Department of
Environmental Protection

Northeast District
7825 Baymeadows Way, Suite B-200
Jacksonville, Florida 32256-759

Jeb Bush
Governor

Colleen Castille
Secretary

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PERMITTEE:

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

I.D. Number:	0890003
Permit/Cert Number:	0890003-008-AC
Date of Issue:	
Expiration Date:	
County:	Nassau
Latitude/Longitude:	30º 40'53" N; 81º 27' 26" W
UTM:	E-(17) 456.2; N-3394.2
Project:	Package Boiler (after-the-fact)

This permit is issued under the provisions of Chapter(s) 403, Florida Statutes, and Florida Administrative Code Rule(s) 62-210, 62-212, 62-272, 62-296, 62-297 and 62-4. The above named permittee is hereby authorized to perform the work or operate the facility shown on the application and approved drawing(s), plans, and other documents attached hereto or on file with the department and made a part hereof and specifically described as follows:

PROJECT

Project No. 008 is for a 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. **This unit will burn only No. 2 fuel oil with a maximum sulfur content of 0.05%.**

Emission Unit 034 Package Boiler

FACILITY DESCRIPTION

This facility is a kraft linerboard mill that produces different grades of linerboard on three paper machines. The Package Boiler is a standby unit that only operates when the No. 5 Power Boiler, the No. 7 Power Boiler, the No. 4 Recovery Boiler or the No. 5 Recovery Boiler is not in operation or is being operated at a reduced rate.

Pollutants: Particulate Matter and SO_2

For informational purposes only:

Pollutant	Emission Rate		PSD Significant Emission Rate TPY
	Lbs/hr	TPY	
NO_X	14.1	6.2	40
CO	7.0	3.1	100
VOC	0.3	0.1	40
SAM	0.5	0.2	7

[Construction Application dated May 9, 2003]

REGULATORY CLASSIFICATION

This facility is subject to regulation under: 40 CFR 60,Subpart A- General Provisions; 40 CFR 60, Subpart Db – Standards of Performance for Industrial- Commercial- Institutional Steam Generating Units and Rule 62-296.406, F.A.C.

OPERATING LOCATION

North 8th Street, Fernandina Beach, Nassau, Florida 32034.

RELEVANT DOCUMENTS

The documents listed below are the basis of the permit. They are specifically related to this permitting action. These documents are on file with the Department:

Construction application received October 1, 2002.
Request for Additional Information dated October 30, 2002.
Request for Additional Information received January 29, 2003.
Request for Additional Information dated February 28, 2003.
Request for Additional Information received May 9, 2003.
Best Available Control Technology BACT dated *

* Inserted upon final issuance.

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GENERAL CONDITIONS:

1. The terms, conditions, requirements, limitations, and restrictions set forth in this permit are "Permit Conditions" and are binding and enforceable pursuant to Sections 403.161, 403.727, or 403.859 through 403.861, Florida Statutes. The permittee is placed on notice that the Department will review this permit periodically and may initiate enforcement action for any violation of the conditions.

2. This permit is valid only for the specific processes and operations applied for and indicated in the approved drawings or exhibits. Any unauthorized deviation from the approved drawings, exhibits, specifications, or conditions of this permit may constitute grounds for revocation and enforcement action by the Department.

3. As provided in Subsections 403.087(6) and 403.722(5), Florida Statutes, the issuance of this permit does not convey any vested rights or any exclusive privileges. Neither does it authorize any injury to public or private property or any invasion of personal rights, nor any infringement of federal, state or local laws or regulations. This permit is not a waiver of or approval of any other Department permit that may be required for other aspects of the total project which are not addressed in the permit.

4. This permit conveys not title to land or water, does not constitute State recognition or acknowledgment of title, and does not constitute authority for the use of submerged lands unless herein provided and the necessary title or leasehold interests have been obtained from the State. Only the Trustees of the Internal Improvement Trust Fund may express State opinion as to title.

5. This permit does no relieve the permittee from liability for harm or injury to human health or welfare, animal, or plant life or property caused by the construction or operation of this permitted source, or from penalties therefore; nor does it allow the permitted to cause pollution in contravention of Florida Statutes and Department rules, unless specifically authorized by an order from the Department.

6. The permittee shall properly operate and maintain the facility and systems of treatment and control (and related appurtenances) that are installed and used by the permittee to achieve compliance with the conditions of this permit, as required by Department rules. This provision includes the operation of backup or auxiliary facilities or similar systems when necessary to achieve compliance with the conditions of the permit and when required by Department rules.

7. The permittee, by accepting this permit, specifically agrees to allow authorized Department personnel, upon presentation of credentials or other documents as may be required by law and at a reasonable time, access to the premises, where the permitted activity is located or conducted to:

   a. Have access to and copy any record that must be kept under the conditions of the permit;

   b. Inspect the facility, equipment, practices, or operations regulated or required under this permit; and

   c. Sample or monitor any substances or parameters at any location reasonably necessary to assure compliance with this permit or Department rules.

Reasonable time may depend on the nature of the concern being investigated.

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GENERAL CONDITIONS:

8. If, for any reason, the permittee does not comply with or will be unable to comply with any condition or limitation specified in this permit, the permittee shall immediately provide the Department with the following information:

a. a description of and cause of non-compliance; and

b. the period of non-compliance, including dates and times; or, if not corrected, the anticipated time the non-compliance is expected to continue, and steps being taken to reduce, eliminate, and prevent recurrence of the non-compliance.

The permittee shall be responsible for any and all damages which may result and may be subject to enforcement action by the Department for penalties or for revocation of this permit.

9. In accepting this permit, the permittee understands and agrees that all records, notes, monitoring data and other information relating to the construction or operation of this permitted source which are submitted to the Department may be used by the Department as evidence in any enforcement case involving the permitted source arising under the Florida Statutes or Department rules, except where such use is prescribed by Sections 403.73 and 403.111, Florida Statutes. Such evidence shall only be used to the extent it is consistent with the Florida Rules of Civil Procedure and appropriate evidentiary rules.

10. The permittee agrees to comply with changes in Department rules and Florida Statutes after a reasonable time for compliance, provided, however, the permittee does not waive any other rights granted by Florida Statutes or Department rules.

11. This permit is transferable only upon Department approval in accordance with Florida Administrative Code Rules 62-4.120 and 62-730.300, F.A.C., as applicable. The permittee shall be liable for any non-compliance of the permitted activity until the transfer is approved by the Department.

12. This permit or a copy thereof shall be kept at the work site of the permitted activity.

13. This permit also constitutes:

(X) Determination of Best Available Control Technology (BACT)
( ) Determination of Prevention of Significant Deterioration (PSD)
(X) Compliance with New Source Performance Standards (NSPS)

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GENERAL CONDITIONS:

14. The permittee shall comply with the following:

a. Upon request, the permittee shall furnish all records and plans required under Department rules. During enforcement actions, the retention period for all records will be extended automatically unless otherwise stipulated by the Department.

b. The permittee shall hold at the facility or other location designated by this permit records of all monitoring information (including all calibration and maintenance records and all original strip chart recordings for continuous monitoring instrumentation) required by the permit, copies of all reports required by this permit, and records of all data used to complete the application for this permit. These materials shall be retained at least three years from the date of the sample, measurement, report, or application unless otherwise specified by Department rule.

c. Records of monitoring information shall include:

- the date, exact place, and time of sampling or measurements;
- the person responsible for performing the sampling or measurement;
- the dates analyses were performed;
- the person responsible for performing the analyses;
- the analytical techniques or methods used; and
- the results of such analyses.

15. When requested by the Department, the permittee shall within a reasonable time furnish any information required by law, which is needed to determine compliance with the permit. If the permittee becomes aware that relevant facts were not submitted or were incorrect in the permit application or in any report to the Department, such facts or information shall be corrected promptly.

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SPECIFIC CONDITIONS:

ESSENTIAL POTENTIAL TO EMIT (PTE) PARAMETERS

1. The I.D. No. and project name for this source shall be used on all correspondence.

2. **Hours of Operation**: The hours of operation are not restricted 24 H/D; 7 D/W; 52 W/Y (8760 H/Y).
[Rule 62-210.200(PTE), F.A.C.]

EMISSION LIMITATIONS AND PERFORMANCE STANDARDS

3. **Operating Limitations:** The Package Boiler will operate **only** when another boiler is operated at a reduced rate or is shutdown.

Alternative Methods of Operation	Package Boiler	No. 5 Power Boiler	No. 7 Power Boiler	N0 4 Recovery Boiler	No, 5 Recovery Boiler
1	YES	YES*	YES*	YES*	YES*
2	NO	YES	YES	YES	YES
3	YES	NO	YES	YES	YES
4	YES	YES	NO	YES	YES
5	YES	YES	YES	NO	YES
6	YES	YES	YES	YES	NO

YES Represents boiler service.
YES* Represents one or more boilers operating at a reduced rate such that the net emissions are not increased.
NO Represents boiler not in service.
[Alternative Mode of Operation: Construction Application dated October 1, 2002]

4. **The Maximum Rate**: The maximum rate is listed below and shall not be exceeded without prior Department approval:

Fuel Options	Maximum Heat Input Rate (MMBtu/hr)	Maximum Operating Rate
No. 2 fuel oil **only**	190 MMBtu/hr	1,232.9 gal/year[1]

[1] The maximum operating rate is based on an annual capacity factor of 10% or less of the maximum fuel usage, and 135,000 Btu/gal for ultra low sulfur No. 2 fuel oil.
[Rule 62-210.200(PTE); Construction Application dated October 1, 2002]

5. **Maximum Allowable Emission Rate**: The permitted maximum allowable emission rate for each pollutant is as follows:

Pollutant	**Emission Rate**		**FAC Rule**
Visible Emissions	20% Opacity (6 min avg), except 1 – six minute period/ hr of not more than 27% Opacity.		40 CFR 60.43b(f); Rule 62-296.406(1), F.A.C.
Sulfur Dioxide (SO_2)	10.3 lbs/hr[1]	4.5 TPY[1]	BACT (See Condition No. 7)
Particulate Matter & Opacity	2.8 lbs/hr[1]	1.2 TPY[1]	BACT (See Condition No. 6) 40 CFR 60.43b(g)
	Standards apply at all times, except during periods of startup, shutdown and malfunction.		

[1] Rule 62-210.200(PTE).

6. **Particulate Matter:** Particulate matter emissions shall be controlled by firing low sulfur content liquid fuel. [Rule 62-296.406(2), F.A.C; and Best Available Control Technology (BACT) dated *]

7. **Sulfur Dioxide – Sulfur Content:** The No. 2 fuel oil sulfur content shall not exceed 0.05 percent, by weight. [Rule 62-296.406(3), F.A.C.; Best Available Control Technology (BACT) dated *]

TESTING REQUIREMENTS

8. **Testing:** Test the emissions for the following pollutant(s) within 60 days after operating this boiler, notify the Department 15 days prior to testing [FAC Rule 297.310(7)(a)1, and submit the test report documentation to the Department within 45 days after completion of the testing [FAC Rule 297.310(8)(b)]:

Pollutant	Test Interval	Test Method
Visible Emissions	Annually	EPA 9[1]
SO_2 - Sulfur Content	---	**Vendor fuel analysis upon each fuel delivery[2]**

[1] 40 CFR 60.46b(d)7. **See Specific Condition No. 20**: Visible emissions test during each fiscal year, if the boiler is operated during the calendar year.
[2] 40 CFR 60.47b(f).

Tests and test reports shall comply with the requirements of FAC Rules 62-297.310(8) and 62-297.401, respectively.

9. **Testing:** Unless otherwise stated in the applicable emission limiting standard rule, testing of emissions shall be conducted with the emissions unit operation at capacity as defined below. If it is impracticable to test at the permitted capacity, an emissions unit may be tested at less than the minimum capacity permitted capacity; in this case, subsequent emissions unit operation is limited to 110 percent of the test load until a new test is conducted. Once the unit is so limited, operation at higher capacities is allowed for no more than 15 consecutive days for the purpose of additional compliance testing to regain the authority to operate at the permitted capacity. Permitted capacity is defined as 90 to 100 percent of the maximum operation rate allowed by the permit.
[Rule 62-297.310(2)(b), F.A.C.]

RECORDKEEPING/ REPORTING

10. **Annual Capacity Factor:** Record and maintain records of the amounts of fuel combusted during each day and calculate the annual capacity factor. The annual capacity factor is determined on a 12- month rolling average basis with a new annual capacity factor calculated at the end of each month.
[40 CFR 60.49b(d)]

11. **Submit Notifications:** Submit notification of the date of initial startup, as provided by § 60.7. This notification shall include:
    - The design heat input capacity of the affected facility and identification of the fuels to be combusted.
    - The annual capacity factor at which the operator anticipates operating the facility based on the fuel fired.
    - Notification that an emerging technology will be used for controlling emissions of sulfur dioxide. The Administrator will examine the description of the emerging technology and will determine whether the technology qualifies as an emerging technology. In making this determination, the Administrator may require the facility submit additional information concerning the control device. The affected facility is subject to the provisions of § 60.42b(a) unless and until this determination is made by the Administrator.

[40. CFR 60.49b(a)]

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12. **Submission Of Test Data:** The owner or operator of each affected facility subject to the sulfur dioxide and particulate matter emissions limit under §§ 60.42b, 60.43b shall submit to the Administrator the performance test data from the initial performance test. The owner or operator of each affected facility described in § 60.44b(j) shall submit to the Administrator the maximum heat input capacity data from the demonstration of the maximum heat input capacity of the affected facility.
[40 CFR 60.49b(b)]

13. **Opacity Reporting:** Facilities subject to the opacity standard under § 60.43b shall maintain records of opacity.
[40 CFR 60.49b(f)]

14. **Reporting:** The reporting period for written reports is each 6-month period. All reports shall be submitted to the Administrator and shall be postmarked by the 30th day following the end of the reporting period.
[40 CFR 60.49b(w)]

15. **Alternate Quarterly Reporting:** The facility may submit electronic quarterly reports for SO_2 and or Opacity in lieu of submitting the written reports required under paragraphs (h), (i), (j), (k) or (l). The format of each report shall be coordinated with the permitting authority. The electronic reports shall be submitted no later than 30 days after the end of the calendar quarter and shall be accompanied by a certification statement from the owner or operator, indicating whether compliance with the applicable emission standards and minimum data requirements of this subpart was achieved during the reporting period. Before submitting reports in the electronic format, the owner or operator shall coordinate with the permitting authority to obtain their agreement to submit reports in this alternate format.
[40 CFR 60.49b(v)]

16. **Low Sulfur Oil:** Facilities who elect to demonstrate that they combust only very low sulfur fuel under § 40.42b(j)(2) shall obtain and maintain at the facility fuel receipts from the fuel supplier which certify that the oil meets the definition of distillate oil under § 60.41b. Reports shall be submitted to the **Department** certifying that only very low sulfur oil meeting this definition was combusted in the affected facility during the reporting period.
[40 CFR 60.49b(r)]

17. **Excess Emissions**: Submit excess emission reports for any excess emissions which occurred during the reporting period.
[40 CFR 60.49b(h)]

18. **Excess Emissions**: For the purposes of § 60.43b, excess emissions are defined as all 6-minute periods during which the average opacity exceeds the opacity standards under § 40.43b(f).
[40 CFR 60.49b(h)3]

19. **Records:** All records shall be maintained by the owner for a period of 2 years following the date of such record.
[40 CFR 60.49b(o)]

COMPLIANCE MONITORING

20. **Alternative Monitoring Plan:** In lieu of a Continuous Opacity Monitor as required by Rule 40 CFR 60.48b(a), JSC has requested this Alternate Monitoring Plan for infrequently operated facilities:
    - JSC will perform an EPA Method 9 visible emissions test during each fiscal year, if the boiler is operated during the calendar year.
    - JSC will have a Method 9 – trained and certified visible emissions observer perform a 6 minute opacity test once a daylight shift whenever the package Boiler is operated on the daylight shift.

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Specific Condition 20 continued:

- If the opacity readings exceed 10 percent for a 6-minute test, the observer will continue the readings for another 12 minutes to obtain two additional data sets for a total of three (3) 6-minute data sets.
- The observer will log in the reading results along with the date and time, and maintain the records on site for inspection by DEP.
- Fuel usage and analysis data will be maintained onsite to verify that the 10-percent annual capacity factor is not exceeded.
- JSC will follow the boiler manufacturer's maintenance schedule and procedures to ensure that serviceable components are well maintained.

[Rule 40 CFR 60.13(i)(2); EPA letter dated March 9, 2003]

ADMINISTRATIVE

21. Any revision(s) to a permit (and application) must be submitted to the Department, in writing, and approved by the Department prior to implementation.

Executed in Jacksonville, Florida.

STATE OF FLORIDA DEPARTMENT
OF ENVIRONMENTAL PROTECTION

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