STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION NOTICE OF PERMIT

In the matter of an Application for Permit by:

Seminole Kraft Corporation 9469 East Port Road Jacksonville, FL 32229

DEP File No. AC16-222359 PSD-FL-198 Duval County

Enclosed is Permit Number AC16-222359 (PSD-FL-198) to construct three packaged steam boilers at their existing facility in Jacksonville, Duval County, Florida, issued pursuant to Section(s) 403, Florida Statutes.

Any party to this Order (permit) has the right to seek judicial review of the permit pursuant to Section 120.68, Florida Statutes, by the filing of a Notice of Appeal pursuant to Rule 9.110, Florida Rules of Appellate Procedure, with the Clerk of the Department in the Office of General Counsel, 2600 Blair Stone Road, Tallahassee, Florida 32399-2400; and by filing a copy of the Notice of Appeal accompanied by the applicable filing fees with the appropriate District Court of Appeal. The Notice of Appeal must be filed within 30 days from the date this Notice is filed with the Clerk of the Department.

Executed in Tallahassee, Florida.

STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION

C. H. Fancy, P.E., Chief Bureau of Air Regulation 2600 Blair Stone Road Tallahassee, FL 32399-2400 904-488-1344

CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this NOTICE OF PERMIT and all copies were mailed before the close of business on to the listed persons.

Clerk Stamp

FILING AND ACKNOWLEDGMENT FILED, on this date, pursuant to \$120.52(11), Florida Statutes, with the designated Department Clerk, receipt of which is hereby acknowledged.

Clerk)

Copies furnished to:

J. Cole, NED

R. Roberson, RESD

J. Bunyak, NPS
D. Buff, KBN
B. Collum, GEPD
C. Hurd, SKC
R. Donelan, OGC

Final Determination

Seminole Kraft Corporation Duval County, Florida

Construction Permit No. AC 16-222359 (PSD-FL-198)

Department of Environmental Protection Division of Air Resources Management Bureau of Air Regulation

Final Determination

Seminole Kraft Corporation

AC 16-222359 (PSD-FL-198)

The construction permit application package and supplementary material have been reviewed by the Department. Public Notice of the Department's Intent to Issue was published in The Florida Times-Union on April 25 and May 11, 1993. The original Technical Evaluation and Preliminary Determination (TE&PD) and Revised TE&PD were distributed on April 2 and April 21, respectively, were made available for public inspection at the Department's Northeast District and Bureau of Air Regulation offices and the City of Jacksonville's Regulatory & Environmental Services Department (RESD).

Comments were received from the applicant during the public notice period. The Department's response to the comments are as follows (note: each response is numbered to correspond to each comment) and the change or new language will be in "bold print":

- I. Construction Permit No. AC 16-222359 (PSD-FL-198)
- A. Mr. Ron L. Roberson's letter received April 20, 1993.
- 1. The Department agrees with the request and the change will be made. Also, a requirement for calculating actual SO₂ emissions will be established.

Specific Condition No. 7 .:

- FROM: Before this construction permit expires, the common packaged boiler stack shall be tested and monitored for compliance with the emission limits in Specific Conditions Nos. 4, 5, and 6. Compliance tests for NOx shall be conducted in accordance with 40 CFR 60.46b(e)(3). Compliance with SO₂ limits shall be in accordance with 40 CFR 60.49b(r). Compliance with visible emission limits shall be demonstrated initially and annually in accordance with EPA Method 9.
 - To: Before this construction permit expires, each packaged boiler shall be tested and monitored for compliance with the emission limits in Specific Conditions Nos. 4, 5, and 6. Compliance tests for NOx shall be conducted in accordance with 40 CFR 60.46b(e)(3). Compliance with SO2 limits shall be in accordance with 40 CFR 60.49b(r); and, a stoichiometric quantification for SO2 emissions shall be utilized using the actual density and sulfur weight percent and the quantity of fuel oil fired monthly. Compliance with visible emission limits shall be demonstrated initially and annually in accordance with EPA Method 9.

2. Based on a phone conversation with Mr. Roberson (RESD) and Mr. Bruce Mitchell, edits to Specific Conditions Nos. 8, 9 and 11 were pointed out for clarification purposes and the following will be changed:

Specific Condition No. 8 .:

- FROM: The DER Northeast District office and the RESD (Regulatory and Environmental Services Department) shall be notified at least 15 days prior to the compliance tests. Compliance test results shall be submitted to the DER Northeast District office and the Bureau of Air Regulation office within 45 days after completion of the tests. Sampling facilities, methods, and reporting shall be in accordance with 40 CFR 60.49b, F.A.C. Rule 17-2.700 and 40 CFR 60, Appendix A.
 - TO: The Department's Northeast District office and the RESD (City of Jacksonville's Regulatory and Environmental Services Department) office shall be notified at least 15 days prior to the compliance tests. Compliance test results shall be submitted to the Department's Northeast District and Bureau of Air Regulation offices and the RESD office within 45 days after completion of the tests. Sampling facilities, methods, and reporting shall be in accordance with 40 CFR 60.49b, F.A.C. Rule 17-2.700 and 40 CFR 60, Appendix A.

Specific Condition No. 9.:

- FROM: The following Seminole Kraft Corporation (SKC) sources shall be permanently shut down and made incapable of operation: the No. 1 PB (power boiler), the No. 2 PB, the No. 3 PB, the No. 1 BB (bark boiler), and the No. 2 BB; and, SKC shall turn in their operation permits to the Division of Air Resources Management's Bureau of Air Regulation, within 30 days of written confirmation by DER of the successful completion of the initial compliance tests on the Cedar Bay Cogeneration Plant's boilers. The Regulatory and Environmental Services Division of Jacksonville shall be specifically informed in writing within thirty days after each individual shut down of the above referenced equipment.
- TO: The following Seminole Kraft Corporation (SKC) sources shall be permanently shut down and made incapable of operation: the No. 1 PB (power boiler), the No. 2 PB, the

No. 3 PB, the No. 1 BB (bark boiler), and the No. 2 BB; and, SKC shall turn in their operation permits to the Department's Bureau of Air Regulation, within 30 days of written confirmation by the Department of the successful completion of the initial compliance tests on the Cedar Bay Cogeneration Plant's boilers. The RESD office shall be specifically informed in writing within thirty days after each individual shut down of the above referenced equipment.

Specific Condition No. 11.:

FROM: An application for an operation permit must be submitted to the Northeast District office and the RESD at least 90 days prior to the expiration date of this construction permit. To properly apply for an operation permit, the applicant shall submit the appropriate application form, fee, certification that construction was completed noting any deviations from the conditions in the construction permit, and compliance test reports as required by this permit (F.A.C. Rules 17-4.055 and 17-4.220).

TO: An application for an operation permit must be submitted to the Department's Northeast District office and the RESD office at least 90 days prior to the expiration date of this construction permit. To properly apply for an operation permit, the applicant shall submit the appropriate application form, fee, certification that construction was completed noting any deviations from the conditions in the construction permit, and compliance test reports as required by this permit (F.A.C. Rules 17-4.055 and 17-4.220).

- B. Mr. Brian L. Beals's letter received April 22, 1993.
 - 1. No comments are required because of concurrence.
- C. Mr. James W. Pulliam, Jr.'s letter received May 21, 1993.
- 1. The Department agrees with the request and the condition will be established. Also, an additional requirement for a lab analysis to accompany each fuel oil delivery will be established in order to calculate actual SO₂ emissions. In addition, SKC representatives requested that the Cedar Bay certification language be inserted for notice requirements. Further, the Department agreed during the Cedar Bay certification that the SKC boilers would be allowed to fire both natural gas and No. 2 fuel oil (limited to a maximum

0.05% sulfur, by weight) and having a total emission limitation of 25 tons/year of SO₂; however, circumstances would allow for further approval of an additional 16 tons/year. The following changes/addition should reflect the above points:

Specific Condition No. 4.:

FROM: Sulfur content of the No. 2 fuel oil shall not exceed 0.05 percent by weight. Annual SO₂ emissions, total for all three boilers, shall not exceed 25 tons per year. In the event that the ceiling for SO₂ is expected to be exceeded due to unavailability of natural gas caused by factors beyond the control of SKC, SKC shall notify the Department that it anticipates exceeding the ceiling as provided herein; and, the emissions of SO₂ during the period of such curtailment shall not be counted against the yearly emissions ceiling of 25 tons unless administrative proceedings result in a finding that the exceedance was within SKC's control. In no event shall the total annual emissions of SO₂ from the three steam boilers exceed a ceiling of 41 tons per year.

TO: The three packaged boilers are permitted to fire both natural gas and No. 2 fuel oil, with the primary fuel being natural gas. The sulfur content of the No. 2 fuel oil shall not exceed 0.05 percent, by weight. Any delivery of No. 2 fuel oil shall be accompanied by a laboratory analysis quantifying the density and percent sulfur, by weight. Annual SO2 emissions from No. 2 fuel oil firing, total all three boilers, shall not exceed 25 tons/year. the event that the ceiling for SO_2 is expected to be exceeded due to unavailability of natural gas caused by factors beyond the control of SKC, SKC shall notify the Department that it anticipates exceeding the ceiling as provided herein; and, the emissions of SO2 during the period of such curtailment shall not be counted against the yearly emissions ceiling of 25 tons unless administrative proceedings result in a finding that the exceedance was within SKC's control. In no event shall the total annual emissions of SO2 from the three steam boilers exceed 41 tons/year. The notice shall include a statement or reasons for the request and supporting documentation, and shall be published by SKC, without supporting documents, in a newspaper of general circulation in Jacksonville, Florida, as defined in Section 403.5115(2), F.S. The filing and publication of the notice no later than 7 days following the date of exceedance, shall preclude any finding of violation by the Department until final disposition of any administrative proceedings.

- D. Ms. Jewell A. Harper's letter received June 11, 1993.
- 1. Based on discussions with Mr. Scott Davis (EPA Region IV) and Mr. Bruce Mitchell, it was deemed acceptable to use the lab analyses of the No. 2 fuel oil deliveries and the actual fuel oil fired per month to stoichiometrically calculate the actual SO₂ emissions in lieu of imposing additional emission limitations, which would require mass emissions stack testing or continuous emission monitoring for verification purposes. Therefore, see Specific Conditions Nos. 4 and 7. Also, for further clarification purposes, the following is established:

Specific Condition No. 12.: (new)

Pursuant to 40 CFR 49b(r), quarterly reports shall be submitted to the RESD office (i.e., Administrator) certifying that only very low sulfur oil (i.e., ≤ 0.05 % sulfur, by weight) meeting this definition was combusted in the affected facility during the preceding quarter. The firing of any fuel oil and its associated SO₂ emissions shall be quantified on a monthly and per boiler basis and submitted to the RESD office by the end of the month following the end of each quarter. The quarters are defined as January- March, April-June, July-September, and October-December; also, and per boiler, the final quarterly report shall include the total amount of the fuel oil fired and the quantified associated SO₂ emissions from the year.

II. BACT Determination to Permit No. AC 16-222359 (PSD-FL-198)

Pursuant to C.1. above, the Revised BACT determination will reflect that the boilers are permitted to fire both natural gas and No. 2 fuel oil as contained in Specific Condition No. 4 of the construction permit No. AC 16-222359. The following changes will be made to the text:

A. "BACT Determination by the Department"

FROM: During initial permitting discussions with SKC, the Department of Environmental Protection (Department) indicated to them that BACT would require the use of natural gas as the primary fuel, if available. Subsequently, SKC obtained a natural gas contract. Therefore, the Department's determination of BACT is the use of natural gas as the primary fuel and No. 2 fuel oil (0.05% sulfur max.) as backup when natural gas is not available. Allowable emissions under normal operating conditions (i.e. 380,000 lbs/hr steam supplied by CBCP) are listed below for each boiler along with the limit basis:

Pollutant Emission Limits Basis

| $\mathtt{NO}_{\mathbf{X}}$ | 23.6 lbs/hr and 103.4 tons/yr | Subpart Db (0.2 lb/mm BTU) |
|----------------------------|-------------------------------|----------------------------|
| so_2 | 25 tons/yr total-3 boilers* | BACT (0.05%s) |
| VE | Natural Gas - 5% opacity | BACT |
| VE | No. 2 Fuel Oil - 10% opacity | BACT |

* In the event that the ceiling for SO_2 is expected to be exceeded due to unavailability of natural gas caused by factors beyond the control of SKC, SKC shall notify the Department that it anticipates exceeding the ceiling as provided herein; and, the emissions of SO_2 during the period of such curtailment shall not be counted against the yearly emissions ceiling of 25 tons unless administrative proceedings result in a finding that the exceedance was within SKC's control. In no event shall the total annual emissions of SO_2 from the three steam boilers exceed 41 tons per year.

To: During initial permitting discussions with SKC, the Department of Environmental Protection (Department) indicated to them that BACT would require the use of natural gas as the primary fuel, if available. Subsequently, SKC obtained a natural gas contract. Therefore, the Department's determination of BACT is to allow three packaged steam boilers to fire both natural gas and No. 2 fuel oil (maximum 0.05% sulfur, by weight), with the primary fuel being natural gas. Allowable emissions under normal operating conditions (i.e. 380,000 lbs/hr steam supplied by CBCP) are listed below for each boiler along with the limit basis:

| <u>Pollutant</u> | Emission Limits | <u>Basis</u> |
|------------------------------------|--|--|
| NO _X SO ₂ | 23.6 lbs/hr and 103.4 tons/yr 25 tons/yr total-3 boilers* | Subpart D _b (0.2 lb/mm BTU) BACT (≤0.05% S, by wt. #2 Fuel Oil) |
| VE VE | Natural Gas - 5% opacity No. 2 Fuel Oil - 10% opacity | BACT BACT |

* In the event that the ceiling for SO_2 is expected to be exceeded due to unavailability of natural gas caused by factors beyond the control of SKC, SKC shall notify the Department that it anticipates exceeding the ceiling as provided herein; and, the emissions of SO_2 during the period of such curtailment shall not be counted against the yearly emissions ceiling of 25 tons unless administrative

proceedings result in a finding that the exceedance was within SKC's control. In no event shall the total annual emissions of SO₂ from the three steam boilers exceed 41 tons/year. The notice shall include a statement or reasons for the request and supporting documentation, and shall be published by SKC, without supporting documents, in a newspaper of general circulation in Jacksonville, Florida, as defined in Section 403.5115(2), Florida Statutes. The filing and publication of the notice no later than 7 days following the date of exceedance, shall preclude any finding of violation by the Department until final disposition of any administrative proceedings.

III. Attachmants to be Incorporated:

- 15. Technical Evaluation and Preliminary Determination (TE&PD) mailed 4/2/93.
- 16. Mr. Ronald L. Roberson's letter received 4/20/93.
- 17. Mr. Brian L. Beals's letter received 4/22/93.
- 18. Revised TE&PD mailed 4/21/93.
- 19. Public Notice received 5/7/93 (incomplete).
- 20. Mr. James W. Pulliam, Jr.'s letter received 5/21/93.
- 21. Public Notice received 5/27/93.
- 22. Ms. Jewell A. Harper's letter received 6/11/93.
- 23. Final Determination dated 7/7/93.

Therefore, it is recommended that the construction permit, No. AC 16-222359 (PSD-FL-198), and associated BACT Determination, be issued as drafted, with the above referenced revisions incorporated.

Attachment 16

. .

DEPARTMENT OF REGULATORY & **ENVIRONMENTAL SERVICES** Air Quality Division

April 16, 1993

Mr. Preston Lewis Department of Environmental Regulation Bureau of Air Regulation 2600 Blair Stone Road Tallahassee, FL 32399-2400

RE: Seminole Kraft Corporation Three (3) Gas Fired Boilers Permit AC16-222359 PSD-FL-198

Dear Mr. Lewis:

The Air Quality Division (AQD) has received the above referenced permit and offers the following comments for consideration.

RECEIVED

Resources Munderman

The permit draft has established allowable emissions limits for each individual boiler, but Specific Condition 8., which describes testing requirements for demonstration of compliance does not clearly define how compliance will be demonstrated.

Specific Condition 8. Before this construction permit expires, the common packaged boiler stack shall be tested and monitored for compliance with the emission limits in Specific Condition Nos. 4, 5, and 6. Compliance tests for NO_x shall be conducted in accordance with 40 CFR 60.46b(e)(3). Compliance with SO₂ limits shall be in accordance with 40 CFR 60.49b(r). Compliance with visible emission limits shall be demonstrated initially and annually in accordance with EPA Method 9.

AQD questions the intent of the underlined portion of Specific Condition 8. The condition as it currently reads implies that the common stack is to be tested for each pollutant regulated. Previous conditions limiting regulated pollutants do not state any aggregate or total emission limits. For demonstration of compliance, each boiler should be required to demonstrate that the allowable emission limits can be achieved on an individual basis.

AQD suggests that Specific Condition 8. delete the language "the common packaged boiler stack" and replace it with "each packaged boiler", to clearly indicate that each boiler should be tested individually. AQD does not recommend simultaneous testing of the three packaged boilers for any pollutant other than visible emissions.

Please address any questions or comments to me at (904) 630-3666.

Very truly yours,

Ronald L. Roberson Associate Engineer

AQD Permitting File cc: Mr. Wayne Walker - AQD
421 West Church Street - Suite 412 Jacksonville, Florida 32202-4111

Area Code 904/630-3666

Attachment 17



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION IV

345 COURTLAND STREET, N.E. ATLANTA, GEORGIA 30365

RECEIVED

4APT-AEB

APR 19 1993

APR 2 2 1993

Division of Air Resources Management

Mr. Clair H. Fancy, P.E., Chief Bureau of Air Regulation Florida Department of Environmental Regulation Twin Towers Office Building 2600 Blair Stone Road Tallahassee, Florida 32399-2400

RE: Seminole Kraft Corporation, Duval County

(PSD-FL-198)

Dear Mr. Fancy:

This is to acknowledge receipt of the Technical Evaluation and Preliminary Determination, including the draft Prevention of Significant Deterioration (PSD) permit, for the above referenced facility, by your letter dated March 31, 1993. The existing Seminole Kraft Corporation facility is a 100-percent recycled fiber paper mill. The proposed modification to the existing facility will be the addition of three package boilers, to be fired with fuel oil and natural gas.

Your determination proposes to limit SO_2 emissions through limiting the sulfur content of the distillate fuel oil and to limit beryllium emissions through efficient combustion and the use of ash free and low ash fuels.

We have reviewed the package as submitted and have no adverse comments. Thank you for the opportunity to review and comment on the package. If you have any questions or comments, please contact either Mr. Lew Nagler for modeling/monitoring or Mr. Scott Davis of my staff at (404) 347-5014.

Sincerely yours,

Brian L. Beals, Chief Source Evaluation Unit Air Enforcement Branch

Air, Pesticides, and Toxics

Management Division

J. Kumaldo B. Mitchell C. Holladay E. Delusen, DEROD G. Bunyak, NPS R. Collin, & DNR Attachment 20



United States Department of the Interior



FISH AND WILDLIFE SERVICE 75 Spring Street, S.W. Atlanta, Georgia 30303

May 19, 1993

RECEIVED

MAY 2 1 1993

Mr. C. H. Fancy Chief, Bureau of Air Regulation Florida Department of Environmental Regulation Twin Towers Office Building 2600 Blair Stone Road Tallahassee, Florida 32399-2400 Division of Air Resources Management

Dear Mr. Fancy:

We have reviewed Seminole Kraft Corporation's (SKC) permit application and the State's April 16, 1993, Technical Evaluation and Preliminary Determination and proposed permit conditions for the project. We understand that SKC is proposing to install three packaged steam boilers at their recycled fiber mill facility in Jacksonville, while contemporaneously shutting down several boilers and pulping facilities. As you know, the Jacksonville facility is located approximately 45 km southeast of the Okefenokee Wilderness Area (WA) and 90 km southwest of the Wolf Island WA, both Class I air quality areas administered by the Fish and Wildlife Service.

In their application, SKC proposed firing fuel oil with a maximum sulfur content of 0.5 percent as the primary fuel, with natural gas as the backup fuel. We are pleased to see that SKC has now agreed to fire natural gas as the primary fuel, and use fuel oil with a maximum sulfur content of 0.05 percent as backup. This fuel usage, combined with the emissions credits resulting from the shutdown of old equipment, will result in projected emissions of all pollutants well below the PSD-significant amounts. Based on the currently proposed emissions and the distance to the Class I areas, we do not expect that the SKC project will adversely affect resources in either the Okefenokee or Wolf Island WA's.

We do have one comment regarding the permit conditions contained in the April 16 notice. Although the permitted emission limits are based on SKC firing natural gas as the primary fuel with fuel oil as backup, the proposed permit conditions do not specify this fuel use requirement. We recommend that you include a specific permit condition discussing this requirement in the final permit.

If you have any questions regarding our comments, please contact Sandra Silva of our Air Quality office in Denver at 303/969-2071.

Sincerely yours,

auestilliand

James W. Pulliam, Jr. Regional Director

cc:

Jewell Harper, Chief Air Enforcement Branch Air, Pesticides and Toxic Management Division U.S. EPA, Region 4 345 Courtland Street, NE. Atlanta, Georgia 30365

Mr. James A. Heard Attorney at Law 2902 Independent Square Jacksonville, Florida 32202

J. Reynolds

C. Halladai Diet.

C. Halladai Diet.

C. Policie, DE Diet.

C. Policiero, DE P.D.

C. Luff. & B.N.

C. Hurd. E.K.C.

R. Donelan, O.G.C.

C. HF 15B16-PL

Attachment 22



UNITED STATES ENVIRONMENTAL PROTECTION AGENTE CEIVE

REGION IV

345 COURTLAND STREET, N.E. ATLANTA, GEORGIA 30365

JUN 1 4 1993

4APT-AEB

JUN - 8 1993

Division of Air Resources Management

RECEIVED

JUN 1 1 1993

D.E.R. OFFICE OF THE SECRETARY

Mr. Clair H. Fancy, P.E., Chief Bureau of Air Regulation Florida Department of Environmental Regulation Twin Towers Office Building 2600 Blair Stone Road Tallahassee, Florida 32399-2400

Seminole Kraft Corporation, Duval County (PSD-FL-198)

Dear Mr. Fancy:

This is to acknowledge receipt of the Revised Technical Evaluation and Preliminary Determination, including the draft Prevention of Significant Deterioration (PSD) permit, for the above referenced facility, by your letter dated April 20, 1993. The existing Seminole Kraft Corporation facility is a 100percent recycled fiber paper mill. The proposed modification to the existing facility will be the addition of three package boilers, to be fired with fuel oil and natural gas.

Your determination proposes to limit SO2 emissions through limiting the sulfur content of the distillate fuel oil and to limit beryllium emissions through efficient combustion and the use of ash free and low ash fuels.

We have reviewed the package as submitted and have the following comments concerning the draft permit. In Specific Condition 4 of the permit, the emission limit for SO₂ should include a basis for the 25 tons per year limit, in a lb/MMBtu and lbs/hr increment (as established in Specific Condition 3 for NO_x emissions). In addition, we recommend a limit on the gallons of fuel oil used in any 12 consecutive month period, on the basis of 0.05% sulfur content and the maximum annual SO₂ emission limit. For compliance purposes, monthly recordkeeping requirements should be included to enable data to be obtained for fuel oil usage on a 12 month rolling annual average basis.

Thank you for the opportunity to review and comment on the package. If you have any questions or comments, please contact Mr. Scott Davis of my staff at (404) 347-5014.

Since ely yours

Jewell A. Harper, Chief Air Enforcement Branch

Air, Pesticides, and Toxics

Management Division



Florida Department of

Environmental Protection

Lawton Chiles Governor

Twin Towers Office Building 2600 Blair Stone Road Tallahassee, Florida 32399-2400

Virginia B. Wetherell Secretary

PERMITTEE:

Seminole Kraft Corporation 9469 East Port Road Jacksonville, Florida 32229 Permit Number: AC 16-222359

PSD-FL-198

Expiration Date: April 30, 1995

County: Duval

Latitude/Longitude: 30°25'15"N

81°36'00"W

Three Packaged Steam Project:

Boilers

This permit is issued under the provisions of Chapter 403, Florida Statutes, and Florida Administrative Code Chapters 17-210 through 297 and 17-4. The above named permittee is hereby authorized to perform the work or operate the facility shown on the application and approved drawings, plans, and other documents attached hereto or on file with the Department of Environmental Protection (Department) and made a part hereof and specifically described as follows:

For the construction of three 125,000 lbs/hr packaged process steam boilers. The facility is located at 9469 East Port Road, Jacksonville, Duval County, Florida. UTM coordinates of the site Zone 17, 441.8 km E and 3,365.6 km N.

Emissions shall be controlled by using clean fuels and good combustion practices.

The source shall be constructed in accordance with the permit application, plans, documents, amendments and drawings, except as otherwise noted in the General and Specific Conditions.

Attachments are listed below:

- Letter (with proposed gas contract) from Oertel to Pennington (12/3/92).
- Letter from KBN to the Department (12/9/92).
- Letter from Georgia DNR to the Department (12/10/92).
- Letter from KBN to the Department (12/22/92).
- Incompleteness letter from the Department to SKC (12/23/92).
- Letter from KBN to the Department (12/23/92). Second Incompleteness letter from the Department to SKC (1/5/93).
- Letter from KBN to the Department (1/8/93).
- 9. Letter from EPA to the Department (1/15/93).
- 10. Letter from Oertel to the Department (1/19/93).
- 11. Third Incompleteness letter from the Department to SKC (1/25/93).
- 12. Letter from Oertel to the Department (1/29/93).
 13. Letter from Oertel to the Department (1/29/93).
- 14. Completeness letter from the Department to SKC (2/10/93).
- 15. Technical Evaluation and Preliminary Determination (TE&PD) mailed 4/2/93.

Page 1 of 7

Permit Number: AC 16-222359

PSD-FL-198

Expiration Date: April 30, 1995

Attachments cont .:

16. Mr. Ronald L. Roberson's letter received 4/20/93.

17. Mr. Brian L. Beals's letter received 4/22/93.

18. Revised TE&PD mailed 4/21/93.

19. Public Notice received 5/7/93 (incomplete).

20. Mr. James W. Pulliam, Jr.'s letter received 5/21/93. 21. Public Notice received 5/27/93.

22. Ms. Jewell A. Harper's letter received 6/11/93.

23. Final Determination dated 7/7/93.

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 (F.S.). The permittee is placed on notice that the Department will review this permit periodically and may initiate enforcement action for any violation of these conditions.
- 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.
- As provided in Subsections 403.087(6) and 403.722(5), F.S., 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.
- This permit conveys no title to land or water, does not constitute State recognition or acknowledgement 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 not 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 permittee to cause pollution in contravention of F.S. and Department rules, unless specifically authorized by an order from the Department.

Permit Number: AC 16-222359 PSD-FL-198

Expiration Date: April 30, 1995

GENERAL CONDITIONS:

6. The permittee shall properly operate and maintain the facility and systems of treatment and control (and related appurtenances) that are installed or 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 records that must be kept under the conditions of the permit;
 - 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.

- 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 noncompliance, 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

Permit Number: AC 16-222359 PSD-FL-198

Expiration Date: April 30, 1995

GENERAL CONDITIONS:

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 F.S. or Department rules, except where such use is prescribed by Sections 403.73 and 403.111, F.S. 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 F.S. after a reasonable time for compliance, provided, however, the permittee does not waive any other rights granted by F.S. or Department rules.
- 11. This permit is transferable only upon Department approval in accordance with Florida Administrative Code (F.A.C.) Rules 17-4.120 and 17-730.300, 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 Prevention of Significant Deterioration; and,
 - (x) Compliance with New Source Performance Standards (NSPS).
- 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.

Permit Number: AC 16-222359

PSD-FL-198

Expiration Date: April 30, 1995

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 measurements;
- 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.

SPECIFIC CONDITIONS:

- 1. The construction and operation of these sources shall be in accordance with the capacities stated in the Revised Technical Evaluation and Preliminary Determination.
- 2. The packaged boilers may be operated continuously (8760 hrs/yr).
- 3. The maximum allowable NOx emissions shall not exceed 0.2 lb/MMBtu, 23.6 lbs/hr, and 103.4 tons/yr per boiler.
- The three packaged boilers are permitted to fire both natural gas and No. 2 fuel oil, with the primary fuel being natural gas. The sulfur content of the No. 2 fuel oil shall not exceed 0.05 percent, by weight. Any delivery of No. 2 fuel oil shall be accompanied by a laboratory analysis quantifying the density and percent sulfur, by weight. Annual SO2 emissions from No. 2 fuel oil firing, total all three boilers, shall not exceed 25 tons/year. In the event that the ceiling for SO2 is expected to be exceeded due to unavailability of natural gas caused by factors beyond the control of SKC, SKC shall notify the Department that it anticipates exceeding the ceiling as provided herein; and, the emissions of SO2 during the period of such curtailment shall not be counted against the yearly emissions ceiling of 25 tons unless administrative proceedings result in a finding that the exceedance was within SKC's control. In no event shall the total annual emissions of SO2 from the three steam boilers exceed 41 tons/year. The notice shall include a statement or reasons for the request and supporting documentation, and shall be published by SKC, without supporting documents, in a newspaper of general circulation in Jacksonville,

Permit Number: AC 16-222359

PSD-FL-198

Expiration Date: April 30, 1995

SPECIFIC CONDITIONS:

Florida, as defined in Section 403.5115(2), F.S. The filing and publication of the notice no later than 7 days following the date of exceedance, shall preclude any finding of violation by the Department until final disposition of any administrative proceedings.

- 5. Visible emissions (VE) shall not exceed 5% opacity during natural gas firing and 10% opacity during fuel oil firing.
- 6. In accordance with requirements of 40 CFR 60.48(b), a monitoring system (CEMS) for nitrogen oxides shall be installed, operated, and maintained. Also, the natural gas, fuel oil and steam flows (both from the packaged boilers and from the CBCP facility) shall be metered and continuously recorded. The data shall be logged daily and maintained so that it can be provided to the Department upon request.
- 7. Before this construction permit expires, each packaged boiler shall be tested and monitored for compliance with the emission limits in Specific Conditions No. 4, 5, and 6. Compliance tests for NOx shall be conducted in accordance with 40 CFR 60.46b(e)(3). Compliance with SO₂ limits shall be in accordance with 40 CFR 60.49b(r); and, a stoichiometric quantification for SO₂ emissions shall be utilized using the actual density and sulfur weight percent and the quantity of fuel oil fired monthly. Compliance with visible emission limits shall be demonstrated initially and annually in accordance with EPA Method 9.
- 8. The Department's Northeast District office and the RESD (City of Jacksonville's Regulatory and Environmental Services Department) office shall be notified at least 15 days prior to the compliance tests. Compliance test results shall be submitted to the Department's Northeast District and Bureau of Air Regulation offices and the RESD office within 45 days after completion of the tests. Sampling facilities, methods, and reporting shall be in accordance with 40 CFR 60.49b, F.A.C. Rule 17-2.700 and 40 CFR 60, Appendix A.
- 9. The following Seminole Kraft Corporation (SKC) sources shall be permanently shut down and made incapable of operation: the No. 1 PB (power boiler), the No. 2 PB, the No. 3 PB, the No. 1 BB (bark boiler), and the No. 2 BB; and, SKC shall turn in their operation permits to the Department's Bureau of Air Regulation, within 30 days of written confirmation by the Department of the successful completion of the initial compliance tests on the Cedar Bay Cogeneration Plant's boilers. The RESD office shall be specifically informed in writing within thirty days after each individual shut down of the above referenced equipment.

Permit Number: AC 16-222359

PSD-FL-198

Expiration Date: April 30, 1995

SPECIFIC CONDITIONS:

10. The permittee, for good cause, may request that this construction permit be extended. Such a request shall be submitted to the Department's Bureau of Air Regulation prior to 60 days before the expiration of the permit (F.A.C. Rule 17-4.090).

- 11. An application for an operation permit must be submitted to the Department's Northeast District office and the RESD office at least 90 days prior to the expiration date of this construction permit. To properly apply for an operation permit, the applicant shall submit the appropriate application form, fee, certification that construction was completed noting any deviations from the conditions in the construction permit, and compliance test reports as required by this permit (F.A.C. Rules 17-4.055 and 17-4.220).
- 12. Pursuant to 40 CFR 49b(r), quarterly reports shall be submitted to the RESD office (i.e., Administrator) certifying that only very low sulfur oil (i.e., $\leq 0.05 \%$ sulfur, by weight) meeting this definition was combusted in the affected facility during the preceding quarter. The firing of any fuel oil and its associated SO2 emissions shall be quantified on a monthly and per boiler basis and submitted to the RESD office by the end of the month following the end of each quarter. The quarters are defined as January-March, April-June, July-September, and October-December; also, and per boiler, the final quarterly report shall include the total amount of the fuel oil fired and the quantified associated SO2 emissions from the year.

Issued this 7 day
of 7 , 1993

STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION

Virginia B. Wetherell, Secretary

Revised Best Available Control Technology (BACT) Determination Seminole Kraft Corporation Duval County PSD-FL-198 AC 16-222359

The applicant proposes to install three packaged boilers at their recycled fiber paper mill facility in Jacksonville, Duval County, Florida. Each of the three boilers will be sized to provide up to 125,000 lbs/hr of process steam for Seminole Kraft Corporation's (SKC) paper machines. SKC will also receive process steam from the adjacent Cedar Bay Cogeneration Project (CBCP). According to terms of the CBCP Site Certification proceedings, SKC is to be limited to a total steam production of 640,000 lbs/hr which includes 380,000 lbs/hr imported from the CBCP facility. This leaves 260,000 lbs/hr to be produced by the three packaged boilers under normal operating conditions. During periods when CBCP is not operating or operating at reduced rates, SKC will be allowed to make up the difference between the 380,000 lbs/hr and the steam production level that CBCP provides. This is equivalent to a maximum firing rate of 524 MMBTU/hr for all three SKC packaged boilers when the CBCP facility is down.

Date of Receipt of a Complete Application

February 10, 1993

BACT Determination Requested by Applicant

SKC's application called for the firing of fuel oil on a full time or as needed basis since a firm natural gas contract had not been obtained at the time of filing. Consequently, the application required a BACT determination for SO2 and beryllium since these pollutants would be emitted in amounts exceeding PSD-significant levels. BACT was proposed by the applicant as firing fuel oil with a 0.5 percent maximum sulfur content (0.3 average). Since there are no specific control technologies for beryllium, an uncontrolled beryllium emission level was proposed.

BACT Determination by the Department

During initial permitting discussions with SKC, the Department of Environmental Protection (Department) indicated to them that BACT would require the use of natural gas as the primary fuel, if available. Subsequently, SKC obtained a natural gas contract.

Revised BACT Seminole Kraft Corp. Page Two

Therefore, the Department's determination of BACT is three packaged steam boilers being allowed to fire both natural gas and No. 2 fuel oil (maximum 0.05% sulfur, by weight), with the primary fuel being natural gas. Allowable emissions under normal operating conditions (i.e. 380,000 lbs/hr steam supplied by CBCP) are listed below for each boiler along with the limit basis:

| Pollutant | Emission Limits | <u>Basis</u> |
|------------------------------------|--|--|
| NO _X SO ₂ | 23.6 lbs/hr and 103.4 tons/yr 25 tons/yr total-3 boilers* | Subpart D _b (0.2 lb/mm BTU) BACT (≤0.05% S, by wt. #2 Fuel Oil) |
| VE VE | Natural Gas - 5% opacity No. 2 Fuel Oil - 10% opacity | BACT BACT |

* In the event that the ceiling for SO₂ is expected to be exceeded due to unavailability of natural gas caused by factors beyond the control of SKC, SKC shall notify the Department that it anticipates exceeding the ceiling as provided herein; and, the emissions of SO₂ during the period of such curtailment shall not be counted against the yearly emissions ceiling of 25 tons unless administrative proceedings result in a finding that the exceedance was within SKC's control. In no event shall the total annual emissions of SO₂ from the three steam boilers exceed 41 tons/year. The notice shall include a statement or reasons for the request and supporting documentation, and shall be published by SKC, without supporting documents, in a newspaper of general circulation in Jacksonville, Florida, as defined in Section 403.5115(2), Florida Statutes. The filing and publication of the notice no later than 7 days following the date of exceedance, shall preclude any finding of violation by the Department until final disposition of any administrative proceedings.

'BACT Determination Procedure

In accordance with Florida Administrative Code (F.A.C.) Rules 17-210 through 297, this BACT determination is based on the maximum degree of reduction of each pollutant emitted which the Department, on a case by case basis, taking into account energy, environmental and economic impacts, and other costs, determines is achievable through application of production processes and available control methods, systems and techniques. In addition, the regulations require that in making the BACT determination the Department shall give consideration to:

Revised BACT Seminole Kraft Corp. Page Three

- (a) Any Environmental Protection Agency determination of BACT pursuant to Section 169, and any emission limitation contained in 40 CFR Part 60 (Standards of Performance for New Stationary Sources) or 40 CFR Part 61 (National Emission Standards for Hazardous Air Pollutants).
- (b) All scientific, engineering and technical material and other information available to the Department.
- (c) The emission limiting standards or BACT determinations of any other State.
- (d) The social and economic impact of the application of such technology.

The EPA currently stresses that BACT should be determined using the "top-down" approach. The first step in this approach is to determine for the emission source in question the most stringent control available for a similar or identical source or source category. If it is shown that this level of control is technically or economically infeasible for the source in question, then the next most stringent level of control is determined and similarly evaluated. This process continues until the BACT level under consideration cannot be eliminated by any substantial or unique technical, environmental, or economic objections.

BACT Determination Rationale

BACT review for particulate emissions and sulfur-dioxide are required under F.A.C. Rule 17-296.406. Visible emissions may be regulated as a surrogate parameter for PM/PM₁₀ and have been established at 5% opacity for natural gas fired boilers (10% opacity for No. 2 fuel oil).

For SO₂ emissions from oil firing, only two alternatives exist that would result in stringent SO₂ emissions; using low sulfur content fuel oil or flue gas desulfurization (FGD). EPA has recognized that FGD technology is inappropriate to apply to these combustion units. Sludge would be generated that would have to be disposed of properly, and there would be greatly increased costs associated with the construction and operation of a FGD system. Finally, there is no information in the literature to indicate that FGD has ever been applied to burning distillate oil. This leaves the use of natural gas and low sulfur fuel oil as backup as the best option for this project. Due to the anticipated availability of very low sulfur oil by October 1993, the Department will require the use of No. 2 fuel oil with 0.05% sulfur by weight as BACT.

Revised BACT Seminole Kraft Corp. Page Four

Details of the Analysis May be Obtained by Contacting:

Preston Lewis, P.E., BACT Coordinator Department of Environmental Protection Bureau of Air Regulation Twin Towers Office Building 2600 Blair Stone Road Tallahassee, Florida 32399-2400

| Recommended by: | Approved by: |
|--|---|
| cts Joseph | Daul M Throw For |
| C. H. Fancy, P.E., Chief Bureau of Air Regulation | Virginia B. Wetherell, Secretary Dept. of Environmental Protection |
| Date 1993 | 7 July 1993 |

| The County County of the Hand of 2 for auctional services (250) es | The result of the rest of the |
|--|--|
| Complete items 3 and 4a & b. | following services (for an extra vie |
| Print your name and address on the reverse of this form so | that we can't tee! An it is a little of the can't the can't tee the can't the can't tee the can't te |
| return this card to you the transfer of the tr | k if space) 1 3 Addressee's Address |
| Attach this form to the front of the mailpiece or on the bac | K if space in the last the Addressee s Address to |
| Write Return Receipt Requested on the mailpiece below the | irticle number 2 Restricted Delivery |
| The Return Receipt will show to whom the article was delivered | and the date (W. A. M. R. E. S. M. B. M. B. M. B. M. |
| To Converse Addressed to | Consult postmaster for fee. |
| 9 A Stonley De Mon | 4a Article Number |
| is a many and the | 14 930 39 4 59 68 W 15 |
| Elisariste Matt 60 | 4b. Service Type 200 (1997) |
| ES DATION DE COMPANION DE LA C | Registered Insured |
| 13 4469 CA POST ROCK | Certified District COD in the E |
| | Express Mail 10 Return Receipt for 13 |
| # Wackson (UN) Files | Management of the Merchandise Action |
| 3999 | 7. Date of Delivery |
| | 引导的第一名一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个一 |
| Signature (Addressee) (Addressee) | 8 Addressee's Address (Only if requested |
| | wand fee is paid) 计电话 法人类 |
| | |
| c 6. Signature (Agent) | |
| TAAMONAU ATTENDED | 的 那個生產的一個一個 |
| PS Form 3811 December 1991 14U.S. GPO: 1992-3 | 29402 DOMESTIC RETURN RECEIPT |
| | |
| | |

Receipt for Certified Mail

No Insurance Coverage Provided Do not use for International Mail (See Reverse)

School Mail

No Insurance Coverage Provided Do not use for International Mail (See Reverse)

School Mail

Street and 2P Code

Postage

Certified Fee

Special Delivery Fee

Restricted Delivery Fee

Return Receipt Showing to Whom, Date, and Addressee's Address

ToTAL Postage

8 Fees

Postmark or Date AC 16-222359

PSO-F1-198

1-8-93



Lawton Chiles

Governor

Florida Department of

Environmental Protection

Twin Towers Office Building 2600 Blair Stone Road Tallahassee, Florida 32399-2400

Virginia B. Wetherell Secretary

PERMITTEE:

Seminole Kraft Corp. 9469 East Port Road Jacksonville, Florida 32229 Permit Number: AC16-222359 PSD-FL-198

Expiration Date: April 30, 1995

County: Duval

Latitude/Longitude: 30°25'15"N 81°36'00"W

Project: Three Packaged Steam

Boilers

This permit is issued under the provisions of Chapter 403, Florida Statutes, and Florida Administrative Code Chapters 17-210 through 297 and 17-4. The above named permittee is hereby authorized to perform the work or operate the facility shown on the application and approved drawings, plans, and other documents attached hereto or on file with the Department and made a part hereof and specifically described as follows:

For the construction of three 125,000 lbs/hr packaged process steam boilers. The facility is located at 9469 East Port Road, Jacksonville, Duval County, Florida. UTM coordinates of the site Zone 17, 441.8 km E and 3,365.6 km N.

Emissions shall be controlled by using clean fuels and good combustion practices.

The source shall be constructed in accordance with the permit application, plans, documents, amendments and drawings, except as otherwise noted in the General and Specific Conditions.

Attachments are listed below:

- Letter (with proposed gas contract) from Oertel to Pennington (12/3/92).
- 2. Letter from KBN to DER (12/9/92).
- Letter from Georgia DNR to DER (12/10/92).
- Letter from KBN to DER (12/22/92).
- Incompleteness letter from DER to SKC (12/23/92).
- Letter from KBN to DER (12/23/92).
- 7. Second Incompleteness letter from DER to SKC (1/5/93).
- Letter from KBN to DER (1/8/93). Letter from EPA to DER (1/15/93). 9.
- 10. Letter from Oertel to DER (1/19/93).
- 11. Third Incompleteness letter from DER to SKC (1/25/93).
- 12. Letter from Oertel to DER (1/29/93).
- 13. Letter from Oertel to DER (1/29/93).
- 14. Completeness letter from DER to SKC (2/10/93).
- 15. Technical Evaluation and Preliminary Determination (TE&PD) mailed 4/2/93.
- 16. Mr. Mr. Ronald L. Roberson's letter received 4/20/93.
- 17. Mr. Brian L. Beals's letter received 4/22/93.

Page 1 of 7



Permit Number:

AC16-222359

PSD-FL-198

Expiration Date: April 30, 1995

Attachments cont .:

18. Revised TE&PD mailed 4/21/93.

19. Public Notice received 5/7/93 (incomplete).

20. Mr. James W. Pulliam, Jr.'s letter received 5/21/93.

21. Public Notice received 5/27/93.

22. Ms. Jewell A. Harper's letter received 6/11/93.

23. Final Determination dated 7/7/93.

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 (F.S.). The permittee is placed on notice that the Department will review this permit periodically and may initiate enforcement action for any violation of these 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), F.S., 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 no title to land or water, does not constitute State recognition or acknowledgement 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 not 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 permittee to cause pollution in contravention of F.S. and Department rules, unless specifically authorized by an order from the Department.



Permit Number:

AC16-222359

PSD-FL-198

Expiration Date: April 30, 1995

GENERAL CONDITIONS:

6. The permittee shall properly operate and maintain the facility and systems of treatment and control (and related appurtenances) that are installed or 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 records that must be kept under the conditions of the permit;
 - 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.

- 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 noncompliance, 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



Permit Number: AC16-222359

PSD-FL-198

Expiration Date: April 30, 1995

GENERAL CONDITIONS:

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 F.S. or Department rules, except where such use is prescribed by Sections 403.73 and 403.111, F.S. 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 F.S. after a reasonable time for compliance, provided, however, the permittee does not waive any other rights granted by F.S. or Department rules.
- 11. This permit is transferable only upon Department approval in accordance with Florida Administrative Code (F.A.C.) Rules 17-4.120 and 17-730.300, 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 Prevention of Significant Deterioration; and,
 - (X) Compliance with New Source Performance Standards (NSPS).
- 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.



Permit Number:

AC16-222359

PSD-FL-198

Expiration Date: April 30, 1995

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 measurements;

- 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.

SPECIFIC CONDITIONS:

- 1. The construction and operation of these sources shall be in accordance with the capacities stated in the Revised Technical Evaluation and Preliminary Determination.
- 2. The packaged boilers may be operated continuously (8760 hrs/yr).
- 3. The maximum allowable NOx emissions shall not exceed 0.2 lb/MMBtu, 23.6 lbs/hr, and 103.4 tons/yr per boiler.
- The three packaged boilers are permitted to fire both natural gas and No. 2 fuel oil, with the primary fuel being natural gas. The sulfur content of the No. 2 fuel oil shall not exceed 0.05 percent, by weight. Any delivery of No. 2 fuel oil shall be accompanied by a laboratory analysis quantifying the density and percent sulfur, by weight. Annual SO2 emissions from No. 2 fuel oil firing, total all three boilers, shall not exceed 25 tons/year. In the event that the ceiling for SO2 is expected to be exceeded due to unavailability of natural gas caused by factors beyond the control of SKC, SKC shall notify the Department that it anticipates exceeding the ceiling as provided herein; and, the emissions of SO2 during the period of such curtailment shall not be counted against the yearly emissions ceiling of 25 tons unless administrative proceedings result in a finding that the exceedance was within SKC's control. In no event shall the total annual emissions of SO2 from the three steam boilers exceed 41 tons/year. The notice shall include a statement or reasons for the request and supporting documentation, and shall be published by SKC, without supporting documents, in a newspaper of general circulation in Jacksonville,



Permit Number: AC16-222359

PSD-FL-198

Expiration Date: April 30, 1995

SPECIFIC CONDITIONS:

Florida, as defined in Section 403.5115(2), F.S. The filing and publication of the notice no later than 7 days following the date of exceedance, shall preclude any finding of violation by DEP until final disposition of any administrative proceedings.

- 5. Visible emissions (VE) shall not exceed 5% opacity during natural gas firing and 10% opacity during fuel oil firing.
- 6. In accordance with requirements of 40 CFR 60.48(b), a monitoring system (CEMS) for nitrogen oxides shall be installed, operated, and maintained. Also, the natural gas, fuel oil and steam flows (both from the packaged boilers and from the CBCP facility) shall be metered and continuously recorded. The data shall be logged daily and maintained so that it can be provided to DER upon request.
- 7. Before this construction permit expires, each packaged boiler shall be tested and monitored for compliance with the emission limits in Specific Conditions No. 4, 5, and 6. Compliance tests for NOx shall be conducted in accordance with 40 CFR 60.46b(e)(3). Compliance with SO₂ limits shall be in accordance with 40 CFR 60.49b(r); and, a stoichiometric quantification for SO₂ emissions shall be utilized using the actual density and sulfur weight percent and the quantity of fuel oil fired monthly. Compliance with visible emission limits shall be demonstrated initially and annually in accordance with EPA Method 9.
- 8. The DER's Northeast District office and the RESD (Regulatory and Environmental Services Department) office shall be notified at least 15 days prior to the compliance tests. Compliance test results shall be submitted to the DER's Northeast District and Bureau of Air Regulation offices and the RESD office within 45 days after completion of the tests. Sampling facilities, methods, and reporting shall be in accordance with 40 CFR 60.49b, F.A.C. Rule 17-2.700 and 40 CFR 60, Appendix A.
- 9. The following Seminole Kraft Corporation (SKC) sources shall be permanently shut down and made incapable of operation: the No. 1 PB (power boiler), the No. 2 PB, the No. 3 PB, the No. 1 BB (bark boiler), and the No. 2 BB; and, SKC shall turn in their operation permits to the Division of Air Resources Management's Bureau of Air Regulation, within 30 days of written confirmation by DER of the successful completion of the initial compliance tests on the Cedar Bay Cogeneration Plant's boilers. The RESD office shall be specifically informed in writing within thirty days after each individual shut down of the above referenced equipment.



Permit Number:

AC16-222359

PSD-FL-198

Expiration Date: April 30, 1995

SPECIFIC CONDITIONS:

10. The permittee, for good cause, may request that this construction permit be extended. Such a request shall be submitted to the Bureau of Air Regulation prior to 60 days before the expiration of the permit (F.A.C. Rule 17-4.090).

- 11. An application for an operation permit must be submitted to the Northeast District office and the RESD **office** at least 90 days prior to the expiration date of this construction permit. To properly apply for an operation permit, the applicant shall submit the appropriate application form, fee, certification that construction was completed noting any deviations from the conditions in the construction permit, and compliance test reports as required by this permit (F.A.C. Rules 17-4.055 and 17-4.220).
- 12. Pursuant to 40 CFR 49b(r), quarterly reports shall be submitted to the RESD office (i.e., Administrator) certifying that only very low sulfur oil (i.e., <0.05% sulfur, by weight) meeting this definition was combusted in the affected facility during the preceeding quarter. The firing of any fuel oil and its associated SO₂ emissions shall be quantified on a monthly and per boiler basis and submitted to the RESD office by the end of the month following the end of each quarter. The quarters are defined as January-March, April-June, July-September, and October-December; also, and per boiler, the final quarterly report shall include the total amount of the fuel oil fired and the quantified associated SO₂ emissions from the year.

| Issued this | day |
|--------------------------------------|-------|
| of | ,1993 |
| STATE OF FLORIDA OF ENVIRONMENTAL | |

Virginia B. Wetherell, Secretary

Revised BACT Seminole Kraft Corp. Page Three

- (a) Any Environmental Protection Agency determination of Best Available Control Technology pursuant to Section 169, and any emission limitation contained in 40 CFR Part 60 (Standards of Performance for New Stationary Sources) or 40 CFR Part 61 (National Emission Standards for Hazardous Air Pollutants).
- (b) All scientific, engineering and technical material and other information available to the Department.
- (c) The emission limiting standards or BACT determinations of any other State.
- (d) The social and economic impact of the application of such technology.

The EPA currently stresses that BACT should be determined using the "top-down" approach. The first step in this approach is to determine for the emission source in question the most stringent control available for a similar or identical source or source category. If it is shown that this level of control is technically or economically infeasible for the source in question, then the next most stringent level of control is determined and similarly evaluated. This process continues until the BACT level under consideration cannot be eliminated by any substantial or unique technical, environmental, or economic objections.

BACT Determination Rationale

BACT review for particulate emissions and sulfur-dioxide are required under F.A.C. Rule 17-296.406. Visible emissions may be regulated as a surrogate parameter for PM/PM $_{10}$ and have been established at 5% opacity for natural gas fired boilers (10% opacity for No. 2 fuel oil).

For SO₂ emissions from oil firing, only two alternatives exist that would result in stringent SO₂ emissions; using low sulfur content fuel oil or flue gas desulfurization (FGD). EPA has recognized that FGD technology is inappropriate to apply to these combustion units. Sludge would be generated that would have to be disposed of properly, and there would be greatly increased costs associated with the construction and operation of a FGD system. Finally, there is no information in the literature to indicate that FGD has ever been applied to burning distillate oil. This leaves the use of natural gas and low sulfur fuel oil as backup as the best option for this project. Due to the anticipated availability of very low sulfur oil by October 1993, the Department will require the use of No. 2 fuel oil with 0.05% sulfur by weight as BACT.



Revised Best Available Control Technology (BACT) Determination Seminole Kraft Corporation Duval County PSD-FL-198 AC16-222359

The applicant proposes to install three packaged boilers at their recycled fiber paper mill facility in Jacksonville, Duval County, Each of the three boilers will be sized to provide up to 125,000 lbs/hr of process steam for Seminole Kraft Corporation's (SKC) paper machines. SKC will also receive process steam from the adjacent Cedar Bay Cogeneration Project (CBCP). According to terms of the CBCP Site Certification proceedings, SKC is to be limited to a total steam production of 640,000 lbs/hr which includes 380,000 lbs/hr imported from the CBCP facility. This leaves 260,000 lbs/hr to be produced by the three packaged boilers under normal operating conditions. During periods when CBCP is not operating or operating at reduced rates, SKC will be allowed to make up the difference between the 380,000 lbs/hr and the steam production level that CBCP provides. This is equivalent to a maximum firing rate of 524 MMBTU/hr for all three SKC packaged boilers when the CBCP facility is down.

Date of Receipt of a Complete Application

February 10, 1993

BACT Determination Requested by Applicant

SKC's application called for the firing of fuel oil on a full time or as needed basis since a firm natural gas contract had not been obtained at the time of filing. Consequently, the application required a BACT determiniation for SO2 and beryllium since these pollutants would be emitted in amounts exceeding PSD-significant levels. BACT was proposed by the applicant as firing fuel oil with a 0.5 percent maximum sulfur content (0.3 average). Since there are no specific control technologies for beryllium, an uncontrolled beryllium emission level was proposed.

BACT Determination by the Department

During initial permitting discussions with SKC, the Department indicated to them that BACT would require the use of natural gas as the primary fuel, if available. Subsequently, SKC obtained a natural gas contract. Therefore, the Department's determination of



Revised BACT Seminole Kraft Corp. Page Two

BACT is three packaged steam boilers being allowed to fire both natural gas and No. 2 fuel oil (maximum 0.05% sulfur, by weight), with the primary fuel being natural gas. Allowable emissions under normal operating conditions (i.e. 380,000 lbs/hr steam supplied by CBCP) are listed below for each boiler along with the limit basis:

| <u>Pollutant</u> | Emission Limits | <u>Basis</u> |
|------------------------------------|--|--|
| NO _X SO ₂ | 23.6 lbs/hr and 103.4 tons/yr 25 tons/yr total-3 boilers* | Subpart D _b (0.2 lb/mm BTU) BACT (<0.05% S, by wt. #2 Fuel Oil) |
| VE | Natural Gas - 5% opacity | BACT |
| VE | No. 2 Fuel Oil - 10% opacity | BACT |

* In the event that the ceiling for SO2 is expected to be exceeded due to unavailability of natural gas caused by factors beyond the control of SKC, SKC shall notify the Department that it anticipates exceeding the ceiling as provided herein; and, the emissions of SO2 during the period of such curtailment shall not be counted against the yearly emissions ceiling of 25 tons unless administrative proceedings result in a finding that the exceedance was within SKC's In no event shall the total annual emissions of SO2 from the three steam boilers exceed 41 tons/year. The notice shall include a statement or reasons for the request and supporting documentation, and shall be published by SKC, without supporting documents, in a newspaper of general circulation in Jacksonville, Florida, as defined in Section 403.5115(2), Florida Statutes. filing and publication of the notice no later than 7 days following the date of exceedance, shall preclude any finding of violation by DEP until final disposition of any administrative proceedings.

BACT Determination Procedure

In accordance with F.A.C. Rules 17-210 through 297, this BACT determination is based on the maximum degree of reduction of each pollutant emitted which the Department, on a case by case basis, taking into account energy, environmental and economic impacts, and other costs, determines is achievable through application of production processes and available control methods, systems and techniques. In addition, the regulations require that in making the BACT determination the Department shall give consideration to:



Revised BACT Seminole Kraft Corp. Page Three

- (a) Any Environmental Protection Agency determination of Best Available Control Technology pursuant to Section 169, and any emission limitation contained in 40 CFR Part 60 (Standards of Performance for New Stationary Sources) or 40 CFR Part 61 (National Emission Standards for Hazardous Air Pollutants).
- (b) All scientific, engineering and technical material and other information available to the Department.
- (c) The emission limiting standards or BACT determinations of any other State.
- (d) The social and economic impact of the application of such technology.

The EPA currently stresses that BACT should be determined using the "top-down" approach. The first step in this approach is to determine for the emission source in question the most stringent control available for a similar or identical source or source category. If it is shown that this level of control is technically or economically infeasible for the source in question, then the next most stringent level of control is determined and similarly evaluated. This process continues until the BACT level under consideration cannot be eliminated by any substantial or unique technical, environmental, or economic objections.

BACT Determination Rationale

BACT review for particulate emissions and sulfur-dioxide are required under F.A.C. Rule 17-296.406. Visible emissions may be regulated as a surrogate parameter for PM/PM $_{10}$ and have been established at 5% opacity for natural gas fired boilers (10% opacity for No. 2 fuel oil).

For SO₂ emissions from oil firing, only two alternatives exist that would result in stringent SO₂ emissions; using low sulfur content fuel oil or flue gas desulfurization (FGD). EPA has recognized that FGD technology is inappropriate to apply to these combustion units. Sludge would be generated that would have to be disposed of properly, and there would be greatly increased costs associated with the construction and operation of a FGD system. Finally, there is no information in the literature to indicate that FGD has ever been applied to burning distillate oil. This leaves the use of natural gas and low sulfur fuel oil as backup as the best option for this project. Due to the anticipated availability of very low sulfur oil by October 1993, the Department will required the use of No. 2 fuel oil with 0.05% sulfur by weight as BACT.



Revised BACT Seminole Kraft Corp. Page Four

Details of the Analysis May be Obtained by Contacting:

Preston Lewis, P.E., BACT Coordinator
Department of Environmental Regulation
Bureau of Air Regulation
Twin Towers Office Building
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

| Recommended by | 7 |
|----------------|---|
|----------------|---|

Approved by:

| | 4 |
|--------------------------|-----------------------------------|
| C. H. Fancy, P.E., Chief | Virginia B. Wetherell, Secretary |
| Bureau of Air Regulation | Dept. of Environmental Regulation |
| 1998 | 1993 |
| Date . | Date |

Pip Colleans

Wants to look at Nose,

A:30 Am - Thanks Clair will

entact SK and get backs to you this Alm.
Please hold til them [Typs would an 1