



Florida Department of Environmental Protection

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2600 Blair Stone Road
Tallahassee, Florida 32399-2400

Charlie Crist
Governor

Jeff Kottkamp
Lt. Governor

Michael W. Sole
Secretary

March 30, 2007

(SENT VIA ELECTRONIC MAIL – RETURN RECEIPT REQUESTED)

Mr. Neil Smith, Vice President of Sugar Processing Operations
U.S. Sugar Corporation
111 Ponce DeLeon Avenue
Clewiston, Florida 33440

Re: Clewiston Sugar Mill and Refinery / Bryant Sugar Mill
Status of Pending Projects with the Bureau of Air Regulation

Dear Mr. Smith:

The purpose of this letter is to provide an update on the status of recent air permit projects being processed by the Bureau of Air Regulation, Florida Department of Environmental Protection (Department).

Project Nos. 0510003-031-AC and 0510003-032-AV: Title V Renewal Permit for Clewiston and Bryant Mills

Project No. 0510003-032-AV is the project to renew the Title V air operation permits for the Clewiston and Bryant Mills. Project No. 0510003-031-AC is a concurrent application to revise permit conditions that will be incorporated into the Title V renewal permit. As part of the renewal application, U.S. Sugar requested the Department to consider the two mills to be a single facility. In addition, the Bryant mill would be permanently shutdown with a single boiler (Boiler 5) moved to the Clewiston mill. This application is incomplete and pending submittal of an air quality modeling analysis to determine ambient impacts from such a change. On March 23, 2007, the Department discussed these projects with your consultant, David Buff, of Golder Associates. From this conversation, the Department understands that U.S. Sugar: intends to sell Bryant Boiler 5; will not operate the Bryant mill next crop season; will permanently shutdown the Bryant mill to satisfy requirements of the Best Available Retrofit Technology (BART) program; and will only renew the Title V permit for the Clewiston mill.

Air Permit No. 0510003-037-AC (PSD-FL-333C): Capacity Increase for Boiler 8

On March 30, 2007, the Department issued a final permit increasing the capacity of Clewiston Boiler 8.

Air Permit No. 0510003-038-AC (PSD-FL-346A): White Sugar Dryer

On February 7, 2007, the Department received your report estimating significant costs associated with additional improvements to the installed wet scrubber on the Clewiston white sugar dryer. On March 23, 2007, we received your test report summarizing tests conducted to determine particulate matter emissions. These two items were requirements of the modified air construction permit. The test report shows emissions at less than half of the permit standards of 15 lb PM/hour and 4.2 lb PM₁₀/hour. Based on the information provided, the Department will not revise the emissions standards for particulate matter.

Air Permit No. 0510003-039-AC: Oil Firing Requirements for Boilers 1, 2 and 4

On September 20, 2006, the Department issued an air construction permit establishing the distillate oil firing requirements for Clewiston Boilers 1, 2 and 4.

Air Permit No. 0510003-040-AV: Health-Based Compliance Alternative

This project is a request to use the health-based compliance procedures to comply with the requirements for existing industrial boilers in NESHAP Subpart DDDDD of 40 CFR 63. The application is incomplete pending submittal of a revised air quality analysis.

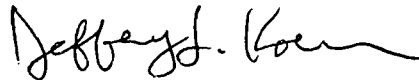
Recommendations

Based on the above information, the Department recommends that U.S. Sugar:

- Submit a final certification of compliance for the Bryant mill and withdraw that portion of the application related to renewing the Title V permit for the Bryant mill. This will establish a shutdown date after which there are no longer any compliance requirements.
- Submit a statement that permanent shutdown of the Bryant mill satisfies the requirements under the BART program.
- For Project Nos. 0510003-031-AC and 0510003-032-AV, provide just the updated application pages for the following recent projects: increased capacity of Clewiston Boiler 8 (Project No. 0510003-037-AC); modified Clewiston white sugar dryer (Permit No. 0510003-038-AC); and modified oil firing requirements for Boilers 1, 2 and 4 (Permit No. 0510003-039-AC).

With this information, the Department will be able to issue the renewed Title V air permit with all currently applicable requirements. If you have any questions regarding this matter, please call me at 850/921-9536.

Sincerely,



Jeffery F. Koerner, P.E.
Air Permitting North
Bureau of Air Regulation

On March 30, 2007, this letter was sent to the following people by electronic mail with received receipt requested:

Mr. Neil Smith, U.S. Sugar Corporation (NSMITH@USSUGAR.COM)
Mr. Peter Briggs, U.S. Sugar Corporation (PBRIGGS@USSUGAR.COM)
Mr. Don Griffin, U.S. Sugar Corporation (DGRIFFIN@USSUGAR.COM)
Mr. David Buff, Golder Associates Inc. (DBUFF@GOLDER.COM)
Mr. Ron Blackburn, SD Office (RON.BLACKBURN@DEP.STATE.FL.US)
Mr. James Stormer, PBCHD (JAMES_STORMER@DOH.STATE.FL.US)
Ms. Kathleen Forney, EPA Region 4 (FORNEY.KATHLEEN@EPA.GOV)