TECHNICAL EVALUATION
&
PRELIMINARY DETERMINATION

APPLICANT

Georgia Pacific Consumer Operations, LLC
Post Office Box 919
Palatka, FL 32178-0919

Palatka Mill
Facility ID No. 1070005

PROJECT

Project No. 1070005-079-AC
Application for Minor Source Air Construction Permit
No. 4 Recovery Boiler, Clarification to Fuel Oil Burner Capacity and Steam Generating Capacity

COUNTY

Putnam County, Florida

PERMITTING AUTHORITY

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

March 28, 2013

1. GENERAL PROJECT INFORMATION

Air Pollution Regulations

Projects at stationary sources 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 applicable 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 categories. 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.

Glossary of Common Terms

Because of the technical nature of the project, the permit contains numerous acronyms and abbreviations. Please refer to Appendix A for definitions of acronyms and abbreviations used herein.

Facility Description and Location

The Palatka Mill is an existing Kraft pulp and paper mill, which is categorized under Standard Industrial Classification Code No. 2611. The existing Palatka Mill is located in Putnam County at 215 County Road 216 in Palatka, Florida. The UTM coordinates of the existing facility are Zone 17, 434.00 kilometers (km) East and 3,283.4 km North. This site is in an area that is in attainment (or designated as unclassifiable) for all air pollutants subject to state and federal Ambient Air Quality Standards (AAQS).

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

~~This permit project corrects the fuel oil burner sizes (and capacities) which were installed after issuance of permit No. 1070005-050-AC. Each startup burner installed has a maximum capacity of 375 gallons per hour (56.25 MMBtu per hour) and each load burner installed has a maximum capacity of 925 gallons per hour (138.75 MMBtu per hour). Even though these burners are significantly larger than proposed in the permit project (1070005-050-AC) no additional restrictions are required since the use of fuel oil was capped on a 24 hour basis by permit No. 1070005-050-AC to 67,680 gallons per 24 hour rolling period. This cap is significantly below the previously indicated maximum burner capacity and the actual capacity of the burners on a 24 hour rolling total basis.~~ This permit project corrects the fuel oil burner maximum design capacities which first appeared in the permit after the issuance of permit No. 1070005-050-AC. Each startup burner installed has a maximum capacity of 375 gallons per hour (56.25 MMBtu per hour) and each load burner installed has a maximum capacity of 925 gallons per hour (138.75 MMBtu per hour). Even though these burners capacities are significantly larger than those identified in the permit project (1070005-050-AC), the design maximum burner capacities are strictly informational and no additional restrictions are required since the use of fuel oil was capped on a 24 hour basis by permit No. 1070005-050-AC to 67,680 gallons per 24 hour rolling period. This cap is 42% below the previously

indicated maximum burner capacity and 68% below the revised maximum burner-capacity on a 24 hour rolling total basis.

Additionally, the maximum steam production rate listed in the emission unit description is being removed since it is not an emission limiting standard and was not intended as a restriction. This description modification in no way provides for an increase in emissions or a relaxation of standards for this emission unit.

Processing Schedule

November 5, 2012 Received the application for a Title V Air Operation permit revision and air construction permit to be processed concurrently with the Title V permit.

December 21, 2012 Received additional information regarding the air construction permit application.

2. PSD APPLICABILITY

General PSD Applicability

For areas currently in attainment with the AAQS or areas otherwise designated as unclassifiable, 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. Under preconstruction review, the Department first must determine if a project is subject to the PSD requirements ("PSD applicability review") and, if so, must conduct a PSD preconstruction review. A PSD applicability review is required for projects at new and existing major stationary sources. In addition, proposed projects at existing minor sources are subject to a PSD applicability review to determine whether potential emissions *from the proposed project itself* will exceed the PSD major stationary source thresholds. 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 following 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.

Once it is determined that a project is subject to PSD preconstruction review, the project emissions are compared to 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 non-methane organic compounds (NMOC); and mercury (Hg). In addition, significant emissions rate also means any emissions rate or any net emissions increase associated with a major stationary source or major modification which would construct within 10 kilometers of a Class I area and have an impact on such area equal to or greater than 1 $\mu g/m^3$, 24-hour average.

If the potential emission equals or exceeds the defined significant emissions rate of a PSD pollutant, the project is considered "significant" for the pollutant and the applicant must employ the Best Available Control Technology (BACT) to minimize the emissions 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 project is located in Putnam County which is in an area that is currently in attainment with the AAQS or is otherwise designated as unclassifiable. The proposed project will not increase emissions for any PSD pollutant; therefore, the project is not subject to a PSD preconstruction review. Pollutant emission levels and restrictions are not changed by this permit.

3. DEPARTMENT REVIEW

~~This permit project corrects the fuel oil burner sizes (and capacities) which were installed after issuance of permit No. 1070005-050-AC. Each startup burner installed has a maximum capacity of 375 gallons per hour (56.25 MMBtu per hour) and each load burner installed has a maximum capacity of 925 gallons per hour (138.75 MMBtu per hour). Even though these burners are significantly larger than proposed in the permit project (1070005-050-AC) no additional restrictions are required since the use of fuel oil was capped on a 24 hour basis by permit No. 1070005-050-AC to 67,680 gallons per 24 hour rolling period. This cap is significantly below the *previously indicated* maximum burner capacity and the *actual capacity* of the burners on a 24 hour rolling total basis.~~ This permit project corrects the fuel oil burner maximum design capacities which first appeared in the permit after the issuance of permit No. 1070005-050-AC. Each startup burner installed has a maximum capacity of 375 gallons per hour (56.25 MMBtu per hour) and each load burner installed has a maximum capacity of 925 gallons per hour (138.75 MMBtu per hour). Even though these burners capacities are significantly larger than those identified in the permit project (1070005-050-AC), the design maximum burner capacities are strictly informational and no additional restrictions are required since the use of fuel oil was capped on a 24 hour basis by permit No. 1070005-050-AC to 67,680 gallons per 24 hour rolling period. This cap is 42% below the previously indicated maximum burner capacity and 68% below the revised maximum burner-capacity on a 24 hour rolling total basis.

Additionally, the maximum steam production rate listed in the emission unit description is being removed since it is not an emission limiting standard and was not intended as a restriction. This description modification in no way provides for an increase in emissions or a relaxation of standards for this emission unit.

The project does not result in the establishment of any new emissions rates and does not provide for an increase in pulp production at the facility. The applicant shall continue to submit annual reports for the five year period (as required by Permit No. 1070005-050-AC). Additional reports are not required by this permit.

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. Jerry Woosley is the project engineer responsible for reviewing the application and drafting the permit. Additional details of this analysis may be obtained by contacting Jerry Woosley at 904-256-1563 or at jerry.woosley@dep.state.fl.us or at the Department's Notheast District Office, Air Resource Section, 8800 Baymeadows Way West, Suite 100, Jacksonville, FL 32256.