

Florida Department of Environmental Regulation

Twin Towers Office Bldg. • 2600 Blair Stone Road • Tallahassee, Florida 32399-2400

Bob Martinez, Governor

Dale Twachtmann, Secretary

John Shearer, Assistant Secretary

June 6, 1990

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. L. A. Stanley
General Manager
Seminole Kraft Corporation
9469 Eastport Road
Jacksonville, Florida 32218-0998

Dear Mr. Stanley:

Re: Amendment Request to Construction Permits: AC 16-168607
PSD-FL-141

The Department and the U.S. EPA-Region IV have reviewed your letter with attachments dated February 16, 1990, which was amended by a letter from Mr. Terry Cole on May 21, 1990. The letters requested an amendment to the above referenced construction permits. The Department received responses to the request from Mr. James L. Manning, Deputy Director of Duval County's Bio-Environmental Services Division, on March 29, 1990, and from Ms. Jewell A. Harper, Chief of the Air Enforcement Branch, U.S. EPA-Region IV, on April 9, 1990. The Department's response to the request package will follow.

The final compliance date for those recovery furnaces subject to F.A.C. Rule 17-2.600(4)(c), that will be replaced, is November 12, 1992, pursuant to F.A.C. Rule 17-2.960(1)(d)2.b.(ii). The mill's plan to change to 100% recycle fiber instead of constructing a new recovery furnace to comply with the applicable regulations would not be a SIP violation because there is no change in the final compliance date. Therefore, the Department is in agreement to establish the potential for the mill to change to 100% recycle fiber for compliance purposes and to establish certain critical dates for reasonable assurances.

The letter of response from Ms. Jewell A. Harper posed specific concerns about contemporaneous emissions credit. The Department concurs with the issues discussed in the letter, that (1) contemporaneous emissions shall be based on actual emissions data established by conducting emissions tests and on actual operating data (hours per year) from the two years previous to shutdown, unless another time period within the last 5 years

Mr. L. A. Stanley
Page Two
June 6, 1990

prior to shutdown is more representative of actual operating conditions, and (2) contemporaneous emissions credit should not be established as a permit condition prior to a source shutting down because of the potential premature lock-in of a shutdown date. Since both the federal and state regulations clearly define the process and time frames for the establishment of contemporaneous emissions credit, the request to establish contemporaneous emissions credit as a condition in the above referenced construction permits is denied.

The letter of response from Mr. James L. Manning posed concerns about the issues already discussed in the previous two paragraphs as well as a concern over the validity of the new recovery furnace construction permits. Since the mill is privileged to demonstrate compliance by its own choosing so long as it is within the guidelines of the appropriate rules, the permits shall remain viable in case the mill decides that it will continue with its original plans, which is to construct the new recovery boiler. The permits also contain compliance dates that still must be met and are federally enforceable. Consequently, until the mill makes its decision on how it will demonstrate compliance with the 111(d) TRS rule, the surrendering of the construction permits will not be required at this time.

Therefore, based on the discussions in the previous paragraphs, the following will be added:

Specific Condition (new)

15. Seminole Kraft Corporation has indicated to the Department that as an alternative to replacing the three existing kraft recovery boilers with a new recovery boiler, it may choose to convert the mill to a 100% recycle fiber operation and close down the kraft pulp mill, recovery boilers and associated facilities. In the event that Seminole Kraft chooses this alternative, the following conditions apply:

- a. The existing three recovery boilers and three smelt dissolving tanks will be permanently shut down and be made incapable of operation by November 12, 1992. Operating permits for these sources shall be turned into the BESD office by this date.
- b. Notice of Seminole Kraft's decision to proceed with construction of a new recovery boiler or to convert the mill to 100% recycle fiber operation shall be provided to DER and BESD by June 15, 1990.

Mr. L. A. Stanley
Page Three
June 6, 1990

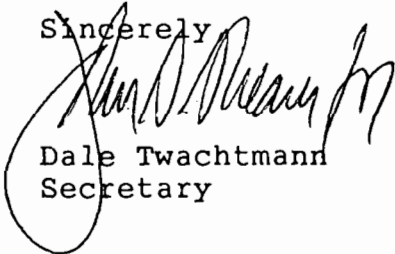
- c. If Seminole Kraft chooses to convert the mill to 100% recycle fiber operation, it shall submit semi-annual progress reports to DER and BESD by June 30 and December 31 of each year until the recycle project is completed and in operation.

Attachments to be Incorporated

16. Mr. L. A. Stanley's letter with attachments dated February 16, 1990.
17. Mr. James L. Manning's letter received March 29, 1990.
18. Ms. Jewell A. Harper's letter received April 9, 1990.
19. Mr. Terry Cole's letter received May 21, 1990.
20. Mr. Bruce Mitchell's Interoffice Memorandum dated June 1, 1990.

This letter must be attached to your air construction permits, AC 16-168607 and PSD-FL-141, and shall become a part of the permits.

Sincerely



Dale Twachtmann
Secretary

DT/plm

Attachments

- c: A. Kutyna, NE District
J. Manning, BESD
J. Harper, U.S. EPA
C. Shaver, NPS
T. Cole, OHF&C, P.A.

ATTACHMENT 16



Best Available Copy

Seminole Kraft Corporation

Jacksonville Mill

9469 Eastport Road
P.O. Box 26998
Jacksonville, Florida 32218-0998

February 16, 1990

904 751-6400

Mr. C.H. Fancy, P.E.
Bureau of Air Regulation
Florida Dept. of Environmental Regulation
2600 Blair Stone Road
Tallahassee, FL 32399-2400

Dear Mr. Fancy:

This letter is to request an amendment to construction permit No. AC16-168607 (Kraft Recovery Boiler) for our mill in Jacksonville. As indicated earlier, Seminole Kraft has engaged in extensive engineering studies related to the proposed new recovery boiler installation as well as examining how best to position the mill for the future. These studies have concluded that the mill is a high cost operation in its current configuration and would remain so even after the installation of the new recovery boiler currently estimated to cost \$130,000,000.

Accordingly, three months ago, Seminole Kraft began an investigation to determine what technology alternatives to the recovery boiler project might provide an improved environment to the City of Jacksonville and a mill that would be more competitive in domestic and foreign markets in the future.

An alternative has been tentatively selected that will provide the business with the stability required to insure a long term viable operation. This alternative provides for reconfiguration of the existing mill to enable it to use 100% recycled fiber instead of virgin fiber to produce 1,200 tons per day of linerboard on our existing No.2 paper machine. The kraft pulp mill, old recovery boilers and associated facilities will be permanently shut down and the No.1 paper machine will be placed on cold standby. This alternative will result in the elimination of all regulated TRS (odor) emission sources prior to the stated November 12, 1992 deadline as well as substantial reductions in particulate emissions. This conversion will increase the use of recycled fiber at the mill from about 100 TPD to about 1,400 TPD and will substantially increase Florida's waste paper recycle rate.

AC16-168607
2/16/90
a.k.w.

As we discussed, the best approach to providing regulatory approval of this alternative appears to be an amendment to the specific conditions in the new recovery boiler construction permit. We believe this new condition should relieve Seminole Kraft of the obligation of building a new recovery boiler if Seminole chooses to shut down the kraft pulping operation, old recovery boilers and related facilities by supplying recycled fiber to the paper machine instead of virgin wood pulp from the kraft pulp mill. In addition, this new condition would require Seminole Kraft to turn in the operating permits for the old recovery boilers once the recycle operation is up and running and to make the old recovery boiler incapable of operation. We believe this specific condition should also provide the mechanism for retaining the recovery boiler creditable emission reductions for potential use by Seminole Kraft pursuant to 17-2.500(2)(e) 3 & 4. As noted, our No.1 paper machine (presently making bag paper) will be placed on cold standby for the time being. However we hope to develop a project to use recycle fiber on the No.1 paper machine in the future and if AES cannot supply the required steam, we would like to use the creditable emissions from the recovery boilers for a power boiler to supply steam to the No.1 paper machine.

Finally, this specific condition should provide for notice to DER of Seminole Kraft's final decision to pursue this alternative or proceed with the new recovery boiler by a date certain.

To facilitate development of the language for this amendment, we have prepared the draft specific condition shown below for your consideration.

15. Seminole Kraft Corporation has indicated to the Department that as an alternative to replacing the three existing kraft recovery boilers with a new recovery boiler, it may choose to convert the mill to a 100% recycle fiber operation and close down the kraft pulp mill, recovery boilers and associated facilities. In the event that Seminole Kraft chooses this alternative, the following conditions apply:

- a. The existing kraft pulp mill, including three recovery boilers, three smelt dissolving tanks, digester system, three lime kilns and three multiple effect evaporators, will be permanently shut down and be made incapable of operation by November 12, 1992. Operating permits for these sources shall be turned into the BESP office by this same date.

- b. Notice of Seminole Kraft's decision to proceed with construction of a new recovery boiler or to convert the mill to 100% recycle fiber operation shall be provided to DER and BESD by May 1, 1990.
- c. If Seminole Kraft chooses to convert the mill to 100% recycle fiber operation, it shall submit semi-annual progress reports to DER and BESD by June 30 and December 31 of each year until the recycle fiber project is completed and in operation.
- d. If Seminole Kraft chooses to convert the mill to 100% recycle fiber operation and shuts down the kraft pulp mill sources listed in a. above, the following creditable emission reductions are available to Seminole Kraft for five (5) years from the date construction on this alternative is complete or November 12, 1992, whichever is earlier.

CREDITABLE EMISSION REDUCTIONS (TPY)
 (1983-84)*

<u>Source</u>	<u>TSP</u>	<u>PM₁₀</u>	<u>SO₂</u>	<u>NO_x</u>	<u>CO</u>	<u>TRS</u>
3 existing Recovery Boilers	427.2	320.5	1481	321.1	2327.2	89.3
5 Existing Smelt Dissolving Tanks	122.6	109.7	8.6	-	-	8.9
3 Existing Lime Kilns	74.1	72.6	1.4	98.1	21.2	17.3
No.1 & No.2 Lime Slaker (shut down in 1988)	140.5	133.0	-	-	-	-
No.3 Lime Slaker	14.0	12.8	-	-	-	-

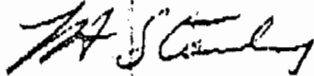
*Note that emissions for the recovery boilers, smelt dissolving tanks, and lime slakers are the same as in the PSD construction permit application (see Attachment A). The emissions for the lime kilns are based on 1983-84 operating hours, but today's control technology/emission limits. See Attachment B for details.

BEST AVAILABLE COPY

Mr. C.H. Fancy, P.E.
February 16, 1990
page 4

We hope this information will be adequate to proceed with processing the proposed amendment. Please let us know if you require any additional information. We would be happy to meet with the Department to help expedite the handling of this matter.

Sincerely,



L.A. Stanley
General Manager

ah

CC: Steve Smallwood
Dale Twachtmann
James L. Manning
Richard Maguire
Mike Riddle
Curt Barton
Al Koleff

P. Raval

R. Andrews

M. Sims

A. Kalyon, NE Dist

St. Bronson, EPA

C. Staver, NPS

CHP/BRP/ET

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ATTACHMENT A

(Table 4-3 from Original Recovery Boiler PSD Application)

Table 4-3 Baseline Emissions (1983-1984) from Existing Recovery Boilers and Smelt Dissolving Tanks at Seminole Kraft

Pollutant	Annual Baseline Emissions (TPY)						Totals
	RB1	RB2	RB3	SDT1	SDT2	SDT3	
Particulate Matter (TSP)	143.8	144.4	139.0	31.3	48.4	42.9	549.8
Particulate Matter (PM10)	107.9	108.3	104.3	28.0	43.3	38.4	430.2
Sulfur Dioxide	429.5	519.8	531.7	2.5	3.0	3.1	1,489.6
Nitrogen Oxides	94.4	112.7	114.0	-	-	-	321.1
Carbon Monoxide	674.9	816.8	835.5	-	-	-	2,327.2
Volatile Organic Compounds	100.0	119.4	120.8	-	-	-	340.2
Total Reduced Sulfur	25.2	31.3	32.8	2.6	3.1	3.2	98.2
Lead	.012	0.13	0.12	-	-	-	0.37
Mercury	-	-	-	-	-	-	-
Beryllium	0.0090	0.0098	0.0090	-	-	-	0.0278
Sulfuric Acid Mist	6.18	6.76	6.19	-	-	-	19.1
Inorganic Arsenic	-	-	-	-	-	-	-
Fluorides	-	-	-	-	-	-	-
Asbestos	-	-	-	-	-	-	-
Vinyl Chloride	-	-	-	-	-	-	-

Note: TPY = tons per year

ATTACHMENT B

Basis for Lime Kiln Creditable Emissions

Particulate Emissions - actual data from 1983-84 Annual Report
 PM₁₀ - used AP-42 Table 10.1-4 and particulate emissions from
 1983-84 Annual Report.

NO_x used NCASI Technical Bulletin No. 107, April 1988

Kiln

No.	<u>mmBTU/Year</u>		<u>Tons NO_x/Year</u>		<u>Average</u>
	83	84	83	84	
1	156150	89535	12.5	7.16	9.8
2	241883	322084	37.5	49.9	43.7
3	267245	308848	41.4	47.9	<u>44.6</u>
			Total		98.1

TRS emissions calculated from actual gas flow rates in 1983-84
 and at 20 ppm TRS as H₂S. This would correspond to permit limit
 today.

CO used AP-42 Table 10.1-1 (0.1 lbs/ADUP)

<u>Year</u>	<u>Pulp Produced (Tons-ADUP/Year)</u>	<u>CO Emissions (TPY)</u>
1983	410,238	20.5
1984	436,032	<u>21.8</u>
		Avg. 21.2

For SO₂-use data compiled in 1989's operating permit application.

<u>Kiln</u>	<u>SO₂ Emission Rate</u>	<u>Avg. Hours of Operation</u>	<u>SO₂ (TPY)</u>
No.1	0.16 lb/hr	3882	0.31
No.2	0.06 lb/hr	6829	0.21
No.3	0.24 lb/hr w/noncondensibles	7462	<u>0.90</u>
		Total	1.42

ATTACHMENT 17

DEPARTMENT OF HEALTH, WELFARE
& BIO-ENVIRONMENTAL SERVICES
Bio-Environmental Services



March 22, 1990

Mr. Clair H. Fancy, P.E.
Bureau of Air Regulation
Florida Department of Environmental Regulation
2600 Blair Stone Road
Tallahassee, FL 32399-2400

Re: Seminole Kraft Corporation (SKC) letter dated February 16, 1990

Dear Mr. Fancy:

The Bio-Environmental Services Division staff has carefully reviewed the requested permit revisions in the above-captioned letter. It is the recommendation of our Division that the permit modification be denied for the following reasons:

- A. Inserting a statement in a construction permit to address the issue of not constructing the source for which the permit was issued is not appropriate. Rule 17-2.210 (1), Florida Administrative Code (FAC) provides that "...The construction permit shall be issued for a period of time sufficient to allow construction or modification of the source..." Since SKC has stated in a Variance Request that construction will not take place, the new recovery boiler permit is not required, nor should it be allowed to continue, since available ambient increment is used by the permit for a source which, by admission of the applicant, will not be constructed.

Rule 17-2.210 FAC (Permits Required) requires applicable permits for sources of air pollution, however; based on information available to BESD, the proposed recycling operation will not be expected to be a source of air pollution and, therefore, will not be required to obtain a construction permit.

- B. Creditable Emissions - The shutdown of sources at SKC for the construction of the new recovery boiler and the Applied Energy Systems (AES) co-generation facility has been an integral part of the permitting process for both of the new projects. Direct emission reductions, modeling to determine ambient pollutant concentrations, and permit stipulations have all involved the shutdown of these sources. A permit to construct the recovery boiler has been issued and accepted by the applicant, which includes the use of creditable emissions.

Based upon the information which is available to the BESD at this time, there are no creditable emissions for future use.

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MAR 29 1990

DER-BAQM




Mr. Clair H. Fancy, P.E.
March 22, 1990
Page 2

It is noted that BESD does not see this decision as an impediment to the future construction of a steam-producing boiler at the Seminole Kraft facility, should the need arise. A new boiler would be subject to the New Source Performance Standards (NSPS) and possibly subject to the Prevention of Significant Deterioration (PSD) or New Source Review requirements, thus adequately protecting air quality standards.

- C. Compliance with Total Reduced Sulfur rule — It is suggested that if SKC does proceed with the recycling project and does not construct the new recovery boiler, a determination should be made as to the compliance status of the Seminole Kraft Corporation facility in regard to compliance with the May 12, 1989, TRS compliance date stated in Rule 17-2.960, FAC.

If BESD may be of further assistance in this matter, please advise.

Very truly yours,


James L. Manning, P.E.
Deputy Director

cc: Andy Kutyna, P.E., DER
BESD File 2155 A

JLM:gw

Handwritten notes:
M. F. ...
S. ...
M. F. ...
C.H.P.

ATTACHMENT 18



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION IV

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

APR 4 1990

4APT-AEB

RECEIVED

APR 09 1990

DER-BAQM

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

RE: Seminole Kraft Corporation (PSD-FL-141)

Dear Mr. Fancy:

This is to acknowledge receipt of a package from your office transmitting a request from Seminole Kraft Corporation to modify their prevention of significant deterioration (PSD) permit, dated February 16, 1990. As discussed between Mr. Pradeep Raval of your staff and Mr. Gregg Worley of my staff on March 30, 1990, we have the following comments.

CREDITABLE EMISSIONS REDUCTIONS

The source has requested that conditions be placed in the PSD permit to allow them the flexibility to convert to 100% recycled fiber in lieu of constructing the new recovery boiler. In the event that the source makes the decision to convert to recycled fiber, the source would like to retain emissions credit for the units which would be shut down at the facility (i.e., the existing kraft pulp mill). The credit for shutting down any units may be retained but we must emphasize that such credit must be based on actual operating data from the two years previous to the shutdown, unless another time period is determined to be more representative of actual operating conditions. The information submitted by Seminole Kraft is based on the years 1983-84. Apparently the source used the operating hours of this time period along with presently permitted allowable emission rates to arrive at their creditable emission reductions. This is not acceptable. We would suggest that it would be prudent of FDER to require testing of the units prior to shutdown for the pollutants which are to be credited. In any case, the actual emission rates must be used rather than the permitted allowable rates unless the actual emissions exceed the allowable emissions.

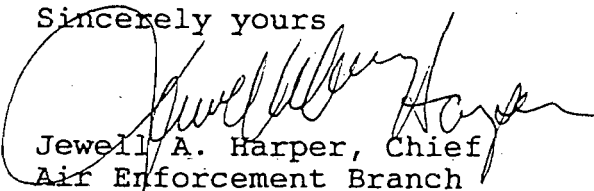
In a related matter, we do not think it is wise to include as a permit condition the language suggested by the source in provision 15 (d) which specifies what credits are available prior to the shutdown of the units. It appears that such a provision would lock FDER into accepting those numbers as creditable emissions no matter what the source operation was prior to shutdown. The fact that emissions resulting from federally enforceable shutdowns are creditable does not need to be established in a permit; the fact that such emissions are creditable is already established in federal and Florida regulations. In addition, the contemporaneous time period for which the emissions are creditable is established in regulations. Thus, it is redundant to state that "...the following emissions reductions will be available to Seminole Kraft for five (5) years from the date construction on this alternative is complete or November 12, 1992, whichever is earlier." By establishing a federally enforceable shutdown date at the completion of construction or November 12, 1992, whichever is earlier, it is understood that emissions credit is available for a period of five years from that point.

EFFECT ON THE AES CEDAR BAY PROJECT

The AES project which is currently under review for permitting plans to use the ambient impacts of shutting down several units at Seminole Kraft in their air quality analysis. How will the proposed permit amendment by Seminole Kraft affect the AES project?

Thank you for the opportunity to review and comment on this proposal by Seminole Kraft. If you have any questions or comments on this matter, please do not hesitate to contact Mr. Gregg Worley of my staff at 404/347-2864.

Sincerely yours



Jewell A. Harper, Chief
Air Enforcement Branch
Air, Pesticides and Toxics
Management Division

ATTACHMENT 19

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

ATTORNEYS AT LAW

M. CHRISTOPHER BRYANT
R. L. CALEEN, JR.
C. ANTHONY CLEVELAND
TERRY COLE
MARTHA J. EDENFIELD
SEGUNDO J. FERNANDEZ
KENNETH F. HOFFMAN
KENNETH G. OERTEL
HAROLD F. X. PURNELL
PATRICIA A. RENOVITCH
SCOTT SHIRLEY
THOMAS G. TOMASELLO
W. DAVID WATKINS

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JOHN H. MILLICAN
ENVIRONMENTAL CONSULTANT
(NOT A MEMBER OF THE FLORIDA BAR)

J. P. SUBRAMANI, Ph.D., P. E.
ENVIRONMENTAL CONSULTANT
(NOT A MEMBER OF THE FLORIDA BAR)

May 21, 1990

RECEIVED

MAY 21 1990

DER-BAQM

Mr. Bruce Mitchell
Engineer IV
Florida Department of
Environmental Regulation
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

Re: Seminole Kraft Corporation
Construction Permit No. AC16-168607

Dear Bruce:

On behalf of Seminole Kraft this will amend the letter of February 16, 1990 dealing with the above construction permit. We request that the suggested amendment to paragraph 15 be changed as follows:

15. Seminole Kraft Corporation has indicated to the Department that as an alternative to replacing the three existing kraft recovery boilers with a new recovery boiler, it may choose to convert the mill to a 100% recycle fiber operation and close down the kraft pulp mill, recovery boilers and associated facilities. In the event that Seminole Kraft chooses this alternative, the following conditions apply:
 - a. The existing three recovery boilers and three smelt dissolving tanks, will be permanently shut down and be made incapable of operation by November 12, 1992. Operating permits for these sources shall be turned into the BESD office by this same date.
 - b. Notice of Seminole Kraft's decision to proceed with construction of a new recovery boiler or to convert the mill to 100% recycle fiber operation shall be provided to DER and BESD by June 1, 1990.

Mr. Bruce Mitchell
May 21, 1990
Page 2

- c. If Seminole Kraft chooses to convert the mill to 100% recycle fiber operation, it shall submit semi-annual progress reports to DER and BESD by June 30 and December 31 of each year until the recycle fiber project is completed and in operation.
- d. To be inserted by DER.

We appreciate your cooperation in this matter. Please let me know if you have any questions.

Sincerely,

Terry Cole
Terry Cole

TC:slw

cc: Curt Barton
Larry Stanley
Mike Riddle

K. W. Riddle
2:15 PM
5/21/90, BESD
CHF/BA

ATTACHMENT 20



State of Florida
DEPARTMENT OF ENVIRONMENTAL REGULATION

For Routing To Other Than The Addressee	
To: _____	Location: _____
To: _____	Location: _____
To: _____	Location: _____
From: _____	Date: _____

Interoffice Memorandum

TO: File: Seminole Kraft Corporation - Recovery Boiler
AC 16-168607
PSD-FL-141

FROM: Bruce Mitchell *BM*

DATE: June 1, 1990

SUBJ: Amendment to Mr. Terry Cole's letter dated May 21, 1990

In a phone conversation with Mr. Terry Cole, it was agreed to change the date in the proposed condition No. 15.b. from June 1, 1990 to June 15, 1990.

BM/plm



Florida Department of Environmental Regulation

Twin Towers Office Bldg. • 2600 Blair Stone Road • Tallahassee, Florida 32399-2400

Bob Martinez, Governor

Dale Twachtmann, Secretary

John Shearer, Assistant Secretary

June 6, 1990

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. L. A. Stanley
General Manager
Seminole Kraft Corporation
9469 Eastport Road
Jacksonville, Florida 32218-0998

Dear Mr. Stanley:

Re: Contemporaneous Emissions Credit Calculations

The Department and the U.S. EPA - Region IV have reviewed your letter with attachments dated February 16, 1990. A letter of response, which is attached, was received from Ms. Jewell A. Harper, Chief of the Air Enforcement Branch, U.S. EPA-Region IV, posing a concern about the calculation of contemporaneous emissions credit. Specifically, contemporaneous emissions shall be based on actual emissions data established by conducting emissions tests and on actual operating data (hours per year) from the two years previous to shutdown, unless another time period within the last 5 years prior to shutdown is more representative of actual operating conditions. The Department concurs with EPA on this issue since this is the guidelines established in both the federal and state regulations.

Because Seminole Kraft Corporation (SKC) has indicated that the mill might be going to 100% recycled fiber by no later than November 12, 1992, the mill will have adequate time to conduct emissions tests on the various sources that would be shut down and candidates for contemporaneous emissions credit. Therefore, the Department requests that SKC conduct emissions tests on all sources that it intends to shutdown in order to calculate contemporaneous emissions credit.

Mr. L. A. Stanley
Page 2
June 6, 1990

If there are any questions, please call Bruce Mitchell at (904)488-1344 or write to me at the above address.

Sincerely,



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

CHF/BM/t

attachments

cc: A. Kutyna, NE District
J. Manning, BESD
J. Harper, U.S. EPA
C. Shaver, NPS
T. Cole, OHF & C, P.A.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION IV

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

APR 4 1990

4APT-AEB

RECEIVED

APR 09 1990

DER-BAQM

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

RE: Seminole Kraft Corporation (PSD-FL-141)

Dear Mr. Fancy:

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CREDITABLE EMISSIONS REDUCTIONS

The source has requested that conditions be placed in the PSD permit to allow them the flexibility to convert to 100% recycled fiber in lieu of constructing the new recovery boiler. In the event that the source makes the decision to convert to recycled fiber, the source would like to retain emissions credit for the units which would be shut down at the facility (i.e., the existing kraft pulp mill). The credit for shutting down any units may be retained but we must emphasize that such credit must be based on actual operating data from the two years previous to the shutdown, unless another time period is determined to be more representative of actual operating conditions. The information submitted by Seminole Kraft is based on the years 1983-84. Apparently the source used the operating hours of this time period along with presently permitted allowable emission rates to arrive at their creditable emission reductions. This is not acceptable. We would suggest that it would be prudent of FDER to require testing of the units prior to shutdown for the pollutants which are to be credited. In any case, the actual emission rates must be used rather than the permitted allowable rates unless the actual emissions exceed the allowable emissions.

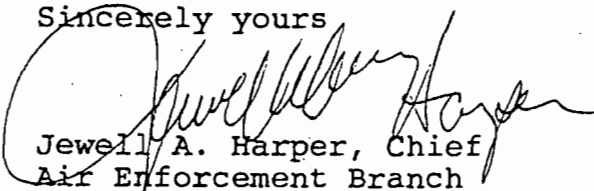
In a related matter, we do not think it is wise to include as a permit condition the language suggested by the source in provision 15 (d) which specifies what credits are available prior to the shutdown of the units. It appears that such a provision would lock FDER into accepting those numbers as creditable emissions no matter what the source operation was prior to shutdown. The fact that emissions resulting from federally enforceable shutdowns are creditable does not need to be established in a permit; the fact that such emissions are creditable is already established in federal and Florida regulations. In addition, the contemporaneous time period for which the emissions are creditable is established in regulations. Thus, it is redundant to state that "...the following emissions reductions will be available to Seminole Kraft for five (5) years from the date construction on this alternative is complete or November 12, 1992, whichever is earlier." By establishing a federally enforceable shutdown date at the completion of construction or November 12, 1992, whichever is earlier, it is understood that emissions credit is available for a period of five years from that point.

EFFECT ON THE AES CEDAR BAY PROJECT

The AES project which is currently under review for permitting plans to use the ambient impacts of shutting down several units at Seminole Kraft in their air quality analysis. How will the proposed permit amendment by Seminole Kraft affect the AES project?

Thank you for the opportunity to review and comment on this proposal by Seminole Kraft. If you have any questions or comments on this matter, please do not hesitate to contact Mr. Gregg Worley of my staff at 404/347-2864.

Sincerely yours



Jewell A. Harper, Chief
Air Enforcement Branch
Air, Pesticides and Toxics
Management Division



Seminole Kraft Corporation

Jacksonville Mill

9469 Eastport Road
P.O. Box 26998
Jacksonville, Florida 32218-0998

February 16, 1990

904 751-6400

Mr. C.H. Fancy, P.E.
Bureau of Air Regulation
Florida Dept. of Environmental Regulation
2600 Blair Stone Road
Tallahassee, FL 32399-2400

Dear Mr. Fancy:

This letter is to request an amendment to construction permit No. AC16-168607 (Kraft Recovery Boiler) for our mill in Jacksonville, As indicated earlier, Seminole Kraft has engaged in extensive engineering studies related to the proposed new recovery boiler installation as well as examining how best to position the mill for the future. These studies have concluded that the mill is a high cost operation in its current configuration and would remain so even after the installation of the new recovery boiler currently estimated to cost \$130,000,000.

Accordingly, three months ago, Seminole Kraft began an investigation to determine what technology alternatives to the recovery boiler project might provide an improved environment to the City of Jacksonville and a mill that would be more competitive in domestic and foreign markets in the future.

An alternative has been tentatively selected that will provide the business with the stability required to insure a long term viable operation. This alternative provides for reconfiguration of the existing mill to enable it to use 100% recycled fiber instead of virgin fiber to produce 1,200 tons per day of linerboard on our existing No.2 paper machine. The kraft pulp mill, old recovery boilers and associated facilities will be permanently shut down and the No.1 paper machine will be placed on cold standby. This alternative will result in the elimination of all regulated TRS (odor) emission sources prior to the stated November 12, 1992 deadline as well as substantial reductions in particulate emissions. This conversion will increase the use of recycled fiber at the mill from about 100 TPD to about 1,400 TPD and will substantially increase Florida's waste paper recycle rate.

78 mths after
3/12/90
17-a.960(L)(d)
a.b.iii

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

February 16, 1990

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As we discussed, the best approach to providing regulatory approval of this alternative appears to be an amendment to the specific conditions in the new recovery boiler construction permit. We believe this new condition should relieve Seminole Kraft of the obligation of building a new recovery boiler if Seminole chooses to shut down the kraft pulping operation, old recovery boilers and related facilities by supplying recycled fiber to the paper machine instead of virgin wood pulp from the kraft pulp mill. In addition, this new condition would require Seminole Kraft to turn in the operating permits for the old recovery boilers once the recycle operation is up and running and to make the old recovery boiler incapable of operation. We believe this specific condition should also provide the mechanism for retaining the recovery boiler creditable emission reductions for potential use by Seminole Kraft pursuant to 17-2.500(2)(e) 3 & 4. As noted, our No.1 paper machine (presently making bag paper) will be placed on cold standby for the time being. However we hope to develop a project to use recycle fiber on the No.1 paper machine in the future and if AES cannot supply the required steam, we would like to use the creditable emissions from the recovery boilers for a power boiler to supply steam to the No.1 paper machine.

Finally, this specific condition should provide for notice to DER of Seminole Kraft's final decision to pursue this alternative or proceed with the new recovery boiler by a date certain.

To facilitate development of the language for this amendment, we have prepared the draft specific condition shown below for your consideration.

15. Seminole Kraft Corporation has indicated to the Department that as an alternative to replacing the three existing kraft recovery boilers with a new recovery boiler, it may choose to convert the mill to a 100% recycle fiber operation and close down the kraft pulp mill, recovery boilers and associated facilities. In the event that Seminole Kraft chooses this alternative, the following conditions apply:

- a. The existing kraft pulp mill, including three recovery boilers, three smelt dissolving tanks, digester system, three lime kilns and three multiple effect evaporators, will be permanently shut down and be made incapable of operation by November 12, 1992. Operating permits for these sources shall be turned into the BESD office by this same date.

- b. Notice of Seminole Kraft's decision to proceed with construction of a new recovery boiler or to convert the mill to 100% recycle fiber operation shall be provided to DER and BESD by May 1, 1990.
- c. If Seminole Kraft chooses to convert the mill to 100% recycle fiber operation, it shall submit semi-annual progress reports to DER and BESD by June 30 and December 31 of each year until the recycle fiber project is completed and in operation.
- d. If Seminole Kraft chooses to convert the mill to 100% recycle fiber operation and shuts down the kraft pulp mill sources listed in a. above, the following creditable emission reductions are available to Seminole Kraft for five (5) years from the date construction on this alternative is complete or November 12, 1992, whichever is earlier.

CREDITABLE EMISSION REDUCTIONS (TPY)
 (1983-84)*


<u>Source</u>	<u>TSP</u>	<u>PM₁₀</u>	<u>SO₂</u>	<u>NO_x</u>	<u>CO</u>	<u>TRS</u>
3 existing Recovery Boilers	427.2	320.5	1481	321.1	2327.2	89.3
3 Existing Smelt Dissolving Tanks	122.6	109.7	8.6	-	-	8.9
3 Existing Lime Kilns	74.1	72.6	1.4	98.1	21.2	17.3
No.1 & No.2 Lime Slaker (shut down in 1988)	140.5	133.0	-	-	-	-
No.3 Lime Slaker	14.0	12.8	-	-	-	-

*Note that emissions for the recovery boilers, smelt dissolving tanks, and lime slakers are the same as in the PSD construction permit application (see Attachment A). The emissions for the lime kilns are based on 1983-84 operating hours, but today's control technology/emission limits. See Attachment B for details.

Mr. C.H. Fancy, P.E.
February 16, 1990
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We hope this information will be adequate to proceed with processing the proposed amendment. Please let us know if you require any additional information. We would be happy to meet with the Department to help expedite the handling of this matter.

Sincerely,



L.A. Stanley
General Manager

ah

CC: Steve Smallwood
Dale Twachtmann
James L. Manning
Richard Maguire
Mike Riddle
Curt Barton
Al Koleff

ATTACHMENT A

(Table 4-3 from Original Recovery Boiler PSD Application)

Table 4-3 Baseline Emissions (1983-1984) from Existing Recovery Boilers and Smelt Dissolving Tanks at Seminole Kraft

Pollutant	Annual Baseline Emissions (TPY)						Totals
	RB1	RB2	RB3	SDT1	SDT2	SDT3	
Particulate Matter (TSP)	143.8	144.4	139.0	31.3	48.4	42.9	549.8
Particulate Matter (PM10)	107.9	108.3	104.3	28.0	43.3	38.4	430.2
Sulfur Dioxide	429.5	519.8	531.7	2.5	3.0	3.1	1,489.6
Nitrogen Oxides	94.4	112.7	114.0	-	-	-	321.1
Carbon Monoxide	674.9	816.8	835.5	-	-	-	2,327.2
Volatile Organic Compounds	100.0	119.4	120.8	-	-	-	340.2
Total Reduced Sulfur	25.2	31.3	32.8	2.6	3.1	3.2	98.2
Lead	.012	0.13	0.12	-	-	-	0.37
Mercury	-	-	-	-	-	-	-
Beryllium	0.0090	0.0098	0.0090	-	-	-	0.0278
Sulfuric Acid Mist	6.18	6.76	6.19	-	-	-	19.1
Inorganic Arsenic	-	-	-	-	-	-	-
Fluorides	-	-	-	-	-	-	-
Asbestos	-	-	-	-	-	-	-
Vinyl Chloride	-	-	-	-	-	-	-

Note: TPY = tons per year

ATTACHMENT B

Basis for Lime Kiln Creditable Emissions

Particulate Emissions - actual data from 1983-84 Annual Report
 PM₁₀ - used AP-42 Table 10.1-4 and particulate emissions from
 1983-84 Annual Report.

NO_x used NCASI Technical Bulletin No. 107, April 1988

Kiln

No.	<u>mmBTU/Year</u>		<u>Tons No_x/Year</u>		<u>Average</u>
	83	84	83	84	
1	156150	89535	12.5	7.16	9.8
2	241883	322084	37.5	49.9	43.7
3	267245	308848	41.4	47.9	<u>44.6</u>
				Total	98.1

TRS emissions calculated from actual gas flow rates in 1983-84
 and at 20 ppm TRS as H₂S. This would correspond to permit limit
 today.

CO used AP-42 Table 10.1-1 (0.1 lbs/ADUP)

<u>Year</u>	<u>Pulp Produced (Tons-ADUP/Year)</u>	<u>CO Emissions (TPY)</u>
1983	410,238	20.5
1984	436,032	<u>21.8</u>
		Avg. 21.2

For SO₂-use data compiled in 1989's operating permit application.

<u>Kiln</u>	<u>SO₂ Emission Rate</u>	<u>Avg. Hours of Operation</u>	<u>SO₂ (TPY)</u>
No.1	0.16 lb/hr	3882	0.31
No.2	0.06 lb/hr	6829	0.21
No.3	0.24 lb/hr w/noncondensibles	7462	<u>0.90</u>
		Total	1.42