

New York State Department of Environmental Conservation
Facility DEC ID: 2640100068



PERMIT
Under the Environmental Conservation Law (ECL)

IDENTIFICATION INFORMATION

Permit Type: Air State Facility
Permit ID: 2-6401-00068/00011
Effective Date: 12/08/2005 Expiration Date: No expiration date

Permit Issued To: CADDELL DRY DOCK & REPAIR CO INC
RICHMOND TER & ELIZABETH AVE
STATEN ISLAND, NY 10310

Contact: STEVE KALIL
CADDELL DRY DOCK & REPAIR CO INC
1515 RICHMOND TERR
STATEN ISLAND, NY 10310
(718) 442-2112

Facility: CADDELL DRY DOCK & REPAIR CO INC-FT BEMENT/FT B'WAY
FOOT OF BEMENT AVE & FOOT OF BROADWAY
STATEN ISLAND, NY 10310

Description:

The Caddell Dry Dock and Repair Company is located at FOOT OF BEMENT AVE & FOOT OF BROADWAY in Staten Island, New York and provides marine vessel refurbishment and repair. All such activities are performed in facility dry docks (dry dock nos. 1 through 7).

Marine vessel surface coating activities involve cleaning, abrasive sand blasting to remove old surface coats, and application of new surface coats. Compressed air necessary for abrasive sand blasting is produced using air compressors powered by mobile diesel engines positioned within or adjacent to the dry docks.

Marine vessel tank cleaning activities involve fuel oil recovery (No. 6 or No. 2) and temporary storage, as well as steam cleaning.

Process steam for tank cleaning is provided by one or more facility boilers. A portion of the recovered fuel oil is sometimes used to fire the boilers which provide the process steam. Other fuel-combustion activities at this facility include operation of boilers for building space heating and production of hot water, and maintenance related exercising of standby diesel generators to be utilized in the event of an electrical supply interruption.

The facility proposes to cap emissions of NO_x to 22.5 tons per year, VOCs to 22.5 tons per year, combination of HAPs to 22.5 tons per year (the emissions of any individual HAP should be less than 10 tons per year), and particulates to 90 tons per year. Records demonstrating compliance with these caps will be kept in accordance with the permit special conditions.

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The facility is subject to the provisions of Air State Facility specified under 6NYCRR Part 201-7.2.

The Air State Facility permit contains a listing of the applicable federal, state, and compliance monitoring requirements for the facility.

By acceptance of this permit, the permittee agrees that the permit is contingent upon strict compliance with the ECL, all applicable regulations, the General Conditions specified and any Special Conditions included as part of this permit.

Permit Administrator: JOHN F CRYAN
 DIVISION OF ENVIRONMENTAL PERMITS
 ONE HUNTERS POINT PLAZA, 47-40 21ST STREET
 LONG ISLAND CITY, NY 11101-5407

Authorized Signature: _____ Date: ___ / ___ / ____



Notification of Other State Permittee Obligations

Item A: Permittee Accepts Legal Responsibility and Agrees to Indemnification

The permittee expressly agrees to indemnify and hold harmless the Department of Environmental Conservation of the State of New York, its representatives, employees, and agents ("DEC") for all claims, suits, actions, and damages, to the extent attributable to the permittee's acts or omissions in connection with the permittee's undertaking of activities in connection with, or operation and maintenance of, the facility or facilities authorized by the permit whether in compliance or not in compliance with the terms and conditions of the permit. This indemnification does not extend to any claims, suits, actions, or damages to the extent attributable to DEC's own negligent or intentional acts or omissions, or to any claims, suits, or actions naming the DEC and arising under article 78 of the New York Civil Practice Laws and Rules or any citizen suit or civil rights provision under federal or state laws.

Item B: Permittee's Contractors to Comply with Permit

The permittee is responsible for informing its independent contractors, employees, agents and assigns of their responsibility to comply with this permit, including all special conditions while acting as the permittee's agent with respect to the permitted activities, and such persons shall be subject to the same sanctions for violations of the Environmental Conservation Law as those prescribed for the permittee.

Item C: Permittee Responsible for Obtaining Other Required Permits

The permittee is responsible for obtaining any other permits, approvals, lands, easements and rights-of-way that may be required to carry out the activities that are authorized by this permit.

Item D: No Right to Trespass or Interfere with Riparian Rights

This permit does not convey to the permittee any right to trespass upon the lands or interfere with the riparian rights of others in order to perform the permitted work nor does it authorize the impairment of any rights, title, or interest in real or personal property held or vested in a person not a party to the permit.



LIST OF CONDITIONS

DEC GENERAL CONDITIONS

General Provisions

Facility Inspection by the Department

Relationship of this Permit to Other Department Orders and Determinations

Applications for Permit Renewals and Modifications

Permit Modifications, Suspensions and Revocations by the Department

Facility Level

Submission of Applications for Permit Modification or Renewal-REGION 2

HEADQUARTERS



DEC GENERAL CONDITIONS
****** General Provisions ******
GENERAL CONDITIONS - Apply to ALL Authorized Permits.

Condition 1: Facility Inspection by the Department
Applicable State Requirement: ECL 19-0305

Item 1.1:

The permitted site or facility, including relevant records, is subject to inspection at reasonable hours and intervals by an authorized representative of the Department of Environmental Conservation (the Department) to determine whether the permittee is complying with this permit and the ECL. Such representative may order the work suspended pursuant to ECL 71-0301 and SAPA 401(3).

Item 1.2:

The permittee shall provide a person to accompany the Department's representative during an inspection to the permit area when requested by the Department.

Item 1.3:

A copy of this permit, including all referenced maps, drawings and special conditions, must be available for inspection by the Department at all times at the project site or facility. Failure to produce a copy of the permit upon request by a Department representative is a violation of this permit.

Condition 2: Relationship of this Permit to Other Department Orders and Determinations
Applicable State Requirement: ECL 3-0301.2(m)

Item 2.1:

Unless expressly provided for by the Department, issuance of this permit does not modify, supersede or rescind any order or determination previously issued by the Department or any of the terms, conditions or requirements contained in such order or determination.

Condition 3: Applications for Permit Renewals and Modifications
Applicable State Requirement: 6NYCRR 621.13

Item 3.1:

The permittee must submit a separate written application to the Department for renewal, modification or transfer of this permit. Such application must include any forms or supplemental information the Department requires. Any renewal, modification or transfer granted by the Department must be in writing.

Item 3.2:

The permittee must submit a renewal application at least 180 days before expiration of permits for Title V Facility Permits, or at least 30 days before expiration of permits for State Facility Permits.

Item 3.3:

Permits are transferrable with the approval of the department unless specifically prohibited by the statute, regulation or another permit condition. Applications for permit transfer should be submitted prior to actual



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transfer of ownership.

Condition 4: Permit Modifications, Suspensions and Revocations by the Department
Applicable State Requirement: 6NYCRR 621.14

Item 4.1:

The Department reserves the right to modify, suspend, or revoke this permit in accordance with 6NYCRR Part 621. The grounds for modification, suspension or revocation include:

- a) materially false or inaccurate statements in the permit application or supporting papers;
- b) failure by the permittee to comply with any terms or conditions of the permit;
- c) exceeding the scope of the project as described in the permit application;
- d) newly discovered material information or a material change in environmental conditions, relevant technology or applicable law or regulations since the issuance of the existing permit;
- e) noncompliance with previously issued permit conditions, orders of the commissioner, any provisions of the Environmental Conservation Law or regulations of the Department related to the permitted activity.

****** Facility Level ******

Condition 5: Submission of Applications for Permit Modification or Renewal-REGION 2 HEADQUARTERS
Applicable State Requirement: 6NYCRR 621.5(a)

Item 5.1:

Submission of applications for permit modification or renewal are to be submitted to:

NYSDEC Regional Permit Administrator
Region 2 Headquarters
Division of Environmental Permits
1 Hunters Point Plaza, 4740 21st Street
Long Island City, NY 11101-5407
(718) 482-4997



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ARTICLE 19: AIR POLLUTION CONTROL - AIR STATE FACILITY PERMIT

IDENTIFICATION INFORMATION

Permit Issued To: CADDELL DRY DOCK & REPAIR CO INC
RICHMOND TER & ELIZABETH AVE
STATEN ISLAND, NY 10310

Facility: CADDELL DRY DOCK & REPAIR CO INC-FT BEMENT/FT B'WAY
FOOT OF BEMENT AVE & FOOT OF BROADWAY
STATEN ISLAND, NY 10310

Authorized Activity By Standard Industrial Classification Code:
3731 - SHIP BUILDING AND REPAIRING

Permit Effective Date: 12/08/2005

Permit Expiration Date: No expiration date.



LIST OF CONDITIONS

FEDERALLY ENFORCEABLE CONDITIONS

Facility Level

- 1 6NYCRR 211.3: Visible Emissions Limited
- 2 6NYCRR 201-6.5(g): Non Applicable requirements
- 3 6NYCRR 201-7.2: Facility Permissible Emissions
- *4 6NYCRR 201-7.2: Capping Monitoring Condition
- *5 6NYCRR 201-7.2: Capping Monitoring Condition
- *6 6NYCRR 201-7.2: Capping Monitoring Condition
- *7 6NYCRR 201-7.2: Capping Monitoring Condition
- 8 6NYCRR 225-1.2(a)(2): Compliance Demonstration
- 9 6NYCRR 225-1.2(a)(2): Compliance Demonstration
- 10 6NYCRR 225-1.8(a): Compliance Demonstration
- 11 6NYCRR 227-1.3(a): Compliance Demonstration
- 12 6NYCRR 228.3(a): Recordkeeping, reports of VOCs
- 13 6NYCRR 228.6(a): Prohibition of Sale
- 14 6NYCRR 228.7: Compliance Demonstration
- 15 6NYCRR 228.7: Compliance Demonstration

Emission Unit Level

EU=3-REFRB

- 16 6NYCRR 211.3: Compliance Demonstration
- 17 6NYCRR 212.3(a): Emissions from Existing Sources
- 18 6NYCRR 212.6(a): Compliance Demonstration

EU=3-REFRB,Proc=ASB

- 19 6NYCRR 212.3(b): Existing sources - 212.3(b) particulate matter standard.

EU=3-REFRB,Proc=SCA

- 20 6NYCRR 228.5(a): Compliance Demonstration
- 21 6NYCRR 228.6(a): Prohibition of sale.

STATE ONLY ENFORCEABLE CONDITIONS

Facility Level

- 22 ECL 19-0301: Contaminant List
- 23 6NYCRR 201-1.4: Unavoidable noncompliance and violations
- 24 6NYCRR 201-5: Emission Unit Definition
- 25 6NYCRR 211.2: Air pollution prohibited

Emission Unit Level

- 26 6NYCRR 201-5: Emission Point Definition By Emission Unit
- 27 6NYCRR 201-5: Process Definition By Emission Unit

NOTE: * preceding the condition number indicates capping.



FEDERALLY ENFORCEABLE CONDITIONS

****** Facility Level ******

NOTIFICATION OF GENERAL PERMITTEE OBLIGATIONS

This section contains terms and conditions which are federally enforceable. Permittees may also have other obligations under regulations of general applicability

Item A: Sealing - 6NYCRR Part 200.5

The Commissioner may seal an air contamination source to prevent its operation if compliance with 6 NYCRR Chapter III is not met within the time provided by an order of the Commissioner issued in the case of the violation.

Sealing means labeling or tagging a source to notify any person that operation of the source is prohibited, and also includes physical means of preventing the operation of an air contamination source without resulting in destruction of any equipment associated with such source, and includes, but is not limited to, bolting, chaining or wiring shut control panels, apertures or conduits associated with such source.

No person shall operate any air contamination source sealed by the Commissioner in accordance with this section unless a modification has been made which enables such source to comply with all requirements applicable to such modification.

Unless authorized by the Commissioner, no person shall remove or alter any seal affixed to any contamination source in accordance with this section.

Item B: Acceptable Ambient Air Quality - 6NYCRR Part 200.6

Notwithstanding the provisions of 6 NYCRR Chapter III, Subchapter A, no person shall allow or permit any air contamination source to emit air contaminants in quantities which alone or in combination with emissions from other air contamination sources would contravene any applicable ambient air quality standard and/or cause air pollution. In such cases where contravention occurs or may occur, the Commissioner shall specify the degree and/or method of emission control required.

Item C: Maintenance of Equipment - 6NYCRR Part 200.7

Any person who owns or operates an air contamination

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source which is equipped with an emission control device shall operate such device and keep it in a satisfactory state of maintenance and repair in accordance with ordinary and necessary practices, standards and procedures, inclusive of manufacturer's specifications, required to operate such device effectively.

Item D: Unpermitted Emission Sources - 6NYCRR Part 201-1.2

If an existing emission source was subject to the permitting requirements of 6NYCRR Part 201 at the time of construction or modification, and the owner and/or operator failed to apply for a permit for such emission source then the following provisions apply:

(a) The owner and/or operator must apply for a permit for such emission source or register the facility in accordance with the provisions of Part 201.

(b) The emission source or facility is subject to all regulations that were applicable to it at the time of construction or modification and any subsequent requirements applicable to existing sources or facilities.

Item E: Emergency Defense - 6NYCRR Part 201-1.5

An emergency constitutes an affirmative defense to an action brought for noncompliance with emissions limitations or permit conditions for all facilities in New York State.

(a) The affirmative defense of emergency shall be demonstrated through properly signed, contemporaneous operating logs, or other relevant evidence that:

(1) An emergency occurred and that the facility owner and/or operator can identify the cause(s) of the emergency;

(2) The equipment at the permitted facility causing the emergency was at the time being properly operated;

(3) During the period of the emergency the facility owner and/or operator took all reasonable steps to minimize levels of emissions that exceeded the emission standards, or other requirements in the permit; and

(4) The facility owner and/or operator notified the Department within two working days after the event



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occurred. This notice must contain a description of the emergency, any steps taken to mitigate emissions, and corrective actions taken.

(b) In any enforcement proceeding, the facility owner and/or operator seeking to establish the occurrence of an emergency has the burden of proof.

(c) This provision is in addition to any emergency or upset provision contained in any applicable requirement.

Item F: Recycling and Salvage - 6NYCRR Part 201-1.7

Where practical, any person who owns or operates an air contamination source shall recycle or salvage air contaminants collected in an air cleaning device according to the requirements of 6 NYCRR.

Item G: Prohibition of Reintroduction of Collected Contaminants to the Air - 6NYCRR Part 201-1.8

No person shall unnecessarily remove, handle, or cause to be handled, collected air contaminants from an air cleaning device for recycling, salvage or disposal in a manner that would reintroduce them to the outdoor atmosphere.

Item H: Proof of Eligibility for Sources Defined as Exempt Activities - 6 NYCRR Part 201-3.2(a)

The owner and/or operator of an emission source or unit that is eligible to be exempt, may be required to certify that it operates within the specific criteria described in 6 NYCRR Subpart 201-3. The owner or operator of any such emission source must maintain all required records on-site for a period of five years and make them available to representatives of the Department upon request. Department representatives must be granted access to any facility which contains emission sources or units subject to 6 NYCRR Subpart 201-3, during normal operating hours, for the purpose of determining compliance with this and any other state and federal air pollution control requirements, regulations, or law.

Item I: Proof of Eligibility for Sources Defined as Trivial Activities - 6 NYCRR Part 201-3.3(a)

The owner and/or operator of an emission source or unit that is listed as being trivial in 6 NYCRR Part 201 may be required to certify that it operates within the specific



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criteria described in 6 NYCRR Subpart 201-3. The owner or operator of any such emission source must maintain all required records on-site for a period of five years and make them available to representatives of the Department upon request. Department representatives must be granted access to any facility which contains emission sources or units subject to 6 NYCRR Subpart 201-3, during normal operating hours, for the purpose of determining compliance with this and any other state and federal air pollution control requirements, regulations, or law.

Item J: Required Emission Tests - 6 NYCRR Part 202-1.1

An acceptable report of measured emissions shall be submitted, as may be required by the Commissioner, to ascertain compliance or noncompliance with any air pollution code, rule, or regulation. Failure to submit a report acceptable to the Commissioner within the time stated shall be sufficient reason for the Commissioner to suspend or deny an operating permit. Notification and acceptable procedures are specified in 6NYCRR Part 202-1.

Item K: Visible Emissions Limited - 6 NYCRR Part 211.3

Except as permitted by a specific part of this Subchapter and for open fires for which a restricted burning permit has been issued, no person shall cause or allow any air contamination source to emit any material having an opacity equal to or greater than 20 percent (six minute average) except for one continuous six-minute period per hour of not more than 57 percent opacity.

Item L: Open Fires - 6 NYCRR Part 215

No person shall burn, cause, suffer, allow or permit the burning in an open fire of garbage, rubbish for salvage, or rubbish generated by industrial or commercial activities.

Item M: Permit Exclusion - ECL 19-0305

The issuance of this permit by the Department and the receipt thereof by the Applicant does not and shall not be construed as barring, diminishing, adjudicating or in any way affecting any legal, administrative or equitable rights or claims, actions, suits, causes of action or demands whatsoever that the Department may have against the Applicant for violations based on facts and circumstances alleged to have occurred or existed prior to the effective date of this permit, including, but not



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limited to, any enforcement action authorized pursuant to the provisions of applicable federal law, the Environmental Conservation Law of the State of New York (ECL) and Chapter III of the Official Compilation of the Codes, Rules and Regulations of the State of New York (NYCRR). The issuance of this permit also shall not in any way affect pending or future enforcement actions under the Clean Air Act brought by the United States or any person.

Item N: Federally Enforceable Requirements - 40 CFR 70.6(b)
All terms and conditions in this permit required by the Act or any applicable requirement, including any provisions designed to limit a facility's potential to emit, are enforceable by the Administrator and citizens under the Act. The Department has, in this permit, specifically designated any terms and conditions that are not required under the Act or under any of its applicable requirements as being enforceable under only state regulations.

FEDERAL APPLICABLE REQUIREMENTS
The following conditions are federally enforceable.

Condition 1: Visible Emissions Limited
Effective between the dates of 12/08/2005 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 211.3

Item 1.1:
Except as permitted by a specific part of this Subchapter and for open fires for which a restricted burning permit has been issued, no person shall cause or allow any air contamination source to emit any material having an opacity equal to or greater than 20 percent (six minute average) except for one continuous six-minute period per hour of not more than 57 percent opacity.

Condition 2: Non Applicable requirements
Effective between the dates of 12/08/2005 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 201-6.5(g)

Item 2.1:
This section contains a summary of those requirements that have been specifically identified as being not applicable to this facility and/or emission units, emission points, processes and/or emission sources within this facility. The summary also includes a justification for classifying any such requirements as non-applicable.



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6NYCRR 229

Emission Unit: 4BARGE

Reason: In accordance with 6NYCRR Part 229.2(17) petroleum liquids do not include #2 through #6 fuel oils.

Condition 3: Facility Permissible Emissions
Effective between the dates of 12/08/2005 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 201-7.2

Item 3.1:

The sum of emissions from the emission units specified in this permit shall not equal or exceed the following

Potential To Emit (PTE) rate for each regulated contaminant:

CAS No: 0NY075-00-0 PTE: 180,000 pounds per year
Name: PARTICULATES

CAS No: 0NY100-00-0 PTE: 45,000 pounds per year
Name: HAP

CAS No: 0NY210-00-0 PTE: 45,000 pounds per year
Name: OXIDES OF NITROGEN

CAS No: 0NY998-00-0 PTE: 45,000 pounds per year
Name: VOC

Condition 4: Capping Monitoring Condition
Effective between the dates of 12/08/2005 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 201-7.2

Item 4.1:

Under the authority of 6 NYCRR Part 201-7, this condition contains an emission cap for the purpose of limiting emissions from the facility, emission unit or process to avoid being subject to the following applicable requirement(s) that the facility, emission unit or process would otherwise be subject to:

6NYCRR 201-6
6NYCRR 231-2
40CFR 63-II

Item 4.2:

Operation of this facility shall take place in accordance with the approved criteria, emission limits, terms, conditions and standards in this permit.



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Item 4.3:

The owner or operator of the permitted facility must maintain all required records on-site for a period of five years and make them available to representatives of the Department upon request. Department representatives must be granted access to any facility regulated by this Subpart, during normal operating hours, for the purpose of determining compliance with this and any other state and federal air pollution control requirements, regulations or law.

Item 4.4:

On an annual basis, unless otherwise specified below, beginning one year after the granting of an emissions cap, the responsible official shall provide a certification to the Department that the facility has operated all emission units within the limits imposed by the emission cap. This certification shall include a brief summary of the emissions subject to the cap for that time period and a comparison to the threshold levels that would require compliance with an applicable requirement.

Item 4.5:

The emission of pollutants that exceed the applicability thresholds for an applicable requirement, for which the facility has obtained an emissions cap, constitutes a violation of Part 201 and of the Act.

Item 4.6:

The Compliance Demonstration activity will be performed for the Facility.

Regulated Contaminant(s):
CAS No: 0NY100-00-0 HAP

Item 4.7:

Compliance Demonstration shall include the following monitoring:

Capping: Yes
Monitoring Type: WORK PRACTICE INVOLVING SPECIFIC OPERATIONS

Monitoring Description:
The HAPs (hazardous air pollutants) emissions are capped at 22.5 tons per year for any combination of hazardous air pollutants.

The owner or operator of the facility must calculate the actual HAP content of each as applied coating.

The owner or operator must maintain and, upon request, provide the department with a certification from the coating supplier/manufacturer which verifies the parameters used to determine the actual HAP content of each as applied coating, (HAP), used at the facility.

Work Practice Type: PARAMETER OF PROCESS MATERIAL
Process Material: COATING
Parameter Monitored: HAP



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Upper Permit Limit: 45000 pounds per year
Monitoring Frequency: MONTHLY
Averaging Method: ANNUAL MAXIMUM ROLLED MONTHLY
Reporting Requirements: ANNUALLY (CALENDAR)
Reports due 30 days after the reporting period.
The initial report is due 1/30/2006.
Subsequent reports are due every 12 calendar month(s).

Condition 5: Capping Monitoring Condition
Effective between the dates of 12/08/2005 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 201-7.2

Item 5.1:

Under the authority of 6 NYCRR Part 201-7, this condition contains an emission cap for the purpose of limiting emissions from the facility, emission unit or process to avoid being subject to the following applicable requirement(s) that the facility, emission unit or process would otherwise be subject to:

6NYCRR 201-6
6NYCRR 231-2

Item 5.2:

Operation of this facility shall take place in accordance with the approved criteria, emission limits, terms, conditions and standards in this permit.

Item 5.3:

The owner or operator of the permitted facility must maintain all required records on-site for a period of five years and make them available to representatives of the Department upon request. Department representatives must be granted access to any facility regulated by this Subpart, during normal operating hours, for the purpose of determining compliance with this and any other state and federal air pollution control requirements, regulations or law.

Item 5.4:

On an annual basis, unless otherwise specified below, beginning one year after the granting of an emissions cap, the responsible official shall provide a certification to the Department that the facility has operated all emission units within the limits imposed by the emission cap. This certification shall include a brief summary of the emissions subject to the cap for that time period and a comparison to the threshold levels that would require compliance with an applicable requirement.

Item 5.5:

The emission of pollutants that exceed the applicability thresholds for an applicable requirement, for which the facility has obtained an emissions cap, constitutes a violation of Part 201 and of the Act.

Item 5.6:

The Compliance Demonstration activity will be performed for the Facility.

Regulated Contaminant(s):



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CAS No: 0NY075-00-0 PARTICULATES

Item 5.7:

Compliance Demonstration shall include the following monitoring:

Capping: Yes

Monitoring Type: WORK PRACTICE INVOLVING SPECIFIC OPERATIONS

Monitoring Description:

The particulates emissions are capped at 90 tons per year.

The owner or operator shall maintain a record of the quantity of sand blast material used at the facility. Also, the owner or operator shall calculate (based on the abrasive material quantity) using the following formula:

$ABR(182) < 180,000$ lbs/yr of particulates emissions.

Where:

ABR = 12-month rolling total of abrasive blasting (from vessel refurbishment operation) in tons/yr
182 - emission factor for particulates (AP-42, Section 13.2.6, Table 13.2.6-1) in lb/ton (or 91 lb/1,000 lb abrasive) of abrasive blasting material.

Work Practice Type: PARAMETER OF PROCESS MATERIAL

Process Material: ABRASIVE

Parameter Monitored: PARTICULATES

Upper Permit Limit: 180000 pounds per year

Monitoring Frequency: MONTHLY

Averaging Method: ANNUAL MAXIMUM ROLLED MONTHLY

Reporting Requirements: ANNUALLY (CALENDAR)

Reports due 30 days after the reporting period.

The initial report is due 1/30/2006.

Subsequent reports are due every 12 calendar month(s).

Condition 6: Capping Monitoring Condition
Effective between the dates of 12/08/2005 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 201-7.2

Item 6.1:

Under the authority of 6 NYCRR Part 201-7, this condition contains an emission cap for the purpose of



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limiting emissions from the facility, emission unit or process to avoid being subject to the following applicable requirement(s) that the facility, emission unit or process would otherwise be subject to:

6NYCRR 201-6

6NYCRR 231-2

Item 6.2:

Operation of this facility shall take place in accordance with the approved criteria, emission limits, terms, conditions and standards in this permit.

Item 6.3:

The owner or operator of the permitted facility must maintain all required records on-site for a period of five years and make them available to representatives of the Department upon request. Department representatives must be granted access to any facility regulated by this Subpart, during normal operating hours, for the purpose of determining compliance with this and any other state and federal air pollution control requirements, regulations or law.

Item 6.4:

On an annual basis, unless otherwise specified below, beginning one year after the granting of an emissions cap, the responsible official shall provide a certification to the Department that the facility has operated all emission units within the limits imposed by the emission cap. This certification shall include a brief summary of the emissions subject to the cap for that time period and a comparison to the threshold levels that would require compliance with an applicable requirement.

Item 6.5:

The emission of pollutants that exceed the applicability thresholds for an applicable requirement, for which the facility has obtained an emissions cap, constitutes a violation of Part 201 and of the Act.

Item 6.6:

The Compliance Demonstration activity will be performed for the Facility.

Regulated Contaminant(s):

CAS No: 0NY210-00-0 OXIDES OF NITROGEN

Item 6.7:

Compliance Demonstration shall include the following monitoring:

Capping: Yes

Monitoring Type: WORK PRACTICE INVOLVING SPECIFIC OPERATIONS

Monitoring Description:

The NO_x (oxides of nitrogen) emissions are capped at 22.5 tons per year.

The owner or operator shall maintain a record of the quantity of each fuel fired at the facility. Also, the owner or operator shall calculate (based on the fuel

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quantity) using the following formula:

$$R(0.075) + D(0.02) + G(100) + E(0.44) + N(3400) < 45,000$$

lbs/yr of Oxides of Nitrogen emissions.

Where:

R = 12-month rolling total of residual oil fired (from boilers) in gals/yr

D = 12-month rolling total of distillate oil fired (from boilers) in gals/yr

G = 12-month rolling total of natural gas fired (from boilers) in MMSCF/yr

E = 12-month rolling total of distillate oil fired (from engines) in gals/yr

N = 12-month rolling total of natural gas fired (from engines) in MMSCF/yr

Work Practice Type: PARAMETER OF PROCESS MATERIAL

Process Material: FUEL

Parameter Monitored: OXIDES OF NITROGEN

Upper Permit Limit: 45000 pounds per year

Monitoring Frequency: MONTHLY

Averaging Method: ANNUAL MAXIMUM ROLLED MONTHLY

Reporting Requirements: ANNUALLY (CALENDAR)

Reports due 30 days after the reporting period.

The initial report is due 1/30/2006.

Subsequent reports are due every 12 calendar month(s).

Condition 7: Capping Monitoring Condition
Effective between the dates of 12/08/2005 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 201-7.2

Item 7.1:

Under the authority of 6 NYCRR Part 201-7, this condition contains an emission cap for the purpose of limiting emissions from the facility, emission unit or process to avoid being subject to the following applicable requirement(s) that the facility, emission unit or process would otherwise be subject to:

6NYCRR 201-6

6NYCRR 231-2

40CFR 63-II

Item 7.2:

Operation of this facility shall take place in accordance with the approved criteria, emission limits, terms, conditions and standards in this permit.

Item 7.3:



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The owner or operator of the permitted facility must maintain all required records on-site for a period of five years and make them available to representatives of the Department upon request. Department representatives must be granted access to any facility regulated by this Subpart, during normal operating hours, for the purpose of determining compliance with this and any other state and federal air pollution control requirements, regulations or law.

Item 7.4:

On an annual basis, unless otherwise specified below, beginning one year after the granting of an emissions cap, the responsible official shall provide a certification to the Department that the facility has operated all emission units within the limits imposed by the emission cap. This certification shall include a brief summary of the emissions subject to the cap for that time period and a comparison to the threshold levels that would require compliance with an applicable requirement.

Item 7.5:

The emission of pollutants that exceed the applicability thresholds for an applicable requirement, for which the facility has obtained an emissions cap, constitutes a violation of Part 201 and of the Act.

Item 7.6:

The Compliance Demonstration activity will be performed for the Facility.

Regulated Contaminant(s):
CAS No: 0NY998-00-0 VOC

Item 7.7:

Compliance Demonstration shall include the following monitoring:

Capping: Yes
Monitoring Type: WORK PRACTICE INVOLVING SPECIFIC OPERATIONS

Monitoring Description:
The VOCs (volatile organic compounds) emissions are capped at 22.5 tons per year.

The owner or operator of the facility must calculate the actual VOC content of each as applied coating.

The owner or operator must maintain and, upon request, provide the department with a certification from the coating supplier/manufacturer which verifies the parameters used to determine the actual VOC content of each as applied coating, (VOC), used at the facility.

Work Practice Type: PARAMETER OF PROCESS MATERIAL
Process Material: COATING
Parameter Monitored: VOC's
Upper Permit Limit: 45000 pounds per year
Monitoring Frequency: MONTHLY



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Averaging Method: ANNUAL MAXIMUM ROLLED MONTHLY
Reporting Requirements: ANNUALLY (CALENDAR)
Reports due 30 days after the reporting period.
The initial report is due 1/30/2006.
Subsequent reports are due every 12 calendar month(s).

Condition 8: Compliance Demonstration
Effective between the dates of 12/08/2005 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 225-1.2(a)(2)

Item 8.1:

The Compliance Demonstration activity will be performed for the Facility.

Item 8.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: WORK PRACTICE INVOLVING SPECIFIC
OPERATIONS

Monitoring Description:

No person shall use, purchase, sell, or offer for sale
any distillate fuel oil which has a sulfur content greater
than the limit presented below. A log of the sulfur
content in oil per delivery must be maintained on site for
a minimum of five years after the date of the last entry.

Work Practice Type: PARAMETER OF PROCESS MATERIAL

Process Material: DISTILLATES - NUMBER 1 AND NUMBER 2 OIL

Parameter Monitored: SULFUR CONTENT

Upper Permit Limit: 0.2 percent by weight

Monitoring Frequency: PER DELIVERY

Averaging Method: MAXIMUM - NOT TO BE EXCEEDED AT ANY
TIME (INSTANTANEOUS/DISCRETE OR GRAB)

Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

Condition 9: Compliance Demonstration
Effective between the dates of 12/08/2005 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 225-1.2(a)(2)

Item 9.1:

The Compliance Demonstration activity will be performed for the Facility.

Item 9.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: WORK PRACTICE INVOLVING SPECIFIC

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Monitoring Description:

No person shall use, purchase, sell, or offer for sale any residual fuel oil which has a sulfur content greater than the limit presented below. A log of the sulfur content in oil per delivery must be maintained on site for a minimum of five years after the date of the last entry.

Work Practice Type: PARAMETER OF PROCESS MATERIAL

Process Material: RESIDUAL FUEL (#4, #5 AND/OR #6 FUEL OIL)

Parameter Monitored: SULFUR CONTENT

Upper Permit Limit: 0.3 percent by weight

Monitoring Frequency: PER DELIVERY

Averaging Method: MAXIMUM - NOT TO BE EXCEEDED AT ANY TIME (INSTANTANEOUS/DISCRETE OR GRAB)

Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

Condition 10: Compliance Demonstration
Effective between the dates of 12/08/2005 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 225-1.8(a)

Item 10.1:

The Compliance Demonstration activity will be performed for the Facility.

Item 10.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

The permittee shall retain fuel oil supplier certifications for each shipment of oil received. Such certifications shall contain, as a minimum: supplier name, date of shipment, quantity shipped, heating value of the oil, oil sulfur content, and the method used to determine the sulfur content. Such certifications shall be available for inspection by, or submittal to, NYSDEC upon request.

Monitoring Frequency: PER DELIVERY

Averaging Method: AVERAGING METHOD - SEE MONITORING DESCRIPTION

Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

Condition 11: Compliance Demonstration
Effective between the dates of 12/08/2005 and Permit Expiration Date



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Applicable Federal Requirement: 6NYCRR 227-1.3(a)

Item 11.1:

The Compliance Demonstration activity will be performed for the Facility.

Item 11.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: MONITORING OF PROCESS OR CONTROL
DEVICE PARAMETERS AS SURROGATE

Monitoring Description:

No owner or operator of a combustion installation shall emit greater than 20 percent opacity except for one six minute period per hour, not to exceed 27 percent, based upon the six minute average in reference test method 9 in Appendix A of 40 CFR 60.

Parameter Monitored: OPACITY

Upper Permit Limit: 20 percent

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING
DESCRIPTION

Averaging Method: 6-MINUTE AVERAGE (METHOD 9)

Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

Condition 12: Recordkeeping, reports of VOCs
Effective between the dates of 12/08/2005 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 228.3(a)

Item 12.1:

Use of coatings that exceed the maximum permitted pounds of VOC per gallon, minus water and excluded VOC at application specified in table 1 of section 228.7 or table 2 of section 228.8 of 6 NYCRR Part 228 is prohibited.

Condition 13: Prohibition of Sale
Effective between the dates of 12/08/2005 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 228.6(a)

Item 13.1:

(A) No person shall sell, specify, or require for use the application of a coating on a part or product at a facility with a coating line described in table 1 or 2 in section 228.7 or 228.8 of 6NYCRR Part 228 if such use is prohibited by any of the provisions of this Part. The prohibition shall apply to all written or oral contracts under the terms of which any coating is to be applied to any part or product at this facility. This prohibition shall not apply to the following:

(1) coatings utilized at surface coating lines where control equipment has been installed to meet



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the maximum permitted VOC content limitations specified in tables 1 and 2 of sections 228.7 or 228.8 of 6NYCRR Part 228;

(2) coatings utilized at surface coating lines where a coating system is used which meets the requirements specified in section 228.3(d) of 6NYCRR Part 228; and

(3) coatings utilized at surface coating lines that have been granted variances for reasons of technological and economic feasibility per section 228.3(e) of 6NYCRR Part 228.

Condition 14: Compliance Demonstration

Effective between the dates of 12/08/2005 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 228.7

Item 14.1:

The Compliance Demonstration activity will be performed for the Facility.

Regulated Contaminant(s):

CAS No: 0NY998-00-0 VOC

Item 14.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: WORK PRACTICE INVOLVING SPECIFIC OPERATIONS

Monitoring Description:

Miscellaneous metal parts and product coating lines, excluding all nonmetallic parts, utilizing air dried or forced warm air dried at a temperature up to 90 degrees centigrade coatings may contain a maximum of 3.5 pounds of volatile organic compounds per gallon of coating (minus water and excluded VOC) as applied.

Work Practice Type: PARAMETER OF PROCESS MATERIAL

Process Material: COATING LINES

Parameter Monitored: VOC CONTENT

Upper Permit Limit: 3.5 pounds per gallon

Monitoring Frequency: PER BATCH OF PRODUCT/RAW MATERIAL CHANGE

Averaging Method: MAXIMUM - NOT TO BE EXCEEDED AT ANY TIME (INSTANTANEOUS/DISCRETE OR GRAB)

Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY



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Condition 15: Compliance Demonstration

Effective between the dates of 12/08/2005 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 228.7

Item 15.1:

The Compliance Demonstration activity will be performed for the Facility.

Regulated Contaminant(s):

CAS No: 0NY998-00-0 VOC

Item 15.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: WORK PRACTICE INVOLVING SPECIFIC OPERATIONS

Monitoring Description:

Miscellaneous metal parts and product coating lines, excluding all nonmetallic parts, utilizing clear coatings may contain a maximum of 4.3 pounds of volatile organic compounds per gallon of coating (minus water and excluded VOC) as applied.

Work Practice Type: PARAMETER OF PROCESS MATERIAL

Process Material: COATING LINES

Parameter Monitored: VOC CONTENT

Upper Permit Limit: 4.3 pounds per gallon

Monitoring Frequency: PER BATCH OF PRODUCT/RAW MATERIAL CHANGE

Averaging Method: MAXIMUM - NOT TO BE EXCEEDED AT ANY TIME (INSTANTANEOUS/DISCRETE OR GRAB)

Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

****** Emission Unit Level ******

Condition 16: Compliance Demonstration

Effective between the dates of 12/08/2005 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 211.3

Item 16.1:

The Compliance Demonstration activity will be performed for:

Emission Unit: 3-REFRB

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Item 16.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

Except as permitted by a specific part of Title 6 of the NYCRR and for open fires for which a restricted burning permit has been issued, no person shall cause or allow any air contamination source to emit material having an opacity equal to or greater than 20 percent (six minute average) except for one continuous six-minute period per hour of not more than 57 percent opacity.

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION

Averaging Method: AVERAGING METHOD - SEE MONITORING DESCRIPTION

Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

Condition 17: Emissions from Existing Sources
Effective between the dates of 12/08/2005 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 212.3(a)

Item 17.1:

This Condition applies to Emission Unit: 3-REFRB

Item 17.2: No person will cause or allow emissions that violate the requirement specified in Table 2, Table 3, or Table 4 of 6NYCRR Part 212 for the environmental rating issued by the commissioner.

Condition 18: Compliance Demonstration
Effective between the dates of 12/08/2005 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 212.6(a)

Item 18.1:

The Compliance Demonstration activity will be performed for:

Emission Unit: 3-REFRB

Item 18.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: MONITORING OF PROCESS OR CONTROL DEVICE PARAMETERS AS SURROGATE

Monitoring Description:



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No person shall cause or allow emissions having an average opacity during any six consecutive minutes of 20 percent or greater from any process emission source, except only the emission of uncombined water. Compliance with this requirement shall be determined by the facility owner/operator conducting a daily survey of visible emissions when the process is in operation. If any visible emissions are identified, corrective action is required. The Department reserves the right to perform or require the performance of a Method 9 opacity evaluation

Parameter Monitored: OPACITY

Upper Permit Limit: 20 percent

Reference Test Method: EPA Method 9

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING

DESCRIPTION

Averaging Method: 6-MINUTE AVERAGE (METHOD 9)

Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

**Condition 19: Existing sources - 212.3(b) particulate matter standard.
Effective between the dates of 12/08/2005 and Permit Expiration Date**

Applicable Federal Requirement: 6NYCRR 212.3(b)

Item 19.1:

This Condition applies to Emission Unit: 3-REFRB
Process: ASB

Item 19.2:

In instances where determination of permissible emission rate using process weight is not applicable (see Table 5 of Part 212) and for an environmental rating of B or C, no person will cause or allow emissions of solid particulates that exceed 0.15 grains of particulates per cubic foot of exhaust gas, corrected for dilution air and expressed at standard conditions on a dry gas basis.

**Condition 20: Compliance Demonstration
Effective between the dates of 12/08/2005 and Permit Expiration Date**

Applicable Federal Requirement: 6NYCRR 228.5(a)

Item 20.1:

The Compliance Demonstration activity will be performed for:

Emission Unit: 3-REFRB

Process: SCA

Regulated Contaminant(s):

CAS No: 0NY998-00-0 VOC

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Item 20.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

The owner or operator of any emission source subject to 6NYCRR Part 228 must maintain and, upon request, provide the Department with a certification from the coating supplier/manufacturer which verifies the parameters used to determine the actual VOC content of each as applied coating, (VOC)a, used at the facility. In addition, purchase, usage and/or production records of the coating material, including solvents, must be maintained in a format acceptable to the Department and, upon request, these records must be submitted to the Department. Any facility required to perform the overall removal efficiency calculation, must maintain records to verify the parameters used in the calculation. A facility owner or operator must maintain a record that identifies each air cleaning device that has an overall removal efficiency of at least 85 percent. Any additional information required to determine compliance must be provided to the Department in a format acceptable to the Department.

Monitoring Frequency: PER BATCH OF PRODUCT/RAW MATERIAL CHANGE

Averaging Method: ANNUAL MAXIMUM ROLLED MONTHLY

Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

Condition 21: Prohibition of sale.

Effective between the dates of 12/08/2005 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 228.6(a)

Item 21.1:

This Condition applies to Emission Unit: 3-REFRB
Process: SCA

Item 21.2:

No person shall sell, specify, or require for use the application of a coating on a part or product at a facility with a coating line described in table 1 or 2 in section 228.7 or 228.8 of 6NYCRR Part 228 if such use is prohibited by any of the provisions of this Part. The prohibition shall apply to all written or oral contracts under the terms of which any coating is to be applied to any part or product at this facility. This prohibition shall not apply to the following:

(1) coatings utilized at surface coating lines where control equipment has been installed to meet the

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maximum permitted VOC content limitations specified in tables 1 and 2 of sections 228.7 or 228.8 of 6NYCRR Part 228;

(2) coatings utilized at surface coating lines where a coating system is used which meets the requirements specified in section 228.3(d) of 6NYCRR Part 228; and

(3) coatings utilized at surface coating lines that have been granted variances for reasons of technological and economic feasibility per section 228.3(e) of 6NYCRR Part 228.



STATE ONLY ENFORCEABLE CONDITIONS

****** Facility Level ******

NOTIFICATION OF GENERAL PERMITTEE OBLIGATIONS

This section contains terms and conditions which are not federally enforceable. Permittees may also have other obligations under regulations of general applicability

Item A: Public Access to Recordkeeping for Facilities With State Facility Permits - 6NYCRR Part 201-1.10(a)

Where emission source owners and/or operators keep records pursuant to compliance with the operational flexibility requirements of 6 NYCRR Subpart 201-5.4(b)(1) , and/or the emission capping requirements of 6 NYCRR Subparts 201-7.2(d), 201-7.3(f), 201-7.3(g), 201-7.3(h)(5), 201-7.3(i) and 201-7.3(j), the Department will make such records available to the public upon request in accordance with 6 NYCRR Part 616 - Public Access to Records. Emission source owners and/or operators must submit the records required to comply with the request within sixty working days of written notification by the Department of receipt of the request.

Item B: General Provisions for State Enforceable Permit Terms and Condition - 6 NYCRR Part 201-5

Any person who owns and/or operates stationary sources shall operate and maintain all emission units and any required emission control devices in compliance with all applicable Parts of this Chapter and existing laws, and shall operate the facility in accordance with all criteria, emission limits, terms, conditions, and standards in this permit. Failure of such person to properly operate and maintain the effectiveness of such emission units and emission control devices may be sufficient reason for the Department to revoke or deny a permit.

The owner or operator of the permitted facility must maintain all required records on-site for a period of five years and make them available to representatives of the Department upon request. Department representatives must be granted access to any facility regulated by this Subpart, during normal operating hours, for the purpose of determining compliance with this and any other state and federal air pollution control requirements, regulations or

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law.

STATE ONLY APPLICABLE REQUIREMENTS

The following conditions are state only enforceable.

Condition 22: Contaminant List

Effective between the dates of 12/08/2005 and Permit Expiration Date

Applicable State Requirement: ECL 19-0301

Item 22.1:

Emissions of the following contaminants are subject to contaminant specific requirements in this permit(emission limits, control requirements or compliance monitoring conditions).

CAS No: 0NY100-00-0

Name: HAP

CAS No: 0NY210-00-0

Name: OXIDES OF NITROGEN

CAS No: 0NY075-00-0

Name: PARTICULATES

CAS No: 0NY998-00-0

Name: VOC

Condition 23: Unavoidable noncompliance and violations

Effective between the dates of 12/08/2005 and Permit Expiration Date

Applicable State Requirement: 6NYCRR 201-1.4

Item 23.1:

At the discretion of the commissioner a violation of any applicable emission standard for necessary scheduled equipment maintenance, start-up/shutdown conditions and malfunctions or upsets may be excused if such violations are unavoidable. The following actions and recordkeeping and reporting requirements must be adhered to in such circumstances.

- (a) The facility owner and/or operator shall compile and maintain records of all equipment maintenance or start-up/shutdown activities when they can be expected to result in an exceedance of any applicable emission standard, and shall submit a report of such activities to the commissioner's representative when requested to do so in writing or when so required by a condition of a permit issued for the corresponding air contamination source except where conditions elsewhere in this permit which contain more stringent reporting and notification provisions for an applicable requirement, in which case they supercede those stated here. Such reports shall describe why the violation was unavoidable and shall include the time, frequency and duration of the maintenance and/or start-up/shutdown activities and the



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identification of air contaminants, and the estimated emission rates. If a facility owner and/or operator is subject to continuous stack monitoring and quarterly reporting requirements, he need not submit reports for equipment maintenance or start-up/shutdown for the facility to the commissioner's representative.

(b) In the event that emissions of air contaminants in excess of any emission standard in 6 NYCRR Chapter III Subchapter A occur due to a malfunction, the facility owner and/or operator shall report such malfunction by telephone to the commissioner's representative as soon as possible during normal working hours, but in any event not later than two working days after becoming aware that the malfunction occurred. Within 30 days thereafter, when requested in writing by the commissioner's representative, the facility owner and/or operator shall submit a written report to the commissioner's representative describing the malfunction, the corrective action taken, identification of air contaminants, and an estimate of the emission rates. These reporting requirements are superceded by conditions elsewhere in this permit which contain reporting and notification provisions for applicable requirements more stringent than those above.

(c) The Department may also require the owner and/or operator to include in reports described under (a) and (b) above an estimate of the maximum ground level concentration of each air contaminant emitted and the effect of such emissions depending on the deviation of the malfunction and the air contaminants emitted.

(d) In the event of maintenance, start-up/shutdown or malfunction conditions which result in emissions exceeding any applicable emission standard, the facility owner and/or operator shall take appropriate action to prevent emissions which will result in contravention of any applicable ambient air quality standard. Reasonably available control technology, as determined by the commissioner, shall be applied during any maintenance, start-up/shutdown or malfunction condition subject to this paragraph.

(e) In order to have a violation of a federal regulation (such as a new source performance standard or national emissions standard for hazardous air pollutants) excused, the specific federal regulation must provide for an affirmative defense during start-up, shutdowns, malfunctions or upsets.

Condition 24: Emission Unit Definition

Effective between the dates of 12/08/2005 and Permit Expiration Date

Applicable State Requirement: 6NYCRR 201-5

Item 24.1:

The facility is authorized to perform regulated processes under this permit for:

Emission Unit: 1-BOILR

Emission Unit Description:

This emission unit consists of fifteen facility boilers. These boilers provide process steam and space heating to the facility. A total of three processes are defined; operation of two boilers on No. 6 oil from steam production used for barge cleaning (SP6); operation of two boilers on No. 2 oil for building space heating (BH2); and operation of four boilers on natural gas for building space heating (BHN).



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Emission sources for the process involving steam production (SP6) consist of two Cleaver Brooks boilers, model CB200-700 (1B01 and 1B02). Emissions from these two boilers are exhausted to the atmosphere through dedicated stacks (1BS01 and 1BS02).

Emission sources for the two processes involving building space heating (BH2 and BHN) consist of three Weil-McLain boilers, models 578, 576, and 568 (1B03, 1B04, and 1B05); two HB Smith boilers, models 9 and G200 (1B06 and 1B08); and one Slant-Fin boiler, model TR30 (1B07). Emissions from these six boilers are vented to the atmosphere through dedicated stacks (1BS03 through 1BS08).

Building(s): EYBH
EYBR
MYNO
MYOOB
MYRBB
MYSBB
MYSR

Item 24.2:

The facility is authorized to perform regulated processes under this permit for:

Emission Unit: 2-ENGNS

Emission Unit Description:

This emission unit consists of three mobile and two stationary diesel engines.

The mobile engines are used to power air compressors for abrasive sand blasting. Emission sources for the process involving powering the air compressors consist of two Ingersol-Rand engines, model HP 13000 (2E01 and 2E02), and one Gardner-Denver engine, model Comp Air 850 (2E03).

Emissions from these three mobile diesel engines are exhausted to the atmosphere through dedicated stacks (2ES01 through 2ES03).

The stationary engines are emergency generators which provide power in the event of electrical supply interruption or failure. Emission sources consist of two Caterpillar engines, model D399 (2E04 and 2E05).

Emissions from these two stationary diesel engines are exhausted to the atmosphere through dedicated stacks (2ES04 and 2ES05).

Building(s): DD1
DD2

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DD3
DD4
DD5
DD6
DD7
MYPSTB

Item 24.3:

The facility is authorized to perform regulated processes under this permit for:

Emission Unit: 3-REFRB

Emission Unit Description:

This emission unit consists of marine vessel refurbishment. Two processes are defined: Abrasive Sand Blasting (ASB) and Surface Coating Activities (SCA). These processes are performed in any of the seven existing dry dock structures (DD1 through DD7). As such, there are no emission points associated with these processes.

Building(s): DD1
DD2
DD3
DD4
DD5
DD6
DD7

Item 24.4:

The facility is authorized to perform regulated processes under this permit for:

Emission Unit: 4-BARGE

Emission Unit Description:

This emission unit consists of a stationary fuel-oil recovery and transfer barge. A single process is defined: transfer of fuel oil (Nos. 2 and 6) to and from the barge (FOT). The barge is the sole emission source for this process and there are no associated emission points.

Building(s): JBORB

Condition 25: Air pollution prohibited

Effective between the dates of 12/08/2005 and Permit Expiration Date

Applicable State Requirement: 6NYCRR 211.2

Item 25.1:

No person shall cause or allow emissions of air contaminants to the outdoor atmosphere of such quantity, characteristic or duration which are injurious to human, plant or animal life or to property, or which unreasonably interfere with the comfortable enjoyment of life or property. Notwithstanding the existence



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of specific air quality standards or emission limits, this prohibition applies, but is not limited to, any particulate, fume, gas, mist, odor, smoke, vapor, pollen, toxic or deleterious emission, either alone or in combination with others.

****** Emission Unit Level ******

Condition 26: Emission Point Definition By Emission Unit
Effective between the dates of 12/08/2005 and Permit Expiration Date

Applicable State Requirement: 6NYCRR 201-5

Item 26.1:

The following emission points are included in this permit for the cited Emission Unit:

Emission Unit: 1-BOILR

Emission Point: 1BS01

Height (ft.): 34

Diameter (in.): 20

NYTMN (km.): 4499.3

NYTME (km.): 574.6

Building: EYBH

Emission Point: 1BS02

Height (ft.): 34

Diameter (in.): 20

NYTMN (km.): 4499.3

NYTME (km.): 574.6

Building: EYBH

Emission Point: 1BS03

Height (ft.): 30

Diameter (in.): 12

NYTMN (km.): 4499.3

NYTME (km.): 574.6

Building: MYOOB

Emission Point: 1BS04

Height (ft.): 30

Diameter (in.): 18

NYTMN (km.): 4499.3

NYTME (km.): 574.6

Building: EYBR

Emission Point: 1BS05

Height (ft.): 25

Diameter (in.): 18

NYTMN (km.): 4499.3

NYTME (km.): 574.6

Building: MYSR

Emission Point: 1BS06

Height (ft.): 55

Diameter (in.): 12

NYTMN (km.): 4499.3

NYTME (km.): 574.6

Building: MYNO

Emission Point: 1BS07

Height (ft.): 23

Diameter (in.): 6

NYTMN (km.): 4499.3

NYTME (km.): 574.6

Building: MYSBB

Emission Point: 1BS08



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Height (ft.): 20 Diameter (in.): 6
NYTMN (km.): 4499.3 NYTME (km.): 574.6 Building: MYRBB

Item 26.2:

The following emission points are included in this permit for the cited Emission Unit:

Emission Unit: 2-ENGNS

Emission Point: 2ES01

Height (ft.): 8 Diameter (in.): 4
NYTMN (km.): 4499.3 NYTME (km.): 574.6 Building: DD1

Emission Point: 2ES02

Height (ft.): 8 Diameter (in.): 4
NYTMN (km.): 4499.3 NYTME (km.): 574.6 Building: DD5

Emission Point: 2ES03

Height (ft.): 8 Diameter (in.): 4
NYTMN (km.): 4499.3 NYTME (km.): 574.3

Emission Point: 2ES04

Height (ft.): 25 Diameter (in.): 18
NYTMN (km.): 4499.3 NYTME (km.): 574.6 Building: MYPST

Emission Point: 2ES05

Height (ft.): 15 Diameter (in.): 18
NYTMN (km.): 4499.3 NYTME (km.): 574.6 Building: DD6

**Condition 27: Process Definition By Emission Unit
Effective between the dates of 12/08/2005 and Permit Expiration Date**

Applicable State Requirement: 6NYCRR 201-5

Item 27.1:

This permit authorizes the following regulated processes for the cited Emission Unit:

Emission Unit: 1-BOILR

Process: BH2

Source Classification Code: 1-02-005-03

Process Description:

Burning #2 fuel oil in the two building space heating
boilers.

Emission Source/Control: 01B04 - Combustion

Design Capacity: 0.336 million Btu per hour

Emission Source/Control: 01B05 - Combustion

Design Capacity: 0.203 million Btu per hour

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Item 27.2:

This permit authorizes the following regulated processes for the cited Emission Unit:

Emission Unit: 1-BOILR

Process: BHN

Source Classification Code: 1-02-006-03

Process Description:

Burning natural gas in the four building space heating boilers.

Emission Source/Control: 01B03 - Combustion

Design Capacity: 0.521 million Btu per hour

Emission Source/Control: 01B06 - Combustion

Design Capacity: 0.928 million Btu per hour

Emission Source/Control: 01B07 - Combustion

Design Capacity: 0.134 million Btu per hour

Emission Source/Control: 01B08 - Combustion

Design Capacity: 0.116 million Btu per hour

Item 27.3:

This permit authorizes the following regulated processes for the cited Emission Unit:

Emission Unit: 1-BOILR

Process: SP6

Source Classification Code: 1-02-004-02

Process Description:

Burning #6 fuel oil in the two steam production boilers fired on no. 6 fuel oil. Because the boilers are interlocked, it is not possible to operate both simultaneously.

Emission Source/Control: 01B01 - Combustion

Design Capacity: 29.325 million Btu per hour

Emission Source/Control: 01B02 - Combustion

Design Capacity: 29.325 million Btu per hour

Item 27.4:

This permit authorizes the following regulated processes for the cited Emission Unit:

Emission Unit: 2-ENGNS

Process: MEG

Source Classification Code: 2-02-001-07

Process Description:

Diesel oil burned in two emergency generator engines. One engine is located in the Main Yard Paint Storage



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Building, and the other on the pier in the East Yard adjacent to Dry Dock 6.

Emission Source/Control: 02E04 - Combustion
Design Capacity: 1,200 horsepower hours

Emission Source/Control: 02E05 - Combustion
Design Capacity: 1,200 horsepower hours

Item 27.5:

This permit authorizes the following regulated processes for the cited Emission Unit:

Emission Unit: 2-ENGNS

Process: ROC

Source Classification Code: 2-02-001-07

Process Description:

Burning diesel oil in three mobile diesel engines to power the air compressors. These engines are utilized wherever ship refurbishment is being conducted.

Emission Source/Control: 02E01 - Combustion
Design Capacity: 435 horsepower hours

Emission Source/Control: 02E02 - Combustion
Design Capacity: 435 horsepower hours

Emission Source/Control: 02E03 - Combustion
Design Capacity: 285 horsepower hours

Item 27.6:

This permit authorizes the following regulated processes for the cited Emission Unit:

Emission Unit: 3-REFRB

Process: ASB

Source Classification Code: 3-09-002-02

Process Description:

This process consists of pressure-type Abrasive Sand Blasting of metal surfaces to remove old surface coats prior to application of new ones. Based on review of past coating operations and to ensure future operational flexibility, it is estimated that annual facility-wide usage will not exceed 750 tons of abrasive material.

Emission Source/Control: 03R01 - Process
Design Capacity: 750 tons per year

Item 27.7:

This permit authorizes the following regulated processes for the cited Emission Unit:



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Emission Unit: 3-REFRB

Process: SCA

Source Classification Code: 4-02-023-01

Process Description:

This process consists of Surface Coating Activities involving use of NESHAP compliant marine coatings pursuant to 40 CFR Part 63 (for Shipbuilding and Ship Repair facilities), together with thinners and solvents in accordance with manufacturer recommendations. Based on review of past coating operations and to ensure future operational flexibility, it is estimated that annual facility-wide usage will not exceed 7600 gallons of marine coatings and 2600 gallons of thinners and solvents.

Emission Source/Control: 03R02 - Process

Design Capacity: 10,200 gallons per year

Item 27.8:

This permit authorizes the following regulated processes for the cited Emission Unit:

Emission Unit: 4-BARGE

Process: FOT

Source Classification Code: 3-90-900-03

Process Description:

This process consists of fuel oil transfer between the marine vessels and the Jay Bee IV Oil Recovery Barge. The oil pumped to the barge is either returned to the vessel upon refurbishment or used to fuel the facility boilers (or some combination thereof). Based on review of past transfer operations and to ensure future operational flexibility, it is estimated that annual facility-wide transfer will not exceed 1900000 gallons.

In the tabulation of process PTE and actual emissions, all fuel oil is conservatively assumed to be No. 2 and a loading-loss VOC emission factor of 0.0138 pounds per 1000 gallons is used (AP-42, Section 5.2.2.1, Loading Losses, Equation 1).

Emission Source/Control: 04B01 - Process

Design Capacity: 960,000 gallons