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December 18, 1990

Mr. Claire H. Fancy
Chief, Bureau of Air Regulation
Department of Environmental Regulation
2600 Blair Stone Road
Tallahassee, FL 32399-2400

RECEIVED
DEC 18 1990
DER-BAQM

Re: Container Corporation of America

Dear Mr. Fancy:

Attached is a check in the amount of \$5,000 to cover the requested permit application fee for the pending applications of Container Corporation of America. We would appreciate the check being handled in a manner which most expedites issuance of the requested permits. If possible, we would like to get credit for the previous application fee of \$400 without delaying processing of the permits. Since time is of the essence, the overriding factor is getting the permit in the shortest possible time.

I hope that this is sufficient with the previous information provided to enable the Department to issue the Notice of Intent to Issue Permit. Thank you for all of your assistance.

Sincerely,

Terry Cole
Terry Cole

TC/SJ

Attachment (\$5,000 check)

XC: Gary Smallwood

P 256 395 048

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

U.S.G.P.O. 1989-234-585

PS Form 3800, June 1985

Sent to	Wayne Barlow	
Street and No.	COA	
P.O. State and ZIP Code	N. 8th St	
Postage	Bernardina Beh, Fl	
Certified Fee		
Special Delivery Fee		
Restricted Delivery Fee		
Return Receipt showing to whom and Date Delivered		
Return Receipt showing to whom, Date, and Address of Delivery		
TOTAL Postage and Fees	\$	
Postmark or Date	12-18-90 PSD applicability	

SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4.
Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested.

1. Show to whom delivered, date, and addressee's address. (Extra charge)
2. Restricted Delivery. (Extra charge)

3. Article Addressed to:
Mr. Wayne Barlow, Gen. Mgr.
Cont. Corp. of America
N. 8th St.
Bernardina Beh, Fl 32304

4. Article Number: 256 395 048

Type of Service:
 Registered Insured
 Certified COD
 Express Mail Return Receipt for Merchandise

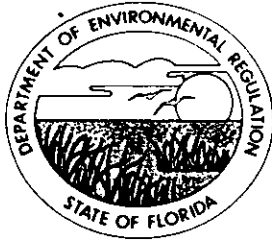
Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee: [Signature]

6. Signature - Agent: [Signature]

7. Date of Delivery: 12/21/90

8. Addressee's Address (ONLY if requested and fee paid):



Florida Department of Environmental Regulation

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

Bob Martinez, Governor

Dale Twachtman, Secretary

John Shearer, Assistant Secretary

December 18, 1990

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. Wayne Barlow, General Manager
Container Corporation of America
North 8th Street
Fernandina Beach, Florida 32034

Dear Mr. Barlow:

Re: PSD Applicability Associated with the Proposed Facility
Modification

The Department has reviewed the response prepared by KBN Engineering and Applied Sciences, Inc., and received on December 6, 1990 (P.E. sealed copy received on December 17, 1990). Based on discussions with U.S. EPA, Region IV, contemporaneous emissions credit cannot be granted for the No. 4 Power Boiler. Consequently, PSD evaluation for increment and air quality standards is required for all of the pollutants equal to or greater than the applicable significant emission rates listed in Table 500-2, F.A.C. Chapter 17-2. Therefore, please submit the following information to the Department's Bureau of Air Regulation (BAR), including all calculations, assumptions and reference material:

1. The appropriate evaluations that will demonstrate that the affected facility, after the proposed modification, will not violate increment and standards (see attached EPA letter). This should be coordinated with Messrs. Tom Rogers and Cleve Holladay. They can both be reached at 904-488-1344. Also, this data should be submitted to the BAR no later than January 10, 1991.
2. Referring to #1 above, the evaluations should include the confirmation of all stack parameters (i.e., height, diameter, exit velocity, etc.) and building parameters (i.e., height, width, etc.) at all facilities used in the evaluations.
3. The appropriate fee for this evaluation (PSD) is \$5,000.

Mr. Wayne Barlow
Page 2 of 2

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

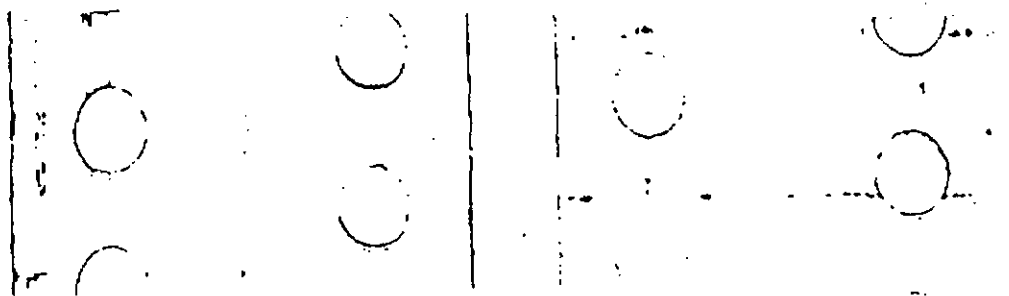
CHF/BM/plm

Attachments

c: A. Kutyna, NED
G. Smallridge, OGC
T. Cole, OHF&C

Determinations of Applicability

Code	Reference	Question	Affected Regulation	Determination	Discussion
PSD-147	Memo (Reich to Johnston) 7/28/83	A pulp and paper company is proposing to install a bleaching plant and a larger digester. These units will not cause increased emissions, but emissions from the recovery boiler will increase above significant levels because of this construction. Emissions will remain below maximum design permit levels. Is PSD applicable?	§52.21(b)(2) 45 FR 52718 §52.21(j)(3)	Yes	The recovery boiler's proposed operating rate is higher than that provided by the existing digester capacity, and so any increase in actual emissions from the recovery boiler which results from the increased capacity provided by the larger digester must be considered for PSD applicability. If there is a significant net increase, the PSD requirements should be applied, although the boiler will not have to apply BACT because it will not itself be undergoing a physical change or change in the method of operation.



Region 10, Seattle, Washington 98101

SUBJECT: PSD Applicability

4.27

FROM: Michael M. Johnston, Chief
Air Operations Section

RECEIVED

TO: Mike Trutna, Chief
New Source Review Office

AUG 29 1990

A pulp and paper company is in the process of transferring the mill to a new owner. The new owner is proposing to install a bleaching plant and a larger digester to accommodate market demand for bleached pulp. While the construction of these units do not by itself cause increased emissions, emission from the recovery boiler as a result of this construction activity will increase above the significant levels, but remain below the maximum design permit limits. The company contends that PSD is triggered only if the net emissions increase from the specific modifications alone exceeds the threshold levels, thereby releasing the project from PSD Review.

Region 10 has interpreted the term "net emissions increase" as any significant increase in actual emissions from a physical change or change in the method of operation at a stationary source. In this case, do we look at emissions from the specific modifications themselves or do we look at the overall change in actual emissions from the entire facility? The recovery boiler throughput was limited due to the size of the digester. Although the recovery boiler can accommodate the larger digester, we feel that the physical change and change in method of operation constitutes a modification.

If you have any questions please feel free to contact me or Ray Nye of my staff at (FTS) 399-7154.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

4.27

JUL 28 1983

OFFICE OF
AIR, NOISE AND RADIATION

SUBJECT: PSD Applicability Pulp and Paper Mill

FROM: Director
Stationary Source Compliance Division
Office of Air Quality Planning and Standards

TO: Michael M. Johnston, Chief
Air Operations Section - Region X

Your request dated July 6, 1983, to Mike Trutna concerning a PSD applicability issue has been forwarded to my office for response. Your request concerns a pulp and paper company that is proposing to install a bleaching plant and a larger digester. While the construction of these units does not by itself cause increased emissions, emissions from the recovery boiler as a result of this construction activity will increase above the significance levels, but remain below the maximum design permit levels. Your question, is whether this a major modification under the PSD requirements.

The PSD rules at 40 CFR 52.21(b)(2) define major modifications as "any physical change in or change in the method of operation of a major stationary source that would result in a significant net emissions increase of any pollutant subject to regulation under the Act." Net emissions increase is defined as:

"the amount by which the sum of the following exceeds zero: Any increase in actual emissions from a particular physical change or change in method of operation at a stationary source; and Any other increases and decreases in actual emissions at the source that are contemporaneous with the particular change and are otherwise creditable."

Major modifications are, therefore, determined by examining changes in actual emission levels. Actual emissions are defined as:

"the actual rate of emissions of a pollutant from an emissions unit, as determined in accordance with subparagraph (ii)-(iv) below

- (ii) In general, actual emissions as of a particular date shall equal the average rate, in tons per year, at which the unit actually emitted the pollutant during a two-year period which precedes the particular date and which is representative of normal source operation. The Administrator shall allow the use of a different time period upon a determination that it is more representative of normal source operation. Actual emissions shall be calculated using the units actual operating hours, production rates and types of materials processed, stored, or combusted during the selected time period.
- (iii) The Administrator may presume that source specific allowable emissions for the unit are equivalent to the actual emissions of the unit.
- (iv) For any emissions unit which has not begun normal operations on the particular date, actual emissions shall equal the potential to emit of the unit on that date."

Since this source has been in operation for some time, subparagraph (iv) does not apply. Your memo indicates that the recovery boiler is subject to a permit limit. Ray Nye of your staff has informed my staff that this permit limit binds the recovery boiler to a level of 0.1 gr/dscf, but does not provide any discussion on the unit's operating rate. The recovery boiler has operated in the past at a rate of 450 tons/day, consistent with existing digester capacity. Although the regulations provide a presumption for the use of allowable emissions when source specific limits are established, the preamble at 45 FR 52718 (August 7, 1980) states that:

"The presumption that Federally enforceable source specific requirements correctly reflect actual operating conditions should be rejected by EPA or a State, if reliable evidence is available which shows that actual emissions differ from the level established in the SIP or permit."

-3-

Therefore, since the recovery boiler could not have operated at a level higher than that provided by the existing digester capacity, any increase in actual emissions at the recovery boiler which will result from the increased capacity provided by the larger digester must be considered for the purposes of PSD applicability.

Once it is determined whether there is a significant net emissions increase (summing the emission increases from the larger digester, new bleaching plant and the increased operation of the recovery boiler) in conjunction with any contemporaneous emission increases and decreases, the PSD requirements should be applied, including BACT and air quality analyses. The regulations at 40 CFR 52.21(j)(3) require that:

"A major modification shall apply best available control technology for each pollutant subject to regulation under the Act for which it would result in a significant net emissions increase at the source. This requirement applies to each proposed emissions unit at which a net emissions increase in the pollutant would occur as a result of a physical change or change in the method of operation in the unit."

Since the recovery boiler itself will not be undergoing a physical change or change in the method of operation, it will not have to apply BACT. However, all emissions increases must undergo air quality analysis and will consume applicable air quality increments.

This response has been prepared with the concurrence of OGC and CPDD. Should you have any questions concerning it, please contact Rich Biondi at 382-2831.



Edward E. Reich

cc: Mike Trutna
Peter Wyckoff
Dave Rochlin