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SEP 22 1995

MEMORANDUM

Bureaucor Air Regulation

TO:

David Riley, Craig Hurd, A. Allen, A. A. Linero

FROM: David A. Buff $\bigcirc q \beta$

KBN Engineering and Applied Sciences, Inc.

DATE: September 20, 1995

RE:

Stone Container Corp., Panama City Mill/FDEP Meeting, August 22, 1995, Tallahassee, FL

Attendees:

FDEP Tallahassee - A. A. Linero, S. Aref

FDEP NW District (via telephone) - A. Allen, B. Kreigel, E. Middleswart

Stone Container - David Riley, Craig Hurd

KBN - David Buff

Meeting Notes:

General

The FDEP NW District will process all requested changes, except the request related to increasing the fuel oil sulfur content for the Bark Boilers. This request will be processed by FDEP Tallahassee.

Changes to air operating (AO) permits do not need to be public noticed, since the AO permits are not federally enforceable. The requests can in general be handled as permit amendments, with a letter request from the permittee serving as the application. The amendments can reference the previous AO permit, and address the specific conditions which are changed. The entire permit does not need to be reissued.

Changes to air construction (AC) permits will need to be public noticed, in order to retain their federal enforceability. These requests can also be handled as permit amendments, through letter request, except in the case of the increase in fuel oil sulfur content. The amendments can reference the previous AC permit, and address the specific conditions which are changed. The entire permit does not need to be reissued.

D. Buff of KBN agreed to provide notes of the meeting to the various parties.

Woodyard Permit; AC03-148859

Stone Container requested that the condition related to PM emissions be deleted. Stone Container will provide further information related to basis of emissions, actual emissions will not change, no Memorandum September 20, 1995 Page 2

physical changes or change in method of operation, no modification will occur; VE limit will be accepted in lieu of mass emissions limit.

This request can be handled as permit amendment, through letter request. The amendments can reference the previous AC permit, and address the specific conditions which are changed. Public notice will be required.

Lime Kiln Permit; AC03-149719

Request to delete sulfur content of natural gas; request will be handled in same manner as woodyard permit.

Lime Kiln AO Permit

Same actions as for Lime Kiln AC permit. Also, conditions related to QA plan requirements for continuous TRS monitor will be changed to reference 40 CFR 60, Appendix F and FAC Rule 62-296.404(5). Stone to provide information that Appendix F and 62-296 are being complied with, reporting requirements not changing, etc. Stone to expand on proposed wording.

No. 3 and 4 Bark Boilers

Request to change fuel oil sulfur content will be submitted through FDEP Tallahassee. Stone will propose to lower maximum fuel oil burning rate to offset increase in sulfur, so maximum SO₂ emissions do not change. FDEP will need to determine if new application is required, and if PSD is issue.

Other Requested Changes

The FDEP NW District has agreed to the other requested changes not described above. Stone Container will repeat the requests in a new letter to FDEP. FDEP will process as amendments, as described previously.

cc: File (2)



September 20, 1995

RECEIVE

Bustonnovi Av. Regulation

Mr. Ed Middleswart Florida Department of Environmental Protection 160 Government Center Pensacola, FL 32501-5794

Re: Amendments to Current Permits Stone Container Corporation, Panama City

Dear Mr. Middleswart:

Based on our August 22 meeting in Tallahassee with the Department and your staff (via teleconference), Stone Container Corporation (SCC) is requesting amendments to several current operating permits and past construction permits issued to the facility. This request is based upon the August 22 meeting and a review to determine if any permit conditions are considered to be unnecessary, or if any permit conditions need to be revised to be consistent with applicable requirements.

It is noted that this request covers all the issues discussed in the August meeting, except for the requests dealing with utilizing 2.5 percent sulfur fuel oil in all sources at the mill. The requests related to this issue will be forwarded to the DEP Tallahassee office.

The requested permit amendments are described below for specific conditions (S.C.) of each permit, along with the rationale for such changes.

Woodyard Facility; AC03-148859

S.C. 6 - Substitute a visible emissions limit of 20 percent in lieu of the reference to projected potential PM emissions from the woodyard. The 20 percent visible emission limitation is based upon the general PM emission limiting standards contained in 17-296.310(2).

Reason for Request: Mass emission limits are normally not specified in permits for fugitive dust emissions which cannot be measured. There is no means of directly measuring the fugitive PM emissions from the woodyard. Therefore, there is no available method to demonstrate compliance with a mass emission limit. The visible emissions limit will provide the Department with a measurable means of determining compliance and that reasonable precautions are used to prevent fugitive emissions. This condition is not contained in the current operating permit for the woodyard. For these reasons, this condition is considered unnecessary.

This change in the permit wording will in no way affect actual emissions. There will be no physical changes or changes in the method of operation of the woodyard, and there will be no increase in actual emissions. The basis of the original construction permit application for the new woodyard has not changed. Therefore, this change does not constitute a modification under Florida's air rules.



Lime Kiln; AC03-149719

S.C. 2 - Revise the condition to read "The maximum process input rate shall not exceed 85,000 lbs/hr lime mud (dry) based on a maximum lime production rate of 36,700 lbs CaO/hr (dry).

Reason for Request: The lime mud input rate is measured, whereas the lime production rate is a calculated value based on the lime mud input. Therefore, this change will provide a more direct method of determining the operating rate.

S.C. 3 - Delete the sentence "The sulfur content of the natural gas shall not exceed 0.1 percent by weight."

Reason for Request: Due to the negligible sulfur content of pipeline natural gas, there is no reason to regulate the sulfur content of natural gas. Also, there is no feasible method to demonstrate compliance with this limitation. SCC contracts for natural gas, and SCC must utilize the natural gas supplied by the supplier.

This change in the permit wording will in no way affect actual emissions. There will be no physical changes or changes in the method of operation of the lime kiln, and there will be no increase in actual emissions. The basis of the original construction permit application for the lime kiln has not changed. Therefore, this change does not constitute a modification under Florida's air rules.

Lime Kiln; AO03-174793

S.C. 15 - Revise the first sentence to read "The maximum allowable operating rate is 85,000 lbs/hr lime mud (dry) input.

Reason for Request: The lime mud input rate is measured, whereas the lime production rate is a calculated value based on the lime mud input. Therefore, this change will provide a direct a more direct method of determining the operating rate.

S.C. 16 - In the second sentence, delete the reference to the sulfur content of the natural gas shall not exceed 0.1 percent by weight.

Reason for Request: Refer to justification under Lime Kiln construction permit (above).

S.C. 17 - Revise the first sentence to read "Particulate emissions shall not exceed 29.83 pounds per hour at the maximum allowable operating rate of 85,000 lbs/hr lime mud (dry) input.

Reason for Request: The lime mud input rate is measured, whereas the lime production rate is a calculated value based on the lime mud input. Also, the process weight table regulation is based on process input. Therefore, this change will provide a direct a more direct method of determining the operating rate.



S.C. 23 - Revise this condition to read: "A continuous TRS monitor for TRS shall be calibrated, maintained and operated on the lime kiln in accordance with FAC Rule 62-296.404(5) and 40 CFR 60, Appendix F."

The second sentence of this specific condition is deleted.

Reason for Request: All necessary QA procedures for the continuous TRS monitoring system are contained in 62-296.404(5) and 40 CFR 60, Appendix F. Therefore, this requirement should be specified instead of a QA Program plan.

It is acknowledged that SCC did not submit a Quality Assurance Program plan to the Department, as required by this condition. However, SCC has complied with 62-296.404(5) and 40 CFR 60, Appendix F, and therefore has complied with the intent of this condition. In fact, SCC has actually performed quality assurance practices which go beyond the minimum requirements. This includes performing relative accuracy (RATA) testing annually on the TRS monitors. RATA testing is only required under the rules upon initial installation, and after replacement of major TRS monitoring system components. The results of the annual RATA testing have been submitted to the Department.

S.C. 23.A. - Delete the sentence "A reassessment of the QA Program plan shall be made and submitted to the Northwest District of the DEP within 60 days of the performance specification test."

Reason for Request: Same rationale as for S.C. 23 above.

- S.C. 24 This condition refers to the federal new source performance standards. However, the lime kiln is not an NSPS source, and therefore is not subject to 40 CFR 60.284 or 40 CFR 60.7. The digester system, although subject to the NSPS, is not required to have a CEM for TRS if the TRS is incinerated in a non-NSPS lime kiln and the TRS gases are subject to a minimum temperature of 1200°F for at least 0.5 seconds. The correct reference to excess emissions and reporting requirements should cite the Florida TRS rules, i.e., 62-296.404(5) and (6). The Florida rules require essentially the same requirements as the federal NSPS, therefore, there will be no substantive change in the current reporting requirements. Therefore, the following changes are requested:
 - S.C. 24.1 Reword to read: "The magnitude of excess emissions computed, and the date and time of commencement and completion of each period of excess emissions, in accordance with 62-296.404(6)(a)1."
 - S.C. 24.2 Correct reference is 62-296.404(6)(a)2.
 - S.C. 24.3 Correct reference is 62-296.404(6)(a)3.
 - S.C. 24.4 Correct reference is 62-296.404(6)(a)4.
 - S.C. 24.5 Correct reference is 62-296.404(6)(b).



S.C. 27 - Delete this condition.

Reason for Request: This condition is not an air quality requirement, and therefore should be deleted from the air permit.

No. 1 Smelt Dissolving Tank; AO03-222668

Description of Source - Revise the description to read "Operation of the No. 1 Smelt Dissolving Tank at a maximum operating rate equal to the maximum allowed operating rate of the No. 1 Recovery Boiler which is 123,700 pounds Black Liquor Solids per hour. Smelt from the recovery boiler is dissolved in weak wash. Particulate emissions are controlled by demister pads made by Otto H. York Company; total reduced sulfur (TRS) emissions are controlled by weak wash sprays. The flow rate of weak wash sprays is monitored as a surrogate compliance parameter.

Reason for Request: Revise wording to be consistent with the wording for the No. 2 Smelt Dissolving Tank.

S.C. 2 - Revise wording of this condition to be consistent with the wording in S.C. 2 of the operating permit for the No. 2 Smelt Dissolving Tank. Also correct "123,700 lbs/hr of black liquor" to "123,700 lbs/hr of black liquor solids".

Reason for Request: Revise wording to be consistent with the wording for the No. 2 Smelt Dissolving Tank.

S.C. 4 - Reference to 17-296.710(2) is incorrect since this rule refers to the RACT limits for PM, which apply only in PM nonattainment areas. The correct reference should be to Rule 62-296.310(1), which is the process weight regulation. The reference to 296.404(d)(1) is incorrect, and should be 296.404(3)(d)1. Also, delete the two columns with the heading "Estimated Emissions".

Reason for Request: Revise the condition to reflect the correct rule citation. Citing of estimated emissions is unnecessary in the permit.

S.C. 10 - Delete this condition.

Reason for Request: This condition is not an air quality requirement, and therefore should be deleted from the air permit.

No. 2 Smelt Dissolving Tank; AO03-240550

Description of Source - The second sentence should be revised to read "Smelt from the recovery boiler is dissolved in weak wash to produce green liquor."

Reason for Request: To clarify the actual operation of the smelt tank.



S.C. 6 - Revise condition to require that the surrogate parameter of weak wash flow rate be recorded at least once per shift.

Reason for Request: The current permit wording does not specify the frequency for recording weak wash flow. The requested change will be consistent with the No. 1 Smelt tank, which requires recording of the flow rate at least once per shift.

No. 1 Recovery Boiler; AO03-222669

S.C. 4 - Delete the two columns with the heading "Estimated Emissions." Also, revise the wording of this condition to be consistent with the wording in S.C. 4 of the Recovery Boiler No. 1 operating permit, which does not contain a reference to lbs/hr or TPY for TRS emissions.

Reason for Request: Citing of estimated emissions is unnecessary in the permit, and the 17.5 ppm limit is sufficient to limit TRS emissions. Also, in order to update the Department's files, the last three compliance tests for the recovery boiler have been reviewed. Based on this review, the maximum anticipated gas flow rate from the recovery boiler system is 180,000 dscfm @ 8 percent O₂. The TRS emissions resulting from this flow rate are calculated as follows:

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PV = mRT; m = PV/RT

m = 2,116.8 lb<sub>f</sub>/ft<sup>2</sup> x 180,000 ft<sup>3</sup>/min x 60 min/hr

x (34/1545) lb<sub>m</sub>-°R/ft-lb<sub>f</sub> x 1/528°F x 17.5/10<sup>6</sup>

= 16.67 lb/hr = 73.0 TPY
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- S.C. 7 In the same manner as the lime kiln permit, revise first sentence to read "A continuous TRS monitor for TRS shall be calibrated, maintained and operated on the recovery boiler in accordance with FAC Rule 62-296.404(5) and 40 CFR 60, Appendix F." Delete the second sentence.
 - S.C. 7.A. Delete the sentence "A reassessment of the QA Program plan shall be made and submitted to the Northwest District of the DEP within 60 days of the performance specification test."

Reason for Request: All necessary QA procedures for the continuous TRS monitoring system are contained in 62-296.404(5) and 40 CFR 60, Appendix F. Therefore, this requirement should be specified instead of a QA Program plan.

As described for the lime kiln, SCC has performed quality assurance procedures on the recovery boiler TRS monitors which meet the requirements of Appendix F, and has additionally performed annual RATA testing.

S.C. 8 - This condition refers to the federal new source performance standards. However, the No. 1 Recovery Boiler is not an NSPS source, and therefore is not subject to 40 CFR 60.284 or 40 CFR 60.7. The correct reference to excess emissions and reporting requirements should cite the Florida TRS rules, i.e., 62-296.404(5) and (6). The Florida rules require essentially the same requirements as the federal NSPS,



therefore, there will be no change in the current reporting requirements. Therefore, the following changes are requested:

- S.C. 8.A. Reword to read: "The magnitude of excess emissions computed, and the date and time of commencement and completion of each period of excess emissions, in accordance with 62-296.404(6)(a)1."
- S.C. 8.B. Correct reference is 62-296.404(6)(a)2.
- S.C. 8.C. Correct reference is 62-296.404(6)(a)3.
- S.C. 8.D. Correct reference is 62-296,404(6)(a)4.
- S.C. 8.E. Correct reference is 62-296.404(6)(b).

No. 2 Recovery Boiler; AO03-240555

Description of Source - Reword description to be consistent with description for No. 1 Recovery Boiler, i.e., drop reference to steam production, include natural gas as auxiliary fuel.

Reason for Request: Revise wording to be consistent with the wording for the No. 1 Recovery Boiler.

- S.C. 6 Revise first sentence to read "The continuous monitor (CEM) for TRS shall be calibrated, maintained and operated in accordance with FAC Rule 62-296.404(5) and 40 CFR 60, Appendix F."
 - S.C. 6.A. Delete the sentence "A reassessment of the QA Program plan shall be made and submitted to the Northwest District of the DEP within 60 days of the performance specification test."

Reason for Request: All necessary QA procedures for the continuous TRS monitoring system are contained in 62-296.404(5) and 40 CFR 60, Appendix F. Therefore, this requirement should be specified instead of a QA Program plan.

S.C. 9 - Delete the phrase "and surrogate parameter" from this condition.

Reason for Request: Since the boiler has a CEM for TRS, no surrogate parameter monitoring is required.

No. 3 Bark Boiler; AO03-252353

S.C. 6 - Under allowable emissions for PM, revise the limitation to read "0.1 lb/MMBtu from fossil fuels."

Reason for Request: Clarifies that the 0.1 lb/MMBtu limit also applies to fuel oil firing.



No. 4 Bark Boiler; AC03-190964

S.C. 4 - Add to the list of fuels: Primary clarified wood waste 10 TPD 0 Btu/hr

Reason for Request: The clarified woodwaste is a fuel already contained in the No. 3 Bark Boiler permit. This will provide consistency among the permits. The No. 4 Bark Boiler operating permit already reflects this change. There will be no change in emissions due to this request.

S.C. 19 - Delete the first part of this condition which requires notification to FDEP each time the boiler is incinerating TRS gases or burning 100 percent fuel oil.

Reason for Request: There is no basis for requiring the FDEP to be notified each time these activities take place. These activities or methods of operation are allowed under the permit. SCC keeps appropriate records of the dates and times when these operating conditions exist.

No. 4 Bark Boiler; AO03-223447

Description of Source-Revise fourth sentence to read "Sulfur dioxide emissions when incinerating TRS gases or when burning 100 percent fuel oil are controlled by maintaining a minimum pH of 8.0 in the wet scrubber."

Please consider these requested changes to the permits. If you have any questions concerning this request, please call.

SEAL

Sincerely,

David A. Buff, P.E.

David a. Biff

Principal Engineer

Florida P.E. #19011

DAB/arz

cc: David Riley Craig Hurd

A. A. Linero

File (2)

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SPECIAL COUNSEL

FEARINGTON & McCORD
TALLAHASSEE, FLORIDA

RECEIVED

September 5, 1995

Bureau of Air. Regulation

SEP 5 1995

HAND DELIVERY

Mr. Syed Arif Bureau of Air Regulation Florida Department of Environmental Regulation 111 South Magnolia Avenue Tallahassee, FL 32301

Re: Request for Permit Modification by Stone Container Corporation (Formerly Seminole Kraft Corporation) - AC16-222359, PSD-FL-198(A); Duval County

Dear Mr. Arif:

As you know, this firm represents Stone Container Corporation (formerly Seminole Kraft Corporation) with regard to the above-referenced permit modification. On August 29, 1995, the Department issued its Intent To Issue Stone Container's requested permit modification, together with a draft modified permit. As discussed with you by telephone conference on August 31, 1995, the following are our comments concerning several of the revised permit conditions, together with proposed revisions to conform the draft permit with the modification request.

As to Proposed Modified Specific Condition No. 2, this sentence in the current permit does not clarify that each of the three boilers may be continuously operated. I was under the impression that the Department had already agreed to the following revision with regard to this Specific Condition:

The packaged package boilers may <u>each</u> be operated continuously (8760 hrs./yr.).

As to Proposed New Specific Condition No. 4, during our pre-application meeting of May 3, 1995, Stone presented its position that the total steam production for the package boilers should be as specified in the Cedar Bay Site Certification. The Department's proposal to add Specific Condition No. 4, regarding total steam production in conjunction with the Cedar Bay Power Plant, appears to have been lifted from the Construction Permit BACT analysis

Mr. Syed Arif September 5, 1995 Page 2

introduction. However, given the net reduction in emissions for NO_x and the limitation in tons per year for SO₂, the total steam production description in the Construction Permit BACT was not material to that evaluation. The Cedar Bay Cogeneration Project certification, as modified by the Siting Board's Order of May 11, 1993, does not have a total steam production limitation like that which DEP now proposes to add to the modified construction permit. Condition of Certification No. II.E.1 authorizes Seminole Kraft to use these boilers to produce "up to 375,000 lbs./hr. of steam for use in its recycle paper process." As also discussed at the pre-application meeting, Stone needs the additional flexibility in operating these units. A single numeric limitation fulfills this need. Further, none of the attendees at the meeting voiced disagreement with Stone's request. For all these reasons, Stone requests that Proposed New Specific Condition No. 4 be stricken and replaced with the following:

In accordance with the terms of the Cedar Bay Cogeneration Project (CBCP) site certification, Stone is limited to producing 375,000 lbs./hr. of steam from its three package boilers.

As to Proposed Modified Specific Condition No. 5, the Department appears to have increased both the pounds per hour and tons per year for NO_X. However, the specific revision will not allow for the full load operation of a <u>single</u> boiler during normal operations when the Cedar Bay facility is up and running. These units achieve their highest level of fuel efficiency and lowest emissions when operated near the upper operating range. However, the way Proposed Modified Specific Condition No. 5 is worded, Stone would be required to run two boilers at moderate load (and higher emissions and fuel cost), where a single boiler at full load (with lower emissions and fuel cost) would be sufficient. Again, this concept was also favorably received at the preapplication conference. For these reasons, Stone requests that Proposed Modified Specific Condition No. 5 be revised as follows:

The maximum allowable NO_x emissions shall not exceed 0.2 lbs./MMBTU, 23.6 34.94 lbs./hr. and 103.4 153.1 tons/yr. per boiler.

Stone Container strongly feels that these requests are reasonable. If you have any questions or comments about the above matter, or would like to meet in person to discuss our

Mr. Syed Arif September 5, 1995 Page 3

revisions further, please contact either myself or Terry Cole at the above number. In addition, please notify us if and when the Department reaches a decision concerning the above-referenced proposed specific condition revisions.

Sincerely,

SS:cjb/1003-23/arif.ltr

cc:

Mr. Curt Barton

Mr. Craig Hurd

Mr. Les Lederer

Mr. Joe Eskridge

Mr. John West

Mr. David Buff

Mr. Clair Fancy

CC: NED DUVAL CO EPA NPS 5. Arif

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SPECIAL COUNSEL

FEARINGTON & McCORD
TALLAHASSEE, FLORIDA

August 30, 1995



HAND DELIVERY

Clair H. Fancy, P.E., Chief Bureau of Air Regulation Florida Department of Environmental Regulation 111 South Magnolia Avenue Tallahassee, FL 32301

Re: Request for Permit Modification by Stone Container Corporation To Extend Permit Expiration Date of AC16-222359, PSD-FL-198A; Duval County

Dear Clair:

As you may be aware, the above-referenced permit was set to expire on August 31, 1995. On August 9, 1995, Stone Container Corporation (previously known as Seminole Kraft Corporation) submitted a written request for modification of the permit to extend the permit expiration date up to and including January 1, 1996. In that application, we stated that the filing of the written application automatically served to extend the permit expiration date until final agency action is taken on the request. During a telephone conversation with Syed Arif today, I was given confirmation of the fact that the Department currently regards the expiration date as extended, based upon the Department's action on the Stone Container request for modification.

This letter is to confirm that the permit expiration date is currently extended beyond the previous expiration date of August 31, 1995. If for any reason you or your staff concludes otherwise, please notify me immediately.

Sincerely,

SS:cjb/fancy.ltr

cc: Mr. Joe Eskidge

Mr. Syed Arif

Mr. Curt Barton

Mr. Craig Hurd

Mr. John West

Mr. Les Lederer

CC: NED

Duval Co

EPA