



Containerboard Mill Division

October 18, 2005

RECEIVED

OCT 21 2005

BUREAU OF AIR REGULATION

Mr. Jeff Koerner
Florida Dept. of Environmental Protection
2600 Blair Stone Rd.
MS #5505
Tallahassee, FL, 32399-2400

Re: Comments on Draft Permit
and Public Notice
Project No. 0050009-021-AC

Dear Mr. Koerner

We appreciate the rapid response on our construction permit application to improve the overfire air system (OFA) and scrubber on our #4 Combination Boiler (EU016 Title V permit No. 0050009-020). This project is needed for compliance with the particulate matter emission standard in NESHAP Subpart DDDDD of 40 CFR 63.

The required public notice was made in the "Panama City News Herald" on October 14. Proof of that notification is attached.

We can and will comply with all provisions in the draft permit, except #4: Permitted Capacity. The boiler has the capability of producing 330,000 #/hr of steam. The draft permit would limit that capacity to 300,000 #/hr. We understand that this limitation was proposed because the design basis for the OFA improvements was 300,000 #/hr. We have been in contact with the manufacturer, Alstom, and have requested their opinion. This is attached. They feel that the boiler and the OFA system can function correctly at 330,000 #/hr, but could not absolutely guarantee it. Because of this we would propose the following:

We will conduct the performance testing as required in Section 5 of the draft permit. If we can demonstrate compliance with our current permit limits at a steaming rate above 300,000 #/hr, (but at or below 330,000 #/hr) that steaming rate will become our new permitted capacity. If we cannot meet the Subpart DDDDD particulate limit, we will have until the compliance date of September 13, 2007 to take further corrective action to bring the boiler into compliance. We

completed our annual stack testing on this boiler on October 12. The testing was done at a 323,000 #/hr steaming rate, and we met all permit limits. As a side note, in 2003 we conducted the stack testing at 328,000 #/hr and in 2004, we conducted the stack testing at 322,000 #/hr. In both cases, we easily met all permit limits. Since steaming rate is not a Title V parameter, we don't have steaming rate data for earlier tests. Two rounds of stack testing done within a six month period should provide reasonable assurance that the boiler can operate within its' permit limits while steaming at a 330,000 #/hr rate.

During periods when another boiler is down, the mill's production is curtailed due to a lack of steam. The amount of curtailment is proportional to the amount of steam that the three remaining boilers can produce. This is the primary reason for the need to maintain the capacity to operate the #4 Combination Boiler at 330,000 #/hr. One of the other boilers could be down for any number of reasons. These reasons include items such as tube failures, and in the case of the #3 Combination Boiler, the need to modify it to meet the Industrial Boiler MACT. These down periods can be several weeks in duration.

Alternatively, if we could obtain a provision to allow the #4 Combination Boiler to operate at 330,000 #/hr during the periods that another boiler is down, we could accept a 300,000 #/hr limit during normal operations.

We feel that either of the above proposals, or a combination of the proposals would provide reasonable assurance of compliance.

Please call me at (850) 785-4311 x470 if you have additional questions.

Sincerely



Tom Clements
Environmental Mgr.

Shared/IBM/#4 BB draft permit reply

From: Gaal, Richard
Sent: Wednesday, October 12, 2005 2:56 PM
To: Groome, Matt ; Fuster, Pedro
Subject: FW: Smurfit Stone-Panama City #4BB-Operation at 330,000 lb/hr

Answer to the 330,000.

Richard A. Gaal
Manager of Engineering
Panama City Mill-0324
Email: rgaal@smurfit.com
Ph: 850-785-4311, X287
Beeper: 850-872-5723

From: dave.cavers@power.alstom.com [mailto:dave.cavers@power.alstom.com]
Sent: Wednesday, October 12, 2005 1:10 PM
To: Raffield, Benny
Cc: Gaal, Richard ; steve.gibowski@power.alstom.com
Subject: Smurfit Stone-Panama City #4BB-Operation at 330,000 lb/hr

Benny-We have conducted a cursory review of the boiler and related equipment for potential operation up to 330,000 lb/hr steam flow for short periods of time when the #3PB is down for the rebuild. Based on this review, we have the following comments:

Fuels and Airflows

For the purpose of this review, we are using the most recent fuel analysis from August 3, 2005 (39.5% moisture content of bark). Assuming that SSCC will be achieving MCR load of 300,000 lb/hr using bark (198,000 lb/hr steam), coal (70,000 lb/hr steam), oil (30,000 lb/hr steam), and NCG & SOG (2000 lb/hr steam), we recommend that bark fuel be increased to reach the desired 330,000 lb/hr steam load. If bark is used to supplement, then this would equate to a 4% increase above the maximum design airflow for the new OFA system. This would increase the grate heat release rate (GHRR) to 1.24MBtu/(hr-ft²) compared with the target GHRR of 1.20MBtu/(hr-ft²).

The reason that we suggest bark as the supplemental fuel is because it has the least effect on the designed airflows. If coal or oil are used to supplement, then this would equate to a 20% increase above the maximum design airflow for the burner air system. A 20% increase in airflow will result in a higher pressure loss through the system, perhaps not all that significant but should be noted.

FD & ID fans

At 330,000 lb/hr steam load as identified above, the FD fan and ID fan will experience an increase in load. The flow through the FD fan will increase by 2-3%, and the flow through the ID fan will increase by 1%.

The ID fan should be able to handle the increased load. However, SSCC is already aware that we are on the edge of the FD fan's capacity (not even considering the 2-3% increase in flow). As we have insufficient data to confirm whether the FD fan can handle the increase in load, this becomes even more critical if the unit is to operate at the uprated condition.

Particulate Levels

The particulate loading will increase for the uprated condition and there is a potential for an increase in boiler bank and economizer tube erosion due to the higher gas weights.

Circulation/Drum Internals

The 1960's vintage boilers were typically a conservative design and the boiler circulation system should be capable of a 10-15% steam flow increase above design rating. However, if SSCC has experienced tube failures or blistering that can be related to poor circulation, we would suggest a circulation study be considered.

A review of the drum internals indicate that they are able to handle the 330,000 lb/hr steam flow and have a maximum capability of 339,000 lb/hr steam flow.

In summary, it is our opinion that the boiler should be capable of operating at 330,000 lb/hr provided the FD fan can provide the increased airflow and there has not been a history of circulation related failures.

Please contact us if you have any questions.

Dave

Florida Freedom Newspapers, Inc.

PUBLISHERS OF THE NEWS HERALD
Panama City, Bay County, Florida
Published Daily

State of Florida County of Bay

Before the undersigned authority appeared _____

Glenda Sullivan, who on oath says that (s)he
is Classified Manager of The News Herald, a daily

newspaper published at Panama City, in Bay County, Florida; that the attached copy of
advertisement, being a Legal Advertisement - 9773

in the matter of Public Notice

Intent To Issue Air Permit

in the Bay County

Court, was published in said newspaper in the issue of _____

October 14, 2005

Affiant further says that The News Herald is a direct successor of the Panama City News and that this publication, together with its direct predecessor, has been continuously published in said Bay County, Florida, each day (except that the predecessor, Panama City News, was not published on Sundays), and that this publication together with its said predecessor, has been entered as periodicals matter at the post office in Panama City, in said Bay County, Florida, for a period of 1 year next preceding the first publication of the attached copy of advertisement; and affiant further says that he or she has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

Glenda Sullivan

State of Florida
County of Bay

Sworn and subscribed before me this 14th day of October
A.D. 2005 by Glenda Sullivan, Classified Manager
of The News Herald, who is personally known to me or has produced na
as identification.



Marie Forrest
Commission # DD209621
Expires May 5, 2007

Marie Forrest
Notary Public, State of Florida at Large

9773 PUBLIC NOTICE OF INTENT TO ISSUE AIR PERMIT

Florida Department of Environmental Protection
Draft Air Construction Permit No. 0050009-021-AC
Smurfit-Stone Container Enterprises, Inc. - Panama City Mill
No. 4 Combination Boiler, Control Equipment Improvements
Bay County, Florida

Applicant: The applicant for this project is the Smurfit-Stone Container Enterprises, Inc. The applicant's authorized representative and mailing address is: Mr. B. G. Sammons, General Manager of the Panama City Mill, Smurfit-Stone Container Enterprises, Inc., One Everitt Avenue, Panama City, FL 32402.

Facility Location: Smurfit-Stone Container Enterprises, Inc. operates an existing pulp and paper mill (SIC No. 2611) located at One Everitt Avenue in Panama City, Bay County, Florida.

Project: The applicant proposes improvements to the existing overfire air system and existing wet scrubber to reduce particulate matter emissions. No other changes are necessary such as modifying the fuel feeders, fuel conveyors, ash handling system, supplemental burners, boiler tube replacements, etc. These efforts are being conducted in advance of the September 13, 2007 deadline to demonstrate compliance with the applicable particulate matter emissions standard specified for solid fuel fired industrial boilers in NESHAP Subpart DDDDD of 40 CFR 63. Modifications to existing control equipment require review and approval by the Department. This includes any additional improvements to the air pollution control systems that the applicant determines will be necessary should the proposed project fall short of the goal. The Department reserves the right to review this project in combination with future proposed projects related to this unit.

The applicant maintains that the proposed changes to the existing pollution controls will not increase the capacity of the existing boiler or steam production rate. The current maximum continuous steam production rate is 300,000 pounds per hour based on a 24-hour average for the original design and the design target for the new OFA system. To ensure there will be no increase in capacity, the draft permit limits the steam production rate of the No. 4 Combination Boiler to this maximum rate.

to the applicant for project described above. The applicant has provided reasonable assurance that operation of proposed equipment will not adversely impact air quality and that the project comply with all appropriate provisions of Chapters 62-4, 62-204, 62-262-212, 62-296, and 62-297, F.A.C. The Permitting Authority will issue Final Permit in accordance with the conditions of the proposed Draft Permit unless a timely petition for administrative hearing filed under Section 120.569 and 120.57, F.S. or unless public comments received in accordance with this notice results in a significant decision or a significant change of terms or conditions.

Comments: The Permitting Authority will accept written comments concerning the proposed Draft Permit for a period of fourteen (14) days from the date of publication of this Public Notice. Written comments must be provided to the Permitting Authority at the above address. Any written comments filed will be made available for public inspection. If written comments received result in a significant change to the Draft Permit, the Permitting Authority shall revise the Draft Permit and require, if applicable, another Public Notice.

Petitions: A person whose substantial interests are affected by the proposed permitting decision may petition for an administrative hearing in accordance with Sections 120.569 and 120.57, F.S. The petition must contain the information set forth below and must be filed with (received by) the Department's Agency Clerk in the Office of General Counsel of the Department of Environmental Protection at 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000. Petitions filed by any persons other than those entitled to written notice under Section 120.60(3), F.S. must be filed within fourteen (14) days of publication of this Public Notice or receipt of a written notice, 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 fourteen (14) 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

The Title V permit currently regulates emissions of particulate matter and sulfur dioxide from the No. 4 Combination Boiler. There is little operational data available for other pollutant emissions such as carbon monoxide, nitrogen oxides, or volatile organic compounds. In addition to particulate matter, the draft permit requires testing for each of these pollutants to establish the emissions profile for the No. 4 Combination Boiler after completing the improvements.

The preliminary determination is that the proposed project will comply with all applicable state and federal air pollution regulations as conditioned by the draft permit. This determination is based on a technical review of the complete application, reasonable assurances provided by the applicant, and the conditions specified in the draft permit. No air quality modeling analysis is required because the project is not reasonably expected to result in increased emissions.

Permitting Authority: Applications for air construction permits are subject to review in accordance with the provisions of Chapter 403, Florida Statutes (F.S.) and Chapters 62-4, 62-210, and 62-212 of the Florida Administrative Code (F.A.C.). The proposed project is not exempt from air permitting requirements and an air permit is required to perform the proposed work. The Bureau of Air Regulation is the Permitting Authority responsible for making a permit determination for this project. The Permitting Authority's physical address is: 111 South Magnolia Drive, Suite #4, Tallahassee, Florida. The Permitting Authority's mailing address is: 2600 Blair Stone Road, MS #5505, Tallahassee, Florida 32399-2400. The Permitting Authority's telephone number is 850/488-0114.

Project File: A complete project file is available for public inspection during the normal business hours of 8:00 a.m. to 5:00 p.m., Monday through Friday (except legal holidays), at address indicated above for the Permitting Authority. The complete project file includes the Draft Permit, the Technical Evaluation and Preliminary Determination, the application, and the information submitted by the applicant, exclusive of confidential records under Section 403.111, F.S. Interested persons may contact the Permitting Authority's project review engineer for additional information at the address or phone number listed above.

Notice of Intent to Issue Air Permit: The Permitting Authority gives notice of its intent to issue an air permit

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 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, including the specific facts the petitioner contends warrant reversal or modification of the agency's proposed action; (f) A statement of the specific rules or statutes the petitioner contends require reversal or modification of the agency's proposed action; and, (g) A statement of the relief sought by the petitioner, stating precisely the action the petitioner wishes the agency to take with respect to the agency's proposed action. A petition that does not dispute the material facts upon which the Permitting Authority's action is based shall state that no such facts are in dispute and otherwise shall contain the same information as set forth above, as required by Rule 28-106.301, F.A.C.

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

Mediation: Mediation is not available for this proceeding.

October 14, 2005