

CERTIFIED MAIL P ### ### ###
RETURN RECEIPT REQUESTED

Intent to Issue

Mr. Paul J. Magnell
General Manager
Container Corporation of America
Post Office Box 2000
North Eighth Street
Fernandina Beach, Florida 32034

Dear Mr. Magnell:

Container Corporation of America
Petition for Variance
File No. VE-45-313
Nassau County

On March 19, 1987, the Department received the above referenced Petition for Variance pursuant to Rule 17-2.960(1)(g)1., Florida Administrative Code (FAC), and Section 403.201, Florida Statutes (FS). Container Corporation of America requested a variance to June 1, 1990, at which time final compliance will have to be demonstrated for the existing No. 5 multiple effect evaporator (MEE) system, batch digester system and Kamyr digester system.

The Department has reviewed the Petition for Variance and hereby gives notice of its intent to issue to Container Corporation of America (CCA) a variance based on the following findings:

- 1) Part of CCA's current modernization program and proposed "TRS Conceptual Compliance Plan" is the installation of a new No. 4 lime kiln, replacing the existing Nos. 2 and 3 lime kilns.
- 2) Another part of the proposed "TRS Conceptual Compliance Plan" is the installation of a TRS noncondensable gas (NCG) handling system for capturing and transporting TRS emissions from the existing No. 5 MEE system, batch digester system and Kamyr digester system, to a combustion source. Without a variance, final compliance for these existing sources will

Pe;
Bruce Mitchell
Good Job!!!
[Signature]
5-9-88

have to be demonstrated by May 12, 1989, pursuant to Rule 17-2.960(1)(d), FAC.

- 3) The combustion source selected by CCA to treat/combust the TRS emissions collected by the NCG system is the proposed new No. 4 lime kiln. The proposed new No. 4 lime kiln cannot be constructed and in compliance by May 12, 1989 - the final compliance date for the existing No. 5 MEE system, batch digester system and Kamyr digester system; therefore, the company has requested a variance for the existing No. 5 MEE system, batch digester system and Kamyr digester system, to June 1, 1990, to allow for completion of the construction and start-up of the proposed new No. 4 lime kiln (which is required to be in final compliance by November 12, 1990, pursuant to Rule 17-2.960(1)(d)3.b., FAC).

- 4) Container Corporation of America, therefore, applied to the Department for a variance under Chapter 403.201(1)(b), FS, pursuant to Rule 17-2.960(1)(g)1., FAC. Following a completeness review, supplemental information was requested and received, thus completing the variance application package.

- 5) In order to avoid redundancy and improve cost-effectiveness, CCA does not propose to install and operate a temporary or secondary TRS NCG control system for the existing No. 5 MEE system, batch digester system and Kamyr digester system, because it would be disconnected and dismantled after the proposed new No. 4 lime kiln and TRS NCG system are connected (by June 1, 1990).

- 6) CCA does not want to escalate the final compliance date of the proposed new No. 4 lime kiln to that of the existing sources, already identified for which a variance is sought, because of the time constraints associated with the design, engineering, delivery, construction, and initial compliance testing of the proposed new No. 4 lime kiln (estimated to take two years). Also, CCA wants to spread the total cost of the new No. 4 lime kiln and the TRS NCG system over a multi-year time period instead of a single year.

- 7) Over the last four years, CCA asserts that it has spent over \$100 million on upgrading and modernization, trying to make the mill more efficient and profitable. Besides the \$26 million committed to the proposed new No. 4 lime kiln and TRS NCG system, CCA intends to commit approximately \$2.7 million to upgrade and maintain the present mill in such a way as to minimize the facility's TRS emissions until final compliance is achieved (see Paul J. Magnell's letters dated November 12 and December 11, 1987).

- 8) Nassau County has an estimated population of 41,000. CCA employs greater than 4% of the employed labor force. In 1986, CCA paid over \$2.8 million in property taxes, which is over 22% of the total property taxes collected by the County. CCA's wages are part of the reason that Nassau County is one of the top 4 counties in the State in per capita income.

- 9) The construction of the proposed new No. 4 lime kiln will result in the retirement of two existing lime kilns (Nos. 2 and 3). The proposed new No. 4 lime kiln will be subject to

the emission limiting standards of the federal New Source Performance Standards (NSPS), 40 CFR 60, Subpart BB, adopted by reference in Rule 17-2.660, FAC. Consequently, the proposed new No. 4 lime kiln, as opposed to the two existing lime kilns, will be a more efficient and reliable combustion source for handling the facility's TRS emissions. Also, the particulate matter emissions limiting standard(s) for the proposed new No. 4 lime kiln will be more stringent than the current standard(s) for the existing Nos. 2 and 3 lime kilns.

- 10) The control system for the proposed new No. 4 lime kiln is an electrostatic precipitator, which is an excellent control device for particulate matter. By eliminating the existing wet scrubber systems on the existing lime kilns, which use contaminated condensate for their scrubbing medium, an additional reduction in TRS emissions will be effected (past test results show a large range of TRS emissions from both systems). Therefore, eliminating two existing air pollution sources for a tightly regulated, more efficient source is more desirable from an environmental and regulatory perspective.

- 11) Pursuant to Rule 17-2.960(1)(e), FAC, a mill is allowed up to two years extension under a variance. CCA requested from May 12, 1989 to June 1, 1990, under the Petition for Variance, for additional time to demonstrate final compliance for the existing No. 5 MEE system, batch digester system and Kamyrdigester system. Approval of the Petition for Variance will result in requiring final compliance of these sources to be demonstrated by June 1, 1990.

The Department hereby gives notice of its intent to issue a variance (VE-45-313) to Container Corporation of America for the No. 5 MEE system, batch digester system and Kamyrdigester system, subject to the following conditions:

- 1) The existing No. 5 MEE system, batch digester system and Kamyrdigester system, shall be in final compliance with Rule 17-2, FAC, by June 1, 1990.
- 2) By November 12, 1990, an initial compliance test in accordance with 40 CFR 60.8, Subpart A, shall be performed on the proposed new No. 4 lime kiln with the TRS NCG system connected to it and with all of the TRS NCG emission sources, which is to include the No. 6 MEE system, in operation (90-100% of permitted capacities).
- 3) A construction permit application with the appropriate fee shall be submitted by CCA to the Department by May 12, 1988, for the proposed new No. 4 lime kiln pursuant to Rule 17-2.960(1)(d)3.b., FAC.
- 4) CCA shall upgrade, where cost effective and practical, and maintain the present facility in such a manner as to minimize interim TRS emissions. Pursuant to Rule 17-2.600(4)(c)1.c., FAC, a maintenance and malfunction contingency plan shall be submitted to the Department's Northeast District office and the Bureau of Air Quality Management office within ninety days after the effective date of this variance, outlining the interim maintenance

program for minimizing TRS emissions that will be in effect prior to achieving final compliance.

- 5) After compliance has been demonstrated on the proposed new No. 4 lime kiln, CCA shall shut down the existing Nos. 2 and 3 lime kilns and surrender any active Departmental permits for these sources to the Department, but no later than November 12, 1990.
- 6) The TRS emissions from the No. 6 MEE system shall be diverted to the TRS NCG system by June 1, 1990.
- 7) CCA agreed to expend approximately \$2.7 million to minimize TRS emissions from the present facility during the interim period and prior to demonstrating final compliance on the sources for which this variance is sought, unless a greater amount is required to maintain the present facility and minimize TRS emissions during this period (see Paul J. Magnell's letters dated November 12 and December 11, 1987). Documentation shall be required in the form of a Quarterly Report and the first report shall be due March 1, 1988.
- 8) The Quarterly Report shall be submitted to the Department's Northeast District office describing the status of the facility's progress in complying with the terms of this variance. The report shall also describe any equipment upgrades and interim maintenance procedures implemented, and their associated costs, to minimize TRS emissions from the present facility.

- 9) The Department shall be notified in writing prior to any deviation(s) from the terms contained in this variance.

- 10) This variance is null and void if CCA alters its strategy to comply with the TRS Rule(s) contained in Rule 17-2, FAC, by using an existing source to treat/combust the facility's TRS emissions instead of the proposed new No. 4 lime kiln. Consequently, the mill's existing sources, for which this variance is sought and subject to the TRS Rule, will have to be in final compliance in accordance with Rule 17-2.960, FAC, if the proposed new No. 4 lime kiln is not constructed to treat/combust the facility's TRS emissions as reflected by their application for this variance.

- 11) The following attachments are incorporated:
 1. Mr. Paul J. Magnell's letter dated January 30, 1987, and received February 12, 1987.
 2. Mr. C.H. Fancy's letter dated March 12, 1987.
 3. Mr. Paul J. Magnell's letter dated March 19, 1987, and received March 25, 1987.
 4. Mr. Steve Smallwood's letter dated July 21, 1987.
 5. Mr. Paul J. Magnell's letter dated August 19, 1987, and received August 25, 1987.
 6. Mr. Paul J. Magnell's letter dated October 13, 1987, and received October 21, 1987.
 7. Mr. Paul J. Magnell's letter dated November 12, 1987, and received November 16, 1987.
 8. Mr. Paul J. Magnell's letter dated December 11, 1987, and received December 11, 1987 (hand delivered).

Any administrative relief approved by the Department must also be approved by the Regional Administrator of Region IV, United States Environmental Protection Agency (EPA). The Department will coordinate with the Atlanta office of the EPA in this regard to the maximum extent possible.

Pursuant to Rules 17-103.100 and 17-103.150, FAC, the petitioner shall publish at his expense one time only the attached legal notice in a newspaper of general circulation in the area affected by the proposed project. Proof of publication shall be in the form of an affidavit of publication submitted to the Office of the Director of the Division of Environmental Permitting, Department of Environmental Regulation. The Department will place the public notice in the Florida Administrative Weekly.

This Intent to Issue shall be placed before the Secretary for final action, unless an appropriate petition for a hearing pursuant to the provision of Section 120.57, FS, is filed within fourteen (14) days of publication of the public notice (copy attached) required pursuant to Rule 17-103.150, FAC. Should anyone wish to dispute a material fact or object to a condition of this proposed intent, a petition for a formal hearing shall be filed in accordance with the provisions of Section 120.57(1), FS. The petition must comply with the requirements of Rules 17-103.155 and 28-5.201, FAC (copies attached), and be filed pursuant to Rule 17-103.155(1), FAC, in the Office of General Counsel of the Department of Environmental Regulation at 2600 Blair Stone Road, Tallahassee, Florida 32399-2400. Failure to file a petition within fourteen (14) days constitutes a waiver of any right such person has to an administrative determination (hearing) pursuant to Section 120.57, FS.

In the event a formal hearing is conducted pursuant to Section 120.57(1), FS, all parties shall have an opportunity to respond, to present evidence and argument on all issues involved, to conduct cross-examination of witnesses and submit rebuttal evidence, to submit proposed findings of facts and orders, to file exceptions to any order of the hearing officer's recommended order, and to be represented by counsel. If an informal hearing is requested, pursuant to Section 120.57(2), FS, the agency, in accordance with its rules of procedure, will provide affected persons or parties or their counsel an opportunity at a convenient time and place, to present to the agency or hearing officer, written or oral evidence in opposition to the agency's action or refusal to act, or a written statement challenging the grounds upon which the agency has chosen to justify its action or inaction.

The administrative hearing process is designed to formulate agency action. Accordingly, if a petition is filed, the Department's final action may be different from the proposed agency action. Therefore, persons who may not wish to file a petition, may wish to intervene in the proceeding. A petition for intervention must be filed pursuant to Model Rule 28-5.207, FAC, at least five (5) days before the final hearing and be filed with the hearing officer if one has been assigned at the Division of Administrative Hearings, 2009 Apalachee Parkway, Tallahassee, Florida 32301. If no hearing officer has been assigned, the petition is to be filed with the Department's Office of General Counsel, 2600 Blair Stone Road, Tallahassee, Florida 32399-2400. Failure to petition to intervene within the allowed time frame constitutes a waiver of any right such person has to request a hearing under Section 120.57, FS.

If the Department does not receive a petition for hearing within the time allowed by this letter and does receive proof of public notice from the petitioner, a final order will be issued.

STATE OF FLORIDA DEPARTMENT
OF ENVIRONMENTAL REGULATION

<u>Dale Twachtmann</u>	<u>Date</u>
Secretary 2600 Blair Stone Road Twin Towers Office Building Tallahassee, Florida 32399-2400	

Copies furnished to:

- S. Smallwood, DER
- H. Rhodes, DER
- R. Armstrong, DER
- E. Frey, DER
- C. Fancy, DER
- J. Brown, DER
- M. Zilberberg, Esq., DER
- B. Pittman, Esq., DER
- B. Miller, EPA
- M. Flores, NPS
- B. Williams, JSC
- R. Hagan, CCA

ATTACHMENT 1



AN AFFILIATE OF
JEFFERSON SMURFIT CORPORATION



Container
Corporation
of America

Paper Mill Division

P. O. Box 2000
North Eighth Street
Fernandina Beach, Florida 32034

Phone: 904 261-5551

DER

January 30, 1987 FEB 12 1987

BAQM

Mr. Clair Fancy
Florida Department of Environmental Regulation
2600 Blairstone Road
Tallahassee, FL 32301-8241

Dear Mr. Fancy:

Attached is the TRS compliance plan required by FAC 17-2.960 for Container Corporation of America, Fernandina Beach. The information required by the TRS rule is included in the plan.

We would like to draw your attention in particular to the plan and schedule of compliance dates for the No. 5 MEE, batch digesters, and Kamyrd digester. The compliance plans for these three sources all include collection of the non-condensable gasses and incineration in a new, No. 4 lime kiln. This kiln will be constructed as a replacement for the existing Nos. 2 and 3 kilns, in order to bring these sources into compliance.

We are requesting by this letter and compliance plan that the dates for final compliance of the No. 5 MEE; batch digesters, and Kamyrd digester be extended as shown in the plan schedule to accommodate the completion of the replacement kiln.


The TRS rule recognizes that the scope and expense of such a replacement of existing kilns will require more time to attain final compliance than other, less-comprehensive, measures might. We feel that economic and engineering factors dictate that the kiln replacement will require nearly all the time allotted for such a project in the rule. However, the final compliance of the three sources from which the gasses will be collected and incinerated in the new kiln is directly dependent upon the completion of the kiln project. Therefore, the compliance schedule for those three sources must be similarly dependent on the compliance schedule of the replacement kiln. In constructing the schedule, we have determined that the new kiln could be brought on-line and into compliance six months prior to the date in the rule for final compliance. We intend to bring that source, along with the kiln-dependent sources into compliance in that time frame. Sources which are not directly dependent on the new kiln for incineration are scheduled to be in compliance on or before the dates stated in the rule.

Mr. Clair Fancy
January 30, 1987
Page 2.

The dates shown in the compliance schedule are intended as the best dates, as determined by the present available information, at which the sources could be brought into compliance with the rule. All the projects will be completed as expeditiously as is feasible; however, variable factors including equipment delivery, engineering availability, construction details including weather and labor factors, and economic conditions will affect the actual construction completion dates and the ultimate compliance schedule for every source.

Please contact Roger Hagan at (904) 261-5551 if there are any questions or comments on this compliance plan and schedule.

Sincerely,



Paul J. Magnell
General Manager

PJM/ma

cc: E. E. Frey - DER, Jacksonville

CONTAINER CORPORATION OF AMERICA
FERNANDINA BEACH MILL

TOTAL REDUCED SULFUR (TRS) COMPLIANCE PLAN

INTRODUCTION

The Fernandina Beach kraft pulp mill of Container Corporation of America has several sources of air emissions which are regulated under FAC 17-2.600(4), Specific Source Emission Limiting Standards. Under FAC 17-2.960, Compliance Schedules for Specific Source Emission Limiting Standards, CCA is required to submit a plan and schedule for achieving final compliance with the TRS standards by February 12, 1987. The plan must include a listing of regulated sources, estimated cost and type of equipment to be installed, and a compliance schedule consisting of dates for the following:

1. Submittal of construction permit applications
2. Submittal of certification of equipment orders.
3. Certification of initial construction.
4. Certification of completion of construction.
5. Certification of final compliance.

In addition, the interim operating permits for the affected sources specify that dates will also be included for submittal of a list of parameters to be monitored to demonstrate compliance with the emissions standards, and for submittal of a contingency plan for each affected source. The following sections will include the required information.

LISTING OF SOURCES

The following sources are regulated under FAC 17-2.600(4):

<u>Source</u>	<u>Description</u>
No. 5 MEE	Consisting of 5 evaporator effects and 3 concentrator units, the system currently vents from the concentrator area and the evaporator hot well.
No. 4 MEE	Consisting of 5 evaporator effects, this system currently vents to a hot well.
Kamyr Digester	This continuous digester system includes a digester vessel, turpentine recovery system, steaming vessel, 2 liquor flash tanks, and a surge tank (blow tank).
Batch Digesters	This system consists of 7 digester vessels, 2 turpentine recovery systems, and 2 blow tanks.
No. 2 Lime Kiln	This system has an operating scrubber which is the only source of TRS emissions.
No. 3 Lime Kiln	Similar to No. 2 kiln.

*Scrubber is control device
not source*

- No. 4 Recovery Boiler This is a new-design, low-odor Babcock & Wilcox type recovery boiler with dry bottom ESP.
- No. 4 SDT This is a smelt dissolving tank currently operating with a demister pad unit for particulate control.
- Tall Oil Plant This system consists of an acidulator, settling tank, lignin tank, 2 soap tanks, and 2 oil storage tanks, a caustic tank, and salt cake solution tank.

COST AND TYPE OF EQUIPMENT

The following is a listing of the proposed means of bringing the affected sources into compliance, with estimated cost and type of equipment to be installed for each source. This is not intended to be a complete equipment list but a summary of major equipment installations.

<u>Source</u>	<u>Equipment/Work</u>	<u>Estimated Cost (\$000)</u>
No. 5 MEE	A new hot well and vacuum system will be installed and existing vent lines will be enlarged. A gas transportation system will be installed to collect the non-condensable gases and transport them to the No. 4 lime kiln for incineration.	650
No. 4 MEE	This unit will be shut down permanently.	-0-
Kamyr Digester	The liquor flash tank system will be replaced with a new system, and the turpentine recovery system will be replaced. Non-condensable gases will be collected from the surge tank (blow tank), steaming vessel, flash tanks and turpentine system. A gas transportation system will be installed to move the gases to the No. 4 lime kiln for incineration.	2970
Batch Digesters	The turpentine condensing systems will be replaced and a blow heat recovery system will be installed on the existing blow tanks. The non-condensable gases from both the turpentine and blow heat recovery systems will be collected and transported to the No. 4 kiln for incineration.	3660

No. 2 Lime Kiln	This source will be shut down and replaced by a new No. 4 kiln. This will be an NSPS source.	: : : :	16370
No. 3 Lime Kiln	This source will be shut down and replaced by a new No. 4 kiln. This will be an NSPS source.	: : :	
No. 4 Recovery Boiler	No modifications are planned for this source. A TRS continuous monitor has been installed.		75
No. 4 SDT	The existing demister unit will be replaced with a scrubber.		350
Tall Oil Plant	A caustic scrubber will be installed on the vents from the acidulator, lignin tank, and salt cake solution tank.		250

SCHEDULE

The proposed schedule of key dates for bringing the affected sources into compliance is shown below.

<u>Source</u>	<u>Cons- truction Permit</u>	<u>Equip- ment Orders</u>	<u>Initial Constr.</u>	<u>Com- pletion Constr.</u>	<u>Final Com- pliance</u>
No. 5 MEE	11/12/87	2/1/89	4/1/89	2/1/90	6/1/90
No. 4 MEE	N/A	N/A	N/A	N/A	11/12/87
Kamyr Digester	11/12/87	2/1/89	4/1/89	2/1/90	6/1/90
Batch Digesters	11/12/87	1/1/89	4/1/89	2/1/90	6/1/90
No. 2 Lime Kiln*	5/12/88	11/1/88	3/1/89	2/1/90	5/1/90
No. 3 Lime Kiln*	5/12/88	11/1/88	3/1/89	2/1/90	5/1/90
No. 4 Rec. Blr.	N/A	N/A	N/A	N/A	5/1/87
No. 4 SDT	11/12/87	7/1/88	10/1/88	4/1/89	5/12/89
Tall Oil Plant	11/12/87	7/1/88	10/1/88	4/1/89	5/12/89

*Refers to dates concerning construction of new No. 4 kiln.

Finally, the information relating to the parameters to be monitored to ensure compliance, along with the contingency plan for each source, should be available following submittal of the construction permits. This information will be submitted by 2/1/88.

ATTACHMENT 2

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL REGULATION

TWIN TOWERS OFFICE BUILDING
2600 BLAIR STONE ROAD
TALLAHASSEE, FLORIDA 32399-2400



BOB MARTINEZ
GOVERNOR
DALE TWACHTMANN
SECRETARY

March 12, 1987

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. Paul J. Magnell
General Manager
Container Corporation of America
North Eighth Street
P. O. Box 2000
Fernandina Beach, Florida 32034

Dear Mr. Magnell:

Re: TRS Conceptual Compliance Plan Review

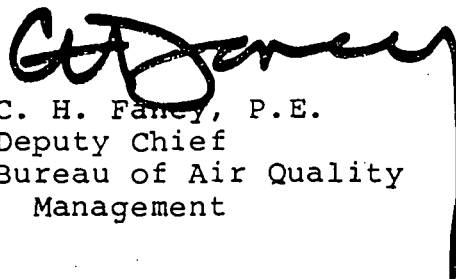
The department is in receipt of the above referenced plan dated January 30, 1987, and received February 12, 1987. Based on a review of the proposal, the following comments are offered:

- 1) The proposed plan is unacceptable due to the fact that the MEE#5, the batch digesters and the Kamyr digester will not timely achieve final compliance pursuant to Florida Administrative Code (FAC) Rule 17-2.960.
- 2) For the sources listed in #1 above, the company should pursue an extension of time so that final compliance will coincide with the date of final compliance for the proposed new No. 4 Lime Kiln. The mechanism for obtaining an extension of the final compliance dates is provided in FAC Rule 17-2.960(1)(g)1., which would require you to apply for variances from the department in accordance with Chapter 403.201, Florida Statutes (a copy of which is enclosed).
- 3) Except for those parts of the proposed plan pertaining to the sources identified in #1 above, the remainder of the proposed plan is acceptable.

Mr. Paul J. Magnell
Page Two
March 12, 1987

If there are any questions, please contact Julia Cobb Costas,
with the Office of General Counsel at (904)488-9730, Bruce Mitchell,
with the Bureau of Air Quality Management at (904)488-1344, or
Johnny Cole, with the NE District office at (904)396-6959.

Sincerely,

A handwritten signature in black ink, appearing to read "C. H. Fancy", with a long vertical line extending downwards from the end of the signature.

C. H. Fancy, P.E.
Deputy Chief
Bureau of Air Quality
Management

CHF/BM/s

cc: E. Frey
B. Thomas
J. Brown
J. Costas, Esquire

ATTACHMENT 3



Paper Mill Division

P. O. Box 2000
North Eighth Street
Fernandina Beach, Florida 32034

Phone: 904 261-5551

March 19, 1987

DER

MAR 25 1987

BAQM

Mr. Steve Smallwood
Manager, Bureau of Air Quality
Florida Department of Environmental Regulation
2600 Blair Stone Road
Tallahassee, FL 32399-2400

Dear Mr. Smallwood:

This letter is for the purpose of requesting variances for three sources affected by FAC 17-2.600(4)(c) Total Reduced Sulfur, in regard to the compliance schedule for these sources as provided in FAC 17-2.960(1)(d).

The sources are listed below along with their respective Operating Permit numbers:

Number 5 multiple effect evaporator (MEE) - A045-115844
Batch digester system - A045-115842
Kamyr digester system - A045-115840.

The above-named sources are affected by FAC 17-2.960(1)(d)1.b. to the extent that final compliance is required no later than thirty-six months after May 12, 1986, or by May 12, 1989. The variance hereby requested is to extend the date for final compliance of these sources to June 1, 1990.


The reason for this request is outlined in the attached letter and TRS Compliance Plan, previously submitted to Mr. Clair Fancy of your Department. As shown by these documents, attainment of final TRS compliance by May 12, 1989 is not feasible in that our plan is to control the emissions from these sources by incineration in a new No. 4 lime kiln. This kiln will replace the existing Nos. 2 and 3 kilns for the purpose of bringing those sources into compliance. However, as recognized in FAC 17-2.960(1)(d)3.b., replacement of a lime kiln is a significantly more involved process than other aspects of TRS control, and the final compliance date for this new source is not later than 54 months after May 12, 1986, or by November 12, 1990. As explained in the attached letter, we have determined that the lime kiln could be brought on line and

Mr. Steve Smallwood
March 19, 1987
Page 2.

into compliance (with NSPS requirements) by May 1, 1990 at which time the Nos. 2 and 3 kilns would be shut down. The three sources being controlled by this new kiln could then be certified in compliance by June 1, 1990.

We appreciate your consideration of this request for a variance for these three sources. If you or your department have any questions regarding this request, please contact Roger Hagan, Technical Director, at (904) 261-5551.

Sincerely,

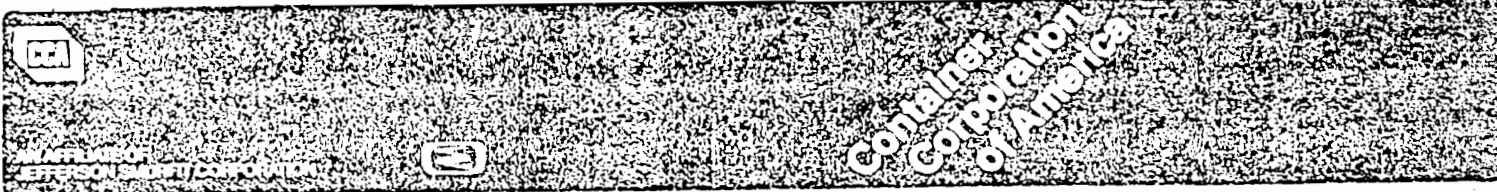


Paul J. Magne
General Manager

PJM/ma

Attachments

cc: E. E. Frey - FDER Northeast Regional Manager



Paper Mill Division

P. O. Box 2000
North Eighth Street
Fernandina Beach, Florida 32034

Phone 904/261-6551

January 30, 1987

Mr. Clair Fancy
Florida Department of Environmental Regulation
2600 Blairstone Road
Tallahassee, FL 32301-8241

Dear Mr. Fancy:

Attached is the TRS compliance plan required by FAC 17-2.960 for Container Corporation of America, Fernandina Beach. The information required by the TRS rule is included in the plan.

We would like to draw your attention in particular to the plan and schedule of compliance dates for the No. 5 MEE, batch digesters, and Kamyrd digester. The compliance plans for these three sources all include collection of the non-condensable gasses and incineration in a new, No. 4 lime kiln. This kiln will be constructed as a replacement for the existing Nos. 2 and 3 kilns, in order to bring these sources into compliance.

We are requesting by this letter and compliance plan that the dates for final compliance of the No. 5 MEE, batch digesters, and Kamyrd digester be extended as shown in the plan schedule to accommodate the completion of the replacement kiln.

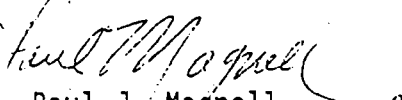
The TRS rule recognizes that the scope and expense of such a replacement of existing kilns will require more time to attain final compliance than other, less-comprehensive, measures might. We feel that economic and engineering factors dictate that the kiln replacement will require nearly all the time allotted for such a project in the rule. However, the final compliance of the three sources from which the gasses will be collected and incinerated in the new kiln is directly dependent upon the completion of the kiln project. Therefore, the compliance schedule for those three sources must be similarly dependent on the compliance schedule of the replacement kiln. In constructing the schedule, we have determined that the new kiln could be brought on-line and into compliance six months prior to the date in the rule for final compliance. We intend to bring that source, along with the kiln-dependent sources into compliance in that time frame. Sources which are not directly dependent on the new kiln for incineration are scheduled to be in compliance on or before the dates stated in the rule.

Mr. Clair Fancy
January 30, 1987
Page 2.

The dates shown in the compliance schedule are intended as the best dates, as determined by the present available information, at which the sources could be brought into compliance with the rule. All the projects will be completed as expeditiously as is feasible; however, variable factors including equipment delivery, engineering availability, construction details including weather and labor factors, and economic conditions will affect the actual construction completion dates and the ultimate compliance schedule for every source.

Please contact Roger Hagan at (904) 261-5551 if there are any questions or comments on this compliance plan and schedule.

Sincerely,


Paul J. Magnell
General Manager

PJM/ma

cc: E. E. Frey - DER, Jacksonville

CONTAINER CORPORATION OF AMERICA
FERNANDINA BEACH MILL

TOTAL REDUCED SULFUR (TRS) COMPLIANCE PLAN

INTRODUCTION

The Fernandina Beach kraft pulp mill of Container Corporation of America has several sources of air emissions which are regulated under FAC 17-2.600(4), Specific Source Emission Limiting Standards. Under FAC 17-2.960, Compliance Schedules for Specific Source Emission Limiting Standards, CCA is required to submit a plan and schedule for achieving final compliance with the TRS standards by February 12, 1987. The plan must include a listing of regulated sources, estimated cost and type of equipment to be installed, and a compliance schedule consisting of dates for the following:

1. Submittal of construction permit applications
2. Submittal of certification of equipment orders.
3. Certification of initial construction.
4. Certification of completion of construction.
5. Certification of final compliance.

In addition, the interim operating permits for the affected sources specify that dates will also be included for submittal of a list of parameters to be monitored to demonstrate compliance with the emissions standards, and for submittal of a contingency plan for each affected source. The following sections will include the required information.

LISTING OF SOURCES

The following sources are regulated under FAC 17-2.600(4):

<u>Source</u>	<u>Description</u>
No. 5 MEE	Consisting of 5 evaporator effects and 3 concentrator units, the system currently vents from the concentrator area and the evaporator hot well.
No. 4 MEE	Consisting of 5 evaporator effects, this system currently vents to a hot well.
Kamyr Digester	This continuous digester system includes a digester vessel, turpentine recovery system, steaming vessel, 2 liquor flash tanks, and a surge tank (blow tank).
Batch Digesters	This system consists of 7 digester vessels, 2 turpentine recovery systems, and 2 blow tanks.
No. 2 Lime Kiln	This system has an operating scrubber which is the only source of TRS emissions.
No. 3 Lime Kiln	Similar to No. 2 kiln.

- No. 4 Recovery Boiler This is a new-design, low-odor Babcock & Wilcox type recovery boiler with dry bottom ESP.
- No. 4 SDT This is a smelt dissolving tank currently operating with a demister pad unit for particulate control.
- Tall Oil Plant This system consists of an acidulator, settling tank, lignin tank, 2 soap tanks, and 2 oil storage tanks, a caustic tank, and salt cake solution tank.

COST AND TYPE OF EQUIPMENT

The following is a listing of the proposed means of bringing the affected sources into compliance, with estimated cost and type of equipment to be installed for each source. This is not intended to be a complete equipment list but a summary of major equipment installations.

<u>Source</u>	<u>Equipment⁺/Work</u>	<u>Estimated Cost (\$000)</u>
No. 5 MEE	A new hot well and vacuum system will be installed and existing vent lines will be enlarged. A gas transportation system will be installed to collect the non-condensable gases and transport them to the No. 4 lime kiln for incineration.	650
No. 4 MEE	This unit will be shut down permanently.	-0-
Kamyr Digester	The liquor flash tank system will be replaced with a new system, and the turpentine recovery system will be replaced. Non-condensable gases will be collected from the surge tank (blow tank), steaming vessel, flash tanks and turpentine system. A gas transportation system will be installed to move the gases to the No. 4 lime kiln for incineration.	2970
Batch Digesters	The turpentine condensing systems will be replaced and a blow heat recovery system will be installed on the existing blow tanks. The non-condensable gases from both the turpentine and blow heat recovery systems will be collected and transported to the No. 4 kiln for incineration.	3660

No. 2 Lime Kiln	This source will be shut down and replaced by a new No. 4 kiln. This will be an NSPS source.	: : : :	16370
No. 3 Lime Kiln	This source will be shut down and replaced by a new No. 4 kiln. This will be an NSPS source.	: : : :	
No. 4 Recovery Boiler	No modifications are planned for this source. A TRS continuous monitor has been installed.		75
No. 4 SDT	The existing demister unit will be replaced with a scrubber.		350
Tall Oil Plant	A caustic scrubber will be installed on the vents from the acidulator, lignin tank, and salt cake solution tank.		250

SCHEDULE

The proposed schedule of key dates for bringing the affected sources into compliance is shown below.

<u>Source</u>	<u>Cons- truction Permit</u>	<u>Equip- ment Orders</u>	<u>Initial Constr.</u>	<u>Com- pletion Constr.</u>	<u>Final Com- pliance</u>
No. 5 MEE	11/12/87	2/1/89	4/1/89	2/1/90	6/1/90
No. 4 MEE	N/A	N/A	N/A	N/A	11/12/87
Kamyr Digester	11/12/87	2/1/89	4/1/89	2/1/90	6/1/90
Batch Digesters	11/12/87	1/1/89	4/1/89	2/1/90	6/1/90
No. 2 Lime Kiln*	5/12/88	11/1/88	3/1/89	2/1/90	5/1/90
No. 3 Lime Kiln*	5/12/88	11/1/88	3/1/89	2/1/90	5/1/90
No. 4 Rec. Blr.	N/A	N/A	N/A	N/A	5/1/87
No. 4 SDT	11/12/87	7/1/88	10/1/88	4/1/89	5/12/89
Tall Oil Plant	11/12/87	7/1/88	10/1/88	4/1/89	5/12/89

*Refers to dates concerning construction of new No. 4 kiln.

*

Finally, the information relating to the parameters to be monitored to ensure compliance, along with the contingency plan for each source, should be available following submittal of the construction permits. This information will be submitted by 2/1/88.

TO: Walt Starves

DATE DUE: _____

FROM: Clair Fancy

DATE COMPLETED: _____

DATE: 4/9

SUBJ: CCA Request for variance for TRS

Please accomplish the following job assignment by the date due.

please start processing. bruce is CAPs contact

cc: Steve Smallwood

DEPARTMENT OF ENVIRONMENTAL REGULATION

ROUTING AND TRANSMITTAL SLIP

ACTION NO

ACTION DUE DATE

1. TO: (NAME, OFFICE, LOCATION)

RA 4-13-87

Initial

Bruce Mitchell X

Date

2.

Allen ...

Initial

Date

3.

Clair

Initial

Date

4.

Bill

Initial

Date

REMARKS:

I've sent attached orig to Margaret E. - she will write memo requesting comments -

Variance Request -

INFORMATION

Review & Return

Review & File

Initial & Forward

Back to me: Bruce

DISPOSITION

Review & Respond

Prepare Response

For My Signature

For Your Signature

Let's Discuss

Set Up Meeting

Investigate & Report

Initial & Forward

Distribute

Concurrence

For Processing

Initial & Return

FROM:

Walt

DATE

Apr 13 87

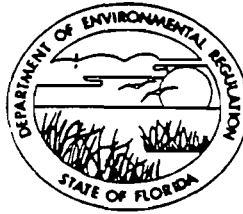
PHONE

ATTACHMENT 4

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL REGULATION

*Rec'd via Terry Col
on 8-21-87
RPM*

TWIN TOWERS OFFICE BUILDING
2600 BLAIR STONE ROAD
TALLAHASSEE, FLORIDA 32399-2400



BOB MARTINEZ
GOVERNOR
DALE TWACHTMANN
SECRETARY

July 21, 1987

*See: Bob Williams
Roy Cobb*

Mr. Paul J. Magnell
General Manager
Container Corporation of America
Post Office Box 2000
Fernandina Beach, Florida 32034

Dear Mr. Magnell:

The Bureau of Air Quality Management has reviewed your request for a TRS variance for the number 5 multiple effect evaporator, the batch digester system and the Kamyrdigester system.

The statutory and rule requirements for obtaining a variance require that the Department obtain additional information.

All of the items of information listed in Rule 17-103.100, Petitions or Applications for Variances, must be addressed (See attached). Items (f) and (g) are incomplete in that they were not addressed in your application. In addition to addressing items (f) and (g), other questions need to be answered to provide additional information needed to evaluate the merits of your request, and to adequately answer any inquiries by third parties.

Please provide the following information and/or answer the following questions:

- (1) The social, economic and environmental impact on the applicant, residents of the area and the State if the variance is granted.
- (2) The social, economic and environmental impacts on the applicant, residents of the area and the State if the variance is denied.
- (3) The specific sub-paragraph (a), (b), or (c) of 403.201, Florida Statutes, under which your variance is requested and justification for requesting a variance under that sub-paragraph.

RECEIVED

JUL 24 1987

Mr. Paul J. Magnell
July 21, 1987
Page Two

- (4) Documentation to indicate why the lime kiln cannot be completed in time to meet the required TRS compliance date of May 12, 1989.
- (5) As part of the description of the environmental impact on the residents of the area describe what reasonable mitigating measures, if any, can be taken to minimize emissions between May 12, 1989 and June 1, 1990 if the variance is granted, and the costs of such measures.
- (6) Where will the new lime kiln be located in relationship to the existing kilns?

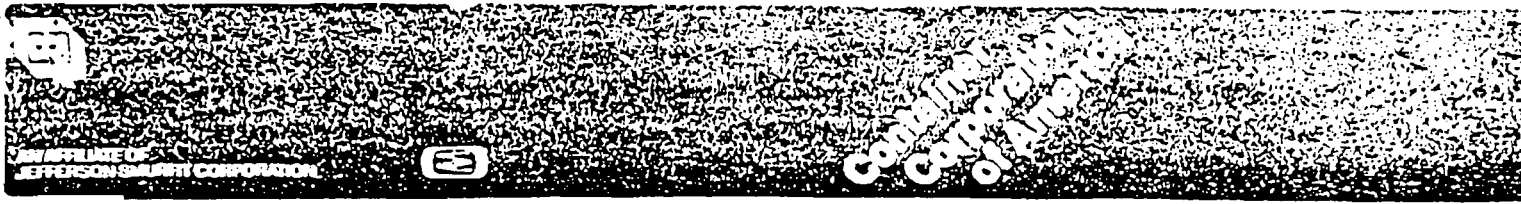
Upon receipt of the above information the Bureau will promptly review the complete application and make a recommendation to the Secretary. Please contact Walter Starnes or me at (904) 488-1344 if you have any questions.

Sincerely,

for John Brown
Steve Smallwood, P.E.
Chief
Bureau of Air Quality
Management

SS:jw

cc: Margaret Elligett
Walter Starnes



Paper Mill Division

P. O. Box 2000
North Eighth Street
Fernandina Beach, Florida 32034

Phone: 904 261-5551

R. Nagan

March 19, 1987

Mr. Steve Smallwood
Manager, Bureau of Air Quality
Florida Department of Environmental Regulation
2600 Blair Stone Road
Tallahassee, FL 32399-2400

Dear Mr. Smallwood:

This letter is for the purpose of requesting variances for three sources affected by FAC 17-2.600(4)(c) Total Reduced Sulfur, in regard to the compliance schedule for these sources as provided in FAC 17-2.960(1)(d).

The sources are listed below along with their respective Operating Permit numbers:

- Number 5 multiple effect evaporator (MEE) - A045-115844
- Batch digester system - A045-115842
- Kamyr digester system - A045-115840.

The above-named sources are affected by FAC 17-2.960(1)(d)1.b. to the extent that final compliance is required no later than thirty-six months after May 12, 1986, or by May 12, 1989. The variance hereby requested is to extend the date for final compliance of these sources to June 1, 1990.

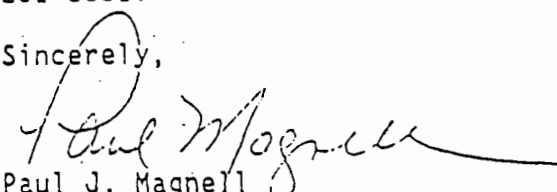
The reason for this request is outlined in the attached letter and TRS Compliance Plan, previously submitted to Mr. Clair Fancy of your Department. As shown by these documents, attainment of final TRS compliance by May 12, 1989 is not feasible in that our plan is to control the emissions from these sources by incineration in a new No. 4 lime kiln. This kiln will replace the existing Nos. 2 and 3 kilns for the purpose of bringing these sources into compliance. However, as recognized in FAC 17-2.960(1)(d)3.b., replacement of a lime kiln is a significantly more involved process than other aspects of TRS control, and the final compliance date for this new source is not later than 54 months after May 12, 1986, or by November 12, 1990. As explained in the attached letter, we have determined that the lime kiln could be brought on line and

Mr. Steve Smallwood
March 19, 1987
Page 2.

into compliance (with NSPS requirements) by May 1, 1990 at which time the Nos. 2 and 3 kilns would be shut down. The three sources being controlled by this new kiln could then be certified in compliance by June 1, 1990.

We appreciate your consideration of this request for a variance for these three sources. If you or your department have any questions regarding this request, please contact Roger Hagan, Technical Director, at (904) 261-5551.

Sincerely,



Paul J. Magne
General Manager

PJM/ma

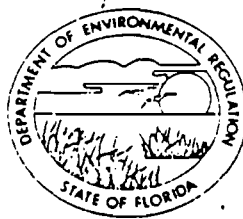
Attachments

cc: E. E. Frey - FDER Northeast Regional Manager

bcc: R. D. Quina - JAX GENERAL
B. Williams "
R. C. Cobb - CHICAGO
E. Burr - JAX GENERAL

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL REGULATION

TWIN TOWERS OFFICE BUILDING
2600 BLAIR STONE ROAD
TALLAHASSEE, FLORIDA 32399-2400



BOB MARTINEZ
GOVERNOR

DALE TWACHTMANN
SECRETARY

March 12, 1987

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. Paul J. Magnell
General Manager
Container Corporation of America
North Eighth Street
P. O. Box 2000
Fernandina Beach, Florida 32034

cc: M. Quina - Jax
R. Cobb - Alton
R. Hagan

From P. Magnell
3/13/87

Dear Mr. Magnell:

Re: TRS Conceptual Compliance Plan Review

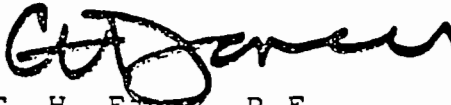
The department is in receipt of the above referenced plan dated January 30, 1987, and received February 12, 1987. Based on a review of the proposal, the following comments are offered:

- 1) The proposed plan is unacceptable due to the fact that the MEE#5, the batch digesters and the Kamyr digester will not timely achieve final compliance pursuant to Florida Administrative Code (FAC) Rule 17-2.960.
- 2) For the sources listed in #1 above, the company should pursue an extension of time so that final compliance will coincide with the date of final compliance for the proposed new No. 4 Lime Kiln. The mechanism for obtaining an extension of the final compliance dates is provided in FAC Rule 17-2.960(1)(g)1., which would require you to apply for variances from the department in accordance with Chapter 403.201, Florida Statutes (a copy of which is enclosed).
- 3) Except for those parts of the proposed plan pertaining to the sources identified in #1 above, the remainder of the proposed plan is acceptable.

Mr. Paul J. Magnell
Page Two
March 12, 1987

If there are any questions, please contact Julia Cobb Costas,
with the Office of General Counsel at (904)488-9730, Bruce Mitchell,
with the Bureau of Air Quality Management at (904)488-1344, or
Johnny Cole, with the NE District office at (904)396-6959.

Sincerely,



C. H. Fancy, P.E.
Deputy Chief
Bureau of Air Quality
Management

CHF/BM/s

cc: E. Frey
B. Thomas
J. Brown
J. Costas, Esquire

trol measures generally equivalent to those installed and used by other similar industrial plants pursuant to the requirements of the department. ;

History.—s. 20, ch. 67-436, ss. 26, 35, ch. 69-106

403.201 Variances.—

(1) Upon application the department in its discretion may grant a variance from the provisions of this act or the rules and regulations adopted pursuant hereto. Variances and renewals thereof may be granted for any one of the following reasons:

(a) There is no practicable means known or available for the adequate control of the pollution involved.

(b) Compliance with the particular requirement or requirements from which a variance is sought will necessitate the taking of measures which, because of their extent or cost, must be spread over a considerable period of time. A variance granted for this reason shall prescribe a timetable for the taking of the measures required.

(c) To relieve or prevent hardship of a kind other than those provided for in paragraphs (a) and (b). Variances and renewals thereof granted under authority of this paragraph shall each be limited to a period of 24 months except that variances granted pursuant to part II may extend for the life of the permit or certification.

(2) The department shall hold a hearing on each application for a variance.

(3) The department may prescribe such time limits and other conditions to the granting of a variance as it shall deem appropriate.

History.—s. 21, ch. 67-436, ss. 26, 35, ch. 69-106, s. 1, ch. 74-170, s. 14, ch. 76-95

403.221 Pending proceedings.—No legal proceedings shall be abated because of any transfers made in this section, but the appropriate party exercising like authority or performing like duties or functions shall be substituted in said proceedings.

History.—s. 23, ch. 67-436

403.231 Department of Legal Affairs to represent the state.—The Department of Legal Affairs shall represent the state and its agencies as legal advisor in carrying out the provisions of this act.

History.—s. 24, ch. 67-436, ss. 11, 35, ch. 69-106.

403.251 Safety clause.—The Legislature hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health and safety.

History.—s. 27, ch. 67-436.

403.261 Provisions specifying jurisdiction repealed.—All rulemaking jurisdiction over air and water pollution matters held by other agencies within the state on September 1, 1967, is hereby repealed including, but without limitation, such jurisdiction held by the Florida State Board of Health, the Game and Fresh Water Fish Commission, the State Board of Conservation and the several water management districts within the state.

History.—s. 1, ch. 67-436.

403.271 Aquatic plants; permits; penalties.—

(1) No person shall import into the state any aquatic plant or seeds thereof of a species not native to the state without having first obtained a permit from the Department of Natural Resources.

(2) No person shall knowingly transport or transfer aquatic plants, whether indigenous or a species not native to the state, between bodies of water within the state without having first obtained a permit from the Department of Natural Resources.

(3) No person shall place or cause to be placed in the waters of the state or to cultivate or cause to propagate in the waters of the state any aquatic plant without first having obtained a permit from the Department of Natural Resources.

(4) The Department of Natural Resources is authorized to issue such permits only after the following conditions have been met:

(a) The Department of Agriculture and Consumer Services and the Game and Fresh Water Fish Commission issue prior approval of such permit.

(b) An appropriate agency, such as an aquatic vegetation laboratory, issues a memorandum certifying that the importation, transportation, or cultivation of such species poses no danger to the waters, fish, reptiles, or ecology of the state.

(5) The Department of Natural Resources, the Department of Agriculture and Consumer Services, and the Game and Fresh Water Fish Commission shall conduct investigations of such species prior to issuance or denial of a permit for importation, transport, or transfer of such species in the waters of the state. Such investigations and the issuance of such permits shall be subject to the criteria established by the Department of Natural Resources.

(6) The Department of Natural Resources shall publicize the provisions of this section on road signs throughout the state.

(7)(a) Any person violating the provisions of this section is guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083.

(b) All law enforcement officers of the state and its agencies with power to make arrests for violations of state law shall enforce the provisions of this section.

History.—s. 1, ch. 69-158, ss. 14, 26, 35, ch. 69-106, s. 4, ch. 70-203, s. 1, ch. 70-139, s. 350, ch. 71-126, s. 2, ch. 71-137, s. 140, ch. 77-104, s. 1, ch. 77-174, s. 23, ch. 78-95

403.281 Definitions; Weather Modification Law.—As used in this chapter relating to weather modification:

(1) "Department" means the Department of Environmental Regulation.

(2) "Person" includes any public or private corporation.

History.—s. 1, ch. 57-123, ss. 26, 35, ch. 69-106, s. 2, ch. 71-137, s. 156, ch. 71-377, s. 80, ch. 79-63

Note.—Former s. 373.261.

403.291 Purpose of weather modification law.—The purpose of this law is to promote the public safety and welfare by providing for the licensing, regulation and control of interference by artificial means with the natural precipitation of rain, snow,



AN AFFILIATE OF
JEFFERSON SMURFIT CORPORATION



Container
Corporation
of America

Paper Mill Division

P. O. Box 2000
North Eighth Street
Fernandina Beach, Florida 32034

Phone: 904 261-5551

January 30, 1987

Mr. Clair Fancy
Florida Department of Environmental Regulation
2600 Blairstone Road
Tallahassee, FL 32301-8241

Dear Mr. Fancy:

Attached is the TRS compliance plan required by FAC 17-2.960 for Container Corporation of America, Fernandina Beach. The information required by the TRS rule is included in the plan.

We would like to draw your attention in particular to the plan and schedule of compliance dates for the No. 5 MEE, batch digesters, and Kamyrd digester. The compliance plans for these three sources all include collection of the non-condensable gasses and incineration in a new, No. 4 lime kiln. This kiln will be constructed as a replacement for the existing Nos. 2 and 3 kilns, in order to bring these sources into compliance.

We are requesting by this letter and compliance plan that the dates for final compliance of the No. 5 MEE, batch digesters, and Kamyrd digester be extended as shown in the plan schedule to accommodate the completion of the replacement kiln.

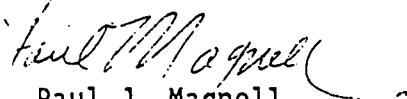
The TRS rule recognizes that the scope and expense of such a replacement of existing kilns will require more time to attain final compliance than other, less-comprehensive, measures might. We feel that economic and engineering factors dictate that the kiln replacement will require nearly all the time allotted for such a project in the rule. However, the final compliance of the three sources from which the gasses will be collected and incinerated in the new kiln is directly dependent upon the completion of the kiln project. Therefore, the compliance schedule for those three sources must be similarly dependent on the compliance schedule of the replacement kiln. In constructing the schedule, we have determined that the new kiln could be brought on-line and into compliance six months prior to the date in the rule for final compliance. We intend to bring that source, along with the kiln-dependent sources into compliance in that time frame. Sources which are not directly dependent on the new kiln for incineration are scheduled to be in compliance on or before the dates stated in the rule.

Mr. Clair Fancy
January 30, 1987
Page 2.

The dates shown in the compliance schedule are intended as the best dates, as determined by the present available information, at which the sources could be brought into compliance with the rule. All the projects will be completed as expeditiously as is feasible; however, variable factors including equipment delivery, engineering availability, construction details including weather and labor factors, and economic conditions will affect the actual construction completion dates and the ultimate compliance schedule for every source.

Please contact Roger Hagan at (904) 261-5551 if there are any questions or comments on this compliance plan and schedule.

Sincerely,


Paul J. Magnell
General Manager

PJM/ma

cc: E. E. Frey - DER, Jacksonville

bcc: H. H. Elder
R. L. Park
W. R. Campbell
M. H. Holden
R. L. Caffo
R. P. Hagan
D. R. James
R. C. Cobb - MAIN OFFICE CHICAGO
R. D. Quina - JAX GENERAL
E. R. Burr - JAX GENERAL
B. Williams - JAX GENERAL

CONTAINER CORPORATION OF AMERICA
FERNANDINA BEACH MILL

TOTAL REDUCED SULFUR (TRS) COMPLIANCE PLAN

INTRODUCTION

The Fernandina Beach kraft pulp mill of Container Corporation of America has several sources of air emissions which are regulated under FAC 17-2.600(4), Specific Source Emission Limiting Standards. Under FAC 17-2.960, Compliance Schedules for Specific Source Emission Limiting Standards, CCA is required to submit a plan and schedule for achieving final compliance with the TRS standards by February 12, 1987. The plan must include a listing of regulated sources, estimated cost and type of equipment to be installed, and a compliance schedule consisting of dates for the following:

1. Submittal of construction permit applications
2. Submittal of certification of equipment orders.
3. Certification of initial construction.
4. Certification of completion of construction.
5. Certification of final compliance.

In addition, the interim operating permits for the affected sources specify that dates will also be included for submittal of a list of parameters to be monitored to demonstrate compliance with the emissions standards, and for submittal of a contingency plan for each affected source. The following sections will include the required information:

LISTING OF SOURCES

The following sources are regulated under FAC 17-2.600(4):

<u>Source</u>	<u>Description</u>
No. 5 MEE	Consisting of 5 evaporator effects and 3 concentrator units, the system currently vents from the concentrator area and the evaporator hot well.
No. 4 MEE	Consisting of 5 evaporator effects, this system currently vents to a hot well.
Kamyr Digester	This continuous digester system includes a digester vessel, turpentine recovery system, steaming vessel, 2 liquor flash tanks, and a surge tank (blow tank).
Batch Digesters	This system consists of 7 digester vessels, 2 turpentine recovery systems, and 2 blow tanks.
No. 2 Lime Kiln	This system has an operating scrubber which is the only source of TRS emissions.
No. 3 Lime Kiln	Similar to No. 2 kiln.

- No. 4 Recovery Boiler This is a new-design, low-odor Babcock & Wilcox type recovery boiler with dry bottom ESP.
- No. 4 SDT This is a smelt dissolving tank currently operating with a demister pad unit for particulate control.
- Tall Oil Plant This system consists of an acidulator, settling tank, lignin tank, 2 soap tanks, and 2 oil storage tanks, a caustic tank, and salt cake solution tank.

COST AND TYPE OF EQUIPMENT

The following is a listing of the proposed means of bringing the affected sources into compliance, with estimated cost and type of equipment to be installed for each source. This is not intended to be a complete equipment list but a summary of major equipment installations.

<u>Source</u>	<u>Equipment/Work</u>	<u>Estimated Cost (\$000)</u>
No. 5 MEE	A new hot well and vacuum system will be installed and existing vent lines will be enlarged. A gas transportation system will be installed to collect the non-condensable gases and transport them to the No. 4 lime kiln for incineration.	650
No. 4 MEE	This unit will be shut down permanently.	-0-
Kamyr Digester	The liquor flash tank system will be replaced with a new system, and the turpentine recovery system will be replaced. Non-condensable gases will be collected from the surge tank (blow tank), steaming vessel, flash tanks and turpentine system. A gas transportation system will be installed to move the gases to the No. 4 lime kiln for incineration.	2970
Batch Digesters	The turpentine condensing systems will be replaced and a blow heat recovery system will be installed on the existing blow tanks. The non-condensable gases from both the turpentine and blow heat recovery systems will be collected and transported to the No. 4 kiln for incineration.	3660

No. 2 Lime Kiln	This source will be shut down and replaced by a new No. 4 kiln. This will be an NSPS source.	: : : :	16370
No. 3 Lime Kiln	This source will be shut down and replaced by a new No. 4 kiln. This will be an NSPS source.	: : : :	
No. 4 Recovery Boiler	No modifications are planned for this source. A TRS continuous monitor has been installed.		75
No. 4 SDT	The existing demister unit will be replaced with a scrubber.		350
Tall Oil Plant	A caustic scrubber will be installed on the vents from the acidulator, lignin tank, and salt cake solution tank.		250

SCHEDULE

The proposed schedule of key dates for bringing the affected sources into compliance is shown below.

<u>Source</u>	<u>Cons- truction Permit</u>	<u>Equip- ment Orders</u>	<u>Initial Constr.</u>	<u>Com- pletion Constr.</u>	<u>Final Com- pliance</u>
No. 5 MEE	11/12/87	2/1/89	4/1/89	2/1/90	6/1/90
No. 4 MEE	N/A	N/A	N/A	N/A	11/12/87
Kamyr Digester	11/12/87	2/1/89	4/1/89	2/1/90	6/1/90
Batch Digesters	11/12/87	1/1/89	4/1/89	2/1/90	6/1/90
No. 2 Lime Kiln*	5/12/88	11/1/88	3/1/89	2/1/90	5/1/90
No. 3 Lime Kiln*	5/12/88	11/1/88	3/1/89	2/1/90	5/1/90
No. 4 Rec. Blr.	N/A	N/A	N/A	N/A	5/1/87
No. 4 SDT	11/12/87	7/1/88	10/1/88	4/1/89	5/12/89
Tall Oil Plant	11/12/87	7/1/88	10/1/88	4/1/89	5/12/89

*Refers to dates concerning construction of new No. 4 kiln.

*

Finally, the information relating to the parameters to be monitored to ensure compliance, along with the contingency plan for each source, should be available following submittal of the construction permits. This information will be submitted by 2/1/88.

ATTACHMENT 5

CCA

AN AFFILIATE OF
JEFFERSON SMURFIT CORPORATION



Container
Corporation
of America

Paper Mill Division

P. O. Box 2000
North Eighth Street
Fernandina Beach, Florida 32034

Phone: 904 261-5551

August 19, 1987

Mr. Steve Smallwood, P.E.
Chief, Bureau of Air Quality Management
Florida Department of Environmental Regulation
2600 Blair Stone Road
Tallahassee, FL 32399-2400

DER

AUG 25 1987

BAQM

Dear Mr. Smallwood:

This is in response to your letter of July 21, 1987 regarding our request for a variance from the TRS regulations. The attached paragraphs should cover the information requested in your letter.

If there are any further questions or comments on this, please contact Roger Hagan at (904) 261-5551.

Sincerely,

Paul J. Magnell
General Manager

PJM/js
Attachments

JSC/CCA
Fernandina Mill

- (1) The social, economic and environmental impact on the applicant, residents of the area and the State if the variance is granted.

The Container Corporation of America mill is located in Fernandina Beach, an incorporated town of 9,000 population. It draws its work force mainly from the surrounding Nassau County which has a population of 41,000. In 1986, CCA paid over \$2.8 million in property taxes to the County, which amounts to over 22% of the total taxes paid county wide. With a total employment within the County of 830, CCA directly employs over 4% of the employed labor force in Nassau County, and is the second largest employer in the County behind the Nassau County School Board. Wages for CCA employees are generally considerably higher than average, and are the principle reason that Nassau County is among the four Florida counties having the highest average wages. *

From the figures above, it is readily apparent that Container Corporation of America is the principle economic factor in Nassau County. However, this mill has not been profitable over the past ten years. In fact, during that time the mill has shown a net operating loss well in excess of \$150 million. In addition, CCA's parent companies (Mobil Corp., and Jefferson Smurfit Corp. since October 1986) have spent well over \$100 million in capital improvements at the Fernandina Beach Mill over the past four years in an effort to make the mill profitable.

The unprofitability of the mill in recent times has impacted the community and the County both socially and economically. This is evidenced readily by strikes undertaken by the unionized work force in 1983 and 1986 in response to the company's need to curtail rising wages and control costs. Easing of the economic burden on the mill by granting of the variance sought will serve to reduce the likelihood of further negative social and economic impact on the surrounding community. The economic impact on this mill of relieving the financial burden represented by the current TRS complinace schedule, in light of its recent economic performance and heavy capital expenditures, is self-evident.

To achieve TRS compliance, the mill is undertaking a program that will cost over \$25 million. This is a substantial economic burden for an already heavily capital-laden mill. It is therefore imperative that the mill be given sufficient time to achieve the necessary planning, coordination and engineering for the project and to spread the cost over a multi year period.

The environmental impact on the mill itself should the variance be granted is negligible, as would be the impact on the State. The impact on the residents in the area is more difficult to assess. Since TRS is a non-criteria pollutant, there are no ambient air standards against which the area can be judged. TRS emissions are considered to be a nuisance to the residents of the immediate area and are not considered

* Data taken from the Fact Book 1987, published by the News-Leader 2/19/87.

JSC/CCA
Fernandina Mill

harmful. In addition, since all of the sources for which a variance is sought are currently operating, the granting of the variance will mean no additional TRS emissions over those that are now present. In fact, since other sources in the mill will be following the TRS compliance schedule, the overall emissions from the mill will be declining throughout the 12 month period for which the variance is sought. As a result of the above, the environmental impact of granting the variance on the residents of the area will be minimal. In addition, CCA would fulfill its commitment to maintain all the existing equipment in proper operating condition, and to operate it within the parameters stated in the interim operating permits so as to minimize TRS emissions from the effected sources during the period up to and throughout the variance until final compliance is attained.

- (2) The social, economic and environmental impact on the applicant, residents of the area and the State if the variance is denied.

As shown above, denial of the variance would increase the economic burden on the mill and would be expected to lead to negative social and economic impact on the community such as it has experienced in the past. There would be a significant economic impact on the mill itself should the variance be denied. This would arise out of a subsequent shortage of funds which could otherwise be used to continue the effort to make the mill a profitable entity and ensure its continued contributions to the community.

TRS is a non-criteria pollutant. Even if it were practicable to complete the new lime kiln earlier than the scheduled completion date in the variance application, the only favorable environmental impact might be the reduction of odor on some days. However, assuming such an accelerated schedule were practicable, the economic burden on the mill represented by denial of the variance would very likely mean that funding for other projects with favorable environmental and economic impacts would be curtailed for a considerable length of time. Areas which would likely be affected include wastewater treatment, solid waste removal, and other aspects of the air quality program. Thus, denial of the variance would have little favorable environmental impact from a TRS standpoint, and it would likely lead indirectly to a negative impact by curtailing or postponing of projects that would improve other aspects of environmental control in the mill.

- (3) The specific sub-paragraph (a), (b), or (c) of 403.201, Florida Statutes under which your variance is requested and justification for requesting a variance under that sub-paragraph.

Container Corporation of America is requesting a variance under 403.201 (b), which states that a variance may be granted if "Compliance with the particular requirement or requirements from which a variance is sought will necessitate the taking of measures which, because of their extent or cost, must be spread over a considerable period of time." Following is a summary of the reasons for requesting a variance under that sub-paragraph.

JSC/CCA
Fernandina Mill

- a) As a result of engineering, economic, and safety considerations, it is Container Corporation of America's intent to control TRS emissions from the two digester systems and No. 5 MEE by collection of non-condensable gases and incineration in a new No. 4 lime kiln.
 - b) The No. 4 lime kiln will be constructed to replace the Nos. 2 and 3 kilns in order to bring them into compliance with the TRS regulations.
 - c) The construction of the new kiln is the most costly aspect of the TRS compliance project in the mill. It is also the most extensive from both an engineering and construction standpoint. Preliminary engineering has estimated that the kiln will require at least 24 months from beginning of detail engineering to completion and start-up, at a total cost of approximately \$16 million.
 - d) The remainder of the TRS compliance project for this mill is estimated to cost an additional \$10 million.
 - e) In order for the three sources for which a variance is being sought to be in compliance according to the TRS rule compliance schedule, the new kiln would have to be completed and started up by April, 1989. In addition, the remainder of the TRS project would also have to be completed by that date.
 - f) This would require compression of the kiln project which may not be achievable, due to engineering, equipment delivery and construction schedules. It certainly would result in a significantly higher cost than would be incurred if the kiln were to follow the TRS rule compliance schedule. In addition, early completion of the kiln would require that all of the capital funding for the TRS project be spent in one year (1988). This represents an unreasonable economic burden on the mill, the relief for which is the granting of the requested variance.
 - g) The proposed schedule for compliance with the TRS rule should the variance be granted was attached to the original request for a variance. Adoption of this schedule will allow timely completion of all of the TRS compliance project and will ease the economic burden on the mill by allowing capital expenditures to be spread over a two year period.
- (4) Documentation to indicate why the lime kiln cannot be completed in time to meet the required TRS compliance date of May 12, 1989.

The TRS rule compliance schedule requires that a new kiln which is replacing existing kilns in order to bring the existing kilns into compliance must be in operation by November 12, 1990. That is why the variance is not required for the new kiln. In fact, as stated in the original letter requesting the variance, our preliminary engineering has indicated that we would bring the kiln on-line and into compliance by May 1, 1990, without representing additional cost or engineering requirements.

JSC/CCA
Fernandina Mill

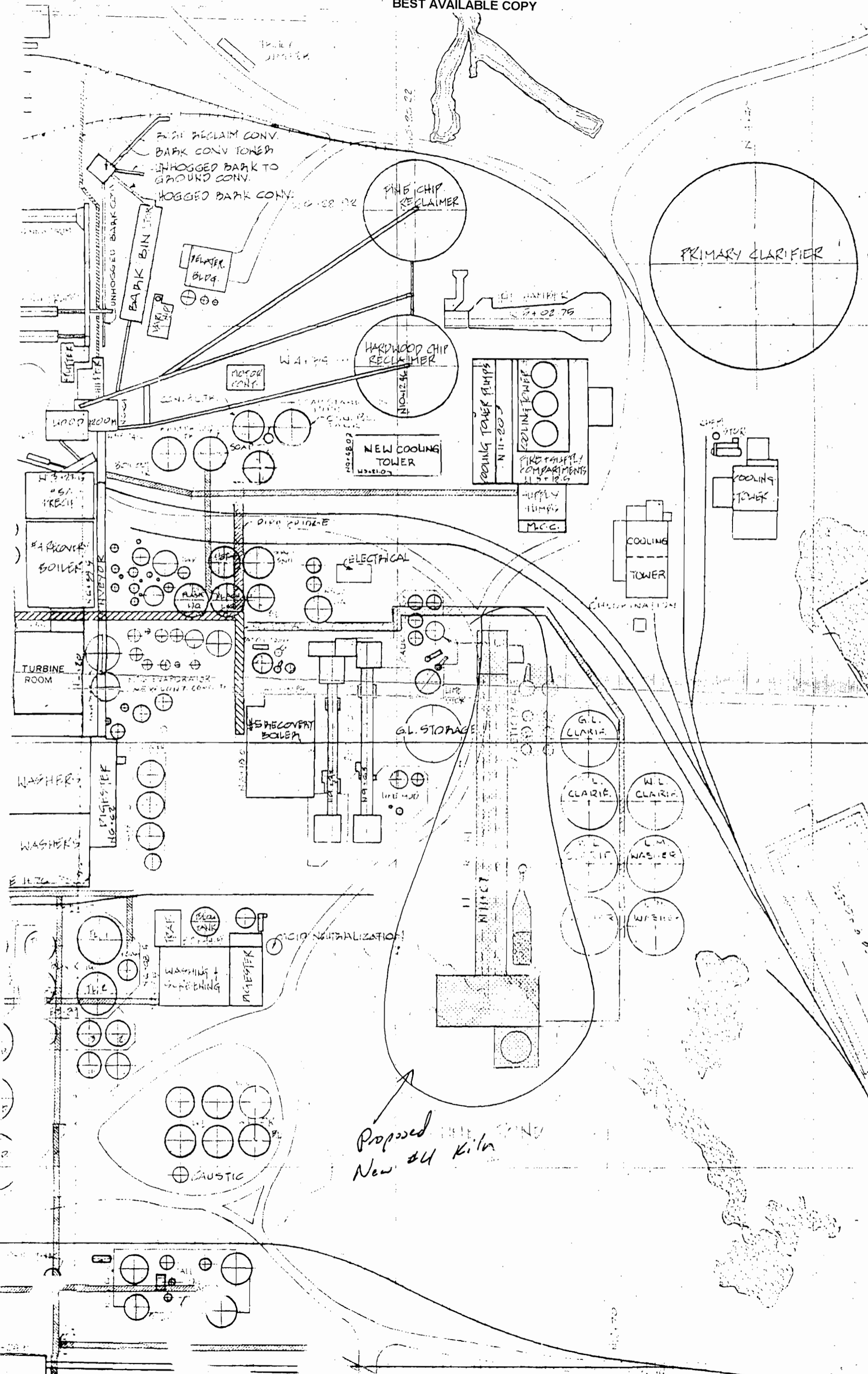
The variance is being sought in order to facilitate timely completion of the project without incurring additional expenses and construction problems associated with compression of the lime kiln schedule, and to allow for spreading of the necessary capital expenditures over a two year period.

- (5) As part of the description of the environmental impact on the residents of the area, describe what reasonable mitigating measures, if any, can be taken to minimize emissions between May 12, 1989 and June 1, 1990 if the variance is granted, and the costs of such measures.

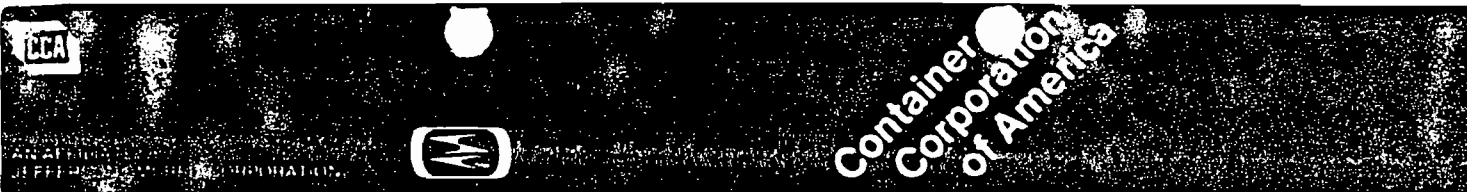
As stated in item 1 above, CCA will fulfill its commitment to maintain the existing equipment in good operating condition, and to operate it in a manner commensurate with the parameters outlined in the interim operating permits. Such maintenance in good operating condition over the 12 month period in question is budgeted to cost approximately \$2.7 million for these three systems.

- (6) Where will the new lime kiln be located in relationship to the existing kilns?

Attached is a preliminary site drawing showing a proposed layout of the new kiln installation.



ATTACHMENT 6



Paper Mill Division

North Eighth Street
Fernandina Beach, Florida 32034

Phone: 904 261-5551

DER

OCT 21 1987

BAQM

Mr. Steve Smallwood, Chief
Bureau of Air Quality Management
Department of Environmental Regulation
2600 Blair Stone Road
Tallahassee, Florida 32301

DER
OCT 21 1987
BAQM

October 13, 1987

RECEIVED
OCT 16 1987

Re: TRS Construction Permit Applications

Dear Mr. Smallwood:

We appreciated the opportunity to meet with members of your staff on October 8, 1987 to discuss Container Corporation of America's (CCA) plans to comply with the TRS Rule. We sincerely regret that you were unable to attend. The review of CCA plans developed a good exchange of information which will be valuable to us in filing construction permit applications. An understanding of the details of the plan should be equally valuable to your staff in processing the applications.

The meeting began with a review of the elements of the plan applicable to specific sources. Next the discussion moved to final compliance dates and the status of the request for a variance. Very quickly it became apparent that the dates originally requested do not provide adequate time for start-up, stable operation, compliance testing and certification of the continuous emission monitors (CEMS).

CCA will maintain the permit application and construction schedule as stipulated in the compliance plan. The sources listed are also intended to be on-line and "in compliance" with the applicable TRS limits on the "final compliance" dates listed in the compliance plan. However, time for start-up and stable operation, compliance testing and CEMS certification must be provided subsequent to the dates shown for completion of construction. We realize that the Department has considered this in applying the dates for "final compliance" to the TRS sources as listed in 17.2-600.

As we discussed with your staff, we feel that the final compliance dates for the affected sources under the variance should be adjusted to reflect this. These sources and the respective dates are:

No. 5 MEE, Kamyrdigester, Batch Digester - construction permit equipment order, initial construction and complete construction dates remain the same. Final compliance date becomes November 1, 1990.

Mr. Steve Smallwood
Page 2
October 13, 1987

In order to meet these final compliance dates, including compliance testing and CEMS certification, CCA will still maintain the permitting, construction and start-up schedules provided in the original compliance plan. The information included in this letter was discussed with your staff at the meeting. We all agreed that considerable time was required for testing, certification of CEMS, and application for an operating permit. Accordingly we request that the variance allow time for that purpose, although we emphasize our commitment to the original construction schedule.

Again, we would like to express our appreciation for you and your staff's assistance.

Sincerely,



Paul J. Magnell
General Manager

PJM/js

cc: E. E. Frey - FDER

bcc: R. C. Cobb - Clayton Corporate
H. H. Elder
R. P. Hagan
Bob Williams - Mill Central Jax
Terry Cole

ATTACHMENT 7

CCA

AN AFFILIATE OF
JEFFERSON SMURFIT CORPORATION



Container
Corporation
of America

Paper Mill Division

P. O. Box 2000
North Eighth Street
Fernandina Beach, Florida 32034

Phone: 904 261-5551

November 12, 1987

DER

NOV 16 1987

BAQM

PM
13 Nov. 1987
Fernandina Beach, FL

Mr. Clair Fancy
Florida Department of Environmental Regulation
2600 Blair Stone Road
Tallahassee, FL 32399-2400

Dear Mr. Fancy:

In a letter dated August 19, 1987 to Mr. Steve Smallwood, Container Corporation of America stated that maintenance of the existing systems in good operating condition during the 12 months duration of the variance request was budgeted to cost approximately \$2.7 million. Mr. Bruce Mitchell of your Department has recently requested a further breakdown of that figure in order to facilitate issuance of the variance. The overall figure of \$2.7 million was developed from recent historical data on typical maintenance expenditures for the continuous digesters, batch digesters, and No. 5 MEE systems. These figures were also compared with the maintenance budget for the mill overall and the specific departments involved and were found to be in good agreement.

It is intended that these expenditures will be made to keep the systems in good operating condition so as to minimize TRS emissions. Typical maintenance which would be performed to accomplish this would include the following measures:

Maintenance of digester vessels, blow lines, blow tanks, turpentine collection systems, liquor conveyance lines, and vapor lines so as to minimize leakage of black liquor and cooking vapors to atmosphere.

Repair and replacement as required of pump packing and gaskets associated with the liquor and vapor handling systems involved.

Regular cleaning and maintenance of separators and screens associated with the digester and evaporator turpentine collection systems, so as to prevent excessive venting of digester gases to atmosphere due to plugging.

Regular cleaning and maintenance of evaporator and concentrator elements to provide adequate vapor flow paths to prevent excessive venting of vapors.

Maintenance of control systems to prevent excessive TRS emissions due to simultaneous digester blows to the same blow tank, and to maintain good operating procedures.

Please let us know if there are any further questions or comments on this, and please keep us advised on the status of our variance request.

Sincerely,

Paul J. Magnell
Paul J. Magnell
General Manager

ccj;
CHF/BT
Variance Review Committee } 11-18-87 RBZL

PJM/js

ATTACHMENT 8

12/11/87

Bruce

I left one at

front desk to be stamped

in. If you have
questions on this letter
know.

JSC/CCA

JEFFERSON SMURFIT CORPORATION & CONTAINER CORPORATION OF AMERICA

Mill Division
NORTH 8TH STREET
P.O. BOX 2000
FERNANDINA BEACH, FL 32034
TELEPHONE: 904/261-5551

December 11, 1987

DER

DEC 11 1987

BAQM

Mr. Bruce Mitchell
FLORIDA DEPARTMENT OF ENVIRONMENTAL
REGULATION
2600 Blair Stone Road
Tallahassee, FL 32399-2400

Dear Mr. Mitchell:

The Department has requested some additional information pertaining to our request for a variance on the TRS compliance schedule. The information attached consists of a further breakdown of the estimated costs of the various parts of the TRS compliance project. The estimated equipment costs are from actual vendor proposals for the equipment required, as compiled by the design engineering firm of Reynolds, Smith and Hill, Inc. The estimates for piping, mechanical, structural/civil, electrical, instrumentation, and indirect costs were also supplied by R.S. & H. from their own detailed design engineering of the systems. You will note that the estimates have changed somewhat from the preliminary numbers submitted with the compliance plan. This is a result of further engineering and refinement of the cost estimates. The current total estimated cost of each part of the project is reasonably close to the original estimates, except the cost of the lime kiln and causticizing equipment installation which has increased dramatically. The estimated overall cost of the project has also increased to \$29 million.

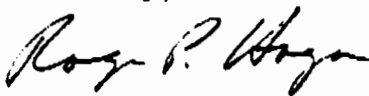
You had also requested a further breakdown of the estimate of \$2.7 million for maintenance of the existing systems in good operating condition during the 12 months duration of the variance. As explained in my letter of November 12, 1987, this figure was derived from historical maintenance figures for the systems involved. Specifically, year-to-date expenditures for 1987 were totalled for the stock side (batch and kamyrdigester systems) and liquor side (2 evaporators and 2 recovery boilers) of the pulp mill. The liquor side number was factored by 25% to estimate the expenditures for No. 5 MEE alone. This was added to the stock side total and annualized. That explains the derivation of the \$2.7 million figure. As also mentioned in the November 12 letter, this figure compares well to our maintenance budget for those areas for the coming year. The various types of maintenance which we expect this figure to include are also listed in the previous letter.

Mr. Bruce Mitchell
December 11, 1987
Page -2-

The Department also requested a further breakdown of the previous expenditures on mill modernization as mentioned in our variance. We stated that well over \$100 million had been spent in recent years to try to make this facility profitable once again. The majority of this money was spent on a series of modernization projects collectively known as the Fernandina Mill Optimization Project (FMOP). FMOP was begun in 1984 and is being completed in two phases. Phase I included complete rebuilds of two paper machines and the shut down of the third machine, along with installation of distributed computer control systems throughout the pulp mill and paper mill. There were many other parts of Phase I which included improvements in virtually every part of the mill. Total expenditures on FMOP Phase I to date are \$76 million. Phase II of FMOP is the construction of a complete new wood handling facility at the mill including a log flume, new barking drums, chippers, bark handling system and chip stacker/reclaimer facilities. To date expenditures on Phase II are \$25 million. Thus in these two phases alone, over \$100 million has been spent. In addition, many other projects have been completed at the mill during this same time frame. These include such things as the construction of a new electro-static precipitator for our No. 5 Power Boiler, which enables us to burn more wood waste with a drastic reduction in particulate emissions. This project, completed in 1986, cost another \$7 million.

From the above explanation, I hope it is clear that the cost estimates and expenditure figures submitted by CCA in support of our variance request are certainly valid and are very conservative. I trust this information will serve to clear up any concerns the Department has over the validity of our request and the genuine need on our part for the DER to grant the variance in a timely manner.

Sincerely,


for Paul J. Magnell
General Manager

PJM/mcp

COST SUMMARY BY DEPARTMENT

	<u>KAMYR</u>	<u>BATCH</u>	<u>#5 MEE</u>	<u>#4 REC + SDR</u>	<u>TALL OIL</u>	<u>#4 KILN</u>
EQUIPMENT	1,069,300	1,242,400	258,400	101,300	67,600	8,490,000
PIPING	916,915	928,454	217,605	106,044	82,057	1,760,000
MECHANICAL	-----	211,179	-----	135,063	-----	379,000
STRUCTURAL/CIVIL	119,080	347,025	1,315	18,980	25,550	5,780,000
ELECTRICAL	160,545	147,245	4,125	57,174	37,931	2,024,000
INSTRUMENTATION	180,470	249,416	71,164	27,088	31,624	720,000
<u>TOTAL DIRECTS</u>	<u>2,446,310</u>	<u>3,125,719</u>	<u>552,609</u>	<u>445,649</u>	<u>244,762</u>	<u>19,153,000</u>
INDIRECTS*(15%)	366,690	468,881	82,891	66,851	36,738	2,500,000
<u>TOTAL</u>	<u>2,813,000</u>	<u>3,594,600</u>	<u>635,500</u>	<u>512,500</u>	<u>279,500</u>	<u>21,653,000</u>

*INDIRECTS: Engineering, Spare Parts, Construction Management, Start-Up, Owner Administrative, Escalation and Contingency