Florida Department of Environmental Protection

Northeast District
7825 Baymeadows Way, Suite B200
Jacksonville, Florida 32256

Rick Scott
Governor

Jennifer Carroll
Lt. Governor

Herschel T. Vinyard Jr.
Secretary

PERMITTEE

Rayonier Performance Fibers, LLC
PO Box 2002
Fernandina Beach, FL 32035

Authorized Representative:
Mr. C. A. McDonald, General Manager

Air Permit No. 0890004-038-AC
Permit Expires: **July 13, 2013**
Issue Date: **July 13, 2012**
Fernandina Beach Sulfite Pulp Mill
ARMS ID No. 0890004
Temporary Emergency Generators

PROJECT AND LOCATION

The purpose of this permit is to revise the Air Construction Permit No. 0890004-035-AC which authorized the permittee to relocate and operate up to nine temporary emergency generators for the production of electricity during power supply disruptions. The current Air Construction Permit No. 0890004-038-AC authorizes the permittee to relocate and operate an unlimited number of temporary emergency generators for the production of electricity. The proposed work will be conducted at the Fernandina Beach Sulfite Pulp Mill (Standard Industrial Classification No. 2611). The existing facility is located in Nassau County at the foot of Gum Street in Fernandina Beach, Florida. The UTM coordinates are Zone 14: 454.7 km East; 3392.2 km North.

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,

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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

Khalid Al-Nahdy, P.E.
District Air Program Administrator

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.

(Clerk) July 13, 2012 (Date)

FACILITY AND PROJECT DESCRIPTION

Existing Facility

The mill uses a sulfite (ammonia-base) process to produce various grades of chemical cellulose from pine wood-chips. There are only two other pulp mills located in the United States that produce products similar to the Fernandina Mill and neither of these mills use the same type of manufacturing process. This plant produces approximately 10 different grades of cellulose each with different specifications and customers. The amount of each grade of product that is produced is based on market demand. The cellulose produced at this mill goes into such products as plastics, photographic film, LCD screens, paints, cigarette filters, pharmaceuticals, food products, cosmetics and textiles. Customers of these products have stringent quality requirements. This mill produces approximately 165,000 tons of performance fibers annually. The existing facility consists of the following emissions units.

EU ID No.	Brief Description
-005	Vent Gas Scrubber and Direct Contact Condenser
-006	Sulfite Recovery Boiler firing RLS, No. 6 fuel oil, and No. 2 fuel oil
-007	Molten sulfur handling area.
-010	Biological Effluent Treatment System
-011	Dissolving-Grade Bleaching System
-021	Evaporator Vents Methanol Condenser
-022	Bubbling Fluidized Bed No. 6 Power Boiler

Unregulated Emissions Units and/or Activities: *Refer to Appendix U, List of Unregulated Emissions Units and/or Activities*

Proposed Project

The permittee is authorized to relocate and operate an unlimited number of temporary emergency generators for the production of electricity. The generators will be brought on-site and used during periods of power supply disruptions. Generator engines will normally be Caterpillar model no. 3516 or similarly sized engines firing 15 ppm (maximum) by weight sulfur content No. 2 fuel oil and/or biodiesel fuel. Each engine is nominally rated at 2682 hp with a maximum fuel consumption capacity of 126.6 gallons per hour. The maximum annual fuel usage of all generators combined will not exceed 272,500 gallons per year. The new generator units are not intended or expected to result in an increase in production capacity. This project will add the following emissions unit.

EU ID No.	Brief Description
024	Temporary Emergency Generators (Revised)

FACILITY REGULATORY CLASSIFICATION

- 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(PSD), F.A.C.

1. Permitting Authority: The permitting authority for this project is the Florida Department of Environmental Protection (Department), Northeast District Office, Air Resources Section. The Northeast District Office's mailing address is 7825 Baymeadows Way, Suite B200, Jacksonville, Florida 32256-7590. All documents related to applications for permits to operate an emissions unit shall be submitted to the Northeast District.

2. Compliance Authority: All documents related to compliance activities such as reports, tests, and notifications shall be submitted to the Northeast District Office. The mailing address and phone number of the District Office is: 7825 Baymeadows Way, Suite B200, Jacksonville, Florida 32256. The Permitting Authority's telephone number is 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

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. The permittee shall apply for a Title V air operation permit revision at any time; however at least 90 days prior to expiration of this permit, or no later than 180 days after commencing operation of the new equipment, whichever occurs first. To apply for a Title V operation permit revision, the applicant shall submit the appropriate application form, compliance test results (if required), and such additional information as the Department may by law require. The application shall be submitted to the appropriate Permitting and Compliance Authority. [Rules 62-4.030, 62-4.050, 62-4.220 and Chapter 62-213, F.A.C.]

EMERGENCY GENERATORS (EU 024)

This section of the permit addresses the following emissions unit.

ID No.	Emission Unit Description
024	Temporary Emergency Generators

Emission Unit 024 identifies Temporary Emergency Generators. The permittee is authorized to relocate and operate an unlimited number of temporary emergency generators for the production of electricity. The generators will be brought on-site and used during periods of power supply disruptions. Generator engines will normally be compression ignition Caterpillar model no. 3516 or similarly sized engines firing 15 ppm (maximum) by weight sulfur content No. 2 fuel oil and/or biodiesel fuel. Each engine is nominally rated at 2682 hp with a maximum fuel consumption capacity of 126.6 gallons per hour. The maximum annual fuel usage of all generators combined will not exceed 272,500 gallons per year. The nominally sized generator is rated at approximately 2000 kilowatts (kW).

The temporary emergency generators are not subject to NSPS 40 CFR 60, Subpart IIII, Stationary Performance Standards for Compression Ignition Engines nor NESHAP 40 CFR 63, Subpart ZZZZ, NESHAP for Stationary Reciprocating Internal Combustion Engines since the engines meet the definition of non road engines and will not be located at the site for longer than 12 months.

PERFORMANCE RESTRICTIONS

1. Capacities and Fuels: The proposed work shall not result in any increase in the mill pulp production rate. [Rule 62-4.070(3), F.A.C., Application No. 0890004-035-AC, and Application No. 0890004-38-AC]
2. Authorized Fuel. The fuel combusted in the temporary emergency generators shall be limited as follows:
   a. Fuel containing a maximum of 15 ppm by weight sulfur content.
   b. Fuel types shall be limited to virgin No. 2 fuel oil or biodiesel fuel (each fuel shall meet federal specifications for diesel fuel).
   c. The quantity of fuel combusted in this emission unit shall be limited to 272,500 gallons per calendar year

[Rule 62-4.070(3), Rule 62-212.300, F.A.C., Application No. 0890004-35-AC, and Application No. 0890004-38-AC]

RECORDKEEPING AND REPORTING REQUIREMENTS

3. The permittee shall record the following information:
   a. Manufacturer name and date of manufacture of engine(s)
   b. Model No. of each engine
   c. Generating capacity in kW of each engine
   d. No. of cylinders and displacement per cylinder (liters or cubic inches)

e. Quantity of fuel combusted and kWh generated while located at the site (total engines)

f. Date and number of generators relocated to the site during each power supply disruption

g. Description of each power supply disruption event, including duration of the event and status of the affected existing emission unit(s)

h. Estimate of the quantity of the following pollutants (total from all engines) generated while located at the site:

   i. Carbon Monoxide

   ii. Oxides of Nitrogen

   iii. Sulfur dioxide

   iv. Volatile Organic Compounds

   v. Particulate Matter (PM), PM_{10}, and $PM_{2.5}$

i. Date each generator is removed from the site during each power supply disruption

j. Maintain fuel record receipts and supplier certifications for the fuel combusted in the temporary emergency generators. Receipts and certifications shall include the supplier name, type of fuel supplied and sulfur content of fuel supplied.

   Provide calculations for each pollutant estimate including supporting documentation for any emission factors used.

[Rule 62-4.070(3), Rule 62-212.300, F.A.C., Application No. 0890004-35-AC, and Application No. 0890004-38-AC]

4. The permittee shall submit to the Permitting Authority the date and number of generators relocated to the site during each power supply disruption. The report shall be submitted within 30 days of the delivery of the relocated generator(s). [Rule 62-4.070(3), Rule 62-212.300, F.A.C., Application No. 0890004-35-AC, and Application No. 0890004-38-AC]

5. The permittee shall submit to the Permitting Authority the records maintained in specific condition No. 3 above. The report shall be submitted on or before April 1st of the year following the calendar year in which the data was recorded. [Rule 62-4.070(3), Rule 62-212.300, F.A.C., Application No. 0890004-35-AC, and Application No. 0890004-38-AC]

6. If generator(s) remain onsite for 12 months or longer or otherwise are no longer classified as temporary, applicable portions of NSPS 40 CFR 60, Subpart IIII, Stationary Performance Standards for Compression Ignition Engines and NESHAP 40 CFR 63, Subpart ZZZZ, NESHAP for Stationary Reciprocating Internal Combustion Engines apply. [40 CFR 60, Subpart IIII, 40 CFR 63, Subpart ZZZZ, Rule 62-4.070(3), Rule 62-212.300, F.A.C., and Rule 62-204.800, F.A.C.]