIVISION OF AIR QUALITY

AIR PERMIT NO. 08428R03

Issue Date: November 13, 2002

Effective Date: November 13, 2002

Expiration Date: October 31, 2007

Replaces Permit: 08428R02

To construct and operate air emission source(s) and/or air cleaning device(s), and for the discharge of the associated air contaminants into the atmosphere in accordance with the provisions of Article 21B of Chapter 143, General Statutes of North Carolina (NCGS) as amended, and other applicable Laws, Rules and Regulations,

Associated Asphalt Salisbury, Inc.
1825 Jake Alexander Boulevard West
Salisbury, Rowan County, North Carolina
Fee Class: Small
Site Number: 03/80/00148

(the Permittee) is hereby authorized to construct and operate the air emissions sources and/or air cleaning devices and appurtenances described below:

- NSPS 1. two (2) natural gas/No. 2 fuel oil-fired boilers (12.6 million Btu per hour maximum heat input each; ID Nos. ES1 and ES2),
- NSPS 2. one (1) activated carbon canister system (ID No. CD3; 1130 pounds (minimum) of activated carbon) installed on three (3) fixed roof liquid asphalt storage tanks 1, 2, and 3 (1 million gallons capacity each; ID Nos. ES3, ES4, and ES5),
- 3. one (1) activated carbon canister system (ID No. CD1; 1130 pounds (minimum) of activated carbon) installed on the truck loading rack for storage tanks 1, 2, and 3 (ID No. ES9),

- NSPS 4. one (1) activated carbon canister system (ID No. CD4; 1130 pounds (minimum) of activated carbon) installed on two (2) fixed roof liquid asphalt storage tanks 4 and 6 (400,000 gallons capacity each; ID Nos. ES6 and ES8) and the truck loading rack for storage tanks 4 and 6 (ID No. ES10),
- NSPS 5. one (1) activated carbon canister system (ID No. CD2; 1130 pounds (minimum) of activated carbon) installed on a fixed roof liquid asphalt storage tank 5 (200,000 gallons capacity; ID Nos. ES7) and the truck loading rack for storage tank 5 (ID No. ES11), and
6. Eighteen (18) railcar unloading stations (ID Nos. ES15 through ES32),

in accordance with the completed application (No. 8000148.02A) received November 4, 2002, including any plans, specifications, previous applications, and other supporting data, all of which are filed with the Department of Environment and Natural Resources, Division of Air Quality (DAQ) and are incorporated as part of this permit.

This permit is subject to the following specified conditions and limitations including any TESTING, REPORTING, OR MONITORING REQUIREMENTS:

A. SPECIFIC CONDITIONS AND LIMITATIONS

1. Any air emission sources or control devices authorized to construct and operate above must be operated and maintained in accordance with the provisions contained herein. The Permittee shall comply with applicable Environmental Management Commission Regulations, including Title 15A North Carolina Administrative Code (NCAC), Subchapter 2D .0503, .0516, .0521, .0524 (40 CFR Part 60, Subparts Dc and Kb), .0535, .1806, and Subchapter 2Q .0711.
2. PARTICULATE CONTROL REQUIREMENT - As required by 15A NCAC 2D .0503 "Particulates from Fuel Burning Indirect Heat Exchangers," particulate matter emissions from the fuel burning indirect heat exchangers shall not exceed allowable emission rates listed below:

<u>Source</u>	<u>Emission Limit(s)</u>
Boilers (ID Nos. ES1 and ES2)	0.47 lb/million Btu

3. As required by 15A NCAC 2D .0516 "Sulfur Dioxide Emissions from Combustion Sources," sulfur dioxide emissions from the boilers (ID Nos. ES1 and ES2) shall not exceed 2.3 pounds per million Btu heat input.
4. As required by 15A NCAC 2D .0521 "Control of Visible Emissions," visible emissions from the air emission sources, manufactured after July 1, 1971, shall not be more than 20 percent opacity when averaged over a six-minute period, except that six-minute periods averaging not more than 87

percent opacity may occur not more than once in any hour nor more than four times in any 24-hour period. However, sources which must comply with 15A NCAC 2D .0524 "New Source Performance Standards" or .1110 "National Emission Standards for Hazardous Air Pollutants" must comply with applicable visible emissions requirements contained therein.

5. 15A NCAC 2D .0524 "NEW SOURCE PERFORMANCE STANDARDS" - For the boilers (ID Nos. ES1 and ES2), the Permittee shall comply with all applicable provisions, including the notification, testing, reporting, recordkeeping, and monitoring requirements contained in Environmental Management Commission Standard 15A NCAC 2D .0524 "New Source Performance Standards" (NSPS) as promulgated in 40 CFR 60, Subpart Dc, including Subpart A "General Provisions."
 - a. NSPS Reporting Requirements - In addition to any other notification requirements to the Environmental Protection Agency (EPA), the Permittee is required to NOTIFY the Regional Supervisor, DAQ, in WRITING, of the following:
 - i. the sulfur content of the distillate oil combusted in an affected facility shall not exceed 0.5 percent by weight. Within 30 days after each six-month period of the calendar year, the Permittee must submit in writing to the Regional Supervisor, DAQ, the sulfur content of the distillate oil combusted in an affected facility. If fuel supplier certification is used to demonstrate compliance, fuel supplier certification shall include the following information:
 - A. the name of the oil supplier;
 - B. a statement from the oil supplier that the oil complies with the specification under the definition of distillate oil in 40 CFR 60.41(c); and
 - C. a certified statement signed by the owner or operator of an affected facility that the records of fuel supplier certification submitted represent all of the fuel combusted during the reporting period.
 - b. NSPS Recordkeeping Requirements - In addition to any other recordkeeping requirements of the EPA, the Permittee is required to maintain records as follows:
 - i. the owner or operator of an affected facility shall record and maintain records of the amounts of each fuel combusted during each month; and

- ii. all records required under this section shall be maintained by the owner or operator of an affected facility for a period of two years following the date of such record.
- c. NSPS Emissions Limitations - As required by 15A NCAC 2D .0524, the following permit limits shall not be exceeded:

Affected Facility	Pollutant	Emission Limit
Boilers (ID Nos. ES1 and ES2)	Sulfur Content of Fuel oil	0.5 %

- 6. 15A NCAC 2D .0524 "NEW SOURCE PERFORMANCE STANDARDS" - For the liquid asphalt storage tanks (ID Nos. ES3 through ES8), the Permittee shall comply with all applicable provisions, including the notification, testing, reporting, recordkeeping, and monitoring requirements contained in Environmental Management Commission Standard 15A NCAC 2D .0524 "New Source Performance Standards" (NSPS) as promulgated in 40 CFR 60, Subpart Kb, including Subpart A "General Provisions."

- a. NSPS Recordkeeping Requirements - In addition to any other recordkeeping requirements of the Environmental Protection Agency (EPA), the Permittee is required to maintain records as follows:
 - i. The owner or operator shall keep readily accessible records showing the dimension of the storage vessels and an analysis showing the capacity of the storage vessels. These records shall be kept for the life of the sources.

- 7. NOTIFICATION REQUIREMENT - As required by 15A NCAC 2D .0535, the owner or operator of a source of excess emissions that last for more than four hours and that results from a malfunction, a breakdown of process or control equipment or any other abnormal conditions, shall:

- a. notify the Director or his designee of any such occurrence by 9:00 a.m. Eastern time of the Division's next business day of becoming aware of the occurrence and describe:
 - i. the name and location of the facility
 - ii. the nature and cause of the malfunction or breakdown
 - iii. the time when the malfunction or breakdown is first observed
 - iv. the expected duration, and

- v. an estimated rate of emissions
- b. notify the Director or his designee immediately when the corrective measures have been accomplished.

This reporting requirement does not allow the operation of the facility in excess of Environmental Management Commission Regulations.

- 8. CONTROL AND PROHIBITION OF ODOROUS EMISSIONS - As required by 15A NCAC 2D .1806 "Control and Prohibition of Odorous Emissions" the Permittee shall not operate the facility without implementing management practices or installing and operating odor control equipment sufficient to prevent odorous emissions from the facility from causing or contributing to objectionable odors beyond the facility's boundary.
- 9. TOXIC AIR POLLUTANT EMISSIONS LIMITATION REQUIREMENT - Pursuant to 15A NCAC 2Q .0711 A Emission Rates Requiring a Permit, for each of the below listed toxic air pollutants (TAPs), the Permittee has made a demonstration that facility-wide actual emissions do not exceed the Toxic Permit Emission Rates (TPERs) listed in 15A NCAC 2Q .0711. The facility shall be operated and maintained in such a manner that emissions of any listed TAPs from the facility, including fugitive emissions, will not exceed TPERs listed in 15A NCAC 2Q .0711.
 - a. A permit to emit any of the below listed TAPs shall be required for this facility if actual emissions from all sources will become greater than the corresponding TPERs.
 - b. PRIOR to exceeding any of these listed TPERs, the Permittee shall be responsible for obtaining a permit to emit TAPs and for demonstrating compliance with the requirements of 15A NCAC 2D .1100 "Control of Toxic Air Pollutants".
 - c. In accordance with the approved application, the Permittee shall maintain records of operational information demonstrating that the TAP emissions do not exceed the TPERs as listed below:

	TPERs Limitations
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Pollutant (CAS Number)	Carcinogens (lb/yr)	Chronic Toxicants (lb/day)	Acute Systemic Toxicants (lb/hr)	Acute Irritants (lb/hr)
Benzene (71-43-2)	8.1			
Hydrogen Sulfide (7783-06-4)				0.52

10. ACTIVATED CARBON CANISTER SYSTEM REQUIREMENTS - Emissions from the six liquid asphalt storage tanks (ID Nos. ES3 through ES8) and three truck loading racks (ID Nos. ES9, ES10, and ES11) shall be controlled by four activated carbon canister systems (ID Nos. CD1 through CD4).

a. Monitoring, Inspection and Maintenance Requirements

i. The Permittee shall monitor and record the concentration of hydrogen sulfide at the vent from each carbon canister during normal filling or truck loadout operations on Monday, Wednesday, and Friday of each week that an emission source associated with the canister is in operation. The hydrogen sulfide concentration shall be measured using a calibrated meter or any other method approved by DAQ. The Permittee shall record the date and the start and end times (duration) for each measurement.

A Drager tube may be used to measure the hydrogen sulfide concentration in the event the meter is inoperable at the time of a required observation. The Drager tubes shall not be used in lieu of the meter.

The Permittee shall note in the hydrogen sulfide concentration logbooks discussed below in 10.b. which instrument (meter, Drager tube, etc.) was used for the concentration measurement.

ii. If the measured concentration of hydrogen sulfide is 10 parts per million (ppm) or greater, the Permittee shall discontinue use of the carbon canister and replace it with a new canister. When the Permittee discontinues the use of a canister, the following activities shall be discontinued and shall not be resumed until the canister has been replaced:

1. If the carbon canister system (ID No. CD1) is discontinued, the truck loadout operations from tanks 1, 2, and 3 (ID Nos. ES3, ES4, and ES5) shall be discontinued.

2. If the carbon canister system (ID No. CD2) is discontinued, pumping liquid asphalt into tank 5 (ID No. ES7) shall be discontinued and truck loadout operations from tank 5 (ID No. ES7) shall be discontinued. The Permittee may continue to store liquid asphalt in tank 5 (ID No. ES7).
 3. If the carbon canister system (ID No. CD3) is discontinued, pumping liquid asphalt into tanks 1, 2, and 3 (ID No. ES3, ES4, and ES5) shall be discontinued. The Permittee may continue to store liquid asphalt in tanks 1, 2, and 3 (ID Nos. ES3, ES4, and ES5) and may continue truck loadout operations from tanks 1, 2, and 3 (ID Nos. ES3, ES4, and ES5).
 4. If the carbon canister system (ID No. CD4) is discontinued, pumping liquid asphalt into tanks 4 and 6 (ID Nos. ES6 and ES8) shall be discontinued and truck loadout operations from tanks 4 and 6 (ID Nos. ES6 and ES8) shall be discontinued. The Permittee may continue to store liquid asphalt in tanks 4 and 6 (ID Nos. ES6 and ES8).
- iii. The Permittee must maintain either spare carbon canisters on site for replacing spent canisters or a copy of a purchase order demonstrating that the Permittee has placed an order with a vendor for delivery of spare carbon canisters. The purchase orders must indicate an anticipated delivery date of the spare carbon canisters.
 - iv. If a meter is used to measure the concentrations, the Permittee shall verify and record the functionality of the meter weekly. This inspection includes, but is not limited to, a check of the battery for proper function and an internal performance check of the meter.
 - v. The Permittee shall also perform an annual performance inspection of the meter by the manufacturer or a qualified instrument technician. This inspection shall include, but is not limited to, a thorough audit of the meter, such as cleaning contacts, cleaning any filters and sample passage ways, and verifying the performance of the electrochemical cell fundamentally responsible for making the measurements.
 - vi. To comply with the provisions of this permit and ensure that emissions do not exceed the regulatory limits, the Permittee shall perform periodic inspection and maintenance (I&M) as recommended by the manufacturer.

- vii. The Permittee shall perform an annual inspection of the activated carbon canister systems, including the following:
 - 1. inspect and maintain the structural integrity of the activated carbon canister systems;
 - 2. inspect and maintain the structural integrity of duct work and piping leading to the activated carbon canister systems; and
 - 3. inspect and maintain the structural integrity of the fan on each emission control system.

b. Recordkeeping Requirements

- i. Records of all monitoring, inspection and maintenance activities listed in Item a. above shall be recorded in a logbook. Any variance from manufacturer's recommendations or from those given in this permit (when applicable) shall be investigated with corrections made and dates of actions recorded in the logbook. The logbook (in written or electronic form) shall be kept on-site and made available to DAQ personnel upon request.
- ii. The hydrogen sulfide concentration, the measurement device, the date, and the start and end times (duration) for each measurement of the concentration shall be recorded in a logbook.
- iii. The date and time any carbon canister is replaced shall be recorded in a logbook along with the length of time (weeks, days, and/or hours) the canister was installed on the emission sources.
- iv. The results of the annual performance inspection of the hydrogen sulfide meter shall be recorded in a logbook.
- v. These records must be maintained on site for a minimum of three (3) years.

c. Reporting Requirements - Within 30 days after each calendar year quarter, the Permittee shall submit to the Regional Supervisor, DAQ, a summary of the results of all recordkeeping requirements described in paragraph (b) above.

- 11. Prior to construction or operation of the facility under this permit, the Permittee shall comply with all lawfully adopted local ordinances that apply to the facility at the time of construction or operation of the facility. The local zoning authority shall have the responsibility of enforcing all lawfully adopted local zoning or subdivision ordinances.

12. PERMIT REOPENING - In accordance with N.C.G.S. 143-215.108(c), upon the Director becoming aware of any credible air emissions data not previously considered by the DAQ during the application review process, the Director may require the Permittee to submit additional information including, but not limited to, emissions estimates and air dispersion modeling. Based on this information, the Director may modify and reissue the permit with additional emission controls and/or additional operational restrictions necessary to demonstrate compliance with any applicable regulation.

B. GENERAL CONDITIONS AND LIMITATIONS

1. REPORTS, TEST DATA, MONITORING DATA, NOTIFICATIONS, AND REQUESTS FOR RENEWAL shall be submitted to the:

Regional Supervisor
North Carolina Division of Air Quality
Mooresville Regional Office
919 North Main Street
Mooresville, NC 28115
704-663-1699
2. RECORDS RETENTION REQUIREMENT - Any records required by the conditions of this permit shall be kept on site and made available to DAQ personnel for inspection upon request. These records shall be maintained in a form suitable and readily available for expeditious inspection and review. These records must be kept on site for a minimum of 2 years, unless another time period is otherwise specified.
3. PERMIT RENEWAL REQUIREMENT - The Permittee, at least 90 days prior to the expiration date of this permit, shall request permit renewal by letter in accordance with 15A NCAC 2Q .0304 (d) and (f). Pursuant to 15A NCAC 2Q .0203 (i), no permit application fee is required for renewal of an existing air permit. The renewal request should be submitted to the Regional Supervisor, DAQ.
4. ANNUAL FEE PAYMENT - Pursuant to 15A NCAC 2Q .0203 (a), the Permittee shall pay the annual permit fee within 30 days of being billed by the DAQ. Failure to pay the fee in a timely manner will cause the DAQ to initiate action to revoke the permit.
5. EQUIPMENT RELOCATION - A new air permit shall be obtained by the Permittee prior to establishing, building, erecting, using, or operating the emission sources or air cleaning equipment at a site or location not specified in this permit.

6. This permit is subject to revocation or modification by the DAQ upon a determination that information contained in the application or presented in the support thereof is incorrect, conditions under which this permit was granted have changed, or violations of conditions contained in this permit have occurred. The facility shall be properly operated and maintained at all times in a manner that will effect an overall reduction in air pollution. Unless otherwise specified by this permit, no emission source may be operated without the concurrent operation of its associated air cleaning device(s) and appurtenances.
7. REPORTING REQUIREMENT - Any of the following that would result in previously unpermitted, new, or increased emissions must be reported to the Regional Supervisor, DAQ:
 - a. changes in the information submitted in the application regarding facility emissions;
 - b. changes that modify equipment or processes of existing permitted facilities; or
 - c. changes in the quantity or quality of materials processed.

If appropriate, modifications to the permit may then be made by the DAQ to reflect any necessary changes in the permit conditions. In no case are any new or increased emissions allowed that will cause a violation of the emission limitations specified herein.

8. This permit is nontransferable by the Permittee. Future owners and operators must obtain a new air permit from the DAQ.
9. This issuance of this permit in no way absolves the Permittee of liability for any potential civil penalties which may be assessed for violations of State law which have occurred prior to the effective date of this permit.
10. This permit does not relieve the Permittee of the responsibility of complying with all applicable requirements of any Federal, State, or Local water quality or land quality control authority.
11. Reports on the operation and maintenance of the facility shall be submitted by the Permittee to the Regional Supervisor, DAQ at such intervals and in such form and detail as may be required by the DAQ. Information required in such reports may include, but is not limited to, process weight rates, firing rates, hours of operation, and preventive maintenance schedules.
12. A violation of any term or condition of this permit shall subject the Permittee to enforcement pursuant to G.S. 143-215.114A, 143-215.114B, and 143-215.114C, including assessment of civil and/or criminal penalties.

13. Pursuant to North Carolina General Statute 143-215.3 (a) (2), no person shall refuse entry or access to any authorized representative of the DAQ who requests entry or access for purposes of inspection, and who presents appropriate credentials, nor shall any person obstruct, hamper, or interfere with any such representative while in the process of carrying out his official duties. Refusal of entry or access may constitute grounds for permit revocation and assessment of civil penalties.
14. The Permittee must comply with any applicable Federal, State, or Local requirements governing the handling, disposal, or incineration of hazardous, solid, or medical wastes, including the Resource Conservation and Recovery Act (RCRA) administered by the Division of Waste Management.
15. PERMIT RETENTION REQUIREMENT - The Permittee shall retain a current copy of the air permit at the site. The Permittee must make available to personnel of the DAQ, upon request, the current copy of the air permit for the site.
16. CLEAN AIR ACT SECTION 112(r) REQUIREMENTS - Pursuant to 40 CFR Part 68 AAccidental Release Prevention Requirements: Risk Management Programs Under the Clean Air Act, Section 112(r), \cong if the Permittee is required to develop and register a risk management plan pursuant to Section 112(r) of the Federal Clean Air Act, then the Permittee is required to register this plan in accordance with 40 CFR Part 68.
17. PREVENTION OF ACCIDENTAL RELEASES - GENERAL DUTY - Pursuant to Title I Part A Section 112(r)(1) of the Clean Air Act AHazardous Air Pollutants - Prevention of Accidental Releases - Purpose and General Duty, \cong although a risk management plan may not be required, if the Permittee produces, processes, handles, or stores any amount of a listed hazardous substance, the Permittee has a general duty to take such steps as are necessary to prevent the accidental release of such substance and to minimize the consequences of any release. **This condition is federally-enforceable only.**

Permit issued this the 13th day of November, 2002.

NORTH CAROLINA ENVIRONMENTAL MANAGEMENT COMMISSION

Michael S. Landis

Permit No. 08428R03

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Air Quality Regional Supervisor

By Authority of the Environmental Management Commission

Air Permit No. 08428R03

Insignificant / Permit Exempt Activities Under 15A NCAC 2Q .0102

Source	Date of Application	Exemption Regulation	Source of TAPs?	Source of Title V Pollutants?
two (2) hot oil heaters (4.3 MBtu per hour heat input each)	05/07/97	2Q .0102(c)(2)(B)(i)(I)	Yes	Yes
one (1) hot oil heater (1.3 MBtu per hour heat input)	05/07/97	2Q .0102(c)(2)(B)(i)(I)	Yes	Yes

1. Because an activity is exempted from being required to have a permit or permit modification does not mean that the activity is exempted from an applicable requirement or that the owner or operator of the source is exempted from demonstrating compliance with any applicable requirement.

2. When applicable, emissions from stationary source activities identified above shall be included in determining compliance with the permit requirements for toxic air pollutants under 15A NCAC 2D .1100 "Control of Toxic Air Pollutants" or 2Q .0711 A Emission Rates Requiring a Permit.≡