Department of Environmental Protection

Jeb Bush
Governor

Northeast District
7825 Baymeadows Way, Suite B200
Jacksonville, Florida 32256-7590

Colleen Castille
Secretary

August 16, 2005

Mr. Warren S. Flenniken, V.P. and General Manager
Jefferson Smurfit Corp. (U.S.), Mill Division
North 8th Street
Fernandina Beach, FL 32034

Re: Draft Air Construction Permit No.: 0890003-008-AC
Draft Air Construction Permit No.: 0890003-010-AC
DRAFT Title V Air Operation Permit Renewal Project No.: 0890003-009-AV
Fernandina Beach Mill

Dear Mr. Flenniken:

One copy of the combined Public Notice, the Draft Air Construction Permits, and the DRAFT Title V Air Operation Permit Renewal for the Fernandina Beach Mill located at North 8th Street, Fernandina Beach, Nassau County, is enclosed. The permitting authority's "INTENT TO ISSUE AN AIR CONSTRUCTION PERMIT AND A TITLE V AIR OPERATION PERMIT RENEWAL" and the "PUBLIC NOTICE OF INTENT TO ISSUE AN AIR CONSTRUCTION PERMIT AND A TITLE V AIR OPERATION PERMIT RENEWAL" are also included.

An electronic version of the DRAFT Permit will be posted on the Division of Air Resource Management's world wide web site for the United States Environmental Protection Agency (USEPA) Region 4 office's review. The web site address is:

"http://www.dep.state.fl.us/air/eproducts/ards/default.asp"

The "PUBLIC NOTICE OF INTENT TO ISSUE AN AIR CONSTRUCTION PERMIT AND A TITLE V AIR OPERATION PERMIT RENEWAL" must be published as soon as possible. Proof of publication, i.e., newspaper affidavit, must be provided to the permitting authority's office within 7 (seven) days of publication pursuant to Rule 62-110.106(5), F.A.C. Failure to publish the notice and provide proof of publication within the allotted time may result in the denial of the permits pursuant to Rule 62-110.106(11), F.A.C.

Please submit any written comments you wish to have considered concerning the permitting authority's proposed action to me at the above letterhead address. If you have any other questions, please contact Rita Felton-Smith at (904) 807-3237.

Sincerely,

Christopher L. Kirts, P.E.
District Air Program Administrator

CLK:RFS

In the Matter of an
Application for Permits by:

Smurfit Stone Container Enterprises, Inc.
North 8th Street
Fernandina Beach, Florida
32034

Draft Air Construction Permit No.: 0890003-008-AC
Draft Air Construction Permit No.: 0890003-010-AC
DRAFT Title V Air Operation Permit Renewal No.: 0890003-009-AV

Fernandina Beach Mill
Nassau County

_____/

INTENT TO ISSUE AN AIR CONSTRUCTION PERMIT AND A TITLE V AIR OPERATION PERMIT RENEWAL

The Florida Department of Environmental Protection (permitting authority) gives notice of its intent to issue Air Construction Permits and a Title V Air Operation Permit Renewal (copies of the Draft Air Construction Permits and DRAFT Title V Air Operation Permit Renewal attached) for the Title V source detailed in the application(s) specified above for the reasons stated below. The permitting authority is withdrawing the previously issued DRAFT Title V Air Operation Permit Revision and Intent to Issue package issued on May 31, 2002, and replacing it with this package.

The applicant, Mr. Warren Flenniken applied on October 1, 2002, April 7, 2004, and December 18, 2002, to the permitting authority for an Air Construction Permit, an Air Construction Permit, and a Title V Air Operation Permit Renewal for the Fernandina Beach Mill located at North 8th Street, Fernandina Beach, Nassau County.

Two combined Air Construction Permits are being issued in order to 1) to permit the Package Boiler (after-the-fact), which was installed in 1992 to provide temporary backup steam generation if one of the other mill boilers was operated at reduced rate or shutdown; and 2) incorporate the provisions of 40 CFR 63 Subpart MM - National Emission Standards for Hazardous Air Pollutants for Chemical Recovery Combustion Sources at Kraft, Soda, Sulfite, and Stand-Alone Semi chemical Pulp Mills.

The Title V Permit Renewal is being issued in order to 1) incorporate the terms and conditions of the previously issued air construction permit Nos. 0890003-003-AC), 2) incorporate the terms and conditions of pending air construction permit Nos. 0890003-008-AC and 0890003-010-AC, 3) renew the Title V Operation permit for this facility, 4) incorporate the provisions of 40 CFR 63 Subpart MM; and 5) incorporate the provisions of 40 CFR 63 Subpart S - National Emission Standards for Hazardous Air Pollutants from the Pulp and Paper Industry.

The permitting authority has permitting jurisdiction under the provisions of Chapter 403, Florida Statutes (F.S.), and Florida Administrative Code (F.A.C.) Chapters 62-4, 62-210, 62-212 and 62-213. This source is not exempt from construction and Title V permitting procedures. The permitting authority has determined that an Air Construction Permit and a Title V Air Operation Permit Renewal are required to construct and to commence or continue operations at the described facility.

The permitting authority intends to issue the Air Construction Permit and the Title V Air Operation Permit Renewal based on the belief that reasonable assurances have been provided to indicate that the construction activity and operation of the source will not adversely impact air quality, and the source will comply with all appropriate provisions of Chapters 62-4, 62-204, 62-210, 62-212, 62-213, 62-256, 62-257, 62-281, 62-296, and 62-297, F.A.C.

Pursuant to Sections 403.815 and 403.087, F.S., and Rules 62-110.106 and 62-210.350(3), F.A.C., you (the applicant) are required to publish at your own expense the enclosed "PUBLIC NOTICE OF INTENT TO ISSUE AN AIR CONSTRUCTION PERMIT AND A TITLE V AIR OPERATION PERMIT RENEWAL." The notice shall be published one time only as soon as possible in the legal advertisement section of a newspaper of general circulation in the area affected. For the purpose of these rules, "publication in a newspaper of general circulation in the area affected" means publication in a newspaper meeting the requirements of Sections 50.011 and 50.031, F.S., in the county where the activity is to take place. If you are uncertain that a newspaper meets these requirements, please contact the permitting authority at the address or telephone number listed below. The applicant shall provide proof of publication to the Florida Department of Environmental Protection, Northeast District Office, 7825 Baymeadows Way, Suite B-200, Jacksonville, Florida 32256 (Telephone: 904/807-3300; Fax: 904/448-4363)], within 7 (seven) days of publication pursuant to Rule 62-110.106(5), F.A.C. Failure to publish the notice and provide proof of publication may result in the denial of the permits pursuant to Rule 62-110.106(11), F.A.C.

The permitting authority will issue the Air Construction Permit and the PROPOSED Title V Air Operation Permit Renewal and subsequent FINAL Title V Air Operation Permit Renewal, in accordance with the conditions of the attached Draft Air Construction Permit and the DRAFT Title V Air Operation Permit Renewal unless a response received in accordance with the following procedures results in a different decision or significant change of terms or conditions.

The permitting authority will accept written comments concerning the proposed Air Construction Permit issuance action for a period of 14 (fourteen) days from the date of publication of the "PUBLIC NOTICE OF INTENT TO ISSUE AN AIR CONSTRUCTION PERMIT AND A TITLE V AIR OPERATION PERMIT RENEWAL." Written comments should be provided to the permitting authority office. Any written comments filed shall be made available for public inspection. If written comments received result in a significant change in this Draft Air Construction Permit, the permitting authority shall issue a Revised Draft Air Construction Permit and require, if applicable, another Public Notice.

The permitting authority will accept written comments concerning the proposed Title V Air Operation Permit Renewal issuance action for a period of 30 (thirty) days from the date of publication of the "PUBLIC NOTICE OF INTENT TO ISSUE AN AIR CONSTRUCTION PERMIT AND A TITLE V AIR OPERATION PERMIT RENEWAL." Written comments should be provided to the permitting authority office. Any written comments filed shall be made available for public inspection. If written comments received result in a significant change in this DRAFT Title V Air Operation Permit Renewal, the permitting authority shall issue a Revised DRAFT Title V Air Operation Permit Renewal and require, if applicable, another Public Notice.

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 (received) in the Office of General Counsel of the Florida Department of Environmental Protection, 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000 (Telephone: 850/ 245-2242; Fax: 850/ 245-2303). Petitions filed by the permits's (construction and renewal) applicant or any of the parties listed below must be filed within 14 (fourteen) days of receipt of this notice of intent. Petitions filed by any persons other than those entitled to written notice under Section 120.60(3), F.S., must be filed within 14 (fourteen) days of publication of the public notice or within 14 (fourteen) days of receipt of this notice of intent, whichever occurs first. Under Section 120.60(3), F.S., however, any person who asked the

permitting authority for notice of agency action may file a petition within 14 (fourteen) days of receipt of that notice, regardless of the date of publication. 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 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 how and when each petitioner received notice of the agency action or proposed action;

(d) A statement of all disputed issues of material fact. If there are none, the petition must so indicate;

(e) A concise statement of the ultimate facts alleged, as well as the rules and statutes which entitle the petitioner to relief;

(f) A statement of the specific rules or statutes the petitioner contends require reversal or modification of the agency's proposed action; and,

(g) A statement of the relief sought by the petitioner, stating precisely the action 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 notice of intent. Persons whose substantial interests will be affected by any such final decision of the permitting authority on the application(s) have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above.

Mediation will not be available in this proceeding.

Finally, pursuant to 42 United States Code (U.S.C.) Section 7661d(b)(2), any person may petition the Administrator of the EPA within 60 (sixty) days of the expiration of the Administrator's 45 (forty-five) day review period as established at 42 U.S.C. Section 7661d(b)(1), to object to issuance of any Title V permit. Any petition shall be based only on objections to the Title V permit that were raised with reasonable specificity during the 30 (thirty) day public comment period provided in this notice, unless the petitioner demonstrates to the Administrator of the EPA that it was impracticable to raise such objections within the comment period or unless the grounds for such objection arose after the comment period. Filing of a petition with the Administrator of the EPA does not stay the effective date of any Title V permit properly issued pursuant to the provisions of Chapter 62-213, F.A.C. Petitions filed with the

Administrator of EPA must meet the requirements of 42 U.S.C. Section 7661d(b)(2) and must be filed with the Administrator of the EPA at: U.S. EPA, 401 M Street, S.W., Washington, D.C. 20460.

Executed in Jacksonville, Florida.

Florida Department of Environmental Protection

Christopher L. Kirts, P.E.
District Air Program Administrator

Cc: David A. Buff., P.E.
Barbara Friday, Bureau of Air Regulation (INTERNET E-mail Memorandum)

PUBLIC NOTICE OF INTENT TO ISSUE AN AIR CONSTRUCTION PERMIT AND A TITLE V AIR OPERATION PERMIT RENEWAL

Florida Department of Environmental Protection

Draft Air Construction Permit No.: 0890003-008-AC
Draft Air Construction Permit No.: 0890003-010-AC
DRAFT Title V Operation Permit Renewal No.: 0890003-009-AV
Nassau County

The Florida Department of Environmental Protection (permitting authority) gives notice of its intent to issue Air Construction Permits and a Title V Air Operation Permit Renewal to Smurfit Stone Container Enterprises, Inc. for Fernandina Beach Mill located at North 8th Street, Fernandina Beach, Nassau County.
The applicant's name and address are: Mr. Warren Flenniken, Smurfit Stone Container Enterprises, Inc., North 8th Street, Fernandina Beach, Florida 32034.

Two combined Air Construction Permits are being issued in order to 1) to permit the Package Boiler (after-the-fact), which was installed in 1992 to provide temporary backup steam generation if one of the other mill boilers was operated at reduced rate or shutdown [Construction Permit No. 0890003-008-AC]; and 2) incorporate the provisions of 40 CFR 63 Subpart MM - National Emission Standards for Hazardous Air Pollutants for Chemical Recovery Combustion Sources at Kraft, Soda, Sulfite, and Stand-Alone Semi chemical Pulp Mills [Construction Permit No. 0890003-010-AC].

The Title V Permit Renewal is being issued in order to 1) incorporate the terms and conditions of a previously issued air construction permit No. 0890003-003-AC), 2) incorporate the terms and conditions of pending air construction permit Nos. 0890003-008-AC and 0890003-010-AC, 3) renew the Title V Operation permit for this facility, 4) incorporate the provisions of 40 CFR 63 Subpart MM; and 5) incorporate the provisions of 40 CFR 63 Subpart S - National Emission Standards for Hazardous Air Pollutants from the Pulp and Paper Industry.

The permitting authority will issue the Air Construction Permit and the PROPOSED Title V Air Operation Permit Renewal and subsequent FINAL Title V Air Operation Permit Renewal, in accordance with the conditions of the Draft Air Construction Permit and the DRAFT Title V Air Operation Permit Renewal unless a response received in accordance with the following procedures results in a different decision or significant change of terms or conditions.

The permitting authority will accept written comments concerning the proposed Draft Air Construction Permit issuance actions for a period of 14 (fourteen) days from the date of publication of this Public Notice. Written comments should be provided to the Florida Department of Environmental Protection, Northeast District Office, 7825 Baymeadows Way, Suite B-200, Jacksonville, Florida 32256. Any written comments filed shall be made available for public inspection. If written comments received result in a significant change in this Draft Air Construction Permit, the permitting authority shall issue a Revised Draft Air Construction Permit and require, if applicable, another Public Notice.

The Permitting Authority will accept written comments concerning the DRAFT Title V Air Operation Permit Renewal for a period of thirty (30) days from the date of publication of this Public Notice. Written comments must be post-marked and all facsimile comments must be received by the close of business (5:00 pm), on or before the end of this 30-day period, by the Permitting Authority at Florida Department of Environmental Protection, Northeast District Office, 7825 Baymeadows Way, Suite B-200, Jacksonville, Florida 32256 or facsimile (904) 448-4363. As part of his or her comments, any person may also request that the Permitting Authority hold a public meeting on this permitting action. If the Permitting Authority determines there is sufficient interest for a public meeting, it will publish notice of the time, date, and location on the Department's official web site for notices at http://tlhora6.dep.state.fl.us/onw and in a newspaper of general circulation in the area affected by

the permitting action. For additional information, contact the Permitting Authority at the above address or phone number. If written comments or comments received at a public meeting result in a significant change to the DRAFT Title V Air Operation Permit Renewal, the Permitting Authority shall issue a Revised DRAFT Title V Air Operation Permit Renewal and require, if applicable, another Public Notice. All comments filed will be made available for public inspection.

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, Florida Statutes (F.S.). The petition must contain the information set forth below and must be filed (received) in the Office of General Counsel of the Florida Department of Environmental Protection, 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000 (Telephone: 850/ 245-2242; Fax: 850/ 245-2303). Petitions filed by any persons other than those entitled to written notice under Section 120.60(3), F.S., must be filed within 14 (fourteen) days of publication of the public notice or within 14 (fourteen) days of receipt of the notice of intent, whichever occurs first. Under Section 120.60(3), F.S., however, any person who asked the permitting authority for notice of agency action may file a petition within 14 (fourteen) days of receipt of that notice, regardless of the date of publication. 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 applicable 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 will be only at the approval of the presiding officer upon the filing of a motion in compliance with Rule 28-106.205, Florida Administrative Code (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; 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 petitioner's substantial rights will be affected by the agency determination;

(c) A statement of how and when the petitioner received notice of the agency action or proposed action;

(d) A statement of all disputed issues of material fact. If there are none, the petition must so state;

(e) A concise statement of the ultimate facts alleged, as well as the rules and statutes which entitle petitioner to relief;

(f) A statement of the specific rules or statutes the petitioner contends require reversal or modification of the agency's proposed action; and,

(g) A statement of the relief sought by the petitioner, stating precisely the action 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 notice of intent. Persons whose substantial interests will be affected by any such final decision of the permitting authority on the application(s) have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above.

Mediation is not available for this proceeding.

In addition to the above, pursuant to 42 United States Code (U.S.C.) Section 7661d(b)(2), any person may petition the Administrator of the EPA within 60 (sixty) days of the expiration of the Administrator's 45 (forty-five) day review period as established at 42 U.S.C. Section 7661d(b)(1), to object to issuance of any Title V permit. Any petition shall be based only on objections to the Title V permit that were raised with reasonable specificity during the 30 (thirty) day public comment period provided in this notice, unless the petitioner demonstrates to the

Administrator of the EPA that it was impracticable to raise such objections within the comment period or unless the grounds for such objection arose after the comment period. Filing of a petition with the Administrator of the EPA does not stay the effective date of any Title V permit properly issued pursuant to the provisions of Chapter 62-213, F.A.C. Petitions filed with the Administrator of EPA must meet the requirements of 42 U.S.C. Section 7661d(b)(2) and must be filed with the Administrator of the EPA at: U.S. EPA, 401 M Street, S.W., Washington, D.C. 20460.

A complete project file is available for public inspection during normal business hours, 8:00 a.m. to 5:00 p.m., Monday through Friday, except legal holidays, at:

Permitting Authority:
Florida Department of Environmental Protection
Northeast District Office
7825 Baymeadows Way
Suite B-200
Jacksonville, FL 32256
Telephone: (904) 807-3300
Fax: (904) 448-4363

The complete project file includes the Draft Air Construction Permits and DRAFT Title V Air Operation Permit Renewal, the application(s), and the information submitted by the responsible official, exclusive of confidential records under Section 403.111, F.S. Interested persons may contact Christopher L. Kirts, P.E. at the above address, or call 904-807-3300 for additional information.