Florida Department of Environmental Protection

Bob Martinez Center
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

Rick Scott
Governor

Jennifer Carroll
Lt. Governor

Herschel T. Vinyard Jr.
Secretary

August 3, 2011

Sent by Electronic Mail – Received Receipt Requested

Howard Drew, Vice President
Buckeye Florida, Limited Partnership
One Buckeye Drive
Perry, FL 32348

Re: Project No. 1230001-036-AC/PSD-FL-397A
Buckeye Florida, Limited Partnership; Buckeye Foley Mill
Foley Energy Independence Project
Extension of Air Permit No. 1230001-023-AC/PSD-FL-397

Dear Mr. Drew:

On July 28, 2011, the Florida Department of Environmental Protection (Department) received your request for a one year extension to air construction Permit No. 1230001-023-AC/PSD-FL-397 for the Foley Energy Independence Project at the Buckeye Foley Mill that is set to expire on November 1, 2011. The facility is located in Taylor County at One Buckeye Drive in Perry, Florida. The UTM coordinates of the facility are Zone 17, 256.7 km East and 3328.7 km North. Buckeye Florida, Limited Partnership requests additional time to complete Phase II of the Foley Energy Independence Project. This project will improve efficiency for steam and electrical equipment at the plant, reduce the amount of electricity purchased from the grid and reduce the amount to fossil fuel used at Buckeye's Foley Mill.

The applicant identified the following construction schedule to complete the project:

Phase I: Conversion of the No. 2 Recovery Boiler from direct-contact evaporator units to low-odor non-direct contact units. The original application assumed that construction would commence in 2008 and be completed in 2009. However, this phase of the project was completed in July 2010.

Phase II: The final construction of the project is being completed in two parts:

1. Addition of a condensing steam turbine-electrical generator. Construction was planned to commence in 2008 for the new turbine generator and be completed in 2009. However, this part of the project was completed in January 2011.
2. Conversion of the No. 3 Recovery Boiler from direct-contact evaporator units to low-odor non-direct contact units. Construction is currently underway; but is not anticipated to be completed by the permit expiration date, November 1, 2011.

Pursuant to Rule 62-4.080(3) of the Florida Administrative Code (F.A.C.), the Department finds that the applicant has demonstrated reasonable assurance that the extended permit will comply with the standards and conditions applicable to the original permit; therefore, the Department approves this request.

Permitting Authority: Applications for air construction permits are subject to review in accordance with the provisions of Chapter 403, Florida Statutes (F.S.) and Chapters 62-4, 62-210, and 62-212, F.A.C. The proposed

project is not exempt from air permitting requirements and an air permit is required to perform the proposed work. The Department's Office of Permitting and Compliance is the Permitting Authority responsible for making a determination for this project. The Permitting Authority's physical address is: 111 South Magnolia Drive, Suite #4, Tallahassee, Florida 32301. The Permitting Authority's mailing address is: 2600 Blair Stone Road, MS #5505, Tallahassee, Florida 32399-2400. The Permitting Authority's telephone number is 850/717-9000.

Determination: The expiration date is hereby **extended from November 1, 2011 to November 1, 2012** to provide additional time to complete the final stage of construction converting the No. 3 Recovery Boiler from direct-contact evaporator units to low-odor non-direct contact units. This permitting action does not authorize any new construction. A copy of this letter shall be filed with the referenced permit and shall become part of the permit. This permitting decision is issued pursuant to Chapter 403, F.S.

Petitions: A person whose substantial interests are affected by the proposed permitting decision may petition for an administrative hearing in accordance with Sections 120.569 and 120.57, F.S. The petition must contain the information set forth below and must be filed with (received by) the Agency Clerk in the Office of General Counsel of the Department of Environmental Protection, 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000. Petitions must be filed within 14 days of receipt of this permit extension. A petitioner shall mail a copy of the petition to the applicant at the address indicated above, at the time of filing. The failure of any person to file a petition within the appropriate time period shall constitute a waiver of that person's right to request an administrative determination (hearing) under Sections 120.569 and 120.57, F.S., or to intervene in this proceeding and participate as a party to it. Any subsequent intervention (in a proceeding initiated by another party) will be only at the approval of the presiding officer upon the filing of a motion in compliance with Rule 28-106.205, F.A.C.

A petition that disputes the material facts on which the Permitting Authority's action is based must contain the following information: (a) The name and address of each agency affected and each agency's file or identification number, if known; (b) The name, address, and telephone number of the petitioner; the name, address and telephone number of the petitioner's representative, if any, which shall be the address for service purposes during the course of the proceeding; and an explanation of how the petitioner's substantial interests will be affected by the agency determination; (c) A statement of when and how each petitioner received notice of the agency action or proposed decision; (d) A statement of all disputed issues of material fact; (e) A concise statement of the ultimate facts alleged, including the specific facts the petitioner contends warrant reversal or modification of the agency's proposed action; (f) A statement of the specific rules or statutes the petitioner contends require reversal or modification of the agency's proposed action including an explanation of how the alleged facts relate to the specific rules or statutes; and, (g) A statement of the relief sought by the petitioner, stating precisely the action the petitioner wishes the agency to take with respect to the agency's proposed action. A petition that does not dispute the material facts upon which the Permitting Authority's action is based shall state that no such facts are in dispute and otherwise shall contain the same information as set forth above, as required by Rule 28-106.301, F.A.C.

Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means that the Permitting Authority's final action may be different from the position taken by it in this written notice. Persons whose substantial interests will be affected by any such final decision of the Permitting Authority on the application have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above.

Mediation: Mediation is not available in this proceeding.

Effective Date: This permitting decision is final and effective on the date filed with the clerk of the Department unless a petition is filed in accordance with the above paragraphs or unless a request for extension of time in

which to file a petition is filed within the time specified for filing a petition pursuant to Rule 62-110.106, F.A.C., and the petition conforms to the content requirements of Rules 28-106.201 and 28-106.301, F.A.C. Upon timely filing of a petition or a request for extension of time, this action will not be effective until further order of the Department.

Judicial Review: Any party to this permitting decision (order) has the right to seek judicial review of it under Section 120.68, F.S., by filing a notice of appeal under Rule 9.110 of the Florida Rules of Appellate Procedure with the clerk of the Department's 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 Tallahassee, Florida.

_____ _____

Jeffery F. Koerner, Program Administrator (Date)
Office of Permitting and Compliance
Division of Air Resource Management

JFK/gpd/ttm

CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this Extension of Air Construction Permit Expiration Date 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 _____ to the persons listed below.

Mr. Howard Drew, Buckeye Florida, Limited Partnership (howard_drew@bkitech.com)
Mr. David Weeden, Buckeye Florida, Limited Partnership (dave_weeden@bkitech.com)
Mr. Ray Perry, Buckeye Florida, Limited Partnership (ray_perry@bkitech.com)
Mr. David Buff, Golder Associates, Inc. (dbuff@golder.com)
Mr. Christopher Kirts, Northeast District Office (Christopher.kirts@dep.state.fl.us)
Ms. Heather Abrams, U.S. EPA Region 4 (abrams.heather@epa.gov)
Ms. Katy Forney, U.S. EPA Region 4 (forney.kathleen@epamail.epa.gov
Mr. Dee Morse, National Park Service (dee_morse@nps.gov
Ms. Lynn Scearce, DEP OPC Reading File (lynn.scearce@dep.state.fl.us)
Ms. Barbara Friday, DEP OPC Reading File (Barbara.Friday@dep.state.fl.us)

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

_____ _____
(Clerk) (Date)