



**Georgia-Pacific**

Palatka Pulp and Paper Operations  
Consumer Products Division

P.O. Box 919  
Palatka, FL 32178-0919  
(386) 325-2001

**RECEIVED**

MAR 19 2009

**BUREAU OF AIR REGULATION**

March 17, 2009

Mr. Jeffery F. Koerner, Air Permitting North Section  
Bureau of Air Regulation  
Florida Department of Environmental Protection  
2600 Blair Stone Road  
Tallahassee, Florida 32399-2400

**Re: Palatka, Florida Mill  
Facility ID No. 1070005  
No. 4 Combination Boiler Repair of Bark Feed System**

Dear Mr. Koerner:

Georgia-Pacific Consumer Operations LLC (Georgia-Pacific) owns and operates an unbleached and bleached Kraft pulp and paper mill in Palatka, Putnam County, Florida (Palatka Mill). The Palatka Mill is proposing to repair a number of components on its No. 4 Combination Boiler bark feed system to maintain the reliability of that system and ensure consistent burn rates. Due to a pending capital upgrade project for the No.4 Boiler in which portions of the bark feed system were to be replaced (Construction Permit No. PSD-FL-393, dated September 28, 2008), the mill had postponed any major maintenance/repair activity on the bark feed system. Now, unfortunately, economic conditions have resulted in postponement of that project due to unavailability of funding. This has forced us to revisit the routine maintenance/repair work that we originally deferred in light of the capital project.

The work is being planned to coincide with the annual outage on No. 4 Combination Boiler in April 2009. We believe that this sort of routine maintenance/repair work requires no Prevention of Significant Deterioration (PSD) or other construction permitting. EPA Guidance regarding such maintenance projects has made it clear, however, that this is a case-by-case determination taking into account a number of relevant factors. Accordingly, we are seeking the Department of Environmental Protection's concurrence, based on the specifics of this proposed project described below, that the work being proposed for the No. 4 Combination Boiler bark fuel feed system constitutes routine maintenance, repair and replacement (RMRR) that is exempt from PSD/NSR permitting.

The relevant criteria for determining whether a given project constitutes RMRR are set out in EPA's 1988 WEPCO memorandum and in EPA's 1992 "WEPCO Rule", as guided by numerous subsequent applicability determinations and court decisions. Of particular significance is EPA's statement, in the preamble to the WEPCO rule, that the determination of whether the activity in question is routine "must be based on an evaluation of whether that type of equipment has been repaired or replaced by sources within the relevant industrial category."<sup>1</sup> GP has evaluated the proposed No. 4 Combination Boiler project in light of this guidance.

The 1988 WEPCO determination articulates five factors for assessing the "routineness" of a maintenance, repair, or replacement activity: nature, extent, purpose, frequency, and cost. EPA points out that none of the factors alone determines the routineness of a project, but that the five factors should be used to arrive at a conclusion based upon the circumstances of the project as a whole. The following discussion addresses these factors in that manner:

**Nature:** The proposed maintenance/repair work for the No. 4 Combination Boiler involves the following activities. By making these repairs/replacements, we expect that less downtime will be required to maintain the bark feed system, and as a result, the bark feed system will operate more reliably and the boiler will be able to burn more bark and less fuel oil on an annual basis than it has in the past few years.

Replacement of the existing bark cyclone with a unit of identical dimensions and capacity, but improved wear materials. The existing cyclone has a "troweled-in" ceramic wear surface over hardened steel. The bark cyclone has historically been replaced every 3-4 years and the current unit is four years old. The replacement unit will have a more protective "custom fit" ceramic tile lining and an expected life of five years.

Replacement of the existing bark blowline elbows and pipe sections with improved wear materials. The hardened steel wear-backs on the blowline elbows will be replaced with ceramic-lined wear-backs. Worn blowline pipe sections will be replaced with ceramic-lined pipe.

Rebuild of the Atlas bark bin, including repairs to the bin floor, out-feed conveyor, internal bark sweeps, and drive train. The concrete floor of the bin is worn down to the rebar. The floor will be relined with concrete and a protective coating to restore effective bark flow to the outfeed conveyor. The coating will be upgraded to materials currently available. The drive train gears and drag chain for the bark sweeps have worn to the point of causing misalignment of the sweeps,

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<sup>1 1</sup> After reviewing all prior court decisions regarding RMRR, the federal District Court for the Northern District of Alabama recently upheld this basic test for "routineness" in a July 2008 decision. See U.S. v. Alabama Power Company, Case No. 2:01-cv-00152-VEH, slip op July 24, 2008. The federal District Court for the Western District of Pennsylvania reached the same conclusion in approving the "thorough analysis" of a Magistrate Judge on this issue. Commonwealth of Pennsylvania et al v. Allegheny Energy, Inc. et al., Docket No. 02:05cv885, Memorandum and Order (W. D. PA, Nov. 18, 2008).

resulting in breakage of the digger bars that are attached to the sweeps. The sweeps and drive train gears and drag chain will be replaced and/or rebuilt to correct these deficiencies. The PTFE liners in the out-feed conveyor have fallen out due to wear past their useful life and need to be replaced.

Replace the bark hog rotor, wear parts, and bearings. The bark hog is due for its 5-year rebuild. The existing bark hog rotor is out of tolerance specifications (loose) and will be replaced along with bearing sleeves. Also, the wear parts of the hog (striker plates and anvils) are cracking or worn and require replacement.

Replace worn sections of bark chutes and wear plates or liner materials. The worn section of the bark chutes will be replaced with wear plates to reduce leakage and the risk of fires due to the build-up of dust.

None of the work planned will affect the design capacity of the bark feed system, which is equivalent to 54.0 tons per hour. This is based on a design heat input bark burning capacity for the boiler of 512.7 million British thermal units (Btu) per hour and a heat content of 4,750 Btu/lb for the bark ( $512.7 \text{ MM Btu/hr} / 4,750 \text{ Btu/hr} / 2,000 \text{ lb/ton} = 54 \text{ ton/hr}$ ). However, based on the amount of downtime that is expected to be reduced through this project, the mill estimates an additional 25 tons per day on an annual average basis of bark burning (compared to 2008) will be restored through the boiler.

Replacement of the equipment components listed above for the bark feed system is considered routine maintenance which is expected to occur periodically over the useful life of the bark feed system. The costs to purchase and install the replacement parts as well as the labor costs for the proposed work activities are part of the mill's annual boiler maintenance budget and are expensed accordingly. As stated previously, this work is currently scheduled to occur during the annual No. 4 Combination Boiler outage in April 2009.

**Extent:** The extent of work covers the major equipment components listed above, including the bark cyclone and blow lines, the Atlas bark bin, the bark hog, and bark feed chutes. Additional routine maintenance items normally conducted on an annual basis will also be handled during this outage for the No. 4 Combination Boiler in order to avoid unnecessary and costly additional outages. The projected duration of the outage for the bark feed system is approximately 23 days, which is in line with the normal amount of annual outage downtime scheduled for the No. 4 Combination Boiler.

**Purpose:** As stated earlier, the repair/replacement work is being done to maintain the reliability of the bark feed system and to ensure consistent bark burn rates. Performing this work will reduce the amount of time the bark feed system is out-of-service, and as a result, will save money that has to be spent burning No. 6 fuel oil in the No. 4 Combination Boiler to make process steam that would otherwise be produced by burning bark.

**Frequency:** The No. 4 Combination Boiler was originally constructed in 1966. Annual outages are typical on the mill's boilers and associated equipment such as the bark feed system, and all of the internal components are evaluated for replacement or repair to maintain a safe and reliable operation. Much of the work scheduled has been done in the past as the equipment components described for this project are subject to normal wear through routine operation. A list of the number of times that repairs were made to the bark feed system's components (via issuance of a maintenance work order), in addition to any maintenance performed during the No. 4 Combination Boiler's annual outages, between 2005-2008 is provided below.

<u>Feed System Component</u>	<u>Number of Repairs/Maintenance Activities Performed Upon Bark Feed System</u>			
	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Bark Cyclone	20	14	20	18
Blow Lines	28	29	51	35
Bark Bin/Feed System	95	148	143	119
Bark Hog	54	59	86	54
Bark Chutes/Belts/Conveyors	144	191	261	221
Totals	341	441	561	447

**Cost:** The estimated cost of the equipment replacement and upgrade work proposed for this project is \$700,000. This cost is less than 5 % of the estimated \$15 million cost of a comparable new bark feed system for a combination boiler and less than 1 % of the estimated \$65 million cost of a comparable new combination boiler. No capital funds have been allocated to this project. The Palatka Mill's annual maintenance budget for the No. 4 Combination Boiler's bark feed system has been somewhat variable based on specific year-to-year needs. Annual maintenance expenses and days down for annual maintenance for the bark feed system at the Palatka Mill for the past four years (2005-2008) are summarized in the following table. The estimated costs and outage days for the 2009 outage is also listed below.

<u>Year</u>	<u>Bark Feed System Maintenance Costs</u>	<u>No. of Outage Days Bark Feed System</u>
2005	\$344,922	21
2006	\$528,453	21
2007	\$549,475	17
2008	\$636,279	33
2009 estimates	\$700,000	23

The estimated cost to perform the repair/replacement work for the bark feed system has risen steadily over the past four years, due to increases in material costs and labor rates.

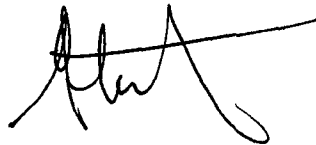
Mr. Jeffery F. Koerner  
3/17/09

The 2009 estimate also includes some costs that would ordinarily have been expended in prior years.

GP believes that a reasonable evaluation of the information supplied above leads to the conclusion that the proposed maintenance, repair, and replacement activity is "routine" for the Palatka Mill.

GP plans to complete this work during the April 2009 annual outage for the No. 4 Combination Boiler. With this letter, we are seeking the FL DEP's concurrence that the proposed repairs are an RMRR activity that is excluded from PSD/NSR or other construction permitting review. Please feel free to contact Mike Curtis at (386) 329-0918 should you have any questions or require further information.

Sincerely,

A handwritten signature in black ink, appearing to read 'Gary Frost', with a long horizontal line extending to the right.

Gary Frost  
Vice President and Mill Manager  
Georgia-Pacific LLC-Palatka Mill

cc: Mike Curtis  
Scott Matchett  
Wayne Galler  
Lawrence Otwell  
Ron Reynolds

## Walker, Elizabeth (AIR)

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**From:** Walker, Elizabeth (AIR)  
**Sent:** Tuesday, March 24, 2009 9:53 AM  
**To:** Felton-Smith, Rita  
**Cc:** Mitchell, Bruce  
**Subject:** New Application for Georgia Pacific/Palatka Mill (1070005-060-AC)  
**Attachments:** Georgia Pacific Palatka.pdf

Attached is the following project:

Project Summary:

<b>ARMS PA Project ID:</b>	1070005-060-AC
<b>PSD</b>	NO
<b>Facility Name:</b>	Georgia-Pacific/Palatka Mill
<b>Florida County:</b>	Putnam
<b>Project Description:</b>	No. 4 Combination Boiler Repair of Bark Feed System
<b>Permit Application Processor:</b>	Bruce Mitchell
<b>Processor Phone:</b>	(850)413-9198
<b>Processor Email Address:</b>	<a href="mailto:Bruce.Mitchell@dep.state.fl.us">Bruce.Mitchell@dep.state.fl.us</a>
<b>Received in-house:</b>	3/19/09

*Elizabeth Walker*  
Bureau of Air Regulation  
Division of Air Resource Management (DARM)  
(850)921-9505

Tracking:

**Recipient**  
Felton-Smith, Rita  
Mitchell, Bruce

**Read**  
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