



State of Mississippi

AIR POLLUTION CONTROL PERMIT



Permit To Construct Air Emissions Equipment

THIS CERTIFIES

Peco Foods Inc, Lake Facility
Ponderosa Road
Lake, MS
Newton County

has been granted permission to construct air emissions equipment to comply with the emission limitations, monitoring requirements and other conditions set forth herein. This permit is issued in accordance with the provisions of the Mississippi Air and Water Pollution Control Law (Section 49-17-1 et. seq., Mississippi Code of 1972), and the regulations and standards adopted and promulgated thereunder.

Mississippi Environmental Quality Permit Board

Mississippi Department of Environmental Quality

Issued/Modified: JUL 27 2010

Expires:

Permit No. 1980-00043

Agency Interest # 38269

Table of Contents

Subject Item Inventory.....i

Facility Requirements.....1

General Information.....A-1

Other Relevant Documents:

 40 CFR Part 60 - Subpart A - General Provisions, Appendix A

 40 CFR Part 60 - Subpart Dc - Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units,
 Appendix B

Permit To Construct Air Emissions Equipment

Peco Foods Inc, Lake Facility

Subject Item Inventory

Permit Number:1980-00043

Activity ID No.: PER20080001

Subject Item Inventory:

ID	Designation	Description
AI38269	38269	Feed Mill
EQPT1	AA-001	20.9 MMBTU/hr Natural Gas and No. 2 Fuel Oil Fired Boiler (FB-001)
EQPT2	AA-002	20.9 MMBTU/hr Natural Gas and No. 2 Fuel Oil Fired Boiler (FB-002)
EQPT3	AA-003	Truck Receiving ((AA-105) Controlled via Baghouse)
EQPT4	AA-004	Ingredient Transfer Conveyor Venting System ((AA-148) Controlled via Baghouse)
EQPT5	AA-005	Methionine Receiving Fugitive Emissions ((AA-164) Controlled via Baghouse)
EQPT6	AA-006	Salt Receiving Fugitive Emissions ((AA-166) Controlled via Baghouse)
EQPT7	AA-007	Whole Grain Bin Vent ((AA-176) Controlled via Baghouse)
EQPT8	AA-008	Grinding Venting System ((AA-227) Controlled via Baghouse)
EQPT9	AA-009	Ground Grain Silo Venting System ((AA-255) Controlled via Baghouse)
EQPT10	AA-010	Pellet Mill No. 1 ((AA-555) Controlled via Cyclone)
EQPT11	AA-011	Pellet Mill No. 2 ((AA-655) Controlled via Cyclone)
EQPT12	AA-012	Finished Feed Loadout A Fugitive Emissions
EQPT13	AA-013	Finished Feed Loadout B Fugitive Emissions
EQPT14	AA-014	Fuel Storage Tanks

Subject Item Groups:

ID	Description	Components
GRPT1	Two (2) 20.9 MMBTU/hr Natural Gas and No. 2 Fuel Oil Fired Boilers (FB-001 and FB-002)	EQPT2 20.9 MMBTU/hr Natural Gas and No. 2 Fuel Oil Fired Boiler (FB-002)

*** Official MDEQ Permit - Version 1.1 ***

Permit To Construct Air Emissions Equipment

Peco Foods Inc, Lake Facility

Subject Item Inventory

Permit Number:1980-00043

Activity ID No.: PER20080001

ID	Description	Components
GRPT1	Two (2) 20.9 MMBTU/hr Natural Gas and No. 2 Fuel Oil Fired Boilers (FB-001 and FB-002)	EQPT1 20.9 MMBTU/hr Natural Gas and No. 2 Fuel Oil Fired Boiler (FB-001)

KEY

ACT = Activity

AREA = Area

CONT = Control Device

IA = Insignificant Activity

RPNT = Release Point

AI = Agency Interest

CAFO = Concentrated Animal Feeding Operation

EQPT = Equipment

MAFO = Animal Feeding Operation

TRMT = Treatment

*** Official MDEQ Permit - Version 1.1 ***

Permit To Construct Air Emissions Equipment

Peco Foods Inc, Lake Facility

Facility Requirements

Permit Number:1980-00043

Activity ID No.: PER20080001

Page 1 of 10

AI0000038269 (38269) Feed Mill:

Limitation Requirements:

Condition No.	Parameter	Condition
L-1	Particulate Matter	<p>Particulate Matter:</p> <p>Except as otherwise specified, no person shall cause, permit, or allow the emission from any manufacturing process, in any one hour from any point source, particulate matter in total quantities in excess of the amount determined by the relationship</p> $E = 4.1 p^{0.67}$ <p>where E is the emission rate in pounds per hour and p is the process weight input rate in tons per hour. [APC-S-1 3.6(a)]</p>
L-2	Particulate Matter	<p>Particulate Matter:</p> <p>The permittee shall limit total combined facility emissions of Particulate Matter (PM) to no more than 99 tons per year (TPY). The TPY emission rate shall be determined for each consecutive 12-month period. [APC-S-2 II.B(10)]</p>
L-3	Equipment/operational data	<p>Equipment/operational data:</p> <p>The permittee must operate the control devices (all baghouses and cyclones) at all times when processing. Should any control device become non-operational then the respective process(es) shall be shutdown immediately, but not as to cause damage to equipment or property, or cause further environmental problems. The process(es) shall not startup until such time that the control device becomes operational. [APC-S-2 II.B(10)]</p>
L-4	Particulate Matter (10 microns	<p>Particulate Matter (10 microns or less):</p> <p>The permittee shall limit total combined facility emissions of Particulate Matter of 10 microns or less (PM10) to no more than 99 tons per year (TPY). The TPY emission rate shall be determined for each consecutive 12-month period. [APC-S-2 II.B(10)]</p>
L-5	Sulfur Dioxide	<p>Sulfur Dioxide:</p> <p>The permittee shall limit total combined facility emissions of Sulfur Dioxide (SO2) to no more than 99 tons per year (TPY). The TPY emission rate shall be determined for each consecutive 12-month period. [APC-S-2 II.B(10)]</p>

Permit To Construct Air Emissions Equipment

Peco Foods Inc, Lake Facility

Facility Requirements

Permit Number:1980-00043

Activity ID No.: PER20080001

Page 2 of 10

AI0000038269 (continued):

Submittal/Action Requirements:

Condition No.	Condition
S-1	General Condition: The permittee shall submit certification of construction: Due within thirty (30) days of completion of construction or installation of an approved stationary source or prior to startup, whichever is earlier. The notification shall certify that construction or installation was performed in accordance with the approved plans and specifications. In the event there is any change in construction from the previously approved plans and specifications or permit, the permittee shall promptly notify MDEQ in writing. If MDEQ determines the changes are substantial, MDEQ may require the submission of a new application to construct with "as built" plans and specifications. Notwithstanding any provision herein to the contrary, the acceptance of an "as built" application shall not constitute a waiver of the right to seek compliance penalties pursuant to State Law. [APC-S-2 V.D]
S-2	Within fifteen (15) days of beginning actual construction, the permittee must notify DEQ in writing that construction has begun. [APC-S-2 V.C(2)]
S-3	The permittee must notify DEQ in writing when construction does not begin within eighteen (18) months of issuance or if construction is suspended for eighteen (18) months or more. [APC-S-2 V.C(3)]

Narrative Requirements:

General Condition:

Condition No.	Condition
T-1	General Condition: The stationary source shall be designed and constructed so as to operate without causing a violation of any Applicable Rules and Regulations or this permit, without interfering with the attainment and maintenance of State and National Ambient Air Quality Standards, and such that the emission of air toxics does not result in an ambient concentration sufficient to adversely affect human health and well-being or unreasonably and adversely affect plant or animal life beyond the stationary source boundaries. [APC-S-2 V.A]
T-2	General Condition: Any activities not identified in the application are not authorized by this permit. [Miss. Code Ann. 49_17_29 1.b]
T-3	General Condition: The necessary facilities shall be constructed so that solids removed in the course of control of air emissions may be disposed of in a manner such as to prevent the solids from becoming windborne and to prevent the materials from entering State waters without the proper environmental permits. [Miss. Code Ann. 49_17_29]

Permit To Construct Air Emissions Equipment

Peco Foods Inc, Lake Facility

Facility Requirements

Permit Number:1980-00043

Activity ID No.: PER20080001

Page 3 of 10

AI0000038269 (continued):

Narrative Requirements:

General Condition:

Condition No.	Condition
T-4	General Condition: The air pollution control facilities shall be constructed such that diversion from or bypass of collection and control facilities is not needed except as provided for in Regulation APC-S-1, "Air Emission Regulations for the Prevention, Abatement, and Control of Air Contaminants", Section 10. [APC-S-1 10]
T-5	General Condition: The permittee shall allow the Mississippi Environmental Quality Commission, the Mississippi Environmental Quality Permit Board, MDEQ staff and/or their authorized representatives, upon the presentation of credentials: a. To enter upon the permittee's premises where an air emission source is located or in which any records are required to be kept under the terms and conditions of this permit; and b. At reasonable times to have access to and copy any records required to be kept under the terms and conditions of this permit, to inspect any monitoring equipment or monitoring method required in this permit, and to sample any air emission. [Miss. Code Ann. 49_17_21]
T-6	General Condition: After notice and opportunity for a hearing, this permit may be modified, suspended, or revoked in whole or in part during its term for good cause shown including, but not limited to, the following: a. Persistent violation of any terms or conditions of this permit; b. Obtaining this permit by misrepresentation or failure to disclose fully all relevant facts; or c. A change in any condition that requires either a temporary or permanent reduction or elimination of previously authorized air emissions. [APC-S-2 II.C]
T-7	General Condition: Except for data determined to be confidential under the Mississippi Air & Water Pollution Control Law, all reports prepared in accordance with the terms of this permit shall be available for public inspection at the offices of the Mississippi Department of Environmental Quality Office of Pollution Control. [Miss. Code Ann. 49_17_39]
Condition No.	Condition
T-8	General Condition: This permit is for air pollution control purposes only. [APC-S-2 I.D]
T-9	General Condition: The knowing submittal of a permit application with false information may serve as the basis for the Permit Board to void the permit issued pursuant thereto or subject the applicant to penalties for operating without a valid permit pursuant to State Law. [APC-S-2 II.B(5)]
T-10	General Condition: It is the responsibility of the applicant/permittee to obtain all other approvals, permits, clearances, easements, agreements, etc., which may be required including, but not limited to, all required local government zoning approvals or permits. [APC-S-2 I.D(6)]

Permit To Construct Air Emissions Equipment

Peco Foods Inc, Lake Facility

Facility Requirements

Permit Number:1980-00043

Activity ID No.: PER20080001

Page 4 of 10

AI0000038269 (continued):

Narrative Requirements:

Condition No.	Condition
T-11	General Condition: The issuance of a permit does not release the permittee from liability for constructing or operating air emissions equipment in violation of any applicable statute, rule, or regulation of state or federal environmental authorities. [APC-S-2 II.B(7)]
T-12	General Condition: It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of the permit, unless halting or reducing activity would create an imminent and substantial endangerment threatening the public health and safety of the lives and property of the people of this state. [APC-S-2 II.B(15)a]
T-13	General Condition: The permit and/or any part thereof may be modified, revoked, reopened, and reissued, or terminated for cause. Sufficient cause for a permit to be reopened shall exist when an air emissions stationary source becomes subject to Title V. The filing of a request by the permittee for a permit modification, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not stay any permit condition. [APC-S-2 II.B(15)b]
T-14	General Condition: The permit does not convey any property rights of any sort, or any exclusive privilege. [APC-S-2 II.B(15)c]
T-15	General Condition: The permittee shall furnish to the DEQ within a reasonable time any information the DEQ may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating the permit or to determine compliance with the permit. Upon request, the permittee shall also furnish to the DEQ copies of records required to be kept by the permit or, for information claimed to be confidential, the permittee shall furnish such records to the DEQ along with a claim of confidentiality. The permittee may furnish such records directly to the Administrator along with a claim of confidentiality. [APC-S-2 II.B(15)d]
T-16	General Condition: This permit shall not be transferred except upon approval of the Permit Board. [APC-S-2 XVI.B]
T-17	General Condition: The provisions of this permit are severable. If any provision of the permit, or the application of any provision of the permit to any circumstances, is challenged or held invalid, the validity of the remaining permit provisions and/or portions thereof or their application to other persons or sets of circumstances, shall not be affected thereby. [APC-S-2 I.D(7)]
T-18	General Condition: The permit to construct will expire if construction does not begin within eighteen (18) months from the date of issuance or if construction is suspended for eighteen (18) months or more. [APC-S-2 V.C(1)]
T-19	General Condition: A new stationary source issued a Permit to Construct cannot begin operation until certification of construction by the permittee. [APC-S-2 V.D(3)]

Permit To Construct Air Emissions Equipment

Peco Foods Inc, Lake Facility

Facility Requirements

Permit Number:1980-00043

Activity ID No.: PER20080001

Page 5 of 10

AI0000038269 (continued):

Narrative Requirements:

Condition No.	Condition
T-20	General Condition: Except as prohibited in APC-S-2, Section V.D.7, after certification of construction by the permittee, the Permit to Construct shall be deemed to satisfy the requirement for a permit to operate until the date the application for issuance or modification of the Title V Permit or the application for issuance or modification of the State Permit to Operate, whichever is applicable, is due. This provision is not applicable to a source excluded from the requirement for a permit to operate as provided by APC-S-2, Section XIII.G. [APC-S-2 V.D(4)]
T-21	General Condition: Except as otherwise specified in APC-S-2, Section V.D.7, the application for issuance or modification of the State Permit to Operate or the Title V Permit, whichever is applicable, is due twelve (12) months after beginning operation or such earlier date or time as specified in the Permit to Construct. The Permit Board may specify an earlier date or time for submittal of the application. Beginning operation will be assumed to occur upon certification of construction, unless the permittee specifies differently in writing. [APC-S-2 V.D(5)]
T-22	General Condition: Except as otherwise specified in APC-S-2, Section V.D.7, upon submittal of a timely and complete application for issuance or modification of a State Permit to Operate or a Title V Permit, whichever is applicable, the applicant may continue to operate under the terms and conditions of the Permit to Construct and in compliance with the submitted application until the Permit Board issues, modifies, or denies the Permit to Operate. [APC-S-2 V.D(6)]
T-23	General Condition: For moderate modifications that require contemporaneous enforceable emissions reductions from more than one emission point in order to net out of PSD/NSR, the applicable Title V Permit to Operate or State Permit to Operate must be modified prior to beginning operation of the modified facilities. [APC-S-2 V.D(7)]
T-24	General Condition: Regarding compliance testing: (a) The results of any emissions sampling and analysis shall be expressed both in units consistent with the standards set forth in any Applicable Rules and Regulations or this permit and in units of mass per time. (b) Compliance testing will be performed at the expense of the permittee. (c) Each emission sampling and analysis report shall include but not be limited to the following: 1. detailed description of testing procedures; 2. sample calculation(s); 3. results; and 4. comparison of results to all Applicable Rules and Regulations and to emission limitations in the permit. [APC-S-2 VI.B(3, 4 and 6)]
T-25	General Condition: The construction of the stationary source shall be performed in such a manner so as to reduce fugitive dust emissions from construction activities to a minimum. [APC-S-2 V.A(4)]

Permit To Construct Air Emissions Equipment

Peco Foods Inc, Lake Facility

Facility Requirements

Permit Number:1980-00043

Activity ID No.: PER20080001

Page 6 of 10

GRPT0000000001 (AB-001) Two (2) 20.9 MMBTU/hr Natural Gas and No. 2 Fuel Oil Fired Boilers (FB-001 and FB-002):

Limitation Requirements:

Condition No.	Parameter	Condition
L-1	Particulate Matter	<p>Particulate Matter:</p> <p>For Emission Points AA-001 and AA-002, the maximum permissible emission of ash and/or particulate matter from fossil fuel burning installations shall not exceed an emission rate as determined by the relationship</p> $E = 0.8808 * I^{-0.1667}$ <p>where E is the emission rate in pounds per million BTU per hour heat input and I is the heat input in millions of BTU per hour. [APC-S-1 3.4(a)2]</p>
L-2	Opacity	<p>Opacity:</p> <p>For Emission Points AA-001 and AA-002:</p> <p>(a) No person shall cause, permit, or allow the emission of smoke from a point source into the open air from any manufacturing, industrial, commercial or waste disposal process which exceeds forty (40) percent opacity subject to the exceptions provided in (b) & (c).</p> <p>(b) Startup operations may produce emissions which exceed 40% opacity for up to fifteen (15) minutes per startup in any one hour and not to exceed three (3) startups per stack in any twenty-four (24) hour period.</p> <p>(c) Emissions resulting from soot blowing operations shall be permitted provided such emissions do not exceed 60 percent opacity, and provided further that the aggregate duration of such emissions during any twenty-four (24) hour period does not exceed ten (10) minutes per billion BTU gross heating value of fuel in any one hour. [APC-S-1 3.1]</p>
L-3	Sulfur oxides	<p>Sulfur oxides:</p> <p>For Emission Points AA-001 and AA-002, the maximum discharge of sulfur oxides from any fuel burning installation in which the fuel is burned primarily to produce heat or power by indirect heat transfer shall not exceed 4.8 pounds (measured as sulfur dioxide) per million BTU heat input. [APC-S-1 4.1(a)]</p>

Permit To Construct Air Emissions Equipment

Peco Foods Inc, Lake Facility

Facility Requirements

Permit Number:1980-00043

Activity ID No.: PER20080001

Page 7 of 10

GRPT0000000001 (continued):

Limitation Requirements:

Condition No.	Parameter	Condition
L-4	Sulfur content	<p>Sulfur content:</p> <p>The permittee shall not burn/combust natural gas or distillate oil that contains more than 0.5 weight percent sulfur. [40 CFR 60_SUBPART Dc]</p>

Permit To Construct Air Emissions Equipment

Peco Foods Inc, Lake Facility

Facility Requirements

Permit Number:1980-00043

Activity ID No.: PER20080001

Page 8 of 10

GRPT0000000001 (continued):

Record-Keeping Requirements:

General Monitoring, Recordkeeping & Reporting Requirement:

Condition No.	Condition
R-1	<p>General Monitoring, Recordkeeping & Reporting Requirement:</p> <p>The permittee shall maintain monthly records containing the following information for determining compliance with the Fuel Supplier Certification requirements of 40 CFR 60, Subpart Dc:</p> <p>(1) For distillate oil:</p> <p>(i) The name of the oil supplier;</p> <p>(ii) A statement from the oil supplier that the oil complies with the specifications under the definition of distillate oil in Part 60.41c; and</p> <p>(iii) The sulfur content of the oil.</p> <p>(2) For other fuels:</p> <p>(i) The name of the supplier of the fuel;</p> <p>(ii) The potential sulfur emissions rate of the fuel in ng/J heat input; and</p> <p>(iii) The method used to determine the potential sulfur emissions rate of the fuel.</p> <p>(3) For all fuels, the permittee shall record and maintain records of the amount of each fuel combusted during each calendar month. [40 CFR 60_SUBPART Dc]</p>

Permit To Construct Air Emissions Equipment

Peco Foods Inc, Lake Facility

Facility Requirements

Permit Number:1980-00043

Activity ID No.: PER20080001

Page 9 of 10

GRPT0000000001 (continued):

Submittal/Action Requirements:

General Monitoring, Recordkeeping & Reporting Requirement:

Condition

No. Condition

S-1 General Monitoring, Recordkeeping & Reporting Requirement:

The permittee shall submit the following notification as required by 40 CFR 60.7(a)(1) and 40 CFR 60.48c(a) no later than 30 days from commencement:

(1) The design heat input capacity of the affected facility and identification of fuels to be combusted in the affected facility.

(2) The annual capacity factor at which the owner or operator anticipates operating the affected facility based on all fuels fired and based on each individual fuel fired. [40 CFR 60_SUBPART Dc]

Permit To Construct Air Emissions Equipment

Peco Foods Inc, Lake Facility

Facility Requirements

Permit Number:1980-00043

Activity ID No.: PER20080001

Page 10 of 10

GRPT0000000001 (continued):

Submittal/Action Requirements:

General Monitoring, Recordkeeping & Reporting Requirement:

Condition No.	Condition
S-2	<p>General Monitoring, Recordkeeping & Reporting Requirement:</p> <p>The permittee shall submit annual reports containing the following information for determining compliance with the Fuel Supplier Certification requirements of 40 CFR 60, Subpart Dc:</p> <p>(1) For distillate oil:</p> <p>(i) The name of the oil supplier;</p> <p>(ii) A statement from the oil supplier that the oil complies with the specifications under the definition of distillate oil in §60.41c; and</p> <p>(iii) The sulfur content of the oil.</p> <p>(2) For other fuels:</p> <p>(i) The name of the supplier of the fuel;</p> <p>(ii) The potential sulfur emissions rate of the fuel in ng/J heat input; and</p> <p>(iii) The method used to determine the potential sulfur emissions rate of the fuel.</p> <p>(3) For all fuels, the permittee shall record and maintain records of the amount of each fuel combusted during each calendar month. [40 CFR 60_SUBPART Dc]</p>

Narrative Requirements:

Condition No.	Condition
T-1	<p>The facility must comply with all applicable conditions and standards of 40 CFR Part 60 Subpart Dc - Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units. See Appendix B of this permit. [40 CFR 60_SUBPART Dc]</p>

GENERAL INFORMATION

Peco Foods Inc, Lake Facility
Ponderosa Road
Lake, MS
Newton County

Alternate/Historic Identifiers

ID	Alternate/Historic Name	User Group	Start Date	End Date
38269	Peco Foods, Inc.	Official Site Name	9/2/2008	
198000043	Peco Foods, Inc.	Air-Title V Fee Customer	9/2/2008	9/2/2008
198000043	Peco Foods Inc, Lake Facility	Air-Construction	7/27/2010	

Basin: Pascagoula River Basin

Location Description:

Relevant Documents:

40 CFR Part 60 - Subpart A - General Provisions, Appendix A

40 CFR Part 60 - Subpart Dc - Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units, Appendix B