Florida Department of Environmental Protection

Northwest District
160 W Government Street, Suite 308
Pensacola, Florida 32502-5740

Rick Scott
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Herschel T. Vinyard Jr.
Secretary

Sent by Electronic Mail – Received Receipt Requested

PERMITTEE

Rex Lumber, Bristol, Florida
Post Office Box 610
Bristol, Florida 32321

Authorized Representative:
Mr. Kenny Sparks, General Manager

Air Permit No. 0770007-017-AC
Permit Expires: January 16, 2018

Bristol Lumber Mill
Title V Source Air Construction Permit
Kiln 1 Modification

This is the final air construction permit, which authorizes modification and increased annual throughput of the existing lumber drying Kiln 1. The proposed work will be conducted at the Bristol Lumber Mill, which is a Sawmill and Planing Mill (Standard Industrial Classification No. 2421). The facility is located in Liberty County on Highway 12 South in Bristol, Florida. UTM Coordinates: Zone 16, 689.54 km East and 3358.88 km North. As noted in the Final Determination provided with this final permit, no changes 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, 62-213, 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/ 1/16/2013

J. Charles Harp (Date)
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 16, 2013 to the persons listed below.

Mr. Kenny Sparks, Responsible Official, Rex Lumber, Bristol, Florida: ksparks@rex-lumber.com
Mr. Vernon Adams, Application Contact, PLE Consulting: vernonadams@hotmail.com
Mr. Richard Brinker Applicant's P.E. of Record, PLE Consulting: richardbrinker@bellsouth.net
Ms. Ana Oquendo, EPA Region 4: oquendo.ana@epamail.epa.gov
Ms. Natasha Hazziez, U.S. EPA Region 4: hazziez.natasha@epa.gov

Clerk Stamp

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

/s/ 1/16/2013

(Clerk) (Date)

FACILITY AND PROJECT DESCRIPTION

Existing Facility

This facility consists of a log debarker, sawmill, wood waste handling and storage system, four steam heated drying kilns, planer mill, and three boilers that provide heat to the kilns. Pine logs are delivered to the facility via logging trucks and stored in the log storage yard until they are ready to be processed. The logs are debarked and conveyed into the sawmill where they are cut into various sizes of lumber. The lumber is automatically sorted by size and collected in corresponding piles that are transferred to kilns for drying. After the lumber is dried, it is transferred to the planer mill where the lumber is sized to specifications. The finished lumber is stored in miscellaneous storage sheds until it is shipped off site. The facility also receives debarked and peeled poles from Apalachee Pole Company (adjacent property owner) to be dried in the facility's drying kilns. Once dried, the poles are transported back to Apalachee Pole Company for further processing.

The facility has a total of four lumber drying kilns. Drying cycles vary, but can be as long as 96 hours. The steam used to heat the four drying kilns is generated by three steam-producing boilers. The facility's three boilers have maximum heat input capacities of 29.6, 42.9 and 28.7 MMBtu/hr, and are equipped with wood gasification systems. The boilers are fueled by wood waste that is generated during the processing of lumber at the facility.

Wood waste handling and storage is an unregulated emission unit and is not subject to any specific emission-limiting standards except for the general visible emissions standard of less than 20% opacity. The wood waste (bark, sawdust and shavings from the planer mill) is conveyed to one of three fuel storage silos located adjacent to the boilers to be used as fuel or conveyed to the truck loading station for shipment off site. Scrap pieces of wood generated from the lumber process are forwarded to chippers where they are chipped into smaller pieces and conveyed to the truck loading station to be shipped off site. Wood waste handling and storage consists of miscellaneous blowpipe systems, conveyors, eight receiving cyclones and storage bins.

The existing facility consists of the following emissions units.

Facility ID No. 0770007	
EU ID No.	**Brief Description**
Regulated Emissions Units	
001	Boiler No. 1 (29.6 MMBtu/hr) and Boiler No. 3 (28.7 MMBtu/hr)
002	Boiler No. 2 (42.9 MMBtu/hr)
0015	Four Steam Heated Drying Kilns
Unregulated Emissions Units and Activities	
014	Wood Waste Handling and Storage.

Proposed Project

Project: The proposed project is to convert the existing steam-heated lumber drying Kiln 1 from a batch-process kiln to a continuous open-ended countercurrent kiln with a pre-conditioning chamber, drying chamber and post-conditioning chamber. The project will increase the maximum production capacity of Kiln 1 from 66 million board-feet per year to 85 million board-feet per year and total facility kiln throughput from 176 million to 195 million board-feet per year. Kiln 1 will be lengthened from 84 feet to 204 feet by adding two 60-feet long conditioning chambers at the ends. Pushers, controls and other associated equipment will also be added as part of the project. After the changes, two streams of green lumber will enter at opposite ends of the kiln and

travel in opposite directions, allowing incoming green lumber to be preheated by the outgoing dry lumber. The green wood will slowly advance on trams through the kiln from preconditioning to drying to post-conditioning and emerge at the other end as dry lumber. No changes are proposed for the waste wood-fired boilers (EU 001 and EU 002) or the waste wood handling and storage operations (EU 014).

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 a major stationary source in accordance with Rule 62-212.400(PSD), F.A.C.
- The project includes emissions units subject to National Emission Standards for Hazardous Air Pollutants (NESHAP) in Subpart DDDD (Plywood and Composite Wood Products)

SECTION 2. ADMINISTRATIVE REQUIREMENTS

1. Permitting Authority: The permitting authority for this project is the Northwest District Air Resource Management Program, Florida Department of Environmental Protection (Department). The District's mailing address is 160 W 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.

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 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. Implementation Plan for Kiln 1 Best Operating Practices

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 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.]

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.]

A. Lumber Drying Kilns (EU 015)

This section of the permit addresses the following emissions unit.

ID No.	Emissions Unit Description
015	Four Steam-Heated Drying Kilns, Kilns 1 - 4

This project converts the existing steam-heated lumber drying Kiln 1 from a batch-process kiln to a continuous open-ended countercurrent kiln with a pre-conditioning chamber, drying chamber and post-conditioning chamber. The project will increase the maximum production capacity of Kiln 1 from 66 million board-feet per year to 85 million board-feet per year and total facility kiln throughput from 176 million to 195 million board-feet per year. No changes are proposed for the other kilns in EU-015.

Kiln 1 will be lengthened from 84 feet to 204 feet by adding two 60-feet long conditioning chambers at the ends. Pushers, controls and other associated equipment will also be added as part of the project. After the changes, two streams of green lumber will enter at opposite ends of the kiln and travel in opposite directions, allowing incoming green lumber to be preheated by the outgoing dry lumber. The green wood will slowly advance on trams through the kiln from preconditioning to drying to post-conditioning and emerge at the other end as dry lumber.

The following specific conditions apply to the emissions unit listed above:

1. Previous Permits: This permit supplements all previously issued air construction and operation permits for this emissions unit. Except for the change noted below, the unit remains subject to the conditions of all other legally binding air construction and operating permits. [Rules 62-4.070(3) and 62-210.300(1), F.A.C.]

2. New Equipment: Except for the change noted below, the new equipment authorized by this permit shall be subject to the same requirements, such as, but not limited to; emissions standards, recordkeeping, compliance testing and fuels limitations previously established for this emissions unit in all other legally binding air construction and operating permits. [Rules 62-4.070(3) and 62-210.300(1), F.A.C.]

EQUIPMENT

3. Equipment Name: The permittee is authorized to modify the existing Kiln 1 from an 84 feet batch-process kiln to a 204 feet continuous open-ended countercurrent kiln by installing two 60 feet long conditioning chambers, and pushers, controls, and associated equipment to the existing kiln. [Application No. 0770007-017-AC]

PERFORMANCE RESTRICTIONS

4. Permitted Capacities: The maximum drying rate for each kiln shall not exceed the following:
   a. Kiln 1: 85,000,000 board-feet per 12-month rolling period;
   b. Kiln 2: 92,000,000 board-feet per 12-month rolling period;
   c. Kiln 3: 9,000,000 board-feet per 12-month rolling period (equivalent to 750;000 cubic feet per 12-month rolling period); and
   d. Kin 4: 9,000,000 board-feet per 12-month rolling period (equivalent to 750,000 cubic feet per 12-month rolling period).

   [Rules 62-4.070(3) and 62-21 0.200(PTE), F.A.C.]

   {Permitting Note: Only Kiln 1 will be modified by this project, however, the permitted capacities of all four kilns are included for completeness. Because poles are dried in Kilns 3 and 4, and pole volume is measured in cubic feet, the drying rate for these kilns is specified in both board-feet and cubic feet.}

BEST OPERATING PRACTICES

5. Best Operating Practices for Kiln 1: The permittee shall operate Kiln 1 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.

   The permittee shall develop, and operate in accordance with, a written plan to implement the above best operating practices. See Appendix D for the initial implementation plan. The Title V air operation permit shall include the above best operating practices, but need not include the implementation plan. The permittee may change the implementation plan by submitting a request in accordance with Rule 62-213.410(2), F.A.C., at least seven days prior to implementing the change.

   [Rules 62-4.070(3) and 62-21 0.200(PTE), F.A.C.]

NESHAP PROVISIONS

6. <u>40 CFR 63 Subpart DDDD:</u> The facility is subject to 40 CFR 63 Subpart DDDD. Pursuant to §63.2232(b), *"The affected source includes lumber kilns at PCWP (Plywood and Composite Wood Products) and manufacturing facilities and at any other kind of facility."*
   However, §63.2252 states that, *"For process units not subject to the compliance options or work practice requirements specified in §63.2240 (including, but not limited to, lumber kilns), you 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 permittee shall comply with the initial notification requirements in §63.9(b)