



Old Piney Point Plant file

Department of Environmental Protection

Lawton Chiles
Governor

Southwest District
3804 Coconut Palm Drive
Tampa, Florida 33619

Virginia B. Wetherell
Secretary

February 18, 1997

The Honorable Mark Ogles
504 137th Street, East
Bradenton, Florida 34202

Dear Mr. Ogles:

The Piney Point phosphate complex consists of 1) an existing facility containing a sulfuric acid plant and various other production units for producing phosphate fertilizers, which has been shut down since 1992, referred to as the "old" plant, and 2) a proposed new sulfuric acid plant, referred to as the "new" plant.

Permitting of the new plant has been controversial, including a public meeting which was held February 15, 1996. Currently, the permitting process for the new plant has been suspended, due to DEP's granting of an extension of time to Manatee County to file for an administrative hearing regarding the proposed permit for the new plant.

In December 1996, Piney Point's owner, Mulberry Phosphates, Inc., visited the DEP to discuss permitting and restart of the old plant. All major facilities in Florida in certain categories, including Piney Point, were required to submit a Title V air permit application, under the Clean Air Act, in June, 1996, and the Department has until October 1998 to issue the corresponding permits. We agreed at that meeting to start processing the Title V air permit application for the old plant, and we have subsequently issued a letter (attached) to Mulberry Phosphates, requesting answers to various questions regarding the application.

Pending answers to the questions in our letter, it is possible that the permitting of the old plant will require an application for a construction permit (or permits), which require public notice and the opportunity for public participation via administrative hearings or mediation. In any case, the Title V permit also will require public notice and the same rights for public participation.

From an air permitting standpoint, the most critical issue is whether the restart of the old plant will be subject to PSD (Prevention of Significant Deterioration) review, a rigorous review applicable to major modifications at major facilities. Our PSD section in Tallahassee (contacts are listed in the last paragraph of this letter) is currently evaluating whether the proposed renovations are subject to PSD review. Another air program, New Source Performance Standards (NSPS), in which applicability is related to whether renovation costs are more than 50% of the cost of a new facility, is not a major air permitting issue, since the NSPS standards are already applicable to the existing plant.

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

Printed on recycled paper.

Rule 62-673, Florida Administrative Code, was made effective on March 25, 1993. Prior to this new rule, there was no requirement for such facilities to close inactive phosphogypsum stacks. In addition, the rule allows Piney Point to apply for a temporary deactivation of the stack to respond to unfavorable market conditions. An Order authorizing temporary deactivation has been issued by the Department to this facility following their application, and is in effect until July 23, 1997. They have the option of reapplying to extend it for another year and the Department could grant such extension provided they meet the criteria specified under the rule.

The Department is aware of a single family residence using a potable well located near the Southeast corner of Piney Point property. This well has been tested for pollutants typical of phosphogypsum stack waste by the Department and has been found to not have been affected. This well will be monitored on a frequent basis by the Department and Piney Point to ensure that it continues to be unaffected.

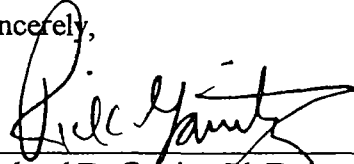
A Consent Order was entered into between the Department and the facility that required the facility to perform a ground water investigation at the site. The purpose of this investigation was to determine the subsurface conditions present at the site to explain certain water quality exceedences found in their monitor wells. The results of this investigation were reviewed by the Department and discussed extensively with the facility representatives. The Department and Piney Point have agreed that additional investigation is necessary. This will be performed in accordance with an amendment to the previous Consent Order. It will be more intensive in nature and will focus on specific areas of concern. Upon completion of this investigation, the existing Ground Water Monitoring Plan (GWMP) may be modified, and the facility may be required to perform corrective actions, if necessary.

Please do not hesitate to contact us if we can be of further assistance. Individual contacts who may be helpful are:

Karen Collins, Director, Manatee Manatee Environmental Management Department, 941-742-5980; Al Linero 904-488-1344, supervisor of the air permitting section in Tallahassee, which processed the application for the new plant; Jerry Kissel 813-744-6100, ext. 107, supervisor of the air permitting section in our District, which is processing the application for the restart of the old plant; Douglas Beason 904-921-9624, a DEP attorney (e.g., regarding the status of the administrative hearing referred to above); Sam Zamani 813-744-6100, ext. 148, administrator of our Phosphate Management program, on the phosphogypsum stack and water issues.

The Honorable Mark Ogles
Page 3 of 3

Sincerely,



Richard D. Garrity, Ph.D.
Director of District Management

Attachment

cc: D. Beason K. Collins
 J. Kissel A. Linero
 S. Zamani

RDG/vs
oglespm.doc

cc: C. Fancy
 J. Reynolds