Walker, Elizabeth (AIR)

From:

Arif, Syed

Sent:

Monday, November 10, 2008 12:24 PM

To:

Subject:

Walker, Elizabeth (AIR) FW: CF Industries, Inc. Plant City Phosphate Complex BART Permit, No. 0570005-023-AC

Attachments:

DOC106.PDF

For the CF BART official file.

From: Melanie Gilbert [mailto:MGilbert@hgslaw.com]

Sent: Monday, November 03, 2008 5:32 PM

To: Moore, Ronni

Cc: Angela Morrison Uhland; rbrunk@cfifl.com; Vielhauer, Trina; Arif, Syed

Subject: CF Industries, Inc. Plant City Phosphate Complex BART Permit, No. 0570005-023-AC

Hi Ronni,

Please see the attached letter from Angela regarding CF Industries, Inc. Plant City Phosphate Complex BART Permit, No. 0570005-023-AC.

Thanks! Melanie

Melanie Gilbert Legal Assistant to Angela Morrison Uhland and Dan R. Stengle Hopping Green & Sams, P.A. 123 South Calhoun Street Tallahassee, Florida 32314 Direct line: (850) 425-3456 Reception desk: (850) 222-7500

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Hopping Green & Sams

Attorneys and Counselors

November 3, 2008

Via Electronic Mail

Ronni Moore
Office of General Counsel
Florida Department of Environmental Protection
3900 Commonwealth Boulevard
Tallahassee, FL 32399

RE:

CF Industries, Inc.

Plant City Phosphate Complex BART Permit, No. 0570005-023-AC

Dear Ronni:

As you may be aware, representatives from CF Industries, Inc. (CF), have been in negotiations with representatives from the Department of Environmental Protection's Bureau of Air Regulation in an effort to resolve the outstanding issues related to the Department's proposed "Best Available Retrofit Technology" (BART) air construction permit issued on December 24, 2007 for CF's Plant City Phosphate Complex. As a result, most of the issues raised in CF's petition challenging the draft permit have been resolved, as outlined in the numbered paragraphs below.

We understand that the Department would like to issue the final BART permit for the Plant City facility sometime within the next few weeks. If possible, therefore, can you please confirm for us that the Department is in agreement with the compromises that have been reached. If the resolutions outlined below are satisfactory to the Department, we would appreciate receiving a revised draft permit capturing all of these changes, and then CF would be in a position to withdraw its petition. Also, in light of the progress being made yet recognizing that additional time will be needed to confirm that both parties are satisfied, on behalf of CF I respectfully request that the Department continue to hold CF's petition challenging the proposed permit until at least December 1, 2008.

Resolutions Reached:

1. Under Condition 3.B.4 on page 10 of 13 of the draft permit, the Department had proposed particulate matter (PM) emission limits of 6.0 pounds per hour (lbs/hr) for DAP/MAP A and 9.9 lbs/hr for DAP/MAPs X, Y, and Z, and CF objected. As a result of further discussions with the Department, CF has agreed to PM limits of 8 lbs/hr for DAP/MAP A and 10 lbs/hr for DAP/MAPs X, Y, and Z.

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- CF may in the future propose emission reductions for one or all of the BART-eligible units at its Plant City facility that would enable CF to demonstrate that the units are exempt from the BART requirements under Rule 62-296.340, F.A.C. Specifically CF may propose a series of construction and/or modification projects, the result of which will demonstrate that Plant City's BART-eligible units' collective contribution to visibility effects will not exceed 0.5 deciviews above natural conditions in any Class I area prior to December 31, 2013. If CF makes this demonstration, the units at Plant City would be exempt from the BART requirements and the provisions of the BART permit would no longer be effective. At that time, the Plant City BART-eligible units would be required to comply with applicable sulfur dioxide and particulate matter emission limits in place prior to issuance of the BART permit, except for those emissions units where enforceable reductions were necessary in order to meet the BART exemption criteria. The BART permit should clarify that at any time in the future, CF may submit a determination for exemption and that issuance of the BART permit will not preclude exemption from BART should such a demonstration be made. The BART permit should also clarify that the BART limits become applicable on January 1, 2014, and that if CF makes a demonstration that the Plant City BART-eligible units' visibility impact is less than 0.5 deciviews, then the BART emission limits and other requirements will not take effect.
- The Department recently issued a proposed air construction permit for DAP/MAPs A, X, Y, and Z's secondary scrubber system that would allow the use of phosphoric acid instead of process water as the scrubbing media. CF recently tested the use of phosphoric acid in the secondary scrubbers under a permit issued by the Department, and the Department has now proposed authorization for the permanent conversion from process water to phosphoric acid use in the scrubbers. This change was made in response to U.S. Environmental Protection Agency concerns under the Resource Conservation and Recovery Act regarding the use of process water. The change from process water to phosphoric acid in the scrubbers could, however, affect PM emissions and higher limits than those being established in the BART permit may be more appropriate. The PM limits in the BART permit were established based on a statistical analysis of recent operating data, prior to the change from process water to phosphoric acid. Based on CF's discussions with the Department, once sufficient emissions data becomes available following implementation of all approved changes in the scrubber system, CF may propose higher, more appropriate PM limits as BART for DAP/MAPs A, X, Y, and Z based on subsequent relevant emission testing data. Because new add-on pollution control equipment is not required by the BART permit, higher limits may be appropriate to ensure that the units will maintain compliance. The Department has agreed with CF that, as appropriate, higher PM limits will be established as BART based on a statistical analysis of testing data following permanent conversion to phosphoric acid in the secondary scrubbers. The new limits would be established at levels sufficient to ensure that compliance is consistently achievable.

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- 4. The Department has agreed to reconsider the appropriateness of proposing PM emission limits in units of pounds per ton of P₂O₅ as BART because mass loadings (not efficiencies) affect visibility, because limits in units of lb/hr are being established, and because visibility modeling is based on the lb/hr rates. This issue is still being negotiated and we are not aware of the Department's final position.
- 5. The Department has also agreed to revise Condition 3.A.15 to provide that CF is required to monitor the scrubber pressure drop and liquid flow rates for SAPs A & B once every twelve hours rather than once every eight hours since CF operates 12-hour shifts, and that SAPs C&D do not have scrubbers, and therefore do not require scrubber monitoring. CF also recommended that for condition 3.A.18, sulfuric acid mist (SAM) testing be added for SAP A, since SAP A will have a lower SAM limit. Also, the note at the end of condition 3.A.18 should state that "no initial or annual compliance tests are necessary for SO₂". The Department has also agreed to reconsider Conditions 3.B.4, 3.B.9 and 2.B.11to clarify that total PM emissions will be presumed to be the same as PM less than 10 microns (PM₁₀) emissions and that EPA Test Method 5 can therefore be used to demonstrate compliance with both the PM and PM₁₀ emission limits.

We appreciate the Department's willingness to work with us to resolve these issues and look forward to receiving a revised draft permit soon. If you or anyone else with the Department has any questions or would like to discuss any of these issues further, please do not hesitate to contact me.

Sincerely,

Angela Morrison Uhland

Attorney for CF Industries, Inc.

angele Monin Uhland

cc: Trina Vielhauer, Bureau of Air Regulation Syed Arif, Bureau of Air Regulation

Ron Brunk, CF