

**From:** [Linero, Alvaro](#)  
**To:** [Walker, Elizabeth \(AIR\)](#)  
**Subject:** FW: Southern Renewable Fuels (PSD-FL-412) comments  
**Date:** Friday, December 17, 2010 4:06:10 PM

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The email below constitutes EPA's comments on the draft permit PSD-FL-412.

They will not send hardcopy, so please include in our main public record files as appropriate.

Thanks.

Al.

-----Original Message-----

From: Oquendo.Ana@epamail.epa.gov [<mailto:Oquendo.Ana@epamail.epa.gov>]  
Sent: Friday, December 17, 2010 2:45 PM  
To: Linero, Alvaro  
Cc: Forney.Kathleen@epamail.epa.gov; Abrams.Heather@epamail.epa.gov  
Subject: Southern Renewable Fuels (PSD-FL-412) comments

Good day, Al Linero,

Thank you for sending the Prevention of Significant Determination (PSD) preliminary determination and draft PSD permit (air construction permit) for the proposed Southeast Renewable Fuels, LLC project for to be located in Hendry County, Florida. The project consists of the construction of a sweet sorghum-to-ethanol advanced biorefinery with a capacity of 22.11 million gallons per year (MGPY) and a cogeneration biomass boiler to produce process steam and up to 30 megawatts, gross (MW). According to the State of Florida's rule, Rule 62-210.200(189) this facility is a major source; however, based on 40 FR 52.21 (b)(1)(iii)(t) ethanol production facilities are not included in the chemical processing plant definition. Citation text included below:

( t ) Chemical process plants—The term chemical processing plant shall not include ethanol production facilities that produce ethanol by natural fermentation included in NAICS codes 325193 or 312140;

Thus according to EPA's point of view this is a minor PSD (construction) permit. The applicant determined that the project is subject to PSD review for Carbon Monoxide (CO), Volatile Organic Compounds (VOC), Nitrogen Oxides (NOx), Sulfur Dioxide (SO<sub>2</sub>), Sulfuric Acid Mist (SAM), and Particulate Matter (PM/PM<sub>10</sub>).

BACT Review for EU 002 - NO<sub>x</sub> Emissions

Three main control technologies were considered and explained in the Preliminary Determination and Technical Evaluation document for NO<sub>x</sub> emission from the biomass-fueled boiler. On page 31 of 62, a cost analysis is included where regenerative selective catalytic reduction (RSCR) is estimated to cost \$3,603/ton NO<sub>x</sub>, while the selective catalytic reduction would cost approximately \$3,814/ton NO<sub>x</sub>. However, the document mentions that "SRF rejected RSCR on the basis of the cost effectiveness." EPA finds the RSCR as cost effective as the SCR. EPA request the permitting authority make it more clear in the Preliminary

Determination and Technical Evaluation and explain further the reasons for dismissed. The cost analysis did not included enough information for eliminating RSCS as a control method for this equipment for the boiler.

#### GHG's Tailoring Rule

As you are probably aware, beginning on January 2, 2010, GHG emissions will be covered by the PSD Program for the first time. Since this project is already going through PSD permitting and a final PSD permit will likely not be issued before January 2, 2011, GHG emissions will need to be evaluated for PSD applicability. Please provide detailed estimates of the GHG emissions from this PSD permitting action. For further information on calculating the GHG emissions associated with this PSD permitting action, please see the recently issued PSD and Title V Permitting Guidance for GHGs and other information on EPA's website at [www.epa.gov/nsr/ghgpermitting.html](http://www.epa.gov/nsr/ghgpermitting.html).

If you have any questions regarding these comments or need additional information, feel free to contact Ana M. Oquendo at 404-562-9781 or Katy R. Forney at 404-562-9130.

Wishing you a great day!

Ana M. Oquendo  
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