

Mitchell, Bruce

From: Buff, Dave [DBuff@GOLDER.com]
Sent: Wednesday, July 03, 2002 3:37 PM
To: Mitchell, Bruce
Cc: Tom Clements (E-mail); Laura Thomas (E-mail)
Subject: Panama City Mill Compliance Dates

Bruce, the SCC Panama City Mill came into compliance with the ECF bleaching requirements in December 2000. For the condensate collection requirements, the date was April 15, 2001. Let me know if you have any further questions.

David A. Buff
David A. Buff, P.E., Q.E.P.
Golder Associates Inc.
Phone: 352-336-5600 x545
Fax: 352-336-6603
E-Mail: dave_buff@golder.com

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7/8/2002

Sunday
9 Jun
02



Bruce

I have finished my
review of the

Stone Containe

Plot Plan. It is

complete. Day 0 ^{is}
13 May. Day 30 ^{is} June.

I will finish the
technical when I
get back on the 26th

Thanks

Love

Mitchell, Bruce

To: Bradburn, Rick
Cc: Fancy, Clair; Sheplak, Scott; Veazey, Sandra
Subject: RE: Stone

5/1/02

Rick,

Many thanks for the info...it was very useful in our discussions. Just a heads up, the meeting with SS-PC mill has been cancelled and I will call you later today about the decision. Take care.

Bruce

-----Original Message-----

From: Bradburn, Rick
Sent: Tuesday, April 30, 2002 1:22 PM
To: Mitchell, Bruce
Subject: Stone

Hi Bruce. I faxed you some permitting information concerning the digester replacement. If you have not received it let me know. Later, Rick

Mitchell, Bruce

To: Kennedy, Pat
Cc: Comer, Patricia; Holladay, Cleve; Fancy, Clair; Sheplak, Scott; Linero, Alvaro
Subject: RE: Meeting with Stone Container - 5/2 @ 10:00am

4/25/02

Pat,

The persons that I know are going to attend on our behalf are me, Clair Fancy, Cleve Holladay, Pat Comer, Al Linero, and Scott Sheplak. The main actors will be me, Clair, Pat and Cleve.

Bruce

-----Original Message-----

From: Kennedy, Pat
Sent: Wednesday, April 24, 2002 5:40 PM
To: Mitchell, Bruce
Subject: Meeting with Stone Container - 5/2 @ 10:00am

Hey, Bruce - I saw that Howard had written down a meeting with Stone Container after the briefing you had the other day. Could you please let me know who will be participating?

Thanks,

Pat

Golder Associates Inc.

6241 NW 23rd Street, Suite 500
Gainesville, FL 32653-1500
Telephone (352) 336-5600
Fax (352) 336-6603



TRANSMITTAL LETTER

To: Mr. C.H. Fancy, P.E.

Date: April 24, 2002

Project No.: 0237545-0100

Sent by:

- | | |
|---------------------------------------|---|
| <input type="checkbox"/> Mail | <input type="checkbox"/> UPS |
| <input type="checkbox"/> Air Freight | <input checked="" type="checkbox"/> Federal Express |
| <input type="checkbox"/> Hand Carried | |

**Per: RE: FILE NO. 0550009-005-AC (PSD-FL-288)
STONE CONTAINER CORP. PANAMA CITY MILL
PULP PRODUCTION INCREASE**

Quantity	Item	Description
1	Facility Plot Plan	Current Facility Plot Plan for Panama City Mill

Remarks:

Mr. Fancy,

Enclosed is the current facility plot plan for Stone Container Corporation's Panama City Mill. This submittal is per FDEP Comment #10 in the FDEP's letter dated March 21, 2002. The true north-south axis and the true east-west axis is clearly marked on the plot and these intersect at the modeling origin (easternmost corner of the combination boiler building).

Sincerely,

David A. Buff, P.E.

F:\Projects\2002\0237545 Stone Container\64.LCBF lot.doc

RECEIVED

APR 25 2002

BUREAU OF AIR REGULATION

Golder Associates Inc.

6241 NW 23rd Street, Suite 500
Gainesville, FL 32653-1500
Telephone (352) 336-5600
Fax (352) 336-6603



April 23, 2002

9937518

Florida Department of Environmental Protection
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

RECEIVED

APR 24 2002

BUREAU OF AIR REGULATION

Attention: Mr. C. H. Fancy, P.E., Chief, Bureau of Air Regulation

RE: FILE NO. 0050009-005-AC (PSD-FL-288)
STONE CONTAINER CORP. PANAMA CITY MILL
PULP PRODUCTION INCREASE

Dear Mr. Fancy:

On behalf of Stone Container Corporation (SCC), Golder Associates Inc. (Golder) is submitting this response to the requests for additional information ("RAI") set forth in the Florida Department of Environmental Protection's ("the Department's") letter dated March 21, 2002. The RAI was for the above-referenced request for a pulp production increase for SCC's Panama City mill. This response also reflects comments from an analysis by legal counsel for SCC. The Department's comments in the March 21 letter, and our response to each, are presented in the same order as they appeared in the referenced letter. As indicated by the attached chronology (Table A), this is the sixth RAI letter the mill has received and responded to since the original application was submitted almost three years ago.

SCC emphasizes that it is not proposing any physical modification or change in method of operation for any emissions unit at the mill, except for the Digester System. SCC is proposing to raise the total annual pulp production rate for the Digester System. The annual production rate SCC is requesting for the Digester System [781,000 tons per year (TPY) of air-dried unbleached pulp (ADUP)] is similar to the annual production rate allowed in the 1994 digester construction permit (764,748 TPY ADUP).

The Department has failed to provide adequate citation of authority for each request for additional information as required under Section 403.0875, Florida Statutes (F.S.)¹. This makes responding to the requests for additional information very difficult. Many of the citations provided by the Department in the specific requests for information, when reviewed, did not provide such authority. The statute provides that failure to provide requested information cannot be grounds for denial of a permit if a rule citation is not provided.

Further, under the Florida Administrative Procedure Act, Chapter 120, F.S., and Rule 62-4.055(3), Florida Administrative Code (F. A. C.), FDEP cannot now raise new matters as completeness issues that were not raised in a previous RAI, or that were not raised for the first time by a response to an RAI. Rule 62-4.055(3) states that after receiving a response to a request for additional information, the Department "may request only that information needed to clarify such additional information or

¹ **F.S. 403.0875. Citation of rule.** *In addition to any other provisions within this part or any rules promulgated hereunder, the permitting agency shall, when requesting information for a permit application pursuant to this part or such rules promulgated hereunder, cite a specific rule. If a request for information cannot be accompanied by a rule citation, failure to provide such information cannot be grounds to deny a permit.*

to answer new questions raised or directly related to such additional information." Therefore, based on the applicable Florida statute and rules, the application should now be complete as to matters raised in Comments 2, 4, 5, 6, 7, and 8.

Further discussion of these issues is set out in the response given below to the March 21, 2001 request for additional information. SCC is committed to carefully reviewing and ensuring its application is in compliance with all applicable rules. It is expected that the Department will also use applicable statutes and rules as its standard of review.

- 1. COMMENT: The baseline years of 1996 and part of 1997 are no longer available for use in this PSD project, for they are outside of the five year timeframe allowed. Please recalculate the baseline years and submit. It is recommended that you use the years 2000 and 2001. In addition, recalculate the net pollutant emissions changes from the future potential pollutant emissions and submit.**

RESPONSE: Even if we were to accept the approach suggested by this comment, since we are now in early 2002, the year 1997 would still be within the 5-year period and available. Moreover, if the Department wishes to use 2 consecutive years as the baseline, it would be efficient to retain the 2-year period 1996-1997, which is within the Department's discretion and authority to use. Consideration should also be given to the fact that the application process, requesting the Department to approve an increase in annual pulp production beyond that stated in the mill's permit, was begun in 1999. However, through various delays and repeated requests for further information, the application has not yet been determined to be complete by the Department. The 2-year period 1996-1997 remains the most representative consecutive two-year period. The year 1999 was also representative, but during 1998, 2000, and 2001, significant downtime was experienced at the mill.

Requiring the use of the years 2000-2001 would not affect PSD applicability (no additional pollutants would be triggered). The net increase in emissions might be slightly higher, but this would have no significant bearing on the PSD analysis. We therefore request that the Department reconsider its position and approve the 1996-1997 baseline time period.

- 2. COMMENT: On July 5, 1994, an air construction permit, No. AC03-252285, was issued for 22 new batch digesters, 5 blow tanks, 1 accumulator fan with a condenser before and after the accumulator tank, and a turpentine condensing system following the accumulator. The maximum permitted production rate was stated as "87.3 tons per hour (TPH) air dried unbleached pulp (ADUP)". The subsequent air operating permit, No. AO03- 270940, issued June 6, 1995, reflected the same federally enforceable limitation. On June 11, 1996, a letter amendment to the permits was issued allowing an increase to 120 TPH ADUP; however, this action was never Public Noticed after issuance of the air construction permit and, therefore, not federally enforceable. If, in this permitting action, you want the 120 tons per hour ADUP throughput limit, then it needs to be requested and appropriately applied for by providing all of the PSD preconstruction review requirements pursuant to Rule 62-212.400, F.A.C., including the comparison of actual emissions to future allowables; account for any pollutant changes of other affected emissions units; and, provide any modeling changes that are appropriate.**

RESPONSE: This is a new request by the Department and therefore inappropriate at this stage of the permitting process under the statute and rule cited above. Nevertheless, our response follows.

The original application for the pulp increase project, submitted to the Department in July 1999, clearly stated that the maximum hourly production rate for the Digester System (Pulping System - MACT I) was 120 tons per hour (TPH) of air-dried unbleached pulp (ADUP). Therefore, SCC has already requested and appropriately applied for a rate of 120 TPH, although SCC believes it was already allowed such a limit. In addition, the current Title V permit for the Panama City mill (Permit No. 0050009-002-AV), issued June 28, 2000, contains pulp production limits of 120 TPH ADUP and 668,850 TPY ADUP for the Digester System. These Title V restrictions are federally enforceable because they have gone through public notice during the Title V permitting process.

Nevertheless, even if it were presumed that the short-term production rate of the digesters was increasing, the PSD applicability analysis already submitted would not be affected, since the applicability analysis is based on annual emissions. No modeling changes would be required, since TRS gases from the digesters are vented to the Lime Kiln or to the No. 4 Combination Boiler, and both of these sources were modeled at their permitted or maximum SO₂ emission rates. All other emission units at the mill are already being modeled at their permitted or maximum emission rates.

3. **COMMENT: Since the pulp digesting is the independent variable for the resultant products from the mill, then a change in the federally enforceable throughput limit affects both the pulping side and the chemical recovery side of the mill's operation. By increasing the federally enforceable permitted pulp production capacity by at least 112,150 tons per year ADUP of the digester system, the change significantly increases several pollutants at the mill through increased demands on all of the other production equipment. It has already been established that this permitting project is subject to the preconstruction review requirements of Rule 62-212.400(5), F.A.C., due to significant pollutant changes at the facility. Because Florida's PSD preconstruction review regulations are facility based, then any emissions unit that has a significant emissions increase of any pollutant listed in Table 212.400-2, is subject to a BACT determination for that pollutant. Therefore, please provide a BACT determination recommendation for the affected emissions units.**

RESPONSE: SCC has previously stated its position that BACT is not required for emission units that are not being physically modified, or undergoing a change in the method of operation, as defined under the state rules (reference Supplemental Information Report dated April 2000, and letter submittals dated June 14, 2000, November 3, 2000, and February 18, 2002). In summary, the state PSD rule requires that BACT be applied to a major "modification" (Rule 62-212.400(5)(c), F.A.C.). The definition of modification specifically excludes an increase in the operating hours or production rate, unless such change would be prohibited under a state or federally enforceable permit condition (Rule 62-210.200(169), F.A.C.). The Department has not provided any rule citation or legal basis for its rule interpretation that BACT applies to all emission units experiencing an emissions increase. Certainly, the Department's interpretation would be unprecedented in the State of Florida. Both EPA and the USFWS have agreed that BACT would only apply to the digesters.

Further, in a meeting with citrus industry representatives held on August 24, 2000, the Department representatives (Clair Fancy and Joe Kahn) stated that BACT would not be applied to upstream/downstream-affected units that have no physical change or change in the method of operation, consistent with EPA rules. It was stated that this decision would apply to the SCC Panama City pulp production increase application.

Nevertheless, SCC has already provided a complete BACT analysis for all emission units for which there is an increase in emissions (reference Supplemental Information Report dated April 2000, and letter submittals dated June 14, 2000, November 3, 2000, and February 18, 2002). The analysis concluded the following in regards to limitations:

Recovery Boilers: SO₂, sulfuric acid mist (SAM) – 2.5% S oil
PM, beryllium – MACT II limit for PM of 0.044 gr/dscf at 8% O₂
NO_x, CO, VOC – good combustion practices
TRS – minimize TRS to extent practical; 17.5 ppm

Smelt Dissolving Tanks: TRS, SO₂, VOC – use uncontaminated weak wash in scrubbers
PM, beryllium – MACT II limit of 0.20 lb/ton BLS

Lime Kiln: SO₂ – 2.5% sulfur oil; inherent SO₂ removal in kiln and wet scrubber
PM, beryllium – MACT II limit for PM of 0.067 gr/dscf at 10% O₂
NO_x, CO, VOC – good combustion practices
TRS – clean water for mud washers and kiln scrubber; existing TRS limit

No. 3 Combination Boiler: NO_x – good combustion practices

Bleach Plant: CO – efficient bleaching operations

Lime Slaker: PM – existing wet scrubber; current 4 lb/hr limit

Pulping Area, Chemical Recovery Area, Papermaking: VOC, TRS – compliance with MACT standards

Woodyard: PM – good housekeeping practices; covered conveyors

4. **COMMENT:** With an increase in production of ADUP, it is assumed that there will be an increase in TRS emissions; and, with the incineration of these TRS gases, then there will be an increase in sulfur dioxide (SO₂) emissions. These SO₂ emissions are subject to PSD review scrutiny pursuant to EPA's memorandum 4.32, which requires resultant pollutants to be evaluated in accordance with the PSD regulations, in this case, Rule 62-212.400, F.A.C. Therefore, please provide the evaluation of the Nos. 3 and 4 Combination Boilers for SO₂. Also, please provide any pertinent information regarding the current permitting activity with the Department's Northwest District if there are any impacts on this permitting project.

RESPONSE: This is a new request by the Department and therefore inappropriate at this stage of the permitting process under the statute and rule cited above. Nevertheless, our response follows.

TRS gases from the Digester System, Multiple Effect Evaporator System, and Turpentine System are sent to the Lime Kiln for destruction. The No. 4 Combination Boiler is used as a backup to the lime kiln. Backup operation will occur for up to 10 percent of the operational time of the Digester, MEE and Turpentine systems. In addition, whenever TRS gases are being incinerated in the No. 4 Boiler, the pH of the wet scrubber must be maintained at 8 or above. When this occurs, SO₂ due to fuel combustion (coal or oil and bark) is reduced as well.

In fact, calculated SO₂ emissions from the No. 4 Combination Boiler due to TRS destruction in the No. 4 Combination Boiler, including the annual pulp production rate increase and burning TRS gases in the boiler 10 percent of the time, are less than the baseline SO₂ emissions. Maximum future SO₂ emissions from the boiler after the pulp production increase, presented in Table 1, are based on TRS gases being routed to the boiler a maximum of 10 percent of the time. Baseline emissions (1996-1997) are presented in Table 2. The baseline emissions reflect the actual time that the boiler was used for TRS destruction during 1996-1997 (25 percent, based on operating hours). Thus, during the baseline period, SCC utilized the No. 4 Combination Boiler as a backup TRS destruction device to a much greater extent that they will in the future.

As shown by comparison of Tables 1 and 2, if the TRS gases were burned in the No. 4 Combination Boiler instead of the lime kiln the full 10 percent of the operating hours, the maximum future SO₂ emissions after the production increase (17.58 TPY) would be less than the actual baseline emissions (35.8 TPY). As a result, the pulp production increase will not result in an increase in SO₂ emissions due to burning TRS gases in the boiler.

5. **COMMENT: Since this project is subject to PSD, please do a significant analysis for SO₂, PM₁₀, CO, and NO₂. Update any modeling results based o this analysis.**

RESPONSE: The Department and EPA previously agreed to the modeling methodology, which did not include a significant impact analysis. Instead, all criteria pollutants were modeled with an assumed significant impact distance of 50 km. The Department's incompleteness letter dated July 10, 2000, requested that we perform a significant impact analysis **or use a significant impact area of 50 km**. Golder chose to use a significant impact area of 50 km. This methodology was confirmed during a conference call with the Department/EPA on July 13, 2000. SCC also stated in its response letter on November 6, 2000, that a 50 km radius would be used. The Department's incompleteness letter dated December 5, 2000, and a second conference call with FDEP/EPA on December 15, 2000, did not address this issue, since it had been resolved. As discussed above, it is now too late to raise this as an incompleteness issue for the application.

6. **COMMENT: Since this project is subject to PSD, the federal land manager requires an evaluation of this project's contribution to light extinction and deposition at the St. Marks Wilderness PSD Class I area. You should follow the recommendations from the FLAG guidance document for these analyses. The federal land manager has developed deposition analysis thresholds, which are available in the document, "Guidance on Nitrogen and Sulfur Deposition Analysis Thresholds." This document can be accessed at the FLAG website: <http://www.aqd.nps.gov/ard/flagfree/>.**

RESPONSE: A visibility analysis for the project was previously provided in April 2000. The Department has not previously commented or requested any further information until this latest completeness letter (February 2002). Hence, the Department can no longer ask for additional information on this subject. In addition, use of the FLAG guidance document in the absence of its being adopted as a rule by FDEP would constitute reliance on an invalid rule. However, SCC may agree to voluntarily provide the deposition analysis for the Class I area if this will ensure that the PSD permit is issued.

7. **COMMENT: Also Rule 62-212.400(5)(e), F.A.C., requires an additional impacts analysis for all projects subject to PSD. This analysis should be done for both the PSD Class II area in the vicinity of the plant and the PSD Class I areas, Bradwell Bay and St. Marks Wilderness Areas.**

RESPONSE: Additional impact analysis was previously provided in April 2000. The Department has not previously commented or requested further information. Therefore, under Section 403.0876(1) of the Florida Statutes and Rule 62-4.055(3), the Department may no longer ask for additional information on this subject.

8. **COMMENT: Rule 62-212.400(5)(h)5, F.A.C., requires the applicant to provide information relating to the air quality impact of, and the nature and extent of, all general commercial, residential, industrial and other growth which has occurred since August 7, 1977, in the area the facility or modification would affect. Please provide this information.**

RESPONSE: An analysis of associated growth impacts was previously provided in April 2000. The Department has not previously commented or requested further information. Therefore, under Section 403.0876(1) of the Florida Statutes and Rule 62-4.055(3), the Department can no longer ask for additional information on this subject.

9. **COMMENT: In Table 2-1 of the May, 2000 submittal, the maximum future 24-hour SO₂ emissions used in the modeling analysis for the No 3 and 4 Combination Boilers were 240 and 285 lbs/hr, respectively. In this submittal the maximums were 485 and 781 lbs/hr, respectively, as shown in the revised Table 2-1. In addition, the 24-hour SO₂ background concentration was raised from 12 µg/m³ to 27 µg/m³. However, the maximum predicted SO₂ impacts shown in Table 5-3 of the May, 2000 submittal are greater (255 µg/m³) than the maximum predicted SO₂ impacts in Table 5-2 of the revised application. (246 µg/m³). Please explain why the predicted SO₂ concentrations are less.**

RESPONSE: New modeling results were provided to the Department in the February 18, 2002 letter submittal, which describes the changes to the model input parameters (primarily building dimensions) that resulted in lower predicted ground-level concentrations.

10. **COMMENT: As stated in the revised application, the building and stack locations were more accurately located. The revised stack locations are shown in Table 2-3 of the revised application. Please provide a detailed plot plan of the facility showing the exact location in meters from the modeling origin of each building and stack.**

RESPONSE: To respond to this comment, Golder Associates requested and received a current plot plan for the SCC Panama City Mill. Review of this plot plan indicated some minor changes to certain structures used in the modeling analysis, as described below:

- The structure designated as "Cooling Towers" in the original analysis is actually the White Liquor Clarifier Tanks. These tanks have height of 28.5 ft., which is lower than the 30-ft height used for the old cooling tower structure.
- Three cooling towers were added to the building structures: the Recovery Boiler Cooling Tower, Pulp Mill Cooling Tower, and ClO₂ Cooling Tower with heights of 38, 38, and 31 feet, respectively. These structures were not included in the original downwash analysis.
- The ClO₂ Plant is a new structure and has a height of 81 feet. This structure was not included in the original downwash analysis.

The attached Table 4-10 contains the updated SCC Mill building structures considered in the air modeling analysis. The revised BPIP analysis has been sent to Cleve Holladay of the FDEP for review. The affected stacks are the lime kiln, lime slaker, and the bleach plant.

To determine if the maximum ambient impacts presented in the February 2002 submittal are affected due to these changes, the PM₁₀, SO₂ and CO AAQS screening analysis were re-executed with the new downwash parameters. This analysis demonstrates that the maximum impacts with the modified building parameters are unchanged from the original analysis. Therefore, it is concluded that the revised building/structure configuration has a negligible affect on the maximum predicted impacts for the project. The detailed plot plan is attached (under separate cover).

11. **COMMENT: Please provide a copy of all the monitoring data eliminated along with the supporting meteorological information, which justifies the choice of SO₂ background values of 27 µg/m³ and 106 µg/m³ for the SO₂ 24-hour and 3-hour averaging times respectively.**

RESPONSE: The requested information is being provided on the compact disk submitted with this response letter.

CONCLUSION

The Department has now had the opportunity to review the responses to six different RAIs since the PSD application was submitted in 1999. This number of requests is more than sufficient to ensure all of the rule requirements have been met. It is extremely important to the mill that there be no further delays in obtaining the requested permit. We have already contacted the Department for a meeting on the application. Thank you in advance for promptly processing the permit upon receipt of the information in or attached to this letter.

Sincerely,

GOLDER ASSOCIATES INC.



David A. Buff, P.E.
Principal Engineer
Florida P.E. # 19011
SEAL

Attachments

DB/nav

cc: Howard Rhodes, DARM
Bruce Mitchell, DARM
Sandra Veazey, FDEP Pensacola
Charlie Ackel, SCC
Tom Clements, SCC
Steve Hamilton, SCC
Terry Cole, Oertel & Hoffman

C. Holladay
B. Worley, EPA
G. Runyan, NPS
P:\Projects\1999\9937518A\Stone Container\10\L041002.doc

Table A. Chronology of SCC Panama City PSD Application

1999	
6/7/99	Met with FDEP in Tallahassee to determine what is needed for a pulp production increase
Jul-99	Submitted the application: "Permit Application for Pulp Production Capacity Revision, SCC Panama City, Florida".
Jul-99	Submitted the ambient analysis: "Ambient Impact Analysis for Stone Contqiner Corporation Panama City Mill". <ul style="list-style-type: none"> * Modeling for SO₂, PM₁₀, NO_x and CO * Significant impact area assumed to be 20 km; sources out to 70 km considered.
*8/17/1999	First FDEP incompleteness letter <ul style="list-style-type: none"> * Only 2 questions: PSD applicability analysis, and ISC-PRIME model approval
8/27/99	Phone call to FDEP about above
9/1/99	Phone call to FDEP about above
9/7/99	Letter reply to above: <ul style="list-style-type: none"> * PSD applicability analysis presented. * Golder to work with EPA on ISC-PRIME approval.
9/9/99	Met with FDEP in Tallahassee <ul style="list-style-type: none"> * FDEP discussed potential outcome of BACT if applied to project. SCC directed to state that BACT was a "state-only" requirement for all sources other than digesters. * SCC required to use approved model. * AQRV analysis required.
*9/15/1999	FDEP letter: clock stopped, need more data, incomplete, must be a PSD permit
10/14/99	Letter response submitted, but later withdrawn.
2000	
4/7/00	Reply to 9/15/99 incompleteness letter: "Supplemental Information for PSD Permit Application, SCC, Panama City Mill". <ul style="list-style-type: none"> * Revisions to application form. * Revised PSD applicability determination. * A BACT analysis for each unit for which there is an increase in emissions. * Additional impacts upon soils, vegetation, and visibility, and regional haze analysis.
*5/9/00	FDEP requests more information and BACT analysis
5/12/00	USFWS comment letter
5/31/2000	Submitted revised ambient air impact analysis: "Revised Ambient Impact Analysis for SCC , Panama City Mill". <ul style="list-style-type: none"> * Modeling for SO₂, PM₁₀, NO_x and CO * Significant impact area assumed to be 20 km; sources out to 70 km considered.
6/8/00	Golder contacts USFWS: modeling "looks fine"; agrees BACT only applies to digesters.
6/14/00	Reply to above 5/9/00 incompleteness letter <ul style="list-style-type: none"> * Revisions to PSD applicability analysis. * Additional BACT information provided. * Stack test data provided. * Responses to USFWS comments.
6/16/00	Mill memo to FDEP requesting expedited permit
6/19/00	FDEP memo replying to above request
*7/10/00	FDEP Incompleteness letter <ul style="list-style-type: none"> * Requests significant impact analysis, or use 50 km radius. * Must address pre-construction monitoring. * A number of modeling issues.
7/13/00	Conference call with FDEP & EPA Region IV call on modeling, to make sure that our reply satisfies all concerns.
8/26/2000	Claire Fancy and Joe Kahn agree that BACT analysis is not required for upstream/downstream units.
10/31/00	FDEP memo "90 days to reply to incompleteness letter is up"
11/6/00	Reply to 7/10 incompleteness letter <ul style="list-style-type: none"> * Modeling analysis will be performed with 50 km significant impact area. * Revised modeling per 7/10/2000 letter and 7/13/2000 FDEP/EPA conference call. * Revisions to previous Supplemental Information document.
*12/5/00	FDEP Incompleteness letter <ul style="list-style-type: none"> * Concern over ambient background concentrations used in modeling. * Need refined receptor grid. * Minor modeling comments. * FDEP states that they will apply BACT to all units which increase emissions. * FDEP questions PSD applicability emissions and AOR emissions- not consistent.
12/15/2000	Conference call with FDEP & EPA Region IV call on modeling, to resolve background concentration issue.

2001

3/21/01 **Memo from mill requesting that we defer ambient testing until 2002**
9/18/01 **D. Buff visits to revise modeling analysis.**
9/26/2001 **FDEP responds to 3/21/2001 memo, stating insufficient information to make ambient monitoring determination.**
10/3/01 **FDEP visits mill to review modeling assumptions**
12/3/01 **Prime model approved by EPA**

2002

2/19/02 **Submitted reply to 12/5/00 incompleteness letter**
*3/21/02 **FDEP incompleteness letter.**

- * 1996-1997 baseline period for PSD applicability no longer valid.
- * New issue with 120 TPH ADUP rate on digesters.
- * BACT required for all units which increase emissions.
- * Modeling analysis for significant impact required.
- * Deposition analysis on Class I areas required.
- * Additional impact analysis required.
- * Impact on growth required.
- * Explain why SO2 emissions increase, SO2 impacts decrease.
- * Supporting information for ambient SO2 background concentration analysis.

Table 1. Maximum Future Sulfur Dioxide Emissions for the No. 4 Combination Boiler Due To TRS Destruction, SCC, Panama City, Florida

NCG Source	TRS Emission Factor	Proposed Pulp Production Rate (TPY)	Uncontrolled TRS Emissions ^a (TPY)	Uncontrolled SO ₂ Emissions (TPY)	Controlled SO ₂ Emissions ^c (TPY)
Batch Digester Blow Heat Recovery	1.5 lb/ton ADUBP ^b	781,000	58.6	82.0	8.2
Nos. 1-3 Multiple Effect Evaporators	1.0 lb/ton ADUBP ^b	781,000	39.1	54.7	5.5
Turpentine Condenser	0.5 lb/ton ADUBP ^c	781,000	19.5	39.1	3.9
Turpentine Decanter	0.053 lb/hr/tank ^d	--	0.023	0.032	0.0
New Foul Condensate Tank	0.053 lb/hr/tank ^d	--	0.023	0.032	0.0
Total			117.20	175.79	17.58

Footnotes:

^a Based on boiler being used 10% of the time (maximum) for TRS destruction.

^b Kraft Pulping- Control of TRS Emissions From Existing Mills, Guideline Series, Table 5-1. EPA-450/2-78-003b, March 1979. TRS assumed to be 70% sulfur.

^c NCASI Technical Bulletin No. 469, pgs. 20 and 32. Reported as sulfur.

^d NCASI Technical Bulletin 701; Table 7: Summary of Air Toxic Emissions from Weak Black Liquor Storage Tanks. TRS assumed to be 70% sulfur.

^e Assumes 90% removal due to pH control in wet scrubber.

Table 2. Baseline Sulfur Dioxide Emissions for the No. 4 Combination Boiler Due To TRS Destruction, SCC, Panama City, Florida

NCG Source	TRS Emission Factor	1996-1997	Uncontrolled TRS Emissions ^a (TPY)	Uncontrolled SO ₂ Emissions (TPY)	Controlled SO ₂ Emissions ^c (TPY)
		Baseline Pulp Production Rate (TPY)			
Batch Digester Blow Heat Recovery	1.5 lb/ton ADUBP ^b	636,224	119.3	167.0	16.7
Nos. 1-3 Multiple Effect Evaporators	1.0 lb/ton ADUBP ^b	636,224	79.5	111.3	11.1
Turpentine Condenser	0.5 lb/ton ADUBP ^c	636,224	39.8	79.5	8.0
Turpentine Decanter	0.053 lb/hr/tank ^d	--	0.058	0.081	0.0
Total			238.64	357.96	35.80

Footnotes:

^a Based on boiler being used 25% of the time for TRS destruction, from actual 1996-1997 operating data.

^b Kraft Pulping- Control of TRS Emissions From Existing Mills, Guideline Series, Table 5-1. EPA-450/2-78-003b, March 1979. TRS assumed to be 70% sulfur.

^c NCASI Technical Bulletin No. 469, pgs. 20 and 32. Reported as sulfur.

^d NCASI Technical Bulletin 701; Table 7: Summary of Air Toxic Emissions from Weak Black Liquor Storage Tanks. TRS assumed to be 70% sulfur.

^e Assumes 90% removal due to pH control in wet scrubber.

(Revised 04/23/02)

Table 4-10. SCC Mill Building Structures Considered in the Air Modeling Analysis

Structure	Height		Length		Width	
	ft	m	ft	m	ft	m
Recovery Boiler Building's ESPs 1+2 ^a	214	65.2	124	37.8	45	13.7
Recovery Boilers 1+2 ^b	173	52.7	100	30.5	34	10.4
Recovery Boiler Cooling Tower	38	11.6	29	8.7	19	5.8
Bleach Plant	71	21.6	123	37.5	78	23.8
Engineering & Maintenance	35	10.7	315	96.0	56	16.9
Offices/Storeroom	35	10.7	362	110.2	89	27.0
White Liquor Clarifier Tanks	29	8.7	200	60.8	90	27.4
ClO ₂ Building	81	24.7	29	8.9	15	4.7
ClO ₂ Cooling Tower	31	9.4	15	4.7	10	3.0
Pulp Mill	83	25.3	296	90.1	194	59.0
Pulp Mill Cooling Tower	38	11.6	29	8.7	19	5.8
Paper Mill	40	12.2	1284	391.4	353	107.4
Bark Boilers Building	83	25.3	98	29.7	140	42.7
Power Boiler 6 Building ^c	150	45.7	35	10.5	53	16.0

^a Sources were modeled as a single solid structure having the height and width of the ESPs and the length of the recovery boilers.

^b Sources were modeled as a single solid structure.

^c Existed during baseline (1974 and 1988) only.

Mitchell, Bruce

To: Allen, Andy
Cc: Sheplak, Scott; Veazey, Sandra
Subject: RE: STONE PAPER MILL/ PCY

3/27/02

Dear Andy,

Thanks for your assistance on this matter. Your coordination was very helpful on getting the necessary data to evaluate an on-going permitting action. Take care.

Bruce

-----Original Message-----

From: Allen, Andy
Sent: Thursday, March 21, 2002 5:18 PM
To: Mitchell, Bruce
Subject: RE: STONE PAPER MILL/ PCY

Thanks for the input on Greg's performance; Our goal is to help everyone make the system work toward an improved environment; emphasizing MORE PROTECTION, LESS PROCESS. Poorly written regulations often paint us into difficult corners; but we make each case by case decision to be fair to the facility and to the best of our ability to not give anything away regarding protecting the environment. We do not make arbitrary decisions; they are always connected to the best logic that we can determine and we are aware that frequently the basis is weak. We try hard to get it right the first time; and need your help and support. We do not need to be second guessed; we are capable of understanding and accepting new direction. Team work needs to be encouraged, promoted, emphasized versus tearing apart a decision that was made in the past. Continuous improvement need to be promoted, and reconigize that we are all under a lot of pressure and stress to process work in a timely manner.

Thanks for listening

-----Original Message-----

From: Mitchell, Bruce
Sent: Thursday, March 21, 2002 2:49 PM
To: Allen, Andy
Cc: Sheplak, Scott; Veazey, Sandra; Landry, Greg
Subject: RE: STONE PAPER MILL/ PCY

3/21/02

Andy,

Thanks for your effort on this project. I was able to talk with Greg this morning and got tremendous help from him on the testing data that I needed. Take care.

Bruce

-----Original Message-----

From: Allen, Andy
Sent: Wednesday, March 20, 2002 4:43 PM
To: Landry, Greg; Bradburn, Rick
Cc: Veazey, Sandra; Mitchell, Bruce; Curle, Mary Beth; White, Kevin M.
Subject: STONE PAPER MILL/ PCY

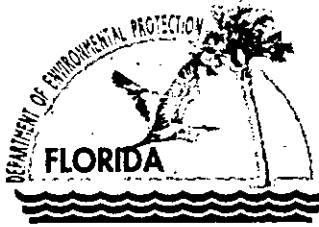
Greg,

Please call Bruce Mitchell and give him an overview of the last annual test reports regarding the capacity at which they were operating during the tests. It is urgent because he is probing into PSD issues and trying to formulate an incompleteness letter.

Rick,

Please review the files for a letter Ed signed 6/11/96 stating the capacity as 120 versus permitted 87.3; the issue appears to be associated with an increase without a public noticed AC. This is vague; but I do not recall the details; some research will be required to determine what was done; if we allowed an increase without proper public notice corrective action will have to be taken and the best solution may be through the PSD permit that Bruce is processing; after inheriting from Mike Halpin.

Thanks,



Jeb Bush
Governor

Department of Environmental Protection

Marjory Stoneman Douglas Building
3900 Commonwealth Boulevard
Tallahassee, Florida 32399-3000

David B. Struhs
Secretary

March 21, 2002

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. Jack B. Prescott, General Manager
Stone Container Corporation
One Everitt Avenue
Panama City, Florida 32402

Re: DEP File No. 0050009-005-AC (PSD-FL-288)
Panama City Mill
Pulp Production Increase

Dear Mr. Prescott:

On February 19, 2002, the Department received the response to its request for additional information dated December 5, 2000. Based on our review of the proposed project, we have determined that the following additional information is needed in order to continue processing this application package. Please provide all assumptions, calculations, and reference material(s), that are used or reflected in any of your responses.

1. The baseline years of 1996 and part of 1997 are no longer available for use in this PSD project, for they are outside of the five year timeframe allowed. Please recalculate the baseline years and submit. It's recommended that you use the years 2000 and 2001. In addition, recalculate the net pollutant emissions changes from the future potential pollutant emissions and submit.
2. On July 5, 1994, an air construction permit, No. AC03-252285, was issued for 22 new batch digesters, 5 blow tanks, 1 accumulator tank with a condenser before and after the accumulator tank, and a turpentine condensing system following the accumulator. The maximum permitted production rate was stated as "87.3 tons per hour (TPH) air dried unbleached pulp (ADUP)". The subsequent air operating permit, No. AO03-270940, issued June 6, 1995, reflected the same federally enforceable limitation. On June 11, 1996, a letter amendment to the permits was issued allowing an increase to 120 TPH ADUP; however, this action was never Public Noticed after issuance of the air construction permit and, therefore, not federally enforceable. If, in this permitting action, you want the 120 tons per hour ADUP throughput limit, then it needs to be requested and appropriately applied for by providing all of the PSD preconstruction review requirements pursuant to Rule 62-212.400, F.A.C., including the comparison of actual emissions to future allowables; account for any pollutant changes of other affected emissions units; and, provide any modeling changes that are appropriate.

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3. Since the pulp digesting is the independent variable for the resultant products from the mill, then a change in the federally enforceable throughput limit affects both the pulping side and the chemical recovery side of the mill's operation. By increasing the federally enforceable permitted pulp production capacity by at least 112,150 tons per year ADUP of the digester system, the change significantly increases several pollutants at the mill through increased demands on all of the other production equipment. It has already been established that this permitting project is subject to the preconstruction review requirements of Rule 62-212.400(5), F.A.C., due to significant pollutant changes at the facility. Because Florida's PSD preconstruction review regulations are facility based, then any emissions unit that has a significant emissions increase of any pollutant listed in Table 212.400-2, is subject to a BACT determination for that pollutant. Therefore, please provide a BACT determination recommendation for the affected emissions units.

4. With an increase in production of ADUP, it is assumed that there will be an increase in TRS emissions; and, with the incineration of these TRS gases, then there will be an increase in sulfur dioxide (SO₂) emissions. These SO₂ emissions are subject to PSD review scrutiny pursuant to EPA's memorandum 4.32, which requires resultant pollutants to be evaluated in accordance with the PSD regulations, in this case, Rule 62-212.400, F.A.C. Therefore, please provide the evaluation of the Nos. 3 and 4 Combination Boilers for SO₂. Also, please provide any pertinent information regarding the current permitting activity with the Department's Northwest District, if there are any impacts on this permitting project.

5. Since this project is subject to PSD, please do a significant analysis for SO₂, PM₁₀, CO and NO₂. Update any modeling results based on this analysis.

6. Since this project is subject to PSD, the federal land manager requires an evaluation of this project's contribution to light extinction and deposition at the St. Marks Wilderness PSD Class I area. You should follow the recommendations from the FLAG guidance document for these analyses. The federal land manager has developed deposition analysis thresholds, which are available in the document, "Guidance on Nitrogen and Sulfur Deposition Analysis Thresholds." This document can be accessed at the FLAG website:<http://www.aqd.nps.gov/ard/flagfree/>.

7. Also Rule 62-212.400(5)(e), F.A.C. requires an additional impacts analysis for all projects subject to PSD. This analysis should be done for both the PSD Class II area in the vicinity of the plant and the PSD Class I areas, Bradwell Bay and St.Marks Wilderness Areas.

8. Rule 62-212.400(5)(h) 5, F.A.C. requires the applicant to provide information relating to the air quality impact of, and the nature and extent of, all general commercial, residential, industrial and other growth which has occurred since August 7, 1977, in the area the facility or modification would affect. Please provide this information.

9. In Table 2-1 of the May, 2000 submittal, the maximum future 24-hour SO₂ emissions used in the modeling analysis for the No.3 and 4 Combination Boilers was 240 and 285 lbs/hr, respectively. In this submittal the maximums were 485 and 781 lbs/hr, respectively, as shown in the revised Table 2-1. In addition, the 24-hour SO₂ background concentration was raised from 12 ug/m³ to 27 ug/m³. However, the maximum predicted SO₂ impacts shown in Table 5-3 of the May, 2000 submittal are greater (255 ug/m³) than the maximum predicted SO₂ impacts in Table 5-2 of the revised application. (246 ug/m³). Please explain why the predicted SO₂ concentrations are less.

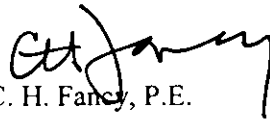
DEP File No. 0050009-005-AC (PSD-FL-288)
Panama City Mill
Page 3 of 3

10. As stated in the revised application, the building and stack locations were more accurately located. The revised stack locations are shown in Table 2-3 of the revised application. Please provide a detailed plot plan of the facility showing the exact location in meters from the modeling origin of each building and stack.

11. Please provide a copy of all the monitoring data eliminated along with the supporting meteorological information, which justifies the choice of SO₂ background values of 27 ug/m³ and 106 ug/m³ for the SO₂ 24-hour and 3-hour averaging times respectively.

The Department will resume processing this application after receipt of the requested information. If you have any questions regarding this matter, please call Bruce Mitchell at (850) 921-9506 or Cleve Holladay at (850) 921-8986.

Sincerely,



C. H. Fancy, P.E.
Chief
Bureau of Air Regulation

CHF/bm

cc: Gregg Worley, EPA
John Bunyak, NPS
Ellen Porter, USF&WS
Sandra Veazey, NWD
David A. Buff, P.E., Golder Associates Inc.

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Mr. Jack B. Prescott
 General Manager
 Stone Container Corp.
 One Everitt Avenue
 Panama City, FL 34202

2. 7001 0320 0001 3692 9137

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

3-25-02

C. Signature

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Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

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Sent To

Jack B. Prescott

Street, Apt. No.
or PO Box No.

One Everitt Avenue

City, State, ZIP+4

Panama City, FL 34202

PS Form 3800, January 2001

See Reverse for Instructions

Mitchell, Bruce

To: Allen, Andy
Cc: Sheplak, Scott; Curle, Mary Beth
Subject: RE: STONE CONTAINER CORPORATION (JUNE 11,1996)

3/21/02

Andy,

Many thanks for the effort and appreciate the explanation. A copy of our incompleteness letter has been "cc'd" to Sandra. Again, thanks to you and Mary Beth for your assistance on this issue.

Bruce

-----Original Message-----

From: Allen, Andy
Sent: Wednesday, March 20, 2002 5:55 PM
To: Mitchell, Bruce
Cc: White, Kevin M.; Bradburn, Rick; Veazey, Sandra; Curle, Mary Beth; Landry, Greg
Subject: STONE CONTAINER CORPORATION (JUNE 11,1996)

Mary Beth did a terrific and timely task of finding the subject letter. Now I can respond to your comment that the NWD gave Stone Container 120 TPH versus 87.3 TPH without a public notice. The 6/11/96 letter was intended to be a simple correction and concurrence with David Buff, P.E., that it was inappropriate to take a maximum daily limit of 2096.3 TPD and dividing it by 24 and imposing this as an hourly limit of 87.3. The AO prior to the digester explosion was 120TPH of air dried unbleached pulp based on AO03-174790. We held the annual production rate at 668,850 tons of air dry unbleached pulp per year. The intent was to give them the capacity that had been public noticed in an AC. Currently reviewing the file reveals that the 87.3 was not just from our dividing the daily limit by 24; but their application documents the maximum production rate as 87.3 TPH air dried unbleached pulp.

The 6/30/94 public notice documents that the maximum process rate will not increase as a result of the new digester system.

The key capacity limit lies within the test report. They are limited to 110% of where they tested. Due to the nature of the process it is very difficult to measure capacity on a TPH basis since some are batch and some are continuous. I have not studied this issue recently; but it seems we should use a TPD limit.

A June 3, 1994 letter from Stone Container Corp. documents that the replacement digesters are identical replacements because of the catastrophic failure experienced in April, 1994. We denied their request to replace the digesters without permitting.

Hope this helps; maybe Rick can glean more helpful insight into the issue since he developed the title V permit.

Thanks,
Andy

Mitchell, Bruce

To: Allen, Andy
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Subject: RE: STONE PAPER MILL/ PCY

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Jeb Bush
Governor

Department of Environmental Protection

Marjory Stoneman Douglas Building
3900 Commonwealth Boulevard
Tallahassee, Florida 32399-3000

David B. Struhs
Secretary

March 21, 2002

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. Jack B. Prescott, General Manager
Stone Container Corporation
One Everitt Avenue
Panama City, Florida 32402

Re: DEP File No. 0050009-005-AC (PSD-FL-288)
Panama City Mill
Pulp Production Increase

Dear Mr. Prescott:

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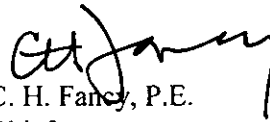
DEP File No. 0050009-005-AC (PSD-FL-288)
Panama City Mill
Page 3 of 3

10. As stated in the revised application, the building and stack locations were more accurately located. The revised stack locations are shown in Table 2-3 of the revised application. Please provide a detailed plot plan of the facility showing the exact location in meters from the modeling origin of each building and stack.

11. Please provide a copy of all the monitoring data eliminated along with the supporting meteorological information, which justifies the choice of SO₂ background values of 27 ug/m³ and 106 ug/m³ for the SO₂ 24-hour and 3-hour averaging times respectively.

The Department will resume processing this application after receipt of the requested information. If you have any questions regarding this matter, please call Bruce Mitchell at (850) 921-9506 or Cleve Holladay at (850) 921-8986.

Sincerely,



C. H. Fancy, P.E.
Chief
Bureau of Air Regulation

CHF/bm

cc: Gregg Worley, EPA
John Bunyak, NPS
Ellen Porter, USF&WS
Sandra Veazey, NWD
David A. Buff, P.E., Golder Associates Inc.