



VIA E-MAIL: Jeff.Koerner@dep.state.fl.us

May 3, 2012

Jeff Koerner
Program Administrator – Division of Air Resource Management
Florida Department of Environmental Protection
Office of Permitting and Compliance
2600 Blair Stone Road, M.S. 5500
Tallahassee, FL 32399-2400

RE: *Klausner Holding USA Inc. – Suwannee Sawmill*
Comments on Draft Air Permit No. 1210468-001-AC / PSD-FL-417

Dear Jeff:

Klausner Holding USA Inc. (Klausner) appreciates the Florida Department of Environmental Protection's (FDEP's) thorough review and issuance of the Draft Air Permit No. 1210468-001-AC / PSD-FL-417, published for public notice on Friday April 6, 2012. On behalf of Klausner, Trinity Consultants, Inc. (Trinity) is providing the following comments on the Draft Air Permit prior to May 6, 2012, or within 30 days of publication in accordance with Rule 62-210.350(2)(a)2. of the Florida Administrative Code (F.A.C.).

REQUESTED CHANGES TO THE DRAFT PERMIT

As the Air Construction Permit is being finalized for the Suwannee Mill, Klausner requests the following permit condition changes be incorporated into the final air permit. Each permit condition with a requested change is listed below with added condition text identified in bold italic font and requested removed text identified in bold strikethrough text.

Requested Permit Change #1 - Page 8

- A.1. Construction of Dutch oven Biomass-Fueled Boilers: The permittee is authorized to construct two Dutch oven biomass-fueled boilers for hot water generation at the Klausner facility. The boilers include a hot water ~~drum, super~~heater, ~~economizer~~, air heater, ash hoppers, ducts, fuel feeding equipment, ~~air-cooled condensing unit~~, air pollution control equipment, and other associated equipment. [Application No. 1210468-001-AC]

The proposed Dutch oven Biomass-Fueled Boilers will generate hot water for use by the mill's kilns. Because the units will produce hot water and not steam for a steam cycle, they will not be equipped with a superheater, economizer, or air-cooled condensing unit. Klausner requests that the delineated equipment that is associated with the Dutch oven Biomass-Fueled Boilers be modified accordingly.

Requested Permit Change #2 - Page 8

- A.2.b. SNCR System: The permittee shall design, install, operate, and maintain a ~~urea-based~~ SNCR system to reduce NO_x emissions in the flue gas exhaust and achieve the NO_x emissions standards specified in this subsection. The SNCR shall be on line and functioning properly whenever the boiler is in operation in accordance with the manufacturer's recommendations.

Klausner has not yet made a final selection for the SNCR vendor and may select an SNCR system that utilizes ammonia (either anhydrous or aqueous) as the reductant instead of urea. Klausner requests that the final permit allow the flexibility to utilize either an ammonia-based or urea-based SNCR system. Along with the requested text update to Specific Condition A.2.b., Klausner also requests that the Emission Unit Description for EU Nos. 001 and 002 at the top of page 8 be modified to remove specifying "with urea injection."

Requested Permit Change #3 - Page 9

- A.4. Boiler Hot Water Output: The maximum hot water output from all fuel combinations for each biomass boiler is 241,454 gallons per hour (4-hour average). Curves relating hot water output rates to heat input rates for each biomass boiler shall be submitted to the Compliance Authority no later than 180 days after the ~~Suwannee mill~~ **both Dutch oven Biomass-Fueled Boiler** becomes operational. The performance curves shall be based on the water flow through each boiler and the input and output temperature of the water or other measurements which result in an equivalent relationship of heat input to hot water output approved by the Compliance Authority. [Application No. 1210468-001-AC; Rules 62-4.070(3), 62-210.200(PTE), and 62-212.400(PSD), F.A.C.]

Klausner requests that the hot water/heat input output curves be submitted 180 days after the Dutch oven Biomass-Fueled Boilers become operational. The mill will become operational prior to construction and initial operation of the Dutch oven Biomass-Fueled Boilers and since the requested testing is specifically tied to the boilers, Klausner requests the submittal date be based on the specific boiler operation instead of the general Suwannee Mill.

Requested Permit Change #4 - Page 14

- A.18. SNCR Reductant Urea Injection: In accordance with the manufacturer's specification, the permittee shall install, calibrate, operate and maintain a flow meter to measure and record the ~~reductant urea~~ injection rate for the SNCR system for each biomass boiler. The permittee shall operate at a ~~reductant urea~~ injection rate that ensures compliance with the NO_x emissions standard. ~~Reductant Urea~~ injection records shall be maintained on site and made available upon request.

As noted in the requested permit change #2, Klausner has not yet selected whether ammonia or urea will be utilized as the reductant for the SNCR system. Klausner requests that the final permit maintain the flexibility to utilize a reductant other than urea.

Requested Permit Change #5 - Page 15

- B.4. Boiler Hot Water Output: The maximum hot water output for each natural gas fired boiler is 120,727 gallons per hour (4-hour average). Performance curves relating hot water output to heat input from each natural gas boiler shall be submitted to the Compliance Authority no later than 180 days after the ~~Suwannee mill~~ **Natural Gas Fired Boiler** becomes operational. The heat input curves shall be based on the water flow through each boiler and the input and output temperature of the water or other

measurements which result in an equivalent relationship of heat input to hot water output approved by the Compliance Authority. [Application No. 1210468-001-AC; Rules 62-4.070(3), 62-210.200(PTE), and 62-212.400(PSD), F.A.C.]

Klausner requests that the hot water/heat input output curves be submitted 180 days after the natural gas fired boilers become operational. The mill will become operational prior to construction and initial operation of all four natural gas fired boilers and since the requested testing is specifically tied to the boilers, Klausner requests the submittal date be based on the specific boiler operation instead of the general Suwannee Mill.

Requested Permit Change #6 - Page 22

EU009 Description: Two Sorter Line Trimmers: The sorter line trimmers will send trimmed blocks and ends by gravity feed to a conveyance system ~~and combine with wet sawmill dry shavings and sawdust.~~ **Trimmed ends are collected and sold or conveyed to the byproduct screening building to be hogged and sent to a dry chip pile. Dry sawdust** ~~Dust and shavings~~ from the sorter line trimmers are sent by vacuum duct to the dry shavings silos.

Klausner requests that the description for EU009 be updated to reflect the proposed operations at the Suwannee Mill. Dried trimmed ends are either collected and sold or conveyed to the byproduct screening building to be hogged. Following the hogger, the trimmed ends are now dry wood chips, and maintained in a covered pile specific to dry wood chips (not comingled with wet sawdust or wet chips).

The vacuum extraction system collects and conveys the dry sawdust from the trimmers (shavings from the planers only) to the dry shavings silos where the sawdust is combined with the dry shavings from the planers.

Requested Permit Change #7 - Page 22

D.2. Two Sorter Line Trimmers: The permittee is authorized to construct two sorter line trimmers. The sorter line trimmers reduce the length of the finished planed dimensional lumber to standard market lengths. Trim blocks and ends are **either collected and sold** or sent by gravity open belt conveyor system to the hogger (grinder mill) then on to the byproduct screening building. Dust and shavings from the sorter line trimmers are sent by vacuum duct to the dry shavings silos. [Application No. 1210468-001-AC; Rules 62-212.400(BACT) and 62-4.070(3), F.A.C.]

Klausner requests that the description for the Two Sorter Line Trimmers be updated to show that trimmed blocks and ends are also potentially sold as well as being sent to the hogger. This change permits business flexibility without impact to emissions.

Requested Permit Change #8 - Page 24

E. 4. VE Standard: Visible emissions from the silo baghouses shall not exceed 5% opacity as demonstrated by initial and annual compliance tests. [Application No. 1210468-001-AC; Rules 62-210.200 (PTE), 62-212.400(BACT), and Rule 62-4.070, F.A.C.]

E.6. Initial Compliance Tests: ~~Each~~ **The** silo shall be tested to demonstrate initial compliance with the VE emissions standard specified in Condition 3 of this subsection. The initial test shall be conducted within

180 days after initial operation. [Application No. 1210468-001-AC; Rules 62-210.200 (PTE), 62-212.400(BACT), and 62-4.070, F.A.C.]

- E.7. Annual Compliance Tests: During each federal fiscal year (October 1st to September 30th), ~~each~~ **the** silo shall be tested to demonstrate compliance with the VE emissions standard specified in Condition 3 of this subsection. [Application No. 1210468-001-AC; Rules 62-210.200 (PTE), 62-212.400(BACT), and 62-4.070, F.A.C.]

Klausner requests that “baghouses” be corrected to “baghouse” and reference to “each” silo be removed as there is only a single baghouse controlling the Biomass Boiler Fly Ash Silo.

Requested Permit Change #9 - Page 28

EU012 Description: This emissions unit consists of five stationary compressions ignition reciprocating internal combustion engines (RICE) that each have a maximum engine rating of 460 brake-horsepower (bhp) at 100% load (approximately 1.2 MMBtu/ hour; **on a power output basis**). The electrical generators have a nominal power rating of 343 kilowatt (kW). The emergency generators provide backup electrical power in the event of a power outage at the Suwannee Mill. The diesel-fueled generators are limited operation during emergencies or operated no more than 100 hours per year for testing, maintenance or other approved purposes per NSPS Subpart IIII in 40 CFR 60. Each engine will meet the federal emission standards specified in NSPS Subpart IIII of 40 CFR Part 60.

Klausner requests that the description for EU012 be updated to clarify that the listed maximum engine rating of 1.2 MMBtu/hr is on a power output basis (not a heat input). This addition will eliminate any confusion with a heat input basis limit.

Requested Permit Change #10 - Page 28

- G.1. Emergency Generators: The permittee is authorized to install, operate, and maintain five ~~323~~ 343 kW or less emergency generators. [Application No. 1210468-001-AC and Rule 62-210.200 (PTE), F.A.C.]

Klausner requests that “323” be removed from the description (appears to be a typographical error).

Requested Permit Change #11 - Page 30

- I.1.d. Storage tanks: The permittee is authorized to construct ~~one reductant storage of~~ 10,000 gallon or less ~~urea storage (or anhydrous ammonia)~~ in accordance with 40 CFR 60.130. The storage of ~~urea~~ **reductant urea** that is used for NO_x control in the SNCR shall comply with all applicable requirements of the Chemical Accident Prevention Provisions of 40 CFR 68.

Consistent with request numbers 2 and 4 above, Klausner requests that the permit provide flexibility to utilize either urea or ammonia as the SNCR reductant in all locations. In addition to the changes to Specific Condition I.1.d., Klausner also requests that the description of EU013 be modified with consistent language.

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Mr. Jeff Koerner - Page 5
May 3, 2012

Thank you for your review of Klausner's requested changes to Draft Air Permit No. 1210468-001-AC / PSD-FL-417. If you have any questions or comments about the information presented in this letter, please do not hesitate to contact me at mballenger@trinityconsultants.com or (407) 982-2891.

Sincerely,

TRINITY CONSULTANTS

A handwritten signature in blue ink, appearing to read "Michael Ballenger".

Michael Ballenger, P.E.
Manager of Consulting Services - Florida

cc: Ms. Sabine Merkle, Klausner