TECHNICAL EVALUATION
&
PRELIMINARY DETERMINATION

APPLICANT

RockTenn CP, LLC
North 8th Street
Fernandina Beach, FL 32034

Fernandina Beach Kraft Pulp Mill
ARMS Facility ID No. 0890003
North 8th Street
Fernandina Beach, Florida

PROJECT

Project No. 0890003-036-AC
Application for Air Construction Permit
No. 1 and No. 2 Lime Bins Baghouse Vent Reroute Project

COUNTY

Nassau, Florida

PERMITTING AUTHORITY

Florida Department of Environmental Protection
Northeast District Office
Air Resources Section
8800 Baymeadows Way West, Suite 100
Jacksonville, Florida 32256

January 4, 2013

1. GENERAL PROJECT INFORMATION

Air Pollution Regulations

Projects with the potential to emit air pollution are subject to the applicable environmental laws specified in Section 403 of the Florida Statutes (F.S.). The statutes authorize the Department of Environmental Protection (Department) to establish regulations regarding air quality as part of the Florida Administrative Code (F.A.C.), which includes the following chapters: 62-4 (Permits); 62-204 (Air Pollution Control – General Provisions); 62-210 (Stationary Sources – General Requirements); 62-212 (Stationary Sources – Preconstruction Review); 62-213 (Operation Permits for Major Sources of Air Pollution); 62-296 (Stationary Sources - Emission Standards); and 62-297 (Stationary Sources – Emissions Monitoring). Specifically, air construction permits are required pursuant to Rules 62-4, 62-210 and 62-212, F.A.C.

In addition, the U. S. Environmental Protection Agency (EPA) establishes air quality regulations in Title 40 of the Code of Federal Regulations (CFR). Part 60 specifies New Source Performance Standards (NSPS) for numerous industrial activities. Part 61 specifies National Emission Standards for Hazardous Air Pollutants (NESHAP) based on specific pollutants. Part 63 specifies NESHAP based on the Maximum Achievable Control Technology (MACT) for numerous industrial categories. The Department adopts these federal regulations on a quarterly basis in Rule 62-204.800, F.A.C.

Facility Description and Location

The applicant operates an existing Kraft Pulp Mill (SIC No. 2611) in Fernandina Beach at 8th Street North in Nassau County, Florida 32304. The UTM coordinates are zone 17, 456.2 km East, and 3394.2 km North. This site is an area that is in attainment (or designated as unclassifiable) for all pollutants subject to a National Ambient Air Quality Standard (NAAQA).

This facility is a fully integrated Kraft linerboard mill that consists of major activities areas such as: wood yard, pulp mill, recycle plant, chemical recovery, power house and paper mill. A corrugated containers plant is also located at the site.

Facility Regulatory Categories

- The facility is a major source of hazardous air pollutants (HAP).
- The facility does not operate units subject to the acid rain provisions of the Clean Air Act.
- The facility is a Title V major source of air pollution in accordance with Chapter 213, F.A.C.
- The facility is a major stationary source in accordance with Rule 62-212.400, F.A.C. for the Prevention of Significant Deterioration (PSD) of Air Quality.

Project Description

The project authorizes the facility to reroute the exhaust from the No. 2 Lime Bin into the enclosed bucket elevator that feeds the No. 1 Lime Bin and vents through the No. 1 Lime Bin baghouse; thereby eliminating the No. 2 Lime Bin baghouse and vent stack. The project will eliminate an emission point (i.e. the No. 2 Lime Bin baghouse vent) and decrease the potential emissions of the Lime Bin baghouse vents from 10.6 tons per year (TPY) to 5.3 TPY.

Processing Schedule

December 12, 2012: Received the application for an air construction permit.

December 28, 2012: Application complete.

2. PSD APPLICABILITY

General PSD Applicability

The Department regulates major stationary sources of air pollution in accordance with Florida's PSD preconstruction review program as defined in Rule 62-212.400, F.A.C. A PSD applicability review is required in areas currently in attainment with the state and federal AAQS or areas otherwise designated as "unclassifiable". A facility is considered a major stationary source with respect to PSD if it emits or has the potential to emit: 5 tons per year or more of lead; 250 tons per year or more of any regulated air pollutant; or 100 tons per year or more of any regulated air pollutant and the facility belongs to one of the 28 PSD-major facility categories (fossil fuel-fired steam electric plants of more than 250 million British thermal units per hour heat input, coal cleaning plants (with thermal dryers), Kraft pulp mills, portland cement plants, primary zinc smelters, iron and steel mill plants, primary aluminum ore reduction plants, primary copper smelters, municipal incinerators capable of charging more than 250 tons of refuse per day, hydrofluoric, sulfuric, and nitric acid plants, petroleum refineries, lime plants, phosphate rock processing plants, coke oven batteries, sulfur recovery plants, carbon black plants (furnace process), primary lead smelters, fuel conversion plants, sintering plants, secondary metal production plants, chemical process plants, fossil fuel boilers (or combinations thereof) totaling more than 250 million British thermal units per hour heat input, petroleum storage and transfer units with a total storage capacity exceeding 300,000 barrels, taconite ore processing plants, glass fiber processing plants, and charcoal production plants.). Projects at existing or new major stationary sources are subject to PSD preconstruction review. In addition, proposed projects at existing minor sources are subject to PSD preconstruction review if potential emissions *from the proposed project* will exceed the PSD major stationary source thresholds.

Once a project becomes subject to PSD preconstruction review, each PSD pollutant is reviewed for PSD applicability based on emissions thresholds known as the "significant emission rates" defined in Rule 62-210.200, F.A.C. for the following pollutants: carbon monoxide (CO); nitrogen oxides (NO_X); sulfur dioxide (SO_2); particulate matter (PM); particulate matter with a mean particle diameter of 10 microns or less (PM_{10}); volatile organic compounds (VOC); lead (Pb); Fluorides (F); sulfuric acid mist (SAM); hydrogen sulfide (H_2S); total reduced sulfur (TRS), including H_2S; reduced sulfur compounds, including H_2S; municipal waste combustor organics measured as total tetra- through octa-chlorinated dibenzo-p-dioxins and dibenzofurans; municipal waste combustor metals measured as particulate matter; municipal waste combustor acid gases measured as SO_2 and hydrogen chloride (HCl); municipal solid waste landfills emissions measured as nonmethane organic compounds (NMOC); and mercury (Hg). Pollutant emissions from the project exceeding these rates are considered "significant" and the applicant must employ the Best Available Control Technology (BACT) to minimize emissions of each such pollutant and evaluate the air quality impacts. Although a facility or project may be *major* with respect to PSD for only one regulated pollutant, it may be required to install BACT controls for several "significant" regulated pollutants.

PSD Applicability for Project

The will reroute the exhaust from the No. 2 Lime Bin into the enclosed bucket elevator that feeds the No. 1 Lime Bin and vents through the No. 1 Lime Bin baghouse; thereby eliminating the No. 2 Lime Bin baghouse and vent stack. There are no expected increases in emissions sue to the nature of this project. The total project emissions will not exceed the PSD significant emissions rates; therefore, the project is not subject to PSD preconstruction review.

3. FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION (FDEP) REVIEW

Brief Discussion of Emissions and PSD Applicability

Pursuant to Rule 62-297.620(4), F.A.C, visible emissions shall not exceed 5% opacity for the No. 1 Lime Bin vent.

Based on the projections, supporting information provided by the applicant, conclusions presented by the applicant, the Department agrees that the project does not trigger PSD preconstruction review. Based upon this conclusion no further PSD review is required.

Therefore, the project requires a minor air construction permit that authorizes rerouting the exhaust from the No. 2 Lime Bin into the enclosed bucket elevator that feeds the No. 1 Lime Bin and vents through the No. 1 Lime Bin baghouse; thereby eliminating the No. 2 Lime Bin baghouse and vent stack.

NSPS Applicability

The No. 1 Lime Bin vent is not subject to NSPS.

NESHAP Applicability

The No. 1 Lime Bin vent is not subject to NESHAP.

4. PRELIMINARY DETERMINATION

The Department makes a preliminary determination that the proposed project will comply with all applicable state and federal air pollution regulations as conditioned by the draft permit. This determination is based on a technical review of the complete application, reasonable assurances provided by the applicant, and the conditions specified in the draft permit. No air quality modeling analysis is required because the project does not result in a significant increase in emissions. Merrilee Palcic, P.E. is the project specialist responsible for reviewing the application and drafting the permit. Additional details of this analysis may be obtained by contacting the project specialist at the Florida Department of Environmental Protection, Northeast District Office, Air Resources Section, 8800 Baymeadows Way West, Suite 100, Jacksonville, FL 32256, Phone: (904) 256-1700.