FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION

NORTHEAST DISTRICT
8800 BAYMEADOWS WAY WEST, SUITE 100
JACKSONVILLE, FLORIDA 32256

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LT. GOVERNOR

JONATHAN P. STEVERSON
SECRETARY

Sent by Electronic Mail – Received Receipt Requested

PERMITTEE

Foley Cellulose LLC
One Buckeye Drive
Perry, FL 32348

Authorized Representative:
Lee Davis, Vice President- General Manager
Foley Cellulose LLC

Air Permit No. 1230001-056-AC
Permit Expires: January 21, 2016
Foley Mill
Air Construction Permit
Construction to EU041 No. 2 Purification Plant; and re-servicing Washer No. 16 and Tower No. 17, and short-term trial testing.

This is the final air construction permit, which consist of: The re-servicing of Washer No. 16 and Tower No. 17 in (EU041) the No. 2 Purification Plant in order to produce a new pulp product, construction of supporting pumps, valves, piping, seal water boxes, and injection nozzles in the No. 2 Purification Plant to improve operation reliability; and short-term temporary trials to manufacture the new pulp product using the existing Washer No. 16 and Tower No. 17 in the equipment configuration. The proposed work will be conducted at the Foley Mill, which is a Kraft Process Pulp Mill (Standard Industrial Classification No. 2611). The facility is located in Taylor County at east of US 19, south of SR 30, southeast of Perry, Florida. UTM Coordinates are: Zone 17, 256.7 km East and 3328.7 km North; Latitude: 30°03’59” North and Longitude: 83°33’12” West. 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 pollution 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, 62-296 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 Jacksonville, Florida

Richard S. Rachal III, P.G.
Permitting Program Administrator

FILING AND ACKNOWLEDGEMENT & CERTIFICATE OF SERVICE

Filed on this date pursuant to § 120.52, Florida Statutes, with the designated Department Clerk, receipt of which is hereby acknowledged. The undersigned hereby certifies that this Construction permit and all copies were sent before the close of business on January 21, 2015 to the listed persons.

Leslie Maybin — January 21, 2015
Clerk — Date

Lee Davis, Vice President- General Manager - Foley Cellulose LLC (arthur.davis@gapac.com)
Chet Thompson, Mill Environmental Manager - Foley Cellulose LLC (chet.thompson@gapac.com)
Philip D. Cobb, P.E. - Golder Associates Inc. (pcobb@golder.com)

FACILITY AND PROJECT DESCRIPTION

Existing Facility

Foley Cellulose LLC, Foley Mill is an existing softwood Kraft Process Pulp Mill that manufactures bleached market pulps and dissolving cellulose pulps in Perry, Florida. The dissolving cellulose pulp produced at this plant is used in products such as food casings, rayon industrial cord, acetate fibers and plastics, as well as thickeners for personal care products, food and pharmaceuticals. The bleached market pulps are used in products such as disposable diapers, feminine hygiene products and incontinence products.

In the Kraft process, the digesting liquor (white liquor) is a solution of sodium hydroxide and sodium sulfide that is mixed with wood chips and cooked under pressure. The spent liquor, known as weak black liquor, is concentrated and sodium sulfate is added to make up for chemical losses. The black liquor solids (BLS) are burned in the recovery furnaces to produce a smelt of sodium carbonate and sodium sulfide. The smelt is dissolved in water to form green liquor to which quicklime (calcium oxide) is added to convert the sodium carbonate back to sodium hydroxide, which reconstitutes the cooking liquor. The spent lime cake (calcium carbonate) is recalcined in a rotary lime kiln to produce quicklime, which is used to convert the green liquor to cooking liquor. Steam and energy needs at the plant are met by: combination boilers, which burn bark/wood, tall oil, supplemental residual oil; power boilers, which burn residual oil, tall oil, natural gas; and recovery boilers, which burn BLS, tall oil, and supplemental residual oil.

The existing facility consists of the following emissions units.

Facility ID No. 1230001

ID No.	Emission Unit Description
Regulated Emissions Units	
002	No. 1 POWER BOILER
003	No. 2 POWER BOILER
004	No. 1 BARK BOILER
006	No. 2 RECOVERY FURNACE
007	No. 3 RECOVERY FURNACE
011	No. 4 RECOVERY FURNACE
019	No. 2 BARK BOILER
021	No. 2 SMELT DISSOLVING TANK
022	No. 3 SMELT DISSOLVING TANK
023	No. 4 SMELT DISSOLVING TANK
024	No. 4 LIME KILN AND STORAGE BINS (2)
025	TWO LIME SLAKERS
040	TALL OIL PROCESSING
041	No.2 PURIFICATION PLANT

Continued:

Facility ID No. 1230001	
ID No.	**Emission Unit Description**
045	No.1 PURIFICATION PLANT
046	PULPING AREA GENERAL
051	TRANSFORMER PROCESS
052	EMISSIONS UNIT NO. 052- EXISTING EMERGENCY RICE <300 HP
053	EMISSIONS UNIT NO. 053- NEW EMERGENCY RICE
Unregulated Emissions Units and Activities (Refer to Current Title V Operation Permit)	
047	FACILITY WIDE FUGITIVE EMISSIONS
048	CHEMICAL RECOVERY AREA
049	DRYING/CONVERTING/WAREHOUSE
050	WOODYARD

Proposed Project

This is the final air construction permit, which consist: The re-servicing of Washer No. 16 and Tower No. 17 in (EU041) the No. 2 Purification Plant in order to produce a new pulp product, construction of supporting pumps, valves, piping, seal water boxes, and injection nozzles in the No. 2 Purification Plant to improve operation reliability; and short-term temporary trials to manufacture the new pulp product using the existing Washer No. 16 and Tower No. 17 in the equipment configuration.

Washer No. 16 and Tower No. 17 were removed from service when the Oxygen Delignification (O2 Delig.) System (EU 046) was installed in October 2013. The Foley Mill did not make any mention of the fact that Washer No. 16 and Tower No. 17 would be removed from service when the construction application for the O2 Delig. system was submitted. However, no emissions reduction credit was taken as part of the PSD applicability assessment in the construction permit application for the O2 Delig. System. Going forward, the Mill desires to utilize this equipment whenever the Mill is making the new pulp product. One new chemical additive will be used in the No. 2 Purification Plant to manufacture the new product. The quantity of hydrogen peroxide, another chemical currently used in the No. 2 Purification Plant, will be increased when the new pulp product is being made. Foley anticipate using between 38 to 48 lbs of hydrogen peroxide per air dried metric ton of pulp.

This project will modify the following emissions units.

Facility ID No. 1230001	
ID No.	**Emission Unit Description**
041	No. 2 Purification Plant

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.
- 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(PSD), F.A.C.
- This facility **is** a major source of air pollutants, other than HAPs.
- This facility **has one** or more emissions units subject to NSPS (40CFR 60).
- This facility **has one** or more emissions units subject to NESHAP (40 CFR 61 or Part 63).

SECTION 2. ADMINISTRATIVE REQUIREMENTS (FINAL)

1. Permitting Authority: The permitting authority for this project is the Florida Department of Environmental Protection (Department), Northeast District Office, Waste and Air Resource Management Program. The Northeast District Office's mailing address is 8800 Baymeadows Way West, Suite 100, Jacksonville, Florida 32256. All documents related to applications for permits to operate an emissions unit shall be submitted to the Northeast District Office.

2. Compliance Authority: All documents related to compliance activities such as reports, tests, and notifications shall be submitted to the Northeast District Office, Compliance Assurance. The mailing address and phone number of the Northeast District Office is: 8800 Baymeadows Way West, Suite 100, Jacksonville, Florida 32256 and Phone Number 904) 256-1700.

3. Appendices: The following Appendices are attached as part of this permit:

a. Appendix A. Citation Formats and Glossary of Common Terms;

b. Appendix B. General Conditions;

c. Appendix C. Common Conditions; and

d. Appendix D. Common Testing Requirements.

e. Appendix E. 40 CFR 63 Subpart A – General Provision.

f. Appendix F. 40 CFR 63 Subpart S.

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. 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.]

6. Modifications: The permittee shall notify the Compliance Authority upon commencement of construction. 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.]

7. 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.]

8. 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. [Rules 62-4.030, 62-4.050, 62-4.220 and Chapter 62-213, F.A.C.]

9. Actual Emissions Reporting: This permit is based on an analysis that compared baseline actual emissions with projected actual emissions and avoided the requirements of subsection 62-212.400(4) through (12), F.A.C. for several pollutants. Therefore, pursuant to Rule 62-212.300(1)(e), F.A.C., the permittee is subject to the following monitoring, reporting and recordkeeping provisions.

a. The permittee shall monitor the emissions of any PSD pollutant that the Department identifies could increase as a result of the construction or modification and that is emitted by any emissions unit that could be affected; and, using the most reliable information available, calculate and maintain a record of the annual emissions, in tons per year on a calendar year basis, for a period of 5 years following resumption of regular operations after the change. Emissions shall be computed in accordance with the provisions in Rule 62-210.370, F.A.C., which are provided in Appendix C of this permit.

b. The permittee shall report to the Department within 60 days after the end of each calendar year during the 5 -year period setting out the unit's annual emissions during the calendar year that preceded submission of the report. The report shall contain the following:

1) The name, address and telephone number of the owner or operator of the major stationary source;

2) The annual emissions as calculated pursuant to the provisions of 62-210.370, F.A.C., which are provided in Appendix C of this permit;

3) If the emissions differ from the preconstruction projection, an explanation as to why there is a difference; and

4) Any other information that the owner or operator wishes to include in the report.

c. The information required to be documented and maintained pursuant to subparagraphs 62-212.300(1)(e)1 and 2, F.A.C., shall be submitted to the Department, which shall make it available for review to the general public.

For this project, the Department requires the annual reporting of actual **TRS, CO, H_2S and VOC** emissions for the following unit: **Emissions Unit 041**.

This section of the permit addresses the following emissions unit.

ID No.	Emission Unit Description
041	No. 2 Purification Plant. Chlorine dioxide emissions are controlled using process water scrubbers (2) followed by a wet, packed tower scrubber manufactured by Caldwell-MacKay (Paper-grade). White liquor is utilized as the scrubbing media in the wet scrubber. The minimum scrubbing media pH is 8.0 s.u. and approximately 7,000 acfm inlet gas flow rate. The control efficiency is estimated at 99% for chlorinated HAPs except chloroform.

{Permitting note(s): This emissions unit is regulated by 40 CFR 63, Subpart S – National Emission Standards for Hazardous Air Pollutants for Pulp Mills, adopted and incorporated by reference in Rule 62-204.800, F.A.C.

N.1. Relation to Other Permits. The conditions of this permit supplements all other previously issued air construction and operation permits for this emissions unit. These conditions are in addition to all other applicable permit conditions and regulatory requirements. The Permittee shall continue to comply with the conditions of those permits, which include restrictions and standards regarding capacities, production, operation, fuels, emissions, monitoring, recordkeeping, reporting, and the like.

[Rules 62-4.210, 62-4.070, and 62-210.300(1)(b), F.A.C.]

PROPOSED CONSTRUCTION WORK

N.2. Authorized Construction. The Permittee is authorized to install the following equipment for the trial testing of the new pulp product production. None of this support equipment is considered emission sources:

- Installation of Tower No. 17 mining water pump. This pump would supplement the filtrate flow to the D-16 mining water pump. To execute the trial run, two valves will change orientation and then the pump will be used for Tower No. 17 mining water.
- Installation of a 14-inch fiberglass reinforced plastic (FRP) pipe and two 14-inch dampers in the No. 17 Washer hood vent line to enable operations to swap the venting back and forth between the White Liquor Scrubber and the mill E-Stage vent fan.
- Installation of a 10-inch FRP pipe and two dampers at the No. 17 seal box for the same capability described above.
- Installation of an injection nozzle in the No. 13 Washer Repulper Chute.
- Installation of an injection nozzle and valve at the D-16 MC pump.
- Installation of two 6-inch tie-ins with valves on each in the Nos. 17 and 13 shower piping and Washer No. 16 shower header to enable the delivery of No. 17 filtrate to the No. 16 washer showers.

This construction shall be in accordance with the application and associated documents provided to the Permitting Authority for the issuance of this permit. Any changes to the project that are contrary to these documents and permit shall be reported in writing to the Permitting Authority by the P.E. of Record.

[Application No. 1230001-056-AC]

N.3. <u>Commencement of Construction and Operation</u>. After the work authorized in **Specific Condition No. N.2** is installed, the permittee shall submit to the Air Compliance Authority of this Office written notification of the date of commencement of construction and operation of changes to **EU041**. This notification shall be submitted or postmarked within as many days prior to the date of construction and operation commencement as practical, but no later than thirty (30) business day following commencement of construction and operation.

[Rule 62-4.070(3), F.A.C.]

TEMPORARY PROJECT PERFORMANCE RESTRICTIONS

N.4. <u>Restricted Trial Testing Operation</u>. Each trial operations periods is expected to last approximately 16 hours. The facility is authorized to conduct a total of 4 (four) trial periods. In the event of operational problems, Foley Cellulose LLC is allowed to request in writing for an additional 2 (two) trial periods to complete the testing. These trials will allow the Foley Mill the necessary satisfaction that the new pulp product has been successfully manufactured and meets all required specifications.

As part of the proposed project, Washer No. 16 and Tower No. 17 will be used whenever the Mill is making the new pulp product. During the trial testing, the new process chemical will be stored/ fed using temporary, portable totes.

[Application No. 1230001-056-AC and Rule 62-210.200(PTE), F.A.C.]

N.5. <u>Trial Authorization</u>. The facility is authorized to make a new pulp product by adding a process chemical additive in the No. 2 Purification Plant (EU041), and conduct quality testing on the product. The quantity of hydrogen peroxide, another chemical currently used in the No. 2 Purification Plant, will be increased when the new pulp product is being made. Foley anticipate using between 38 to 48 lbs of hydrogen peroxide per air dried metric ton of pulp.

Expiration and Revocation- Authorization to test trial the new pulp product expires at the end of 6 trial periods of producing the new product. The Department may require the trial of the new pulp product to stop if:

a) Production of the new pulp product is unable to comply with the emissions standards or permit production rate for the No. 2 Purification Plant in the current Title V air operation permit; or
b) Production of the new pulp product causes frequent upsets to the No. 2 Purification Plant resulting in non-steady state operation.

[Rule 62-4.070(3), F.A.C., and Rule 62-210.200(PTE), F.A.C.]

OPERATION DURING AND AFTER THE TRIAL TEST

N.7. The maximum allowed operation rate for the 2 Purification Plant **shall not** exceed the current Title V air operation permit limit of 981 ODTUBP/day. Every additional ton of new pulp product shall replace a ton of the existing fluff pulp currently manufactured by the No. 2 Paper Machine. There will be no new added capacity to the No. 2 Purification Plant or the No. 2 Paper Machine as a result of making the new pulp product.

[Application No. 1230001-056-AC, and Rule 62-4.070(3), F.A.C.]

CONTINUOUS EMISSIONS MONITORING REQUIREMENTS

N.8. Emissions Monitoring. The permittee shall continue to operate the continuous monitoring system (CMS) as per the current Title V Operating Permit No. 1230001-045-AV.

[Rule 62-4.070(3), F.A.C.]

N.9. Upsets. If an upset condition causes the plant producing the new pulp product that results in non-steady state operation, the permittee shall record each incident and identify the cause of the upset as well as the corrective action taken.

[Rule 62-4.070(3), F.A.C.]

RECORDS AND REPORTS

N.10. The facility shall keep a record of the operation rate of the No. 2 Purification Plant during the trial testing period in oven-dry tons unbleached pulp (ODTUBP/day) feed.

[Rule 62-4.070(3), F.A.C.]

N.11. This Facility is subject to SECTION 2. Administrative Requirements of this permit and also, the attached Combined Appendices.

This permit does not alter or add any new testing, monitoring, or reporting requirements.