Florida Department of Environmental Protection

Northeast District
7825 Baymeadows Way, Suite B200
Jacksonville, Florida 32256-7590
Phone: 904/807-3300 ♦ Fax: 904/448-4366

Charlie Crist
Governor

Jeff Kottkamp
Lt. Governor

Michael W. Sole
Secretary

February 24, 2010

Mr. F.J. Perrett, General Manager
Rayonier Performance Fibers, LLC
PO Box 2002
Fernandina Beach, Florida 32035

Re: Title V Air Operation Permit Revision
Fernandina Beach Mill
DRAFT Permit Project No.: 0890004-028-AV

Dear Mr. Perrett:

One copy of the DRAFT Permit for a Title V Air Operation Permit Revision for the Fernandina Beach Mill located at the Foot of Gum Street in Nassau County, Fernandina Beach, Florida is enclosed. The permitting authority's "INTENT TO ISSUE TITLE V AIR OPERATION PERMIT REVISION" and the "PUBLIC NOTICE OF INTENT TO ISSUE TITLE V AIR OPERATION PERMIT REVISION" are also included.

An electronic version of the DRAFT Permit will be posted on the Division of Air Resource Management's World Wide Web site for the United States Environmental Protection Agency (USEPA) Region 4 office's review. The web site address is:

"http://www.dep.state.fl.us/air/emission/apds/default.asp"

The "PUBLIC NOTICE OF INTENT TO ISSUE TITLE V AIR OPERATION PERMIT REVISION" must be published as soon as possible. Proof of publication, i.e., newspaper affidavit, must be provided to the permitting authority's office within 7 (seven) days of publication pursuant to Rule 62-110.106(5), F.A.C. Failure to publish the notice and provide proof of publication within the allotted time may result in the denial of the permit pursuant to Rule 62-110.106(11), F.A.C.

Please submit any written comments you wish to have considered concerning the permitting authority's proposed action to Christopher L. Kirts, P.E., at the above letterhead address. If you have any other questions, please contact Jerry Woosley at (904) 807-3257.

Sincerely,

Christopher L. Kirts, P.E.
District Air Program Administrator

CLK:jw

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In the Matter of an
Application for Permit Revision by:

Rayonier Performance Fibers, LLC
PO Box 2002
Fernandina Beach, Florida 32035
_____/

DRAFT Permit Project No.: 0890004-028-AV
County: Nassau

INTENT TO ISSUE TITLE V AIR OPERATION PERMIT REVISION

The Department of Environmental Protection (permitting authority) gives notice of its intent to issue a Title V Air Operation Permit Revision (copy of DRAFT Permit attached) for the Title V source detailed in the application specified above, for the reasons stated below.

This permit revision is being issued for the purpose of 1) incorporating the terms and conditions of Construction Permit No. 0890004-024-AC that pertain to the Recovery Boiler, 2) incorporating the terms and conditions of Construction Permit 0890004-021-AC that pertain to the No. 6 Power Boiler, 3) Remove Power Boiler Nos. 1, 2, and 3 from the permit as they were shutdown on May 26, 2007, 4) include an unregulated emissions unit for the laboratory testing that emits methyl chloride at a rate greater than 1000 pounds per year, and 5) remove the provisions of 40 CFR 63 Subpart DDDDD - National Emission Standards for Hazardous Air Pollutants for Industrial/Commercial/Institutional Boilers and Process Heaters from the permit as the Court of Appeals for the District of Columbia Circuit issued a mandate in Natural Resources Defense Council v. EPA, vacating and remanding the rule on July 30, 2007. Please note that items 2 through 5 above were originally processed in Project 0890004-022-AV and are being reissued through this project.

The applicant, Mr. F.J. Perrett, Rayonier Performance Fibers, LLC, applied on January 4, 2008 and December 17, 2009, to the permitting authority for a Title V Air Operation Permit Revision for the facility located at the Foot of Gum Street in Nassau County, Fernandina Beach, Florida.

The permitting authority has permitting jurisdiction under the provisions of Chapter 403, Florida Statutes (F.S.), and Florida Administrative Code (F.A.C.) Chapters 62-4, 62-210 and 62-213. This source is not exempt from Title V permitting procedures. The permitting authority has determined that a Title V Air Operation Permit Revision is required to commence or continue operations at the described facility.

The permitting authority intends to issue this Title V Air Operation Permit Revision based on the belief that reasonable assurances have been provided to indicate that operation of the source will not adversely impact air quality, and the source will comply with all appropriate provisions of Chapters 62-4, 62-204, 62-210, 62-212, 62-213, 62-256, 62-257, 62-281, 62-296, and 62-297, F.A.C.

Pursuant to Section 403.815, F.S. and Rules 62-110.106 and 62-210.350, F.A.C., you (the applicant) are required to publish at your own expense the enclosed Public Notice of Intent to Issue Air Permit (Public Notice). The Public Notice shall be published one time only as soon as possible in the legal advertisement section of a newspaper of general circulation in the area affected by this project. The newspaper used must meet the requirements of Sections 50.011 and 50.031, F.S. in the county where the activity is to take place. If you are uncertain that a newspaper meets these requirements, please contact the Permitting Authority at the above address or phone number. Pursuant to Rule 62-110.106(5) and (9), F.A.C., the applicant shall provide proof of publication to the Permitting Authority at the above address within 7 days of publication. Failure to publish the notice and provide proof of publication may result in the denial of the permit pursuant to Rule 62-110.106(11), F.A.C.

The permitting authority will issue the PROPOSED Permit, and subsequent FINAL Permit, in accordance with the conditions of the attached DRAFT Permit unless a response received in accordance with the following procedures results in a different decision or significant change of terms or conditions.

The Permitting Authority will accept written comments concerning the draft Title V air operation permit for a period of 30 days from the date of publication of the Public Notice. Written comments and all e-mail or facsimile comments must be received by the close of business (5 pm), on or before the end of this 30-day period by the Permitting Authority at Florida Department of Environmental Protection, Northeast District Office, Air Resource Management, at 7825 Baymeadows Way, Suite B200, Jacksonville, Florida 32256-7590, or by facsimile at (904) 448-4363. As part of his or her comments, any person may also request that the Permitting Authority hold a public meeting on this permitting action. If the Permitting Authority determines there is sufficient interest for a public meeting, it will publish notice of the time, date, and location on the official web site for notices at Florida Administrative Weekly (FAW) at http://faw.dos.state.fl.us/ and in a newspaper of general circulation in the area affected by the permitting action. For additional information, contact the Permitting Authority at the above address or phone number. If written comments or comments received at a public meeting result in a significant change to the DRAFT Permit, the Permitting Authority shall issue a Revised Draft Permit and require, if applicable, another Public Notice. All comments filed will be made available for public inspection.

A person whose substantial interests are affected by the proposed permitting decision may petition for an administrative hearing in accordance with Sections 120.569 and 120.57, F.S. The petition must contain the information set forth below and must be filed with (received by) the Department's Agency Clerk in the Office of General Counsel of the Department of Environmental Protection, 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000. Petitions filed by the applicant or any of the parties listed below must be filed within 14 days of receipt of this Written Notice of Intent to Issue Air Permit. Petitions filed by any persons other than those entitled to written notice under Section 120.60(3), F.S., must be

filed within 14 days of publication of the attached Public Notice or within 14 days of receipt of this Written Notice of Intent to Issue Air Permit, whichever occurs first. Under Section 120.60(3), F.S., however, any person who asked the Permitting Authority for notice of agency action may file a petition within 14 days of receipt of that notice, regardless of the date of publication. A petitioner shall mail a copy of the petition to the applicant at the address indicated above, at the time of filing. The failure of any person to file a petition within the appropriate time period shall constitute a waiver of that person's right to request an administrative determination (hearing) under Sections 120.569 and 120.57, F.S., or to intervene in this proceeding and participate as a party to it. Any subsequent intervention (in a proceeding initiated by another party) will be only at the approval of the presiding officer upon the filing of a motion in compliance with Rule 28-106.205, F.A.C.

A petition that disputes the material facts on which the Permitting Authority's action is based must contain the following information:

(a) The name and address of each agency affected and each agency's file or identification number, if known;

(b) The name, address, and telephone number of the petitioner; the name, address and telephone number of the petitioner's representative, if any, which shall be the address for service purposes during the course of the proceeding; and an explanation of how the petitioner's substantial interests will be affected by the agency determination;

(c) A statement of when and how each petitioner received notice of the agency action or proposed decision;

(d) A statement of all disputed issues of material fact. If there are none, the petition must so indicate;

(e) A concise statement of the ultimate facts alleged, including the specific facts the petitioner contends warrant reversal or modification of the agency's proposed action;

(f) A statement of the specific rules or statutes the petitioner contends require reversal or modification of the agency's proposed action including an explanation of how the alleged facts relate to the specific rules or statutes; and,

(g) A statement of the relief sought by the petitioner, stating precisely the action the petitioner wishes the agency to take with respect to the agency's proposed action. A petition that does not dispute the material facts upon which the Permitting Authority's action is based shall state that no such facts are in dispute and otherwise shall contain the same information as set forth above, as required by Rule 28-106.301, F.A.C.

A petition that does not dispute the material facts upon which the permitting authority's action is based shall state that no such facts are in dispute and otherwise shall contain the same information as set forth above, as required by Rule 28-106.301, F.A.C.

Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means that the Permitting Authority's final action may be different from the position taken by it in this Written Notice of Intent to Issue Air Permit. Persons whose substantial interests will be affected by any such final decision of the Permitting Authority on

the application have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above.

Mediation will not be available in this proceeding.

Finally, pursuant to 42 United States Code (U.S.C.) Section 7661d(b)(2), any person may petition the Administrator of the EPA within 60 days of the expiration of the Administrator's 45-day review period as established at 42 U.S.C. Section 7661d(b)(1), to object to the issuance of any Title V air operation permit. Any petition shall be based only on objections to the Permit that were raised with reasonable specificity during the 30-day public comment period provided in the Public Notice, unless the petitioner demonstrates to the Administrator of the EPA that it was impracticable to raise such objections within the comment period or unless the grounds for such objection arose after the comment period. Filing of a petition with the Administrator of the EPA does not stay the effective date of any permit properly issued pursuant to the provisions of Chapter 62-213, F.A.C. Petitions filed with the Administrator of EPA must meet the requirements of 42 U.S.C. Section 7661d(b)(2) and must be filed with the Administrator of the EPA at: U.S. EPA, 401 M Street, SW, Washington, D.C. 20460. For more information regarding EPA review and objections, visit EPA's Region 4 web site at http://www.epa.gov/region4/air/permits/Florida.htm .

Executed in Jacksonville, Florida.

Department of Environmental Protection

Christopher L. Kirts, P.E.
District Air Program Administrator

CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this Intent to Issue a Title V Air Operation Permit Revision (including the Public Notice, the Statement of Basis, and the Draft Permit), or a link to these documents available electronically on a publicly accessible server, was sent by electronic mail with received receipt requested before the close of business on 2/24/2010 to the persons listed below:

Mr. David A. Buff, P.E.: dbuff@golder.com
Ms. Barbara Friday, DEP BAR: Barbara.Friday@dep.state.fl.us (for posting with U.S. EPA, Region 4)
Mr. David Rogers, Rayonier Performance Fibers, LLC (david.rogers@rayonier.com)
Mr. F.J. Perrett, Rayonier Performance Fibers, LLC (jack.perrett@rayonier.com)
Ms. Debra Lane, Rayonier Performance Fibers, LLC (Debra.Lane@rayonier.com)

Clerk Stamp

FILING AND ACKNOWLEDGMENT FILED, on this date, pursuant to Section 120.52(7), Florida Statutes, with the designated agency clerk, receipt of which is hereby acknowledged.

2/24/2010

(Clerk) (Date)

PUBLIC NOTICE OF INTENT TO ISSUE TITLE V AIR OPERATION PERMIT REVISION

Florida Department of Environmental Protection
Northeast District Office
Air Resource Management
DRAFT Permit Project No.: 0890004-028-AV
Rayonier Performance Fibers, LLC
Nassau County

The Florida Department of Environmental Protection (permitting authority) gives notice of its intent to issue a Title V Air Operation Permit Revision to Rayonier Performance Fibers, LLC for the Fernandina Beach Mill located at the Foot of Gum Street in Fernandina Beach, Nassau County, Florida. The applicant's name and address are: Mr. F.J. Perrett, General Manager, Rayonier Performance Fibers, LLC, PO Box 2002, Fernandina Beach, Florida 32035.

This permit revision is being issued for the purposes of 1) incorporating the terms and conditions of Construction Permit No. 0890004-024-AC that pertain to the Recovery Boiler, 2) incorporating the terms and conditions of Construction Permit 0890004-021-AC that pertain to the No. 6 Power Boiler, 3) Remove Power Boiler Nos. 1, 2, and 3 from the permit as they were shutdown on May 26, 2007, 4) include an unregulated emissions unit for the laboratory testing that emits methyl chloride at a rate greater than 1000 pounds per year, and 5) remove the provisions of 40 CFR 63 Subpart DDDDD - National Emission Standards for Hazardous Air Pollutants for Industrial/Commercial/Institutional Boilers and Process Heaters from the permit as the Court of Appeals for the District of Columbia Circuit issued a mandate in Natural Resources Defense Council v. EPA, vacating and remanding the rule on July 30, 2007. Please note that items 2 through 5 above were originally processed in Project 0890004-022-AV and are being reissued through this project.

The permitting authority will issue the PROPOSED Permit, and subsequent FINAL Permit, in accordance with the conditions of the DRAFT Permit unless a response received in accordance with the following procedures results in a different decision or significant change of terms or conditions.

The Permitting Authority will accept written comments concerning the Draft Title V Permit for a period of 30 days from the date of publication of the Public Notice. Written comments must be received by the close of business (5:00 p.m.), on or before the end of this 30-day period by the Permitting Authority at Florida Department of Environmental Protection, Northeast District Office, 7825 Baymeadows Way, Suite B200, Jacksonville, Florida 32256. As part of his or her comments, any person may also request that the Permitting Authority hold a public meeting on this permitting action. If the Permitting Authority determines there is sufficient interest for a public meeting, it will publish notice of the time, date, and location on the official web site for notices at Florida Administrative Weekly (FAW) at http://faw.dos.state.fl.us/ and in a newspaper of general circulation in the area affected by the permitting action. For additional information, contact the Permitting Authority at the above address or phone number. If written comments or comments received at a public meeting result in a significant change to the Draft Permit, the Permitting Authority shall issue a Revised Permit and require, if applicable, another Public Notice. All comments filed will be made available for public inspection.

A person whose substantial interests are affected by the proposed permitting decision may petition for an administrative hearing in accordance with Sections 120.569 and 120.57, F.S. The petition must contain the information set forth below and must be filed with (received by) the Department's Agency Clerk in the Office of General Counsel of the Department of Environmental Protection at 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000. Petitions filed by any persons other than those entitled to written notice under Section 120.60(3), F.S. must be filed within 14 days of publication of the Public Notice or receipt of a written notice, whichever occurs first. Under Section 120.60(3), F.S., however, any person who asked the Permitting Authority for notice of agency action may file a petition within 14 days of receipt of that notice, regardless of the date of publication. A petitioner shall mail a copy of the petition to the applicant at the address indicated above, at the time of filing. The failure of any person to file a petition within the appropriate time period shall constitute a waiver of that person's right to request an administrative determination (hearing) under Sections 120.569 and 120.57, F.S., or to intervene in this proceeding and participate as a party to it. Any subsequent intervention (in a proceeding initiated by another party) will be only at the approval of the presiding officer upon the filing of a motion in compliance with Rule 28-106.205, F.A.C.

A petition that disputes the material facts on which the Permitting Authority's action is based must contain the following information:

(a) The name and address of each agency affected and each agency's file or identification number, if known;

(b) The name, address and telephone number of the petitioner; the name address and telephone number of the petitioner's representative, if any, which shall be the address for service purposes during the course of the proceeding; and an explanation of how the petitioner's substantial rights will be affected by the agency determination;

(c) A statement of when and how the petitioner received notice of the agency action or proposed decision;

(d) A statement of all disputed issues of material fact. If there are none, the petition must so indicate;

(e) A concise statement of the ultimate facts alleged, including the specific facts the petitioner contends warrant reversal or modification of the agency's proposed action;

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(g) A statement of the relief sought by the petitioner, stating precisely the action the petitioner wishes the agency to take with respect to the agency's proposed action.

A petition that does not dispute the material facts upon which the Permitting Authority's action is based shall state that no such facts are in dispute and otherwise shall contain the same information as set forth above, as required by Rule 28-106.301, F.A.C.

Because the administrative hearing process is designed to formulate final agency action,

the filing of a petition means that the Permitting Authority's final action may be different from the position taken by it in this Public Notice of Intent to Issue Air Permit. Persons whose substantial interests will be affected by any such final decision of the Permitting Authority on the application have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above.

Mediation is not available for this proceeding.

Finally, pursuant to 42 United States Code (U.S.C.) Section 7661d(b)(2), any person may petition the Administrator of the EPA within 60 days of the expiration of the Administrator's 45-day review period as established at 42 U.S.C. Section 7661d(b)(1), to object to the issuance of any Title V air operation permit. Any petition shall be based only on objections to the Permit that were raised with reasonable specificity during the 30-day public comment period provided in the Public Notice, unless the petitioner demonstrates to the Administrator of the EPA that it was impracticable to raise such objections within the comment period or unless the grounds for such objection arose after the comment period. Filing of a petition with the Administrator of the EPA does not stay the effective date of any permit properly issued pursuant to the provisions of Chapter 62-213, F.A.C. Petitions filed with the Administrator of EPA must meet the requirements of 42 U.S.C. Section 7661d(b)(2) and must be filed with the Administrator of the EPA at: U.S. EPA, 401 M Street SW, Washington, D.C. 20460. For more information regarding EPA review and objections, visit EPA's Region 4 web site at http://www.epa.gov/region4/air/permits/Florida.htm.

A complete project file is available for public inspection during normal business hours, 8:00 a.m. to 5:00 p.m., Monday through Friday, except legal holidays, at:

Permitting Authority:
Florida Department of Environmental Protection
Northeast District Office
Air Resource Management
7825 Baymeadows Way, Suite B200
Jacksonville, FL 32256
Telephone: (904) 807-3300
Fax: (904) 448-4363

The complete project file includes the Draft Permit, the Statement of Basis, the application, and the information submitted by the applicant, exclusive of confidential records under Section 403.111, F.S. Interested persons may contact Christopher L. Kirts, P.E. at the above address, or call 904-807-3300 for additional information.