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August 9, 1995

RECEIVED

AUG 9 1995

Bureau of
Air Regulation

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: Seminole Kraft Corporation Construction Permit No. AC-16-222-359 (PSD-FL-198)

Dear Mr. Fancy:

As you know, this firm represents Seminole Kraft Corporation regarding the above-referenced permit. Pursuant to Rule 62-4.080(3), F.A.C., this letter is to request a modification of the above-referenced construction permit to extend the permit expiration date up to and including January 1, 1996, or a later date as the Department determines is appropriate. A copy of the construction permit is attached hereto as Exhibit "A".

The above-referenced construction permit was previously set to expire on April 30, 1995. On April 7, 1995, this firm filed on behalf of Seminole Kraft Corporation a request of modification of this permit to extend the permit expiration date (see Exhibit "B"). On April 25, 1995, the Department issued its Order extending the permit expiration date up to and including August 31, 1995 (see Exhibit "C").

All construction activities and compliance testing have been completed pursuant to permit conditions. As required by Specific Condition No. 11, Seminole Kraft applied for an operating permit for the permitted sources at least 90 days prior to the expiration date of the construction permit.

On February 24, 1995, the Department issued its Notice of Permit Issuance regarding proposed Operating Permit No. AO16-262702. The Notice of Permit and proposed permit attached hereto as Exhibit "D" were received by Seminole Kraft on February 27, 1995. Due to disagreement with several of the proposed permit conditions, through the undersigned counsel Seminole Kraft requested and was granted two extensions of time to file a petition for hearing. The Order granting the second request for extension of time to file petition for hearing is

attached hereto as Exhibit "E". Currently, any petition for formal administrative proceeding is due on or before August 31, 1995. This day may be further extended, as necessary.

On April 6, 1995, the undersigned attorney, together with representatives of Seminole Kraft and its consultant, met with representatives of the Department of Environmental Protection, Northeast District Office, and a representative of the City of Jacksonville RESD, regarding the requested modifications to the draft operating permit. As several of the draft specific conditions which are requested to be changed originate in the Construction Permit, Seminole Kraft was informed that it would be necessary to meet with Department staff in Tallahassee with regard to obtaining a modification of the Construction Permit prior to obtaining similar revisions to the proposed operating permit.

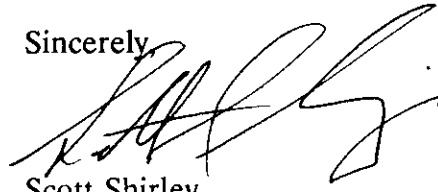
Subsequently, a meeting was held with Department staff in Tallahassee concerning modification to the Construction Permit. As follow up to this meeting, an application for modification of the above-reference construction permit was filed. The requested modification to the Construction Permit must be obtained before the DEP Jacksonville office will agree to modify the draft operating permit in conformity with Seminole Kraft's requests. On today's date, the undersigned contacted staff with DEP in Tallahassee concerning the status of the above-referenced construction permit modification request. The DEP staff have determined that the application is complete, but have not yet completed the staff analysis, nor issued a draft modified permit. Therefore, an extension of the current permit expiration deadline is necessary in order to ensure that the permit does not expire before the modification process is complete.

This modification request is filed pursuant to Rule 62-4.080(3), F.A.C., which specifically authorizes modifications of construction permits to extend the expiration date. By operation of this provision, this written request for extension is timely and serves to automatically extend the life of the permit until final agency action is taken on this request. Furthermore, because construction on the above-referenced permit is complete, and testing has already demonstrated compliance with permit conditions (as indicated by the Department's proposed issuance of the Operating Permit), Seminole Kraft is entitled to the extension as reasonable assurances have been provided that the sources will comply with permit conditions. In addition, the previous permit extension request filed on April 7, 1995, requested an extension up to and including April 30, 1996. For reasons which were not explained in the Order modifying the permit to extend the permit deadline, an extension was granted only up to an including August 31, 1995. Had the original extension request been granted, it would be unnecessary to make the current request.

Clair H. Fancy, P.E., Chief
August 9, 1995
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For all of the above reasons, Seminole Kraft respectfully requests that the Department enter an Order modifying Construction Permit AC16-222359 (PSD-FL-198) to extend the permit expiration date up to and including January 1, 1996, or a later date as the Department determines is appropriate. Please contact me if you have any questions or comments regarding this request for modification to extend the construction permit expiration date.

Sincerely



Scott Shirley

SS:cjb/

Enclosures

cc: Mr. Joe Eskridge
Mr. Alan Koleff
Mr. Curt Barton
Mr. Craig Hurd
Mr. John West
Mr. Les Lederer
Mr. Ernest Frey
Mr. Jerry Woosley
Mr. Bruce Mitchell
Mr. Syed Arif

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

July 7, 1993

Exhibit "A"

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 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.

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 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); 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 (RESA) 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 RESA (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 RESA (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 RESA 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. 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), 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., $\leq 0.05\%$ 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.

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:

<u>Pollutant</u>	<u>Emission Limits</u>	<u>Basis</u>
NO _x	23.6 lbs/hr and 103.4 tons/yr	Subpart D _b (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 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 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>	<u>Emission Limits</u>	<u>Basis</u>
NO _x	23.6 lbs/hr and 103.4 tons/yr	Subpart D _b (0.2 lb/mm BTU)
SO ₂	25 tons/yr total-3 boilers*	BACT (\leq 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 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. Attachments 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.



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
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 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 are: 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:

1. Letter (with proposed gas contract) from Oertel to Pennington (12/3/92).
2. Letter from KBN to the Department (12/9/92).
3. Letter from Georgia DNR to the Department (12/10/92).
4. Letter from KBN to the Department (12/22/92).
5. Incompleteness letter from the Department to SKC (12/23/92).
6. Letter from KBN to the Department (12/23/92).
7. Second Incompleteness letter from the Department to SKC (1/5/93).
8. 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.

PERMITTEE:
Seminole Kraft Corp.

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.
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.

PERMITTEE:
Seminole Kraft Corp.

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;
- b. Inspect the facility, equipment, practices, or operations regulated or required under this permit; and,
- c. Sample or monitor any substances or parameters at any location reasonably necessary to assure compliance with this permit or Department rules.

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

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

PERMITTEE:
Seminole Kraft Corp.

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 Best Available Control Technology (BACT);
- (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.

PERMITTEE:
Seminole Kraft Corp.

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.

4. 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,

PERMITTEE:
Seminole Kraft Corp.

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.

PERMITTEE:
Seminole Kraft Corp.

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 7th day
of July, 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.

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:

<u>Pollutant</u>	<u>Emission Limits</u>	<u>Basis</u>
NO _x	23.6 lbs/hr and 103.4 tons/yr	Subpart D _b (0.2 lb/mm BTU)
SO ₂	25 tons/yr total-3 boilers*	BACT ($\leq 0.05\%$ 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 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:

- (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:

C. H. Fancy

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

July 7 1993
Date

Approved by:

Virginia B. Wetherell

Virginia B. Wetherell, Secretary
Dept. of Environmental Protection

7 July 1993
Date

OERTEL, HOFFMAN, FERNANDEZ & COLE, P. A.

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TALLAHASSEE, FLORIDA 32301

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G. DOUG DUTTON

ENVIRONMENTAL CONSULTANTS
(NOT MEMBERS OF THE FLORIDA BAR)

SPECIAL COUNSEL
FEARINGTON & McCORD
TALLAHASSEE, FLORIDA

April 7, 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: Seminole Kraft Corporation Construction Permit No. AC16-222359 (PSD-FL-198)

Dear Mr. Fancy:

This firm represents Seminole Kraft Corporation regarding the above-referenced permit. Pursuant to Rule 62-4.080(3), FAC, this letter is to request a modification of the above-referenced construction permit to extend the permit expiration date up to and including April 30, 1996. A copy of the construction permit is attached hereto as Exhibit "A".

All construction activities and compliance testing have been completed pursuant to permit conditions. As required by Specific Condition No. 11, Seminole Kraft applied for an operating permit for the permitted sources at least 90 days prior to the expiration date of this construction permit.

On February 24, 1995, the Department issued its Notice of Permit Issuance regarding Proposed Operating Permit No. A016-262702. The Notice of Permit and Proposed Permit, attached hereto as Exhibit "B," was received by Seminole Kraft on February 27, 1995. Due to disagreement with several of the proposed permit conditions, through the undersigned counsel, Seminole Kraft requested and was granted an extension of time to file a petition for hearing. The Order Granting the Request for Extension of Time To File Petition for Hearing is attached as Exhibit "C". Currently, any petition for formal administrative proceeding is due on or before May 12, 1995. This day may be further extended, as necessary.

On April 6, 1995, the undersigned attorney, together with representatives of Seminole Kraft and its consultant, met with representatives of the Department of Environmental Protection Northeast District Office, and a representative of the City of Jacksonville RESD, regarding the requested modifications to the draft operating permit. As several of the draft specific conditions which are requested to be changed originate in the construction permit, Seminole Kraft was informed that it would be necessary to meet with Department staff in Tallahassee with regard to obtaining a modification of the construction permit prior to obtaining similar revisions to the proposed operating permit.

Exhibit "B"

Clair H. Fancy, P.E., Chief
April 7, 1995
Page 2

The process of meeting with Department staff in Tallahassee and conducting negotiations regarding both the construction and draft operating permits will in all likelihood require more time than currently provided by the present construction permit expiration date of April 30, 1995. Thus, an extension of the construction permit expiration date is necessary in order to come to closure regarding all permit language.

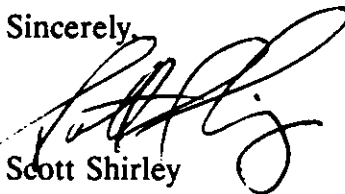
Rule 62-4.080(3), FAC, specifically authorizes modifications of construction permits to extend the expiration date and states:

A permittee may request that a permit be extended as a modification of the permit. Such a request must be submitted to the Department in writing before the expiration of the permit. Upon timely submittal of a request for extension, unless the permit automatically expires by statute or rule, the permit will remain in effect until final agency action is taken on the request. For construction permits, an extension shall be granted if the applicant can demonstrate reasonable assurance that, upon completion, the extended permit will comply with the standards and conditions required by applicable regulation

By operation of the above-referenced provision, this written request for extension is timely and serves to automatically extend the life of the permit until final agency action is taken on this request. Furthermore, because construction on the above-referenced permit is complete and testing has already demonstrated compliance with permit conditions (as indicated by the Department's proposed issuance of the operating permit), Seminole Kraft is entitled to the extension as reasonable assurances have been provided that the sources will comply with permit conditions.

Please contact me if you have any questions or comments regarding this request for modification to extend the construction permit expiration date.

Sincerely,

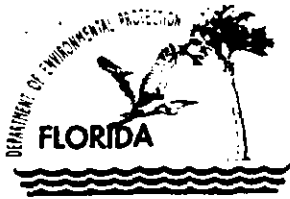


Scott Shirley

SS:cjb/1003fancy.ltr

Enclosures

cc: Mr. Joe Eskridge
Mr. Allen Koleff
Mr. Curt Barton
Mr. Craig Hurd
Mr. John West
Mr. Les Lederer
Mr. Ernest Frey
Mr. Jerry Woosley



Department of Environmental Protection

Lawton Chiles
Governor

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

Virginia B. Wetherell
Secretary

April 25, 1995

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. John L. West, General Manager
Seminole Kraft Corporation
9469 East Port Road
Jacksonville, Florida 32229

Dear Mr. West:

The Department received the request to extend the expiration date of the construction permit referenced below. The permit is amended as shown:

Permit No. AC16-222359, PSD-FL-198A, Seminole Kraft Corporation

Current Expiration Date: April 30, 1995

New Expiration Date: August 31, 1995

This letter shall become an Attachment to the Construction Permit No. AC16-222359.

A person whose substantial interests are affected by the Department's proposed permitting decision may petition for an administrative proceeding (hearing) in accordance with Section 120.57, Florida Statutes (F.S.). The petition must contain the information set forth below and must be filed (received) in the Office of General Counsel of the Department at 2600 Blair Stone Road, Tallahassee, Florida 32399-2400. Petitions filed by the applicant of the exemption request/application and the parties listed below must be filed within 14 days of receipt of this exemption. Petitions filed by other persons must be filed within 14 days of the exemption issuance or within 14 days of their receipt of this exemption whichever occurs first. Petitioner shall mail a copy of the petition to the applicant at the address indicated above at the time of filing. Failure to file a petition within this time period shall constitute a waiver of any right such person may have to request an administrative determination (hearing) under Section 120.57, F.S.

Exhibit "C"

Mr. John L. West
April 25, 1995
Page Two

The Petition shall contain the following information:

- (a) The name, address and telephone number of each petitioner, the applicant's name and address, the Department Permit File and the county in which the project is proposed;
- (b) A statement of how and when each petitioner received notice of the Department's action or proposed action;
- (c) A statement of how each petitioner's substantial interests are affected by the Department's action or proposed action;
- (d) A statement of the material facts disputed by Petitioner, if any;
- (e) A statement of facts which petitioner contends warrant reversal or modification of the Department's action or proposed action;
- (f) A statement of which rules or statutes petitioner contends require reversal or modification of the Department's action or proposed action; and,
- (g) A statement of the relief sought by petitioner, stating precisely the action the petitioner wants the Department to take with respect to the Department's action or proposed action.

If a petition is filed, the administrative hearing process is designed to formulate agency action. Accordingly, the Department's final action may be different from the position taken by it in this exemption denial. Persons whose substantial interests will be affected by any decision of the Department with regard to the exemption request/application have the right to petition to become a party to the proceeding. The petition must conform to the requirements specified above and be filed (received) within 14 days of receipt of this exemption denial in the Office of General Counsel at the above address of the Department. Failure to petition within the allowed time frame constitutes a waiver of any right such person has to request a hearing under Section 120.57, F.S., and to participate as a party to this proceeding. Any subsequent intervention will only be at the approval of the presiding officer upon motion filed pursuant to Rule 28-5.207, Florida Administrative Code.

Mr. John L. West
April 25, 1995
Page Three

A copy of this letter shall be filed with the referenced permits and will become a part of those permits.

Sincerely,



for Howard L. Rhodes, Director
Division of Air Resources
Management

HLR/sa/t

Enclosure

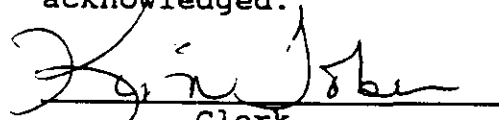
cc: C. Kirts, NED
J. Woosley, RESD
J. Harper, EPA
J. Bunyak, NPS
S. Shirley, OHF&C

CERTIFICATE OF SERVICE

The undersigned duly designated deputy clerk hereby certifies that this AMENDMENT and all copies were mailed by certified mail before the close of business on 4-27-95 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

4-27-95
Date



Department of Environmental Protection

Lawton Chiles
Governor

Northeast District
7825 Baymeadows Way, Suite B200
Jacksonville, Florida 32256-7590

Virginia B. Wetherell
Secretary

NOTICE OF PERMIT ISSUANCE

CERTIFIED - RETURN RECEIPT

Mr. John L. West, General Manager
Seminole Kraft Corporation
9469 East Port Road
Jacksonville, Florida 32229

Dear Mr. West:

Duval County - AP
Seminole Kraft Corporation
Three Package Steam Boilers

Enclosed is Permit Number AO16-263783 to operate the subject air pollution source, pursuant to Section 403.087, Florida Statutes (FS).

A person whose substantial interests are affected by this permit may petition for an administrative proceeding (hearing) in accordance with Section 120.57, Florida Statutes. The petition must contain the information set forth below and must be filed (received) in the Office of General Counsel of the Department at 2600 Blair Stone Road, Tallahassee, Florida 32399-2400, within 14 days of receipt of this permit. Petitioner shall mail a copy of the petition to the applicant at the address indicated above at the time of filing. Failure to file a petition within this time period shall constitute a waiver of any right such person may have to request an administrative determination (hearing) under Section 120.57, Florida Statutes.

The Petition shall contain the following information:

- (a) The name, address, and telephone number of each petitioner, the applicant's name and address, the Department Permit File Number and the county in which the project is proposed;
- (b) A statement of how and when each petitioner received notice of the Department's action or proposed action;
- (c) A statement of how each petitioner's substantial interests are affected by the Department's action or proposed action;
- (d) A statement of the material facts disputed by Petitioner, if any;
- (e) A statement of facts which petitioner contends warrant reversal or modification of the Department's action or proposed action;
- (f) A statement of which rules or statutes petitioner contends require reversal or modification of the Department's action or proposed action; and

"Protect, Conserve and Manage Florida's Environment and Natural Resources"

Printed on recycled paper.

Exhibit "D"

PERMITTEE:

Seminole Kraft Corporation
 Three Package Steam Boilers
 AO16-262702

(g) A statement of the relief sought by petitioner, stating precisely the action petitioner wants the Department to take with respect to the Department's action or proposed action.

If a petition is filed, the administrative hearing process is designed to formalize agency action. Accordingly, the Department's final action may be different from the position taken by it in this permit. Persons whose substantial interests will be affected by any decision of the Department with regard to the application have the right to petition to become a party to the proceeding. The petition must conform to the requirements specified above and be filed (received) within 14 days of receipt of this notice in the Office of General Counsel at the above address of the Department. Failure to petition within the allowed time frame constitutes a waiver of any right such person has to request a hearing under Section 120.57, F.S., and to participate as a party to this proceeding. Any subsequent intervention will only be at the approval of the presiding officer upon motion filed pursuant to Rule 28-5.207, F.A.C.

This permit is final and effective on the date filed with the Clerk of the Department unless a petition is filed in accordance with the above paragraphs or unless a request for extension of time in which to file a petition is filed within the time specified for filing a petition and conforms to Rule 62-303.070, F.A.C. Upon timely filing of a petition or a request for an extension of time this permit will not be effective until further Order of the Department.

When the Order (Permit) is final, any party to the Order has the right to seek judicial review of the Order 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 the Final Order is filed with the Clerk of the Department.

Executed in Jacksonville, Florida.

**STATE OF FLORIDA DEPARTMENT
 OF ENVIRONMENTAL PROTECTION**

[Handwritten Signature]
 Ernest K. Fry, P.E.
 For Director of District Management

EEF:rd

Copies furnished to: David Buff, P.E.

FILING AND ACKNOWLEDGEMENT
 FILED, on this date, pursuant to §120.62, Florida Statutes, with the designated Department Clerk, receipt of which is hereby acknowledged. 2/24/95

 Clerk Date

CERTIFICATE OF SERVICE

This is to certify that this NOTICE OF PERMIT and all copies were mailed before the close of business on 2/24/95 to the listed persons.



Department of Environmental Protection

Lawton Chiles
Governor

Northeast District
7825 Baymeadows Way, Suite B200
Jacksonville, Florida 32256-7590

Virginia B. Wetherell
Secretary

PERMITTEE:

Seminole Kraft Corporation
9469 East Port Road
Jacksonville, Florida 32229

LD. Number:	31JAX160067 22,23,26
Permit/Case Number:	AO16-262702
Date of Issue:	February 16, 1995
Expiration Date:	January 15, 1996
County:	Duval
Latitude/Longitude:	30°25 '15"N; 81°36'00"W
UTM:	E-(17)442.4; N-3365.4
Project:	Three Package Steam Boilers

*revised with Vapour permit
is issued on Jan 15 1997*

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

For the operation of three 125,000 lbs/hr packaged process steam boilers. Emissions shall be controlled by using clean fuel and good combustion practices.

Emission Sources are identified as follows:

- Emission Point 22: No. 1 Packaged Boiler
- Emission Point 23: No. 2 Packaged Boiler
- Emission Point 26: No. 3 Packaged Boiler

Located at 9469 East Port Road, Jacksonville, Duval County, Florida.

In accordance with:
Construction permit AC16-222359 issued 07-06-93
Completion of Construction received 12-21-94

PERMITTEE:
Seminole Kraft Corporation
9469 East Port Road
Jacksonville, Florida 32229

ID. Number: 31JAXI60067 22,23,26
Permit/Cert: AO16-362702
Date of Issue: February 16, 1995
Expiration Date: January 15, 1996

GENERAL CONDITIONS:

1. The terms, conditions, requirements, limitations, and restrictions set forth in this permit are "Permit Conditions" and are binding and enforceable pursuant to Sections 403.161, 403.727, or 403.859 through 403.861, Florida Statutes. The permittee is placed on notice that the Department will review this permit periodically and may initiate enforcement action for any violation of the conditions.
2. This permit is valid only for the specific processes and operations applied for and indicated in the approved drawings or exhibits. Any unauthorized deviation from the approved drawings, exhibits, specifications, or conditions of this permit may constitute grounds for revocation and enforcement action by the Department.
3. As provided in Subsections 403.087(6) and 403.722(5), Florida Statutes, the issuance of this permit does not convey any vested rights or any exclusive privileges. Neither does it authorize any injury to public or private property or any invasion of personal rights, nor any infringement of federal, state or local laws or regulations. This permit is not a waiver of or approval of any other Department permit that may be required for other aspects of the total project which are not addressed in the permit.
4. This permit conveys not title to land or water, does not constitute State recognition or acknowledgment of title, and does not constitute authority for the use of submerged lands unless herein provided and the necessary title or leasehold interests have been obtained from the State. Only the Trustees of the Internal Improvement Trust Fund may express State opinion as to title.
5. This permit does 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 permitted to cause pollution in contravention of Florida Statutes and Department rules, unless specifically authorized by an order from the Department.
6. The permittee shall properly operate and maintain the facility and systems of treatment and control (and related appurtenances) that are installed and used by the permittee to achieve compliance with the conditions of this permit, as required by Department rules. This provision includes the operation of backup or auxiliary facilities or similar systems when necessary to achieve compliance with the conditions of the permit and when required by Department rules.
7. The permittee, by accepting this permit, specifically agrees to allow authorized Department personnel, upon presentation of credentials or other documents as may be required by law and at a reasonable time, access to the premises, where the permitted activity is located or conducted to:
 - a. Have access to and copy any record that must be kept under the conditions of the permit;

PERMITTEE:
Seminole Kraft Corporation
9469 East Port Road
Jacksonville, Florida 32229

LD. Number: 31JAX160067 22,23,26
Permit/Cert: AO16-262702
Date of Issue: February 16, 1993
Expiration Date: January 15, 1996

GENERAL CONDITIONS:

- b. Inspect the facility, equipment, practices, or operations regulated or required under this permit; and
- c. Sample or monitor any substances or parameters at any location reasonably necessary to assure compliance with this permit or Department rules.

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

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

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

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

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

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

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

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

13. This permit also constitutes:

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

PERMITTEE:
Seminole Kraft Corporation
9469 East Fort Road
Jacksonville, Florida 32229

ID. Number: 31JAX160067 22,23,26
Permit/Cert: AO16-262702
Date of Issue: February 16, 1995
Expiration Date: January 15, 1996

GENERAL CONDITIONS:

14. The permittee shall comply with the following:

- a. Upon request, the permittee shall furnish all records and plans required under Department rules. During enforcement actions, the retention period for all records will be extended automatically unless otherwise stipulated by the Department.
- b. The permittee shall hold at the facility or other location designated by this permit records of all monitoring information (including all calibration and maintenance records and all original strip chart recordings for continuous monitoring instrumentation) required by the permit, copies of all reports required by this permit, and records of all data used to complete the application for this permit. These materials shall be retained at least three years from the date of the sample, measurement, report, or application unless otherwise specified by Department rule.
- c. Records of monitoring information shall include:
 - the date, exact place, and time of sampling or measurement;
 - the person responsible for performing the sampling or measurement;
 - the dates analyses were performed;
 - the person responsible for performing the analyses;
 - the analytical techniques or methods used; and
 - the results of such analyses.

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

PERMITTEE:
 Seminole Kraft Corporation
 9469 East Port Road
 Jacksonville, Florida 32229

LD. Number: 31JAX160067 22,23,26
Permit/Cert: AO16-262702
Date of Issue: February 16, 1995
Expiration Date: January 15, 1996

SPECIFIC CONDITIONS:

- new* 1. The LD. No. and Project name for this source shall be used on all correspondence.
2. The maximum heat input is listed below and shall not be exceeded without prior Department approval:

RATE	MATERIAL	TO
174.7 MMBTU/hr Sec S.C. 3	Natural Gas	Each SKC Packaged Boiler NOTE (1)
164.3 MMBTU/hr Sec S.C. 3	No. 2 Fuel Oil	Each SKC Packaged Boiler NOTE (1)

new-

new-

NOTE (1) Each of the three SKC packaged boilers are sized to provide a maximum of 125,000 lbs/hr process steam to the paper machines.

Do those agree?

3/2/95

2/2/95

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3. In accordance to the terms of the Cedar Bay Cogeneration Project (CBCP), Site Certification proceedings, SKC is limited to 640,000 lbs/hr total steam production [380,000 lbs/hr imported from CBCP facility and ~~260,000~~ lbs/hr produced from the SKC 3 packaged boilers under normal operating conditions]. When CBCP facility is not in operation or operating at reduced rates, SKC is permitted to make up the difference between the 380,000 lbs/hr imported steam rate and the steam production level that CBCP facility provides. This allows a maximum firing rate of 524 MMBTU/hr for all three packaged boilers when the CBCP facility is down.
4. The three packaged boilers may be operated continuously (8,760 H/Y).
5. The three packaged boilers shall be fired with natural gas as the primary fuel and #2 Fuel Oil with a sulfur content not to exceed 0.05 percent, by weight, as the secondary fuel.
6. All deliveries of No. 2 fuel oil shall be accompanied by a laboratory analysis quantifying the density and percent sulfur, by weight.
7. The permitted maximum allowable emission rate for each pollutant is as follows:

POLLUTANT	LOCATION LD.	EMISSION RATE			FAC RULE
		lb/MMBTU	lb/hr	TPY	
NO _x	Each Packaged Boiler	0.2	23.6	103.4	62-296.800(2)(a)2
SO ₂	All Three Packaged Boilers Totaled	---	---	25 Sec S.C. 8	BACT
Visible Emissions	Common Exhaust Stack	5% Opacity During Natural Gas Firing			BACT
Visible Emissions	Common Exhaust Stack	10% Opacity During No. 2 Fuel Oil Firing			BACT

PERMITTEE:
Seminole Kraft Corporation
9469 East Fort Road
Jacksonville, Florida 32229

ID. Number: 31JAX160067 22,23,26
Permit/Cert: AO16-262702
Date of Issue: February 16, 1995
Expiration Date: January 15, 1996

SPECIFIC CONDITIONS:

*Former
Cond # 4*

8. Annual SO₂ emissions from No. 2 fuel oil firing, total 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 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.

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9. The monitoring system (CEMS) for nitrogen oxides shall be operated, and maintained in accordance with the requirements of 40 CFR 60.48(b). In addition, the natural gas, No. 2 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

10. A stoichiometric quantification for SO₂ emissions shall be utilized using the actual density and sulfur weight percent and the quantity of No. 2 fuel oil fired monthly.

8

11. Test the emissions for the following pollutant(s) at the intervals indicated, notify the Northeast District Office and the City of Jacksonville's Regulatory and Environmental Services Department (RESD), 15 days prior to compliance testing [FAC Rule 297.340(1)(D)], and submit the test report documentation to the Northeast District Office, the Bureau of Air Regulation Office, and RESD within 45 days after completion of the testing [FAC Rule 297.570(2)]:

POLLUTANT	TEST INTERVAL	TEST METHOD
NO _x	—	40 CFR 60.45b(e)(3)
SO ₂	See S.C. 13	40 CFR 60.49b(f)
Visible Emissions	Annually from 05-21-94	EPA 9

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7
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8 Tests and test reports shall comply with the requirements of 40 CFR 60.49b, 40 CFR 60 Appendix A, and FAC Rules 62-297.330 and 62-297.570.

new

12. In each test report, submit the maximum input/production rate at which this source was operated since the most recent test.

12

13. Pursuant to 40 CFR 60.49b(f), quarterly reports shall be submitted to the RESD office (i.e., Administrator), certifying that only very low sulfur oil (i.e., less than 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.



Department of Environmental Protection

Lawton Chiles
Governor

Northeast District
7825 Baymeadows Way, Suite B200
Jacksonville, Florida 32256-7590

Virginia B. Wezherell
Secretary

TO: Chris Kirts
FROM: Ernie Fray *EF*
DATE: February 17, 1995
SUBJECT: Delegation of Authority

During my absence on February 20-21, 1995, you are authorized to sign all documents excluding NOV's, CO's and court stipulated settlements.

A copy of this memo will be filed with each document that you sign.

EEF:dr

RECEIVED

MAR 20 1995

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

OETTEL, HOFFMAN,
FERNANDEZ & COLE, P.A.

SEMINOLE KRAFT CORPORATION,
Petitioner,

vs. OGC CASE NO. 95-0596

STATE OF FLORIDA DEPARTMENT
OF ENVIRONMENTAL PROTECTION,
Respondent.

ORDER GRANTING REQUEST FOR EXTENSION
OF TIME TO FILE PETITION FOR HEARING

This cause has come before the Florida Department of Environmental Protection (Department) on receipt of a request made by Petitioner SEMINOLE KRAFT CORPORATION under rule 17-103.070 of the Florida Administrative Code to grant an extension of time to file a petition for an administrative hearing on Application No. A016-262702. See Exhibit 1.

Counsel for Petitioner has discussed this request with counsel for the Respondent State of Florida Department of Environmental Protection, which has no objection to it. Therefore,

IT IS ORDERED:

The request for an extension of time to file a petition for administrative proceeding is granted. Petitioner shall have until May 12, 1995, to file a petition in this matter. Filing shall be complete on receipt by the Office of General

— [Redacted] —
Exhibit "C"

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

SEMINOLE KRAFT CORPORATION,

Petitioner,

v.

OGC CASE NO. 95-0596
APPLICATION NO. A016-262702

DEPARTMENT OF ENVIRONMENTAL
PROTECTION,

Respondent.

**MOTION FOR EXTENSION OF TIME TO FILE PETITION
FOR FORMAL ADMINISTRATIVE PROCEEDING**

SEMINOLE KRAFT CORPORATION ("Seminole Kraft"), pursuant to Rule 62-103.070, FAC, hereby requests an extension of time to file a petition for administrative hearing on Application No. A016-262702, and as grounds therefor states:

1. Seminole Kraft is the owner and operator of a recycled paper-making facility located in Duval County, Florida.
2. Seminole Kraft has applied for the operating permit in order to operate three natural gas/oil-fired boilers which produce steam for use in the papermaking process. The Department has assigned File No. A016-262702 to this project.
3. On February 24, 1995, the Department of Environmental Protection issued a Notice of Permit Issuance providing notice of its intent to issue the requested operation permit, together with the draft operation permit itself. The intent to issue and draft permit were received by Seminole Kraft Corporation on February 27, 1995. The last


EXHIBIT 1

day on which a petition for formal administrative proceeding may be filed is Monday, March 13, 1995.

4. Seminole Kraft desires to discuss with Department staff several requested changes and/or modifications to the requested permit.

5. Seminole Kraft does not believe the requested changes will be controversial, but does require additional time during which to conduct such discussions.

6. Seminole Kraft is only now completing its internal review of the draft permit and has as yet not had an opportunity to meet with Department staff concerning the permit language itself.

7. In addition, certain aspects of the Title V program also require that Seminole Kraft obtain modifications to its federally-enforceable construction permit in order to reconcile such permit with the requirements of the Title V program.

8. It is imperative that any changes to the federally-enforceable construction permit for these sources be consistent with the specific conditions of the Department's operation permit. Additional time is required in order to assure such consistency.

9. The undersigned counsel has contacted Henry Estevez, Assistant General Counsel with the Department, and has been authorized to represent that the Department is not yet able to take a position concerning this request for extension of time.

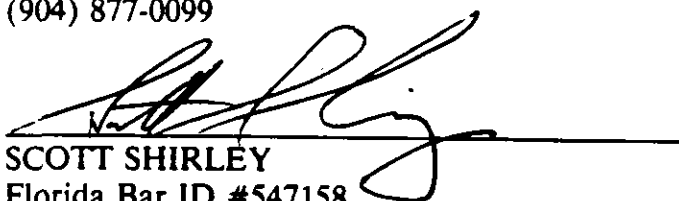
10. The undersigned counsel believes that 60-day extension of time is a realistic period during which Seminole Kraft can confer with Department staff and reach agreement concerning both the operation and construction permits for these sources.

WHEREFORE, Seminole Kraft Corporation respectfully requests that the Department of Environmental Protection inquire into the matters stated above and enter an order granting an extension of time of sixty (60) days in which to file a petition for formal administrative proceeding, up to and including May 12, 1995.

Respectfully submitted,

OERTEL, HOFFMAN, FERNANDEZ &
COLE, P.A.

Post Office Box 6507
Tallahassee, FL 32314-6507
(904) 877-0099



SCOTT SHIRLEY
Florida Bar ID #547158

Attorneys for SEMINOLE KRAFT
CORPORATION

CERTIFICATE OF SERVICE

I hereby certify that the original and one copy have been filed by hand delivery with the Office of General Counsel, Department of Environmental Protection, 2600 Blair Stone Road, Tallahassee, Florida 32399; and a true copy of the foregoing has been furnished by hand delivery to Jeff Braswell, to Office of General Counsel, Department of Environmental Protection, 2600 Blair Stone Road, Tallahassee, Florida 32399, this 9th day of March, 1995.



Attorney

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1003-29

DISCOVERED

JUN 6 1995

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

OERTEL, HOFFMAN,
FERNANDEZ & COLE, P.A.

SEMINOLE KRAFT CORPORATION,
Petitioner,

vs.

OGC CASE NO. 95-0596

STATE OF FLORIDA DEPARTMENT
OF ENVIRONMENTAL PROTECTION,
Respondent.

_____ /

**ORDER GRANTING SECOND REQUEST FOR EXTENSION
OF TIME TO FILE PETITION FOR HEARING**

This cause has come before the Florida Department of Environmental Protection (Department) on receipt of a request made by Petitioner SEMINOLE KRAFT CORPORATION under rule 63-103.070 of the Florida Administrative Code to grant an extension of time to file a petition for an administrative hearing on Application No. A016-262702. See Exhibit 1.

Counsel for Petitioner has discussed this request with counsel for the Respondent State of Florida Department of Environmental Protection, which has no objection to it. Therefore,

IT IS ORDERED:

The request for an extension of time to file a petition for administrative proceeding is granted. Petitioner shall have until August 31, 1995, to file a petition in this matter. Filing shall be complete on receipt by the Office



Exhibit "E"

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

DONE AND ORDERED on this 30th day of May, 1995 in
Tallahassee, Florida.

STATE OF FLORIDA DEPARTMENT
OF ENVIRONMENTAL PROTECTION



KENNETH J. PLANTE
General Counsel

Twin Towers Office Building
2600 Blair Stone Road
Tallahassee, FL 32399-2400
Telephone: (904) 488-9314

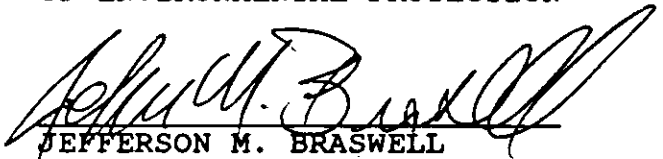
CERTIFICATE OF SERVICE

I CERTIFY that a true copy of the foregoing was mailed
to:

Scott Shirley, Esquire
OERTEL, HOFFMAN, FERNANDEZ
& COLE, P.A.
Post Office Box 6507
Tallahassee, FL 32314-6507

on this 2nd day of ^{June}~~May~~, 1995.

STATE OF FLORIDA DEPARTMENT
OF ENVIRONMENTAL PROTECTION



JEFFERSON M. BRASWELL
Assistant General Counsel
Florida Bar No. 800996

2600 Blair Stone Road
Tallahassee, FL 32399-2400
Telephone: (904) 488-9730