FLORIDA DEPARTMENT OF
ENVIRONMENTAL PROTECTION

Northwest District
160 W. Government Street
Pensacola, Florida 32502-5794

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January 2, 2015

Sent by Electronic Mail – Received Receipt Requested
vlad.bluzer@glenfarnegroup.com

PERMITTEE

Telogia Lumber, LLC
25 West 45th Street
New York, New York 10036

Authorized Representative:
Mr. Vlad Bluzer

Air Permit No. 0770011-001-AC
Permit Expires: January 2, 2017

Telogia Lumber Operation
Title V Source Air Construction Permit
New Sawmill Construction Permit

This is the final air construction permit, which authorizes the construction of a 92 million board feet per year (MMBF/yr) lumber production facility. The proposed work will be conducted at the Telogia Lumber Operations, which is a Sawmill (Standard Industrial Classification No. 2421). The facility will be located in Liberty County at C.J. Bailey Industrial Park on South Highway 65 at 20082 Telogia Power Road in Telogia, Florida. The UTM coordinates are Zone 16, 709.8 km East, and 3358.0 km North. As noted in the Final Determination provided with this final permit, only minor changes and clarifications were made to the draft permit.

This final permit is organized by the following sections.

Section 1. General Information

Section 2. Administrative Requirements

Section 3. Emissions Unit Specific Conditions

Section 4. Appendices

Because of the technical nature of the project, the permit contains numerous acronyms and abbreviations, which are defined in Appendix A of Section 4 of this permit.

This air construction permit is issued under the provisions of: Chapter 403 of the Florida Statutes (F.S.) and Chapters 62-4, 62-204, 62-210, 62-212, 62-213, 62-296 and 62-297 of the Florida Administrative Code (F.A.C.). The permittee is authorized to conduct the proposed work in accordance with the conditions of this permit. This project is subject to the general preconstruction review requirements in Rule 62-212.300, F.A.C., and is not subject to the preconstruction review requirements for major stationary sources in Rule 62-212.400, F.A.C., for the Prevention of Significant Deterioration (PSD) of Air Quality.

Upon issuance of this final permit, any party to this order has the right to seek judicial review of it under Section 120.68 of the Florida Statutes by filing a notice of appeal under Rule 9.110 of the Florida Rules of Appellate Procedure with the clerk of the Department of Environmental Protection in the Office of General Counsel (Mail Station #35, 3900 Commonwealth Boulevard, Tallahassee, Florida, 32399-3000) and by filing a copy of the notice of appeal accompanied by the applicable filing fees with the appropriate District Court of Appeal. The notice must be filed within 30 days after this order is filed with the clerk of the Department.

Executed in Pensacola, Florida

/S/

_____

J. Charles Harp
Program Administrator
Waste Management/Air Resources
Northwest District

CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this Final Air Permit package (including the Final Determination and Final Permit) was sent by electronic mail (or a link to these documents made available electronically on a publicly accessible server) with received receipt requested before the close of business on January 2, 2015 to the persons listed below.

Mr. Vlad Bluzer, Principal, Telogia Lumber LLC, vlad.bluzer@glenfarnegroup.com
Ian Lundberg, Resolve Engineering, lundberg@resolve.cc
James Green, P.E., DES Consultants/The Lynch Group, jgreene@desconsultants.com
Tracy A. White, DEP Northwest District Branch Office, Tallahassee, tracy.a.white@dep.state.fl.us

FILED, on this date, pursuant to Section 120.52(7), Florida Statutes, with the designated agency clerk, receipt of which is hereby acknowledged.
/S/

_____	January 2, 2015
Clerk	Date

FACILITY AND PROJECT DESCRIPTION

Proposed Project

Telogia Lumber, LLC proposes to construct and operate a softwood lumber sawmill and drying operation. Logs will be delivered to and temporarily stored at the site, debarked, sawn to form green cants through a Sawmill Operation, and then dried through one of two indirect-fired steam kilns to form dried cants for offsite sales. A cant is a partially sawn log with at least one flat side and as many as four flat sides.

Wood waste from the sawmill will be chipped through a Chipping Operation and screened, with clean wood chips being sold to offsite customers and bark being sold to Telogia Power or to other offsite customers. Control measures and work practice standards will be implemented to minimize fugitive particulate emissions. Steam for the kilns will be provided by the adjacent Telogia Power facility and condensate will be returned to the power plant.

The facility wide production limit for the indirect-fired drying kilns is 92 million Board Feet (MMBF) per year. The kilns are subject to 40 CFR 63 Subpart DDDD for Plywood and Composite Wood products.

If the facility decides to expand within the next five years or to install boilers to provide process steam the Department may need to treat the facility as if construction had not yet commenced and a new application for the whole facility had been submitted.

This project will add the following emissions units.

Facility ID No. FacIDNo	
ID No.	**Emission Unit Description**
001	Indirect-fired Drying Kilns
The following emissions units will be listed as unregulated emissions units since they emit no "emissions-limited pollutant" nor are they subjected to unit-specific work practice standards.	
002	Debarker
003	Sawmill
004	Chipper

<u>Emissions from the facility are:</u>

Emission Sources	**Pollutant Potential Emissions (tpy)**							
	PM	**PM_{10}**	**$PM_{2.5}$**	**VOCs**	**Methanol**	**Formaldehyde**	**Acetaldehyde**	**Total HAPs**
Kilns				218	11.04	0.74	2.39	14.2
Debarker	10.1	5.54	1.91					
Chipper	2.08	1.07	0.301					
Sawmill	56.7	32.2	32.4					
Total	68.9	38.8	34.6	218	11.04	0.74	2.39	14.2

FACILITY REGULATORY CLASSIFICATION

- The facility is a major source of hazardous air pollutants (HAP).
- The facility has no units subject to the acid rain provisions of the Clean Air Act (CAA).
- The facility is a Title V major source of air pollution in accordance with Chapter 213, F.A.C.
- The facility is not a major stationary source in accordance with Rule 62-212.400(PSD), F.A.C.

SECTION 2. ADMINISTRATIVE REQUIREMENTS

1. Permitting Authority: The permitting authority for this project is the Northwest District Waste Management/Air Resources Program, Florida Department of Environmental Protection (Department). The District's mailing address is 160 West Government Street, Suite 308, Pensacola, Florida 32502-5740. All documents related to applications for permits to operate an emissions unit shall be submitted to the District Office at the above address.

2. Compliance Authority: All documents related to compliance activities such as reports, tests, and notifications shall be submitted to the District Office at the above address or nwdair@dep.state.fl.us.

3. Appendices: The Appendices in Section 4 are attached as part of this permit:

4. Applicable Regulations, Forms and Application Procedures: Unless otherwise specified in this permit, the construction and operation of the subject emissions units shall be in accordance with the capacities and specifications stated in the application. The facility is subject to all applicable provisions of: Chapter 403, F.S.; and Chapters 62-4, 62-204, 62-210, 62-212, 62-213, 62-296 and 62-297, F.A.C. Issuance of this permit does not relieve the permittee from compliance with any applicable federal, state, or local permitting or regulations.

5. Asbestos: This permit does not authorize any demolition or renovation of the facility or its parts or components which involves asbestos removal. This permit does not constitute a waiver of any of the requirements of Chapter 62-257, F.A.C., and 40 CFR 61, Subpart M, National Emission Standard for Asbestos, adopted and incorporated by reference in Rule 62-204.800, F.A.C. Compliance with Chapter 62-257, F.A.C., and 40 CFR 61, Subpart M, Section 61.145, is required for any asbestos demolition or renovation at the source. [40 CFR 61; Rule 62-204.800, F.A.C.; and, Chapter 62-257, F.A.C.]

6. New or Additional Conditions: For good cause shown and after notice and an administrative hearing, if requested, the Department may require the permittee to conform to new or additional conditions. The Department shall allow the permittee a reasonable time to conform to the new or additional conditions, and on application of the permittee, the Department may grant additional time. [Rule 62-4.080, F.A.C.]

7. Modifications: The permittee shall notify the Permitting and Compliance Authority upon commencement of construction. Notification may be submitted by electronic mail to nwdair@dep.state.fl.us and copied to the permitting authority at epost_nwdwasteair@dep.state.fl.us. No new emissions unit shall be constructed and no existing emissions unit shall be modified without obtaining an air construction permit from the Department. Such permit shall be obtained prior to beginning construction or modification. [Rules 62-210.300(1) and 62-212.300(1)(a), F.A.C.]

8. Source Obligation:

   (a) At such time that a particular source or modification becomes a major stationary source or major modification (as these terms were defined at the time the source obtained the enforceable limitation) solely by virtue of a relaxation in any enforceable limitation which was established after August 7, 1980, on the capacity of the source or modification otherwise to emit a pollutant, such as a restriction on hours of operation, then the requirements of subsections 62-212.400(4) through (12), F.A.C., shall apply to the source or modification as though construction had not yet commenced on the source or modification.

   (b) At such time that a particular source or modification becomes a major stationary source or major modification (as these terms were defined at the time the source obtained the enforceable limitation) solely by exceeding its projected actual emissions, then the requirements of subsections 62-212.400(4) through (12), F.A.C., shall apply to the source or modification as though construction had not yet commenced on the source or modification.

   [Rule 62-212.400(12), F.A.C.]

9. Application for Title V Permit: This permit authorizes construction of the permitted emissions units and initial operation to determine compliance with Department rules. A Title V air operation permit is required for regular operation of the permitted emissions unit. The permittee shall apply for a Title V air operation permit at least 90 days prior to expiration of this permit, but no later than 180 days after commencing operation. To apply for a Title V operation permit, the applicant shall submit the appropriate application form, compliance test results, and such additional information as the Department may by law require. The application shall be submitted to the appropriate Permitting Authority with copies to the Compliance Authority. You can obtain a permit application form or apply for permit renewal electronically at the following web address: http://www.dep.state.fl.us/air/emission/permitting.htm. [Rules 62-4.030, 62-4.050 and Chapter 62-213, F.A.C.]

10. Additional Precautions to Prevent Emissions of Unconfined Particulate Matter. In an effort to prevent emissions of unconfined particulate matter at the Telogia Lumber facility, the following control measures will be implemented:

    a. High traffic areas of the facility will be paved as needed to minimize unconfined particulate emissions.
    b. Good housekeeping, including periodic sweeping, will be practiced on paved areas to reduce particle accumulations.
    c. Water or other suitable chemicals will be applied to unpaved portions of the facility as needed to help reduce fugitive dust emissions.
    d. Water will be applied to construction areas if needed to help reduce emissions.
    e. Sawdust conveyance systems will be covered as necessary to reduce particulate emissions.

    [Rule 62-296.320(4)(c)2., F.A.C. and Application No. 0770011-001-AC]

A. Indirect-fired Drying Kilns

This section of the permit addresses the following emissions units.

ID No.	Emissions Unit Description
001	Indirect-fired Drying Kilns

This emissions unit will consist of two indirect – fired drying kilns. The kilns will be double track indirect (steam) heated batch dry kilns containing vents with intermittent venting and suction. Emissions from the batch kilns are vented uncontrolled through the roof vents. Steam is to be bought from the adjacent Telogia Power facility. The lumber kilns are subject to 40 CFR 63 Subpart DDDD – Plywood and Composite Wood Products, because the facility is a major source of HAP emissions.

EQUIPMENT

1. Drying Kilns: The permittee is authorized to construct up to two kiln blocks to process rough sawn lumber. [Application No. 0770011-001-AC]

PERFORMANCE RESTRICTIONS

2. Permitted Capacity. The maximum allowable total combined production rate for the indirect-fired drying kilns shall not exceed 92,000,000 (ninety two million) board feet of lumber per rolling 12-month period. [Rule 62-4.070(3), F.A.C.; PSD Avoidance and Application 0770011-001-AC]

   {Permit Note: The normal design capacity for each kiln will be 129,000 board feet of lumber per load (batch, 24-hour period).}

3. Hours of Operation: The hours of operation of this emission unit are not limited (8,760 hours per year). [Application No. 0770011-001-AC; and Rules 62-4.070(3), and 62-210.200(PTE), F.A.C]

NESHAP APPLICABILITY

40 CFR 63, Subpart DDDD. The facility is subject to the applicable requirements contained in 40 CFR 63, Subpart DDDD – NESHAP: Plywood and Composite Wood Products. Pursuant to §63.2232(b), "The affected source includes lumber kilns at plywood and composite wood products and manufacturing facilities and at any other kind of facility". In addition, pursuant to §63.2252, "Process units not subject to the compliance options or work practice requirements specified in §63.2240 (including, but not limited to, lumber kilns) are not required to comply with the compliance options, work practice requirements, performance testing, monitoring, SSM plans, and recordkeeping or reporting requirements of this subpart, or any other requirements in subpart A of this part, except for the initial notification requirements in §63.9(b)."

The indirect-fired lumber drying kilns do not meet the definitions for the process units listed in Table 1A to Subpart DDDD of Part 63—Production-Based Compliance Options, or, in Table 1B to Subpart DDDD of Part 63—Add-on Control Systems Compliance Options. The kilns have no HAP emissions limitations from Table 1A or requirement for a HAP emissions control system from Table 1B.

4. NESHAP Notification Date. The permittee is required to submit a notification of the actual date of startup of the source, delivered or postmarked within 15 calendar days after that date. [40 CFR 63.2280(a) and 63.9(b)(4)(v)]

5. NESHAP Recordkeeping requirements. The permittee must keep a copy of each notification and report that is submitted to comply with this subpart, including all documentation supporting any Initial Notification. [40 CFR 63.2282 and 63.9(b)(4)(v)]

BEST OPERATING PRACTICES

6. Best Operating Practices: The permittee shall operate the kilns in accordance with the following best operating practices.

   a. Minimize over-drying the lumber;

   b. Maintain consistent moisture content for the processed lumber charge; and

   c. Dry at the minimum temperature for the given lumber charge.

   This O&M plan outlines the procedures the Permittee incorporates during the normal operation of this facility and provides necessary assurance that the facility will operate in compliance. Permittee shall follow all procedures outlines in the most recently approved plan (Appendix O&M). The permittee may change the plan by submitting a request in accordance with Rule 62-213.410(2), F.A.C. at least 7 days prior to implementing the change. [Rule 62-4.070(3), 62-213.410(2), F.A.C., Application 0770011-001-AC and Appendix O&M Plan]

Recordkeeping and Reporting Requirements

7. Lumber Production Records. Facility shall keep records of the total board-feet of lumber processed through the kilns on a per month total and rolling 12-month total basis. These records shall be compiled monthly within thirty days of the end of each calendar month. The records shall be maintained in a written or electronic log and made available for inspection by the Compliance Authority for a minimum of 5 years. [Rule 62-4.070(3), F.A.C.; PSD Avoidance and Application 0770011-001-AC]

B. Sawmill and Storage

This section of the permit addresses the following emissions units.

ID No.	Emissions Unit Description
002	Debarker
003	Sawmill
004	Chipper

Logs will be delivered to and temporarily stored at the site, debarked, sawn to form green cants through a sawmill and then dried through one of two indirect-fired steam Dry Kilns to form dried cants for offsite sales. Woodwaste from the sawmill will be chipped and screened, with clean wood chips being sold to offsite customers and bark being sold to Telogia Power or to other offsite customers.

EQUIPMENT

1. Miscellaneous Equipment: The permittee is authorized to construct the debarking, chipping and sawing operations and ancillary equipment as necessary.
   [Application No. 0770011-001AC]

PERFORMANCE RESTRICTIONS

2. Restricted Operation: The hours of operation are not limited (8760 hours per year).
   [Rules 62-4.070(3) and 62-210.200(PTE), F.A.C.]