

Claw-Fzi

OERTEL, HOFFMAN, FERNANDEZ & COLE, P. A.

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(NOT A MEMBER OF THE FLORIDA BAR)

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ENVIRONMENTAL CONSULTANT
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RECEIVED

DEC 2 1991

Division of Air
Resources Management

Gregory G. Radlinski, Assistant Counsel
Environmental Law Division
City of Jacksonville
Suite 715 - Town Center
4251 West Church Street
Jacksonville, Florida 32202-4156

RE: Seminole Kraft Corporation, Bark Boilers

Dear Mr. Radlinski:

This will respond to your letter of November 14, 1991 regarding continued operation of certain Seminole Kraft bark and power boilers after commercial operation of the AES Cedar Bay Facility was reached.

I do not believe there is any issue involving the odor settlement between the City and Seminole Kraft. The settlement related to agreeing to shut down certain TRS specified sources, including the recovery boilers. Seminole Kraft is on schedule to meet the specified dates in that consent judgment. That settlement did not include or have any relevance to operation of the power or bark boilers. The settlement specifically reserved the creditable emission reductions from retiring the old recovery boilers.

The bark and power boilers were offered as creditable emission reductions as part of the AES power plant siting process. The creditable emissions remain intact and available to AES and Cedar Bay. At the time the application was filed Seminole Kraft planned to replace the three old recovery boilers with one large new recovery boiler. They planned to retire the power boilers and burn the bark in the AES circulating fluidized bed boilers. Based upon market conditions, the desire of the City and the State to promote additional recycling in the state and the desire to make a much larger reduction in odors by eliminating the Kraft pulping process from the mill, the proposal was later changed to eliminate the new recovery boiler (which had been permitted) and instead to convert the mill to a recycled fiber facility. It was at that point that agreement was reached with the City and later filed in circuit court resolving the pending odor questions. Meetings were held with the City and the State to discuss


Mr. Gregory G. Radlinski
December 2, 1991
Page 2

the proposed conditions of certification relating to shutting down the bark and power boilers. It was agreed this condition did not preclude Seminole Kraft from applying for additional permits for new sources in the future, utilizing the recovery boiler offsets, should Seminole be able to demonstrate compliance with applicable environmental requirements. The City made clear that should Seminole Kraft file such applications that it would expect NSPS requirements to be met. Although it is not clear NSPS requirements are applicable, the application that Seminole Kraft files will honor the City's request that NSPS limitations be met.

I have attached copies of relevant correspondence from the Department of Environmental Regulation, EPA and Seminole Kraft for your information. It should be noted for informational purposes that Seminole Kraft also has provided notice to DER that upon completion of the recycle fiber project, there will be a change in the mix of carbonaceous fuel burned in the bark boilers in the interim between the startup of the new recycled fiber process next year and commercial operation of AES.

As you will see from the correspondence Seminole Kraft has been candid and open on this issue since the possibility of converting the application for a new recovery boiler to recycled fiber project for the entire mill was first discussed and later approved by the City and the State. Once you have had the opportunity to review these materials and this letter, we will be glad to meet with you to discuss this in more detail. Please feel free to call me should you have any questions.

Sincerely,


Terry Cole

TC/kp

cc: Steve Smallwood
Richard Donellan
Larry Stanley
Curt Barton
Bruce Mitchell



OFFICE OF
GENERAL COUNSEL
CITY OF JACKSONVILLE
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NOV 18 1991

November 14, 1991

OERTEL, HOFFMAN,
FERNANDEZ & COLE, P.A.

Terry Cole, Esq.
Oertel, Hoffman, Fernandez & Cole, P.A.
2700 Blair Stone Road, Suite C
P. O. Box 6507
Tallahassee, Florida 32314-6507

RE: Seminole Kraft Corp., Jacksonville Plant, continued boiler use

Dear ~~Mr. Cole~~ ^{Terry} :

Yesterday, Mr. Larry Stanley, the manager of the Seminole Kraft plant in Jacksonville, addressed a group of concerned citizens. He explained Seminole's recent application to change Seminole Kraft's land use classification from light industrial to heavy industrial. At the meeting, he also mentioned that Seminole Kraft would not be receiving all of its steam power from AES Cedar Bay's cogeneration plant, and would continue to operate some of its present boilers. Would you please confirm and explain Seminole Kraft's intentions regarding the existing boilers and the power sharing arrangement with AES.

AES/Cedar Bay and Seminole Kraft, co-applicants for a co-generation plant under Florida's Electric Power Plant Siting Act, have represented that one of the major benefits of the project was elimination of Seminole's inefficient boilers. As Hearing Officer Benton found in his May, 1990, Recommended Order


Construction of the new cogeneration facility will allow the existing bark boilers and oil-fired boilers at the mill to shut down. (cit. omit.) Seminole Kraft is under orders to close down the most egregious of its several air pollution sources, in any event.

Under the Consent Judgment approved by Circuit Judge Darden last December, Seminole Kraft agreed to shut down the old pulp mill by September, 1992, including discontinuing use of the recovery boilers.

Terry Cole, Esq.
November 14, 1991
Page -2-

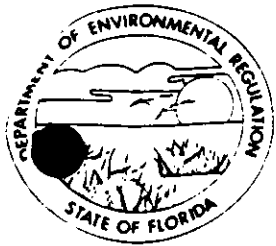
Mr. Stanley's comments suggest that Seminole Kraft has other plans. If that is true, the City would like those plans explained. If Mr. Stanley is misinformed, your explanation of the true circumstances will help allay our understandable concerns.

Sincerely,


Gregory K. Radlinski
Assistant Counsel
Environmental Law Division

cc:
Councilman Reagan
Councilman Carlucci
Councilman Crescimbeni
General Counsel Delaney
J. Heard, Esq.
R. Pennington, Esq.
Mr. S. Campbell
Mrs. B. Broward
R. G. Haines, Ph.D.
R&ESD

GKR/lou



Florida Department of Environmental Regulation

Northeast District • 3426 Bills Road • Jacksonville, Florida 32207 • 904-798-4200

Bob Martinez, Governor

Dale Twachtman, Secretary

John Shearer, Assistant Secretary
Ernest Frey, Deputy Assistant Secretary

Permittee:

Seminole Kraft Corporation
9469 Eastport Road
Jacksonville, Florida 32229

I.D. Number:

31-16-0067-04

Permit/Certification Number:

AO16-149235

Date of Issue:

November 9, 1988

Expiration Date:

May 31, 1993

County:

Duval

Latitude/Longitude:

30:25:15/81:36:00

UTM:

E-7441.800 N-3365.575

Project:

No. 1 Bark Boiler

This permit is issued under the provisions of Chapter 403, Florida Statutes, and Florida Administrative Code Rules 17-2 and 17-4. The above named permittee is hereby authorized to perform the work or operate the facility shown on the application and approved drawing(s), plans, and other documents attached hereto or on file with the department and made a part hereof and specifically described as follows:

For the operation of No. 1 Bark Boiler, Combustion Engineering Serial No. 16703 for the the production of steam. Maximum heat input shall be 193×10^6 BTU per hour firing carbonaceous fuel (bark) and/or Bunker C or No. 6 Fuel Oil with a maximum sulfur content of 2.27% by weight.

Particulate Matter (PM) emissions shall be controlled as follows:

Source

No. 1 Bark Boiler

Control Equipment

Two sets of 4 each Buell VT Cyclone Separators in series with a Ducon Venturi Scrubber Type VVO

Emission source(s) shall be as follows:

Point

04

Source

No. 1 Bark Boiler

Located at 9469 Eastport Road, Jacksonville, Florida 32229

Supporting documents shall be as follows:

- (1) Permit AO16-71204
- (2) Operating Permit Application dated May 3, 1988
- (3) DER letter approving transfer of permits dated January 12, 1987
- (4) Stack tests (2) performed on October 28, 1987 and November 4, 1987.
- (5) Operation and Maintenance Plan

Permittee:

Seminole Kraft Corporation

I.D. Number:

31-16-0067-04

Permit/Certification Number:

AO16-149235

Date of Issue:

November 9, 1988

Expiration Date:

May 31, 1993

SPECIFIC CONDITIONS:

1. Permittee shall notify the Bio-Environmental Services Division (BESD) fifteen (15) days prior to source testing in accordance with Rule 17-2.700(2)(a)5., Florida Administrative Code (FAC), and Rule 2.501, Jacksonville Environmental Protection Board (JEPB).
2. Copies of the test report(s) shall be submitted to BESD within forty-five (45) days of completion of testing in accordance with Rule 17-2.700(7)(b), FAC, and Rule 2.501, JEPB.
3. Testing of emissions shall be accomplished at a minimum of 90% of the permitted capacity. If testing is performed at a rate less than 90% of the permitted capacity, operation shall be limited to a maximum of 110% of the tested capacity until such time as an acceptable test is performed at a minimum of 90% of the permitted capacity. When operation is restricted to a lower capacity because of testing at such a level, BESD, upon advanced notification, will allow operation at higher capacities if such operation is for demonstrating compliance at a higher capacity.
4. Any revision(s) to a permit (and application) shall be submitted and approved prior to implementing.
5. Control equipment shall be provided with a method of access that is safe and readily accessible.
6. Stack sampling facilities shall be required and shall comply with the requirements of Rule 17-2.700(4), FAC, and Rule 2.207, JEPB.
7. Permittee shall submit an annual operation report to BESD for this source on the form supplied for each calendar year on or before March 1 in accordance with Rule 17-4.140, FAC.
8. The following pollutant(s) shall be tested at intervals indicated from the date of July 1, 1988:

<u>Pt. No.</u>	<u>Pollutant</u>	<u>Interval</u>	<u>Test Method</u>
04	Particulate Matter (PM)	4 Months	EPA Reference Method (RM) No.5
	Fuel Oil Analysis (2.27% Sulfur)	on Request	*
	Visible Emissions (VE)	On request	EPA RM No. 9

*Sulfur analysis of the No. 6 Fuel Oil shall be done in accordance with ASTM D 2622-82 (Sulfur in Petroleum Products - X Ray Spectrographic Method) or other method approved in advance by BESD, and shall be reported as the sulfur content by percent (%) weight.

9. The applicable emission limiting rules shall be as follows:

<u>Pt. No.</u>	<u>Pollutant</u>	<u>¹FAC</u>	<u>²JEPB</u>	<u>Other</u>
04	PM (carbonaceous fuel fired)	17-2.650(2)(c)3	2.207	
	PM (oil fired)	17-2.650(2)(c)3	2.207	
	VE	17-2.650(2)(c)3	2.207	

Seminole Kraft Corporation
Bark Boilers

I. Current Permit

A. Fuel

1. Carbonaceous Fuel (Bark)
2. No. 6 Fuel Oil (2.27% Sulfur)

B. Boiler Capacity

Max. Rate - 193 mmBtu/hr heat input

C. Normal Operation - 100% Carbonaceous Fuel

D. Abnormal Operation - No. 6 Oil & Carbonaceous Fuel
(Startup, Shutdown, Malfunction, etc.)

E. Allowable Emissions

- PM (Carbonaceous Fuel) 0.2 lb/mmBtu or 38.6 lb/hr
- PM (Oil Fired) 0.1 lb/mmBtu or 19.3 lb/hr
- PM (Combinations of Carbonaceous and Oil - Limited to 193 mmBtu/hr. Allowable PM emissions for any combination shall be calculated on the sum of the individual calculations for carbonaceous and oil fuels.

II. Projected Fuel After Startup of Recycle Operation

A. Fuel

1. Carbonaceous Fuel (Bark & Wastepaper Rejects)
2. No. 6 Fuel Oil (1.0% Sulfur)

B. Boiler Capacity

Max. Rate - 193 mmBtu/hr per boiler

C. Normal Operation - 100% Carbonaceous Fuel

D. Abnormal Operation - No. 6 Oil & Carbonaceous Fuel

E. Carbonaceous Fuel Data

1. Heat Value

Bark (Dry) - 6500 Btu/#

Wastepaper Rejects (Dry) - 8000 Btu/#

2. Fuel Quantity

Bark (Dry) - 11.15 Tons/hr

3. Firing Rate

Wastepaper Rejects (Dry) - 3 Tons/hr

Bark Heat Input = 6500 (11.15) 2000 = 145 mmBtu/hr

Wastepaper Rejects = 8000 (3) 2000 = 48 mmBtu/hr

Total Heat Input = 193 mmBtu/hr

F. Allowable Emissions

PM (Carbonaceous Fuel) = 0.2 lb/mmBtu or 38.6 lb/hr

PM (Oil Fired) = 0.1 lb/mmBtu or 19.3 lb/hr

PM (Combinations of Carbonaceous Fuel and Oil limited to 193 mmBtu/hr. Allowable PM emissions for any combination shall be calculated based on the sum of the individual calculations for Carbonaceous and Oil Fuels.

OERTEL, HOFFMAN, FERNANDEZ & COLE, P A.

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J. P. BRAMANI, Ph. D., P. E.
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October 26, 1990

Post-It™ brand fax transmittal memo 7671		# of pages ▶
To <i>Chasch Schrenk</i>	From <i>Curt Barton</i>	
Co.	Co.	
Dept.	Phone #	
Fax # <i>3128557312</i>	Fax #	

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

RE: Refurbishment or replacement of
Seminole Kraft Bark Boilers; Changing Fuel Mix

Dear Steve:

The purpose of this letter is to confirm your previous discussion with Julie Blunden, Curt Barton, and me concerning refurbishment or replacement of existing bark boilers, or the use of such boilers to burn recycled fiber rejects as well as bark.

As you know, Seminole Kraft Corporation proposes to convert its Jacksonville mill to a 100% recycle operation. This will benefit the community in many ways, including reducing the need to landfill used corrugated containers and eliminating all TRS emissions.

In processing the recycled fiber a certain amount of rejects will be produced which must be burned or landfilled. Due to the volume of rejects generated over the long term, incineration is preferred. The fiber rejects have a high energy content and they can be efficiently burned with bark (also generated on-site) in boilers adequate for this purpose.

The DER permitting requirements for boilers used for this purpose would depend on whether the AES Cedar Bay/Seminole Kraft Co-generation Project is ultimately certified.

Permitting Requirements if AES Cedar Bay/Seminole Kraft Project is Certified:

If the Co-generation Project is certified, Condition IID of the proposed Conditions of Certification (revised 7-19-90) requires

Mr. Steve Smallwood
October 26, 1990
Page 2

that Power Boiler Nos. 1 through 3 and Bark Boiler Nos. 1 and 2 are to be "permanently shut down and made incapable of operation" at the time initial compliance tests on the AESCB boilers are completed. This provision constitutes a federally enforceable permit condition upon final action by the Siting Board and Secretary.

In light of this condition, the same permitting requirements apply irrespective of whether a new boiler is constructed to burn bark and fiber rejects or an existing boiler is refurbished for this purpose. These requirements would consist of the applicable federal and state New Source Performance Standard; assurance that ambient air quality standards will not be violated; and Prevention of Significant Deterioration (PSD) review in the absence of creditable emission reductions such as those resulting from the shut-down of the Kraft Recovery Boilers. See Rule 17-2.500, F.A.C. There is no prohibition against applying for a new source permit because of a federally enforceable condition requiring retirement of an existing source.

Permitting Requirements for Bark Boilers if AES Cedar Bay/Seminole Kraft Project Not Certified:

The permitting requirements are different, however, if the proposed Co-generation Project is not certified. The existing Bark Boiler(s) are capable of being used to burn the fiber rejects as well as bark.

It appears that the change in fuel content -- from 100% bark to a 75% bark/25% fiber reject mix -- does not constitute a modification for purposes of applying new source performance standards or PSD review. This is because of the way "modification" is defined and the specific exemption to that definition.

Modification is defined in 40 CFR §60.2 (also found in Chapter 17-2, F.A.C.) as:

Any physical change in, or change in the method of operation of, an existing facility which increases the amount of any air pollutant (to which a standard applies) emitted into the atmosphere by that facility or which results in the emission of any air pollutant (to which a standard applies) into the atmosphere not previously emitted.

Mr. Steve Smallwood
October 26, 1990
Page 3

There is, however, an exception to the definition which applies to use of an alternative fuel or raw material if prior to the applicable date of the regulation the existing facility was capable of accommodating an alternative fuel use. A "facility" is capable of accommodating an alternative fuel use if the use could be accomplished under the facility's construction specifications as amended prior to the change. 40 CFR §60.14(e)(4).

DER rules contain a similar exemption. Rule 17-2.500(2)(c)4, F.A.C., exempts the use of an alternative fuel which the facility was capable of accommodating before January 6, 1975, unless such change is prohibited under any federally enforceable permit condition established after January 6, 1975.

Since prior to January 6, 1975, the bark boilers were capable of burning the reject fibers in the percentages anticipated, and still are, they fall within the exception to the general NSPS requirement.

EPA and DER rules also subject "major modifications" of existing facilities to PSD review. Such modifications are generally defined as any physical change in, or change in the method of operation of, a major stationary source which would result in a significant net emissions increase of any pollutants subject to regulation. The rules also contain, however, an exemption for a physical change or change in method of operation for the use of an alternative fuel or raw material which the source was capable of accommodating before January 6, 1975, unless such change would be prohibited under any federally enforceable permit condition established after January 6, 1975. 40 CFR 52.21(2)(d); see also §17-2.500(2)(c)4., F.A.C.

Consequently, under the situation described, the switch in fuel mixture would not be a major modification requiring PDS review. Seminole Kraft would, however, notify the Department before burning the reject fibers and answer any questions concerning it.

Mr. Steve Smallwood
October 26, 1990
Page 4

I would appreciate your confirming my understanding of our discussion. Please do not hesitate to provide corrections or clarification where needed. Thank you for your cooperation.

Sincerely,


Terry Cole

TC/kp

cc: Curt Barton
Julie Blunden

s-smallw.ltr



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION IV

345 COURTLAND STREET, N.E.
ATLANTA, GEORGIA 30365

FEB 25 1991

4APT-AE

Mr. Clair H. Fancy, P.E., Chief
Bureau of Air Regulation
Division of Air Resources Management
Florida Department of Environmental
Regulation
Twin Towers Office Building
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

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Dear Mr. Fancy:

As requested in your November 16, 1990, letter, we have reviewed the analysis by Mr. Terry Cole of Oertel, Hoffman, Fernandez and Cole, P.A., regarding the applicability of NSPS and PSD to the boilers at Seminole Kraft and AES Cedar Bay (AESCB) in Jacksonville, Florida. In Mr. Cole's letter, two specific situations involving the boilers at Seminole Kraft and the AESCB project were addressed.

APPLICABILITY OF NSPS AND PSD IF AESCB/SEMINOLE KRAFT PROJECT IS CERTIFIED

Under the conditions of certification for the AESCB project, the shutdown of boilers at Seminole Kraft is required in order to provide offsets for increases in pollutants from the cogeneration facility. It must be noted that for the emissions reductions to be creditable, they must be permanent. After the PSD permit is issued which incorporates these shutdowns and makes them federally enforceable, there will be no additional emissions reduction credit available from the shutdown of these boilers. Should Seminole Kraft decide to refurbish the dismantled bark boilers, the boilers would be treated as entirely new emissions units with none of the exemptions from applicability for existing units that are specified under PSD regulations being available.

With regard to NSPS, the existing boilers at Seminole Kraft would not become subject to NSPS if they remained intact and were merely restarted, without any physical or operational change.

If the boilers are dismantled in any fashion (i.e. key components removed) and the decision is later made to restart the boilers, then NSPS would apply. This is due to the fact that there would be an emission increase caused by a physical change to the boilers. Since the boilers were incapable of operating, the emissions would be zero immediately before the changes necessary for a restart and therefore, an emissions increase would have resulted thus triggering NSPS. This is consistent with the Wisconsin Electric Power Company decision. If changes are only necessary to accommodate a different fuel mix, then we would accept emission data just prior to the shutdown and compare with data after start up to determine if an emissions increase, and hence a modification, would result thus triggering NSPS. Furthermore, the composition of the fiber rejects would need to be evaluated to determine if the new combination of fuel would be classified as municipal solid waste (MSW). If so, then the newly promulgated NSPS regulations for municipal waste combustors would apply.

APPLICABILITY OF NSPS AND PSD IF AESCB/SEMINOLE KRAFT PROJECT IS NOT CERTIFIED

According to Mr. Cole, the bark boilers would not be subject to NSPS or PSD permit review when the fuel mixture for the bark boilers is changed from 100% bark to 75% bark/25% fiber reject mix. The basis for this determination is that the bark boilers were capable of firing the fiber rejects at the percentages anticipated as of January 6, 1975.

In order to determine the applicability of NSPS to the bark boilers due to the change in fuel type it must be ascertained if the bark boilers will have an increase in the emission rate, expressed as kilograms per hour, of a regulated pollutant and if the bark boilers could fire the fiber rejects as originally constructed. However, not enough information was provided to determine if an emission rate increase in a regulated pollutant would occur, therefore, we will assume that an increase in a regulated pollutant will occur.

Assuming that an increase will occur, then the second condition must be addressed. It is incorrect to use January 6, 1975, as the date to determine if the bark boilers were originally designed to burn the bark and fiber rejects simultaneously. The exemption to the modification provision at §60.14(e)(4) essentially states that if the existing facility could have fired the alternative fuel prior to the applicability date of

the NSPS Subpart, then the increase in the emission rate of a regulated pollutant due to the use of the alternative fuel would not be considered a modification as defined in §60.14. Since Mr. Cole indicated that on January 6, 1975, the bark boilers were capable of firing the 75% bark/25% fiber rejects mixture, the only possible applicable NSPS Subparts are Subparts D and E. If the bark boilers were capable of firing the alternative fuel prior to August 17, 1971, then neither Subpart would apply.

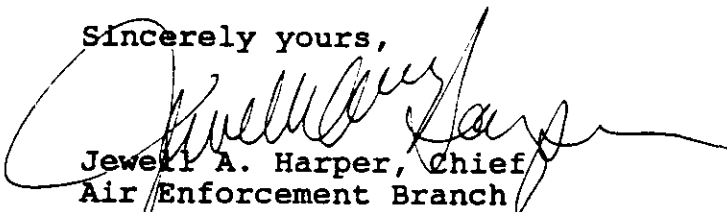
If the bark boilers were not capable of firing the alternative fuel prior to August 17, 1971, then they could be subject to either Subparts D or E or both if an increase in the emission rate of a regulated pollutant occurs. In addition, in order for Subpart E to apply, the combination of bark and fiber rejects would have to be determined to be MSW.

In addition, if the combination of bark and fiber rejects is considered to be MSW, then the bark boilers would be subject to emission standards for existing MSW combustors which will be established in accordance with the guidelines published in the February 11, 1991, Federal Register.

With regard to PSD, since the bark boilers were capable of firing bark and fiber refuse prior to January 6, 1975, then PSD review would not be required.

If you have any questions regarding this letter, please contact Mr. Brian Beals at 404/347-2904.

Sincerely yours,



Jewell A. Harper, Chief
Air Enforcement Branch
Air, Pesticides and Toxics
Management Division

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Stone Container Corporation

Technology and Engineering

Containerboard and Paper Division

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Suite 400
Atlanta, Georgia 30345

404 621-6700

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November 14, 1991

Mr. Clair Fancy, Chief
Bureau of Air Regulation
2600 Blair Stone Road
Tallahassee, FL 32399-2400

OERTEL, HOFFMAN,
FERNANDEZ & COLE, P.A.

Dear Mr. Fancy:

On November 6, 1991, you received a letter from Mike Riddle, Technical Director at the Seminole Kraft Paper Mill in Jacksonville, FL which addressed your concerns over the burning of recycled fiber rejects in the bark boilers.

Since sending the letter, we have discovered that the percent plastic value might be misleading. We stated that the plastic was 0.3% which was based on the total recycled fiber bale weight of 750 lbs. The actual reject portion of recycled fiber is approximately 15% or 112 lbs. out of a 750 lb. bale. Therefore, the actual, burnable recycled fiber reject feed contains 96.37% fiber, 1.4% inorganic (sand, glass, etc.) and 2.23% plastic which contains only 190 ppm of chlorine.

We apologize for any confusion that our original calculation may have caused and trust that this letter rectifies any deficiency.

Sincerely,

Craig Hurd
Regional Environmental Manager

bbm

cc: Curt Barton
Terry Cole
Mike Riddle
Larry Stanley



Seminole Kraft Corporation

Jacksonville Mill

9469 Eastport Road
P.O. Box 26998
Jacksonville, Florida 32218-0998

November 6, 1991

904 751-6400

Mr. Clair Fancy, Chief
Bureau of Air Regulation
2600 Blair Stone Road
Tallahassee, FL 32399-2400

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NOV 8 1991

Dear Mr. Fancy:

OERTEL, HOFFMAN,
FERNANDEZ & COLE, P.A.

In September you met with Stone Container representatives, Mr. Curt Barton and Mr. Terry Cole, concerning Seminole Kraft Corporation's request to burn recycled fiber rejects in the bark boilers. This request was for the period of time between the mill conversion to recycled fiber operation in the Summer/Fall 1992 and AES Compliance testing (Spring 1994). In a July 23, 1991 letter to Mr. Steve Smallwood, it was stated that the rejects would be less than 25% of the fuel and would not result in the increase of allowable emissions or heat input.

At the meeting you expressed three concerns: 1) Of the estimated 10% plastic content, how much is chlorinated plastic, 2) is there a danger of increased metals emissions from the estimated 15% inorganic portion, and 3) will there be a significant increase in VOC emissions. During the past month, we have initiated several projects to help address these concerns.

Quantity of Chlorinated Plastic

Stone Container's Missoula, Montana mill has a new recycled fiber plant which is similar in operation, reject removal and burning, and raw material feed to the one being constructed at Seminole Kraft. A typical 750 pound bale of recycled fiber was broken open and hand sorted for plastic material. While most of the plastic could not be identified as to original use, nearly all of it fell into one of two categories; strapping or bags. Further, the total 2 1/2 pounds of retrieved plastic (0.3% of the bale weight) was nearly equally divided between the two fractions. These two samples were sent to Galbraith Laboratories for chlorine analyses and the results are included in Appendix I.

The average chlorine content, 190 ppm, is low and is comparable with the chlorine content of bark, 153 ppm, (Appendix II). Total chlorine contribution from the plastic is 190 ppm CH x 0.3% plastic = 0.0001%.

Mr. Clair Fancy, Chief
November 4, 1991
Page 2

Inorganic Fraction of Recycle Rejects

Again, our Missoula, Montana operation was used to provide the necessary data. Samples of actual recycle fiber reject material was taken from the collection bin just prior to burning. The samples were ashed and the results (Appendix III) revealed that the inorganic portion was 1.43% which is much lower than the original estimate of 15% and, in fact, is lower than the inorganic fraction found in bark, 3.4%, (Appendix II). As a second check, a sample of recycle fiber rejects from Stone Container's Florence, South Carolina mill was also ashed. The inorganic portion was found to be 1.23% (Appendix IV) which agrees with the Missoula results. This low ash content is similar to carbonaceous fuels presently being burned in the bark boilers, and indicates there should be no increase in metal emissions resulting from burning recycle fiber rejects.

VOC Emissions

As you suggested at the September meeting, the best way of ascertaining that there will be no significant increase in VOC emission is to conduct a VOC stack test before and after the introduction of recycle fiber rejects to the bark boilers. Seminole Kraft agrees to conduct these tests.

Summary

In summary, our projects portray a burnable recycle fiber reject feed containing 98.3% fiber, 1.4% inorganic (sand, glass, etc.) and 0.3% plastic which contained only 190 ppm chlorine. We trust these data adequately answer your concerns and that we have demonstrated that this interim burning of recycle fiber rejects will have no environmental impact.

Sincerely,



Michael E. Riddle, Technical Director
Craig Hurd, Regional Environmental Manager

/pt

cc: L.A. Stanley
Terry Cole
Curt Barton



Stone Container Corporation

Missoula Mill

Mullan Road
P.O. Box 4707

Missoula, Montana 59806-4707

Containerboard and Paper Division

APPENDIX I

406 626-4451

Oct 2, 1991

Dear Mike:

Here it is. The plastic that was contained in a bale that weighed approximately 750 lb. Let me know what you find regarding percent PVC after your investigation is over.

Best Regards,
Jimmy Brown

Separated in two piles by Seminole.		
<u>straps/tape</u>	<u>bags</u>	
412.2 grams	737.7 grams	total 1149.9 grams
		or 2.5 pounds

GALBRAITH

Laboratories, Inc.

QUANTITATIVE MICROANALYSES

ORGANIC — INORGANIC

PHONE 615/546-1335 FAX 615/546-7209

CC: Craig Hood.

HARRY W. GALBRAITH, Ph.D.
CHAIRMAN OF THE BOARD
KENNETH S. WOODS
PRESIDENT
VELMA M. RUSSELL
SECRETARY-TREASURER
DAVID J. STROM
SENIOR VICE-PRESIDENT
GAIL R. HUTCHENS
EXECUTIVE VICE-PRESIDENT
WILLIAM M. LONGMIRE
VICE-PRESIDENT
TECHNICAL SERVICES

Mr. Gene Doss
Seminole Kraft Corporation
9469 Eastport Road
Jacksonville, Florida 32218

October 21, 1991

Received: Oct. 16th
PO#: 11423

Dear Mr. Doss:

Analysis of your compound gave the following results:

Your #,	Our #,	ppm Chlorine,
A <i>strap/tape</i>	T-3677	270
B <i>bags</i>	T-3678	109

Sincerely yours,

GALBRAITH LABORATORIES, INC.

Gail R. Hutchens
Gail R. Hutchens
Exec. Vice-President

GRH:sla

APPENDIX II

Average of 7 attached bark tests.

Ash = 3.4%

Chlorine = 153 ppm



TECHNICAL SERVICES, INC.
 ENVIRONMENTAL CONSULTANTS — INDUSTRIAL CHEMISTS
 OFFICE 2471 SWAN ST. — P.O. BOX 52329
 LABORATORIES 103-107 STOCKTON STREET
 JACKSONVILLE, FLORIDA 32201
 (904) 353-5761



Laboratory No. 82968

February 24, 19 88

Sample of Bark

Date Received 02/16/88

For Seminole Kraft Corporation, P.O. Box 26998, Jacksonville, Florida 32218
 Attention: Mr. Hodges

Marks: 02/16/88

CERTIFICATE OF ANALYSIS OR TESTS

		<u>Method</u>	<u>Date/Time</u>	<u>Analyst</u>
BTU/lb(Dry Basis)	6,971	ASTM D2015	02/17/88-1525	RK
Carbon(Dry Basis)	50.11 %			
Hydrogen (Dry Basis)	6.08 %			
Nitrogen (Dry Basis)	0.26 %			
Sulfur (Dry Basis)	0.012 %	ASTM D3177	02/18/88-0911	RK
Chloride (Dry Basis)	0.061 %	ASTM D808	02/18/88-1341	RK
Oxygen	41.67 %	By Difference		
Ash (Dry Basis)	1.804 %	ASTM D3174	02/17/88-1427	RK
Moisture (as received)	34.89 %	ASTM D3172	02/17/88-0912	RK

*368 ppm as Chlorine
 calculated by M. Riddle 10/31/91
 Assume Chloride = NaCl
 Chlorine = 60.3% of chloride*

Respectfully submitted,

TECHNICAL SERVICES, INC.

by *Henry C. Gray, Jr.*

GALBRAITH

Laboratories, Inc.

QUANTITATIVE MICROANALYSES

ORGANIC — INORGANIC

PHONE 615/546-1335 FAX 615/546-7209

HARRY W. GALBRAITH, Ph.D.
CHAIRMAN OF THE BOARD
KENNETH S. WOODS
PRESIDENT
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SECRETARY-TREASURER
DAVID J. STROM
SENIOR VICE-PRESIDENT
GAIL R. HUTCHENS
EXECUTIVE VICE-PRESIDENT
WILLIAM M. LONGMIRE
VICE-PRESIDENT
TECHNICAL SERVICES

Mr. G. Doss
Seminole Kraft Corporation
9469 Eastport Road
Jacksonville, Florida 32218

September 10, 1991

Received: August 28th
PO#: 10441

Dear Mr. Doss:

(Bark)
Analysis of your compound gave the following results:

Your #,	Our #,	Analyses,	
1	S-6602	As Received,	
		% Moisture	41.76
		% Ash	2.15
		Dry Basis,	
		% Carbon	51.13
		% Hydrogen	5.73
		% Kjeldahl Nitrogen	0.15
		ppm Sulfur	228
		ppm Chlorine	91
		% Ash	3.70
		% Oxygen (By Diff)	39.41
2	S-6603	As Received,	
		% Moisture	44.91
		% Ash	3.48
		Dry Basis,	
		% Carbon	46.61
		% Hydrogen	5.78
		% Kjeldahl Nitrogen	0.12
		ppm Sulfur	1247
		ppm Chlorine	336
		% Ash	6.31
		% Oxygen (By Diff)	41.14

Mr. Doss
Page 2
September 10, 1991

Your #,	Our #,	Analyses,	
3	S-6604	As Received,	
		% Moisture	40.99
		% Ash	1.28
		Dry Basis,	
		% Carbon	52.79
		% Hydrogen	5.72
		% Kjeldahl Nitrogen	0.19
		ppm Sulfur	272
		ppm Chlorine	97
		% Ash	2.17
		% Oxygen (By Diff)	39.28
4	S-6605	As Received,	
		% Moisture	40.16
		% Ash	1.96
		Dry Basis,	
		% Carbon	51.96
		% Hydrogen	5.65
		% Kjeldahl Nitrogen	0.15
		ppm Sulfur	245
		ppm Chlorine	80
		% Ash	3.27
		% Oxygen (By Diff)	39.09
5	S-6606	As Received,	
		% Moisture	63.15
		% Ash	1.69
		Dry Basis,	
		% Carbon	51.05
		% Hydrogen	5.50
		% Kjeldahl Nitrogen	0.27
		ppm Sulfur	663
		ppm Chlorine	79
		% Ash	4.58
		% Oxygen (By Diff)	38.80

Mr. Doss
Page 3
September 10, 1991

Your #,	Our #,	Analyses,	
6	S-6607	As Received,	
		% Moisture	57.49
		% Ash	0.87
		Dry Basis,	
		% Carbon	51.84
		% Hydrogen	5.59
		% Kjeldahl Nitrogen	0.34
		ppm Sulfur	348
		ppm Chlorine	19
		% Ash	2.04
		% Oxygen (By Diff)	40.49

Sincerely yours,

GALBRAITH LABORATORIES, INC.

Gail R. Hutchens/dse

Gail R. Hutchens
Exec. Vice-President

GRH:dse



Stone Container Corporation

APPENDIX III

Containerboard and Paper Division

Missoula Mill

 Mullian Road
 P.O. Box 4707
 Missoula, Montana 59806-4707

October 30, 1991

406 626-4451

Craig Hurd
 Regional Manager
 Environmental Services
 Stone Container Corporation
 Technology and Environmental Center
 2150 Parklake Drive, Suite 400
 Atlanta, GA 30345

Dear Craig,

As you requested, I had a sample of our burnable wastes tested for ash content. The averaged ash content was 1.43%.

A representative sample of our burnable OCC rejects was collected from the central collection bin. These rejects are a combination of rejects from: 1) the hydrapurge/selectpurge system, 2) the Wandel vibration screens (rejects from the coarse screens) and 3) the hydradenser (rejects from the tertiary slotted screen and waxes and stickies from the Krofta clarifier). I have included a print out of the basic scheme of the Missoula OCC plant from the Honeywell computer controls for reference.

This sample was divided into three parts and dried for 24 hours and weighed on a bone dry basis. The samples were then brought gradually up to approximately 575 degrees Centigrade in our muffle furnace and burned at that temperature for approximately three hours. The samples were then cooled for about one hour in a desiccator and weighed. The weights, in grams, are recorded below along with the calculated inorganic fraction of the sample in percent.

	<u>Bone Dry</u>	<u>Ash</u>	<u>%Ash</u>
Sample 1	1.7913	0.0237	1.323
Sample 2	0.8943	0.0133	1.487
Sample 3	0.9651	0.0152	1.606
Average:	1.2169	0.0174	1.430 (using the average weights.)

If you have any questions, please let me know.

Sincerely,

Jenny Brown
 Quality Control Engineer

APPENDIX IV

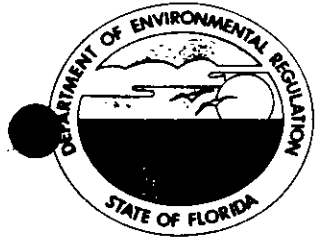
A representative sample off recycle fiber rejects from the Stone Container mill in Florence, South Carolina was dried and then ashed in a muffle furnace at 600°C.

Bone Dry Weight:

58.5604		53.6512
- <u>53.5902</u> (crucible)		- <u>53.5902</u>
4.9702 grams		0.0610
0.0610/4.9702	=	0.0123
	=	1.23% Ash

October 22, 1991
Gene Doss

AUG 1 - 1991



Florida Department of Environmental Regulation

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

Lawton Chiles, Governor

Carol M. Browner, Secretary

July 16, 1991

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

RECEIVED

8/16/91
W. RIDGE
P. Brown
A. Kocst

AUG 5 1991

Mr. L. A. Stanley
General Manager
Seminole Kraft Corporation
9469 Eastport Road
P. O. Box 26998
Jacksonville, Florida 32218-0998

OERTEL, HOFFMAN,
FERNANDEZ & COLE, P.A.

Dear Mr. Stanley:

Re: Request to Burn Recycle Fiber as a Fuel
Nos. 1 and 2 Bark Boilers

The Department has reviewed your letter with attachments received June 28, 1991, regarding the request to burn recycle fiber as a fuel in the above referenced combination (carbonaceous and fossil fuels) boilers. Based on a review of the letter and attachments, a construction permit for a modification will be required in order for the boilers to be allowed to burn recycle fiber as a fuel, because the boilers are not currently permitted to burn plastics and metals (other than the normal constituents of the fossil fuels permitted as fuels), which are components of the recycle fiber. Therefore, please submit the proper application form(s), including all assumptions, calculations and reference material, and the appropriate processing fee to the Department of Environmental Regulation; and, the evaluation of all pollutants should compare the current actual emissions versus the future potential/allowable emissions. Also, provide an ultimate analysis of the current fuel(s) and the proposed fuels on a bone dry, percent weight basis; and, provide the fuel utilization rates on a tons per hour and tons per day basis. Please explain where the plastics will come from and how it is part of the recycle fiber waste stream.

If there are any questions, please call Mr. Clair Fancy at (904) 488-1344 or write to me at the above address.

Sincerely,

STEVE SMALLWOOD, P. E.
Director
Division of Air Resources
Management

SS/BM/t

cc: A. Kutyna, NE District G. Smallridge, Esq., DER
R. Roberson, BESD

file 1003
Seminole K
Bark Boilers

Seminole Kraft Corporation

Jacksonville Mill

9469 Eastport Road
P.O. Box 26998
Jacksonville, Florida 32218-0998

904 751-6400

June 25, 1991

Mr. Steve Smallwood, Director
Division of Air Resources Management
Florida Dept. of Environmental Regulation
Twin Towers Office Building
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

RECEIVED

JUN 29 1991

OERTEL, HOFFMAN,
FERNANDEZ & COLE, P.A.

Re: Notice in the change of Mix of Carbonaceous
Fuels for Seminole Kraft Bark Boilers

Dear Mr. Smallwood:

This letter is to notify the Department of an anticipated change in the mix of carbonaceous fuels for the Seminole Kraft Corporation No.1 and No.2 bark boilers for the period of time between conversion to recycled fiber operation (Summer/Fall 1992) and AES compliance testing (Spring, 1994). These boilers are authorized to burn carbonaceous fuel and oil. Carbonaceous fuel will remain the primary fuel with oil used during startup, shutdown upsets or malfunctions.

As you know, Seminole Kraft has been authorized to replace its existing kraft mill with a recycled fiber operation. Seminole Kraft is required to have that project completed and the recovery boilers shut down by November 12, 1992 under the state permit. In addition, in a settlement with the City of Jacksonville, Seminole Kraft has agreed to expedite that process.

Seminole Kraft hopes to start the new recycled fiber operation in the summer of 1992. At that time the bark boilers will continue to burn bark but, in addition, will need to burn a small amount, less than 25%, of recycled fiber rejects. These recycled fiber rejects consist of 75% wood fiber, 15% inorganic material (sand, grit, glass and metal), and 10% plastic. Hence, on a BTU basis, wood fiber will still account for over 90% of the carbonaceous fuel. There will be no increase in the allowable emissions or heat input. Please see Attachment A for more details.

The boilers will require no physical changes to accommodate the fuel and would have been capable of burning that mix of fuel prior to January 6, 1975, or prior to 1971. There is no change in the method of operation since the boilers were capable of accommodating an alternative fuel under the facility's

Mr. Steve Smallwood
Carbonaceous Fuels
June 25, 1991
Page Two


construction specifications. See 40 CFR 60.14(e)(4). Similarly, under F.A.C. Rule 17-2.500(2)(c)4, there is an exemption from the definition of "modification" for the use of an alternative fuel which the facility was capable of accommodating before January 6, 1975, unless such change is prohibited under any federally enforceable permit condition established after January 6, 1979. This also would be outside the definition of "major modification" as an alternative fuel since the source was capable of accommodating the fuel prior to January 6, 1975. See 40 CFR 52.21(2)(d) and F.A.C. Rule 17-2.500(2)(c)4. Accordingly, we believe no permit is required to accommodate such a minor change in the mix of carbonaceous fuels. We would request that this letter be attached to the operating permit file.

We would like to continue to operate the two bark boilers in this fashion subject to renewal of its operating permit up until they are required to be shut down under terms of the AES Cedar Bay Certification Order. In the meantime, and most likely within the next three months, Seminole Kraft will apply for a construction permit to address operating requirements after the date on which the existing bark boilers are required to be shut down and their current operating permits surrendered. This will allow sufficient time to address all necessary information requirements of the Department in order to ensure their continued operation in accordance with applicable requirements of the Department and the City, as well as EPA. I have attached copies of significant correspondence regarding this matter, the operating permits for these sources and the relevant portion of the AES Cedar Bay conditions and certification.

In summary, we believe no special permitting is required to enable Seminole Kraft to continue to burn carbonaceous fuels in the bark boilers. We do intend to submit a full construction permit application for operation after AES Cedar Bay startup and testing and will submit such an application to you within the next two months.

If you have any questions regarding this, please let me know.

Sincerely,



L.A. Stanley
General Manager

ah
attachments

CC: Curt Barton
Terry Cole

Ernest Frey
James Manning

Clair Fancy
Mike Riddle

ATTACHMENT A

Seminole Kraft Corporation
Bark Boilers

I. Current Permit

A. Fuel

1. Carbonaceous Fuel (Bark)
2. No. 6 Fuel Oil (2.27% Sulfur)

B. Boiler Capacity

Max. Rate - 193 mmBtu/hr heat input

C. Normal Operation - 100% Carbonaceous Fuel

D. Abnormal Operation - No. 6 Oil & Carbonaceous Fuel
(Startup, Shutdown, Malfunction, etc.)

E. Allowable Emissions

PM (Carbonaceous Fuel) 0.2 lb/mmBtu or 38.6 lb/hr
PM (Oil Fired) 0.1 lb/mmBtu or 19.3 lb/hr
PM (Combinations of Carbonaceous and Oil - Limited to 193 mmBtu/hr. Allowable PM emissions for any combination shall be calculated on the sum of the individual calculations for carbonaceous and oil fuels.

II. Projected Fuel After Startup of Recycle Operation

A. Fuel

1. Carbonaceous Fuel (Bark & Wastepaper Rejects*)
2. No. 6 Fuel Oil (1.0% Sulfur)

B. Boiler Capacity

Max. Rate - 193 mmBtu/hr per boiler

C. Normal Operation - 100% Carbonaceous Fuel

D. Abnormal Operation - No. 6 Oil & Carbonaceous Fuel

* Wastepaper rejects consist of approximately 75% wood fiber, 15% inorganic material (sand, grit, glass and metal fragments) and 10% plastic.

E. Carbonaceous Fuel Data

1. Heat Value

Bark (Dry) - 6500 Btu/#

Wastepaper Rejects (Dry) - 8000 Btu/#

2. Fuel Quantity

Bark (Dry) - 11.15 Tons/hr

Wastepaper Rejects (Dry) - 3 Tons/hr

3. Firing Rate

Bark Heat Input = 6500 (11.15) 2000 = 145 mmBtu/hr

Wastepaper Rejects = 8000 (3) 2000 = 48 mmBtu/hr

Total Heat Input = 193 mmBtu/hr

F. Allowable Emissions

PM (Carbonaceous Fuel) = 0.2 lb/mmBtu or 38.6 lb/hr

PM (Oil Fired) = 0.1 lb/mmBtu or 19.3 lb/hr

PM (Combinations of Carbonaceous Fuel and Oil limited to 193 mmBtu/hr. Allowable PM emissions for any combination shall be calculated based on the sum of the individual calculations for Carbonaceous and Oil Fuels.



ATTACHMENT B

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION IV

345 COURTLAND STREET, N.E.
ATLANTA, GEORGIA 30365

FEB 25 1991

4APT-AE

Mr. Clair H. Fancy, P.E., Chief
Bureau of Air Regulation
Division of Air Resources Management
Florida Department of Environmental
Regulation

Twin Towers Office Building
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

Dear Mr. Fancy:

As requested in your November 16, 1990, letter, we have reviewed the analysis by Mr. Terry Cole of Oertel, Hoffman, Fernandez and Cole, P.A., regarding the applicability of NSPS and PSD to the boilers at Seminole Kraft and AESC Cedar Bay (AESCB) in Jacksonville, Florida. In Mr. Cole's letter, two specific situations involving the boilers at Seminole Kraft and the AESCB project were addressed.

APPLICABILITY OF NSPS AND PSD IF AESCB/SEMINOLE KRAFT PROJECT IS CERTIFIED

Under the conditions of certification for the AESCB project, the shutdown of boilers at Seminole Kraft is required in order to provide offsets for increases in pollutants from the cogeneration facility. It must be noted that for the emissions reductions to be creditable, they must be permanent. After the PSD permit is issued which incorporates these shutdowns and makes them federally enforceable, there will be no additional emissions reduction credit available from the shutdown of these boilers. Should Seminole Kraft decide to refurbish the dismantled bark boilers, the boilers would be treated as entirely new emissions units with none of the exemptions from applicability for existing units that are specified under PSD regulations being available.

With regard to NSPS, the existing boilers at Seminole Kraft would not become subject to NSPS if they remained intact and were merely restarted, without any physical or operational change.

RECEIVED
MAR 13 1991
DER-BAQM

If the boilers are dismantled in any fashion (i.e. key components removed) and the decision is later made to restart the boilers, then NSPS would apply. This is due to the fact that there would be an emission increase caused by a physical change to the boilers. Since the boilers were incapable of operating, the emissions would be zero immediately before the changes necessary for a restart and therefore, an emissions increase would have resulted thus triggering NSPS. This is consistent with the Wisconsin Electric Power Company decision. If changes are only necessary to accommodate a different fuel mix, then we would accept emission data just prior to the shutdown and compare with data after start up to determine if an emissions increase, and hence a modification, would result thus triggering NSPS. Furthermore, the composition of the fiber rejects would need to be evaluated to determine if the new combination of fuel would be classified as municipal solid waste (MSW). If so, then the newly promulgated NSPS regulations for municipal waste combustors would apply.

APPLICABILITY OF NSPS AND PSD IF AESCB/SEMINOLE KRAFT PROJECT IS NOT CERTIFIED

According to Mr. Cole, the bark boilers would not be subject to NSPS or PSD permit review when the fuel mixture for the bark boilers is changed from 100% bark to 75% bark/25% fiber reject mix. The basis for this determination is that the bark boilers were capable of firing the fiber rejects at the percentages anticipated as of January 6, 1975.

In order to determine the applicability of NSPS to the bark boilers due to the change in fuel type it must be ascertained if the bark boilers will have an increase in the emission rate, expressed as kilograms per hour, of a regulated pollutant and if the bark boilers could fire the fiber rejects as originally constructed. However, not enough information was provided to determine if an emission rate increase in a regulated pollutant would occur, therefore, we will assume that an increase in a regulated pollutant will occur.

Assuming that an increase will occur, then the second condition must be addressed. It is incorrect to use January 6, 1975, as the date to determine if the bark boilers were originally designed to burn the bark and fiber rejects simultaneously. The exemption to the modification provision at §60.14(e)(4) essentially states that if the existing facility could have fired the alternative fuel prior to the applicability date of

the NSPS Subpart, then the increase in the emission rate of a regulated pollutant due to the use of the alternative fuel would not be considered a modification as defined in §60.14. Since Mr. Cole indicated that on January 6, 1975, the bark boilers were capable of firing the 75% bark/25% fiber rejects mixture, the only possible applicable NSPS Subparts are Subparts D and E. If the bark boilers were capable of firing the alternative fuel prior to August 17, 1971, then neither Subpart would apply.

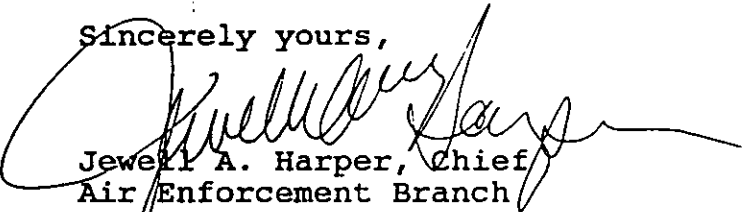
If the bark boilers were not capable of firing the alternative fuel prior to August 17, 1971, then they could be subject to either Subparts D or E or both if an increase in the emission rate of a regulated pollutant occurs. In addition, in order for Subpart E to apply, the combination of bark and fiber rejects would have to be determined to be MSW.

In addition, if the combination of bark and fiber rejects is considered to be MSW, then the bark boilers would be subject to emission standards for existing MSW combustors which will be established in accordance with the guidelines published in the February 11, 1991, Federal Register.

With regard to PSD, since the bark boilers were capable of firing bark and fiber refuse prior to January 6, 1975, then PSD review would not be required.

If you have any questions regarding this letter, please contact Mr. Brian Beals at 404/347-2904.

Sincerely yours,



Jewell A. Harper, Chief
Air Enforcement Branch
Air, Pesticides and Toxics
Management Division

ATTACHMENT C

OERTEL, HOFFMAN, FERNANDEZ & COLE, P. A.

ATTORNEYS AT LAW

SUZANNE BROWNLESS
M. CHRISTOPHER BRYANT
R. L. CALEEN, JR.
C. ANTHONY CLEVELAND
TERRY COLE
ROBERT C. DOWNIE, II
MARTHA J. EDENFIELD
SEGUNDO J. FERNANDEZ
KENNETH F. HOFFMAN
KENNETH G. OERTEL
HAROLD F. X. PURNELL
PATRICIA A. RENOVITCH
SCOTT SHIRLEY
THOMAS G. TOMASELLO
W. DAVID WATKINS

SUITE C
2700 BLAIR STONE ROAD
TALLAHASSEE, FLORIDA 32301

MAILING ADDRESS:
POST OFFICE BOX 6507
TALLAHASSEE, FLORIDA 32314-6507

TELEPHONE (904) 877-0099
FACSIMILE (904) 877-0981

JOHN H. MILLICAN
ENVIRONMENTAL CONSULTANT
(NOT A MEMBER OF THE FLORIDA BAR)

J. P. SUBRAMANI, PH. D., P. E.
ENVIRONMENTAL CONSULTANT
(NOT A MEMBER OF THE FLORIDA BAR)

October 26, 1990

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

RE: Refurbishment or replacement of
Seminole Kraft Bark Boilers; Changing Fuel Mix

Dear Steve:

The purpose of this letter is to confirm your previous discussion with Julie Blunden, Curt Barton, and me concerning refurbishment or replacement of existing bark boilers, or the use of such boilers to burn recycled fiber rejects as well as bark.

As you know, Seminole Kraft Corporation proposes to convert its Jacksonville mill to a 100% recycle operation. This will benefit the community in many ways, including reducing the need to landfill used corrugated containers and eliminating all TRS emissions.

In processing the recycled fiber a certain amount of rejects will be produced which must be burned or landfilled. Due to the volume of rejects generated over the long term, incineration is preferred. The fiber rejects have a high energy content and they can be efficiently burned with bark (also generated on-site) in boilers adequate for this purpose.

The DER permitting requirements for boilers used for this purpose would depend on whether the AES Cedar Bay/Seminole Kraft Co-generation Project is ultimately certified.

Permitting Requirements if AES Cedar Bay/Seminole Kraft Project is Certified:

If the Co-generation Project is certified, Condition IID of the proposed Conditions of Certification (revised 7-19-90) requires

Mr. Steve Smallwood
October 26, 1990
Page 2

that Power Boiler Nos. 1 through 3 and Bark Boiler Nos. 1 and 2 are to be "permanently shut down and made incapable of operation" at the time initial compliance tests on the AESCB boilers are completed. This provision constitutes a federally enforceable permit condition upon final action by the Siting Board and Secretary.

In light of this condition, the same permitting requirements apply irrespective of whether a new boiler is constructed to burn bark and fiber rejects or an existing boiler is refurbished for this purpose. These requirements would consist of the applicable federal and state New Source Performance Standard; assurance that ambient air quality standards will not be violated; and Prevention of Significant Deterioration (PSD) review in the absence of creditable emission reductions such as those resulting from the shut-down of the Kraft Recovery Boilers. See Rule 17-2.500, F.A.C. There is no prohibition against applying for a new source permit because of a federally enforceable condition requiring retirement of an existing source.

Permitting Requirements for Bark Boilers if AES Cedar Bay/Seminole Kraft Project Not Certified:

The permitting requirements are different, however, if the proposed Co-generation Project is not certified. The existing Bark Boiler(s) are capable of being used to burn the fiber rejects as well as bark.

It appears that the change in fuel content -- from 100% bark to a 75% bark/25% fiber reject mix -- does not constitute a modification for purposes of applying new source performance standards or PSD review. This is because of the way "modification" is defined and the specific exemption to that definition.

Modification is defined in 40 CFR §60.2 (also found in Chapter 17-2, F.A.C.) as:

Any physical change in, or change in the method of operation of, an existing facility which increases the amount of any air pollutant (to which a standard applies) emitted into the atmosphere by that facility or which results in the emission of any air pollutant (to which a standard applies) into the atmosphere not previously emitted.

Mr. Steve Smallwood
October 26, 1990
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There is, however, an exception to the definition which applies to use of an alternative fuel or raw material if prior to the applicable date of the regulation the existing facility was capable of accommodating an alternative fuel use. A "facility" is capable of accommodating an alternative fuel use if the use could be accomplished under the facility's construction specifications as amended prior to the change. 40 CFR §60.14(e)(4).

DER rules contain a similar exemption. Rule 17-2.500(2)(c)4, F.A.C., exempts the use of an alternative fuel which the facility was capable of accommodating before January 6, 1975, unless such change is prohibited under any federally enforceable permit condition established after January 6, 1975.

Since prior to January 6, 1975, the bark boilers were capable of burning the reject fibers in the percentages anticipated, and still are, they fall within the exception to the general NSPS requirement.

EPA and DER rules also subject "major modifications" of existing facilities to PSD review. Such modifications are generally defined as any physical change in, or change in the method of operation of, a major stationary source which would result in a significant net emissions increase of any pollutants subject to regulation. The rules also contain, however, an exemption for a physical change or change in method of operation for the use of an alternative fuel or raw material which the source was capable of accommodating before January 6, 1975, unless such change would be prohibited under any federally enforceable permit condition established after January 6, 1975. 40 CFR 52.21(2)(d); see also §17-2.500(2)(c)4., F.A.C.

Consequently, under the situation described, the switch in fuel mixture would not be a major modification requiring PDS review. Seminole Kraft would, however, notify the Department before burning the reject fibers and answer any questions concerning it.

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I would appreciate your confirming my understanding of our discussion. Please do not hesitate to provide corrections or clarification where needed. Thank you for your cooperation.

Sincerely,


Terry Cole

TC/kp

cc: Curt Barton
Julie Blunden

s-smallw.ltr