From: Kothur, Bheem
To: Mayberry, Eric;
cc: Kothur, Bheem;
Subject: FW: Florida Transformer Used Oil Processing Facility Permit Condition
Date: Thursday, May 23, 2013 12:49:04 PM
Attachments: EPA RCRA online 14626.pdf

Hi Eric,
Please insert into OCULUS including the attachment under permit application related documents for FTI, Inc.
Facility I.D: FLR 000 168 203
Subject: Clarification of permit Condition Part 1- General and Standard Condition

If you have any questions, please let me know.
Thanks.
Bheem

Hi Jessica,

As we discussed today through a conference call, your below e-mail confirms of our discussion.
As you know we have clarified the permit condition Part I-General and Standard Condition 45.d
for Sampling Analysis for your Used Oil Processing Facility.

If you have any further questions on this e-mail, please let me know.

Bheem

From: Jessica Pennington [mailto:jessica@floridatransformer.com]
Sent: Thursday, May 23, 2013 11:43 AM
To: Kothur, Bheem; Tripp, Anthony
Subject: Florida Transformer Inc. Used Oil Processing Permit Condition
Importance: High

Bheem/Tony,

Thank you again for your time today.

Could you please respond to this email with an affirmation of the following to provide documentation of our earlier discussion?

FTI is responsible for the On Specification (Condition 45. d of Permit approval) analysis only of processed oil intended for shipment to an end user intending to 1) burn the oil for energy recovery or 2) use the oil in fuel manufacturing. Otherwise, all processed oil that is intended for shipment to a recycling/remanufacturing facility is not subject to the on specification testing requirements. FTI will continue to analyze all processed oil to determine successful destruction of Polychlorinated Biphenyls as specified in permit application and approval conditions.

Jessica Pennington
Florida Transformer, Inc.
Environmental Compliance
Office: 850-892-2711
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Fax: 850-892-6428

From: Byer, James
Sent: Wednesday, May 22, 2013 3:35 PM
To: Kothur, Bheem; Tripp, Anthony
Cc: Bahr, Tim; Byer, James
Subject: RE: Florida Transformer Used Oil Processing Facility Permit Condition

Attached is RCRA online document that may be helpful.

From: Byer, James
Sent: Wednesday, May 22, 2013 11:16 AM
To: Kothur, Bheem; Tripp, Anthony
Cc: Bahr, Tim
Subject: RE: Florida Transformer Used Oil Processing Facility Permit Condition

My quick review of the issue below reveals the following:

The permit condition says "*However, the testing is not required if the used oil is sent to another Used Oil processor for further processing.*"

And

279.10(e) says *"Materials derived from used oil. (1) Materials that are reclaimed from used oil that are used beneficially and are* *not burned for energy recovery or used in a manner constituting disposal* *(eg., re-refined lubricants)* *are: (i) Not used oil* *and thus are not subject to this part, and……."*

If "FTI (from below)"utilizes three vendors for the receipt of processed product as an end use product. Two of the three vendors (which the product is transferred to 98% of the time) are lubricant manufacturers and distributors. The processed product that is transferred to these vendors is not burned for energy recovery nor used as fuel. The third vendor will use the processed product to manufacture fuel. 40 CFR 279.11 states that used oil burned for energy recovery, and any fuel produced from used oil by processing…"

Are we (FDEP) only regulating the processed oil going to the third vender (burned for energy)? And **only** this material needs to meet the permit conditions for on-spec used oil to be burned?

It appears that sampling and analysis only needs to conducted on the processed oil going to the third vender (burned for energy)? Is a permit mod even required? Not sure of any of this.

I am available to discuss on telconf. I am OPEN to any ideas, opinions, or whatever,
Jim
x10573

From: Kothur, Bheem
Sent: Tuesday, May 14, 2013 11:55 AM
To: Byer, James
Cc: Tripp, Anthony
Subject: FW: Florida Transformer Used Oil Processing Facility Permit Condition

Hello Jim,
Please review the below e-mail from FTI and let me know your thoughts and comments.
Thanks.
Bheem

From: Jessica Pennington [mailto:jessica@floridatransformer.com]
Sent: Tuesday, May 14, 2013 12:35 PM

To: Kothur, Bheem
Subject: Florida Transformer Used Oil Processing Facility Permit Condition

Bheem,

I hope this finds you doing very well. I intend to follow up to this email with a phone call to express concerns about a condition listed in the Florida Transformer Inc. Used Oil Processing Facility permit approval.

Please see below.

Part I Condition 45.d. (page 12 of 21) – *Analyze, prior to shipment, all outgoing shipments of used oil for the parameters listed in the permit application to determine whether the used oil is on-specification or off-specification. However, the testing is not required if the used oil is sent to another Used Oil processor for further processing.*

The parameters listed in the permit application (Section C.5. Operating/Analysis Plan – p.2 "Sampling Frequency") state that *for any quantity of used oil that must meet "on-specification" criteria as specified in 40 CFR Part 279.11 prior to being available for shipment to a vendor will be sampled by FTI and submitted to an alternate certified lab recognized by the Florida Department of Health for analysis to ensure the following criteria are met: Arsenic 5ppm max, Cadmium 2ppm max, Chromium 10ppm max, Lead 100ppm max, Sulfur 0.4% max, Flash Point 100F min, Total Halogens 1,000 ppm max, Halides 4,000 ppm max.*

FTI shall be in receipt of all associated laboratory analytical results prior to offering a shipment of used oil for purchase.

Since FTI's permit approval as a Used Oil Processing Facility, there have been several indications that this particular permit condition is somewhat unfeasible. Please consider the following in regards to editing the condition (45. d.) of the FTI facility used oil processing permit application.

1. The cost of analysis for the parameters listed in the permit application and therefore the approval, is an average of $400.00 per sample (does not include shipping or rush turnaround charges). Since we've been able to form a trend of loads produced per week, currently, analysis alone could potentially cost $57,600.00 per year. We are still establishing production rates and this number could very easily increase over time.

2. FTI currently utilizes three vendors for the receipt of processed product as an end use product. Two of the three vendors (which the product is transferred to 98% of the time) are lubricant manufacturers and distributors. The processed product that is transferred to these vendors is not burned for energy recovery nor used as fuel. The third vendor will use the processed product to manufacture fuel. 40 CFR 279.11 states that used oil burned for energy recovery, and any fuel produced from used oil by processing….is subject to regulation under this part unless it is shown not to exceed any of the allowable levels.

3. Since the ultimate disposition of so much of the FTI processed product is as a lubricant and not burned for energy recovery or used as a fuel, FTI would like to offer a battery of analyses results to be submitted to the Department to show the processed product (regardless of disposition) is considered On Spec as a result of the process and based on the analysis of parameters listed in 40 CFR 279.11 and the permit application. This battery of analyses will serve as an indicator of the consistent quality of the processed product.

4. Would it be acceptable to establish a Sampling Frequency that requires On Spec analysis to be conducted quarterly or monthly of processed product rather than per batch? This would allow a continuous means of monitoring the quality of the processed product.

5. Additionally, the Used Oil Processing Procedure parameters are recorded and maintained on the PCB-1000 Operation Log for every batch processed. In the event efficient operating parameters cannot be met due to conditions (equipment malfunction, operator error, etc.) that would alter the outcome of the processed product, the batch would either be re-processed when conditions can be met or transferred to a used oil processor.

This request is only to edit the condition of sampling frequency for On Specification analysis on loads offered for purchase as processed product. FTI will continue to perform PCB in oil analysis on each batch processed which will also serve as an indicator of equipment performance.

The quality of the processed product and compliance with the permit conditions is, first and foremost, FTI's main concern. However, it has become seemingly difficult to schedule purchase, sampling, pick-ups and receipt of analysis to the point it is a hindrance. Not to mention expensive. Please consider this information and feel free to call when you've had a chance to review or need additional information.

Thank you,

Jessica Pennington
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