DRAFT STATEMENT OF BASIS

Atlantic Holding, LLC
Atlantic Sugar Mill
Facility ID No.: 0990016
Palm Beach County

Title V Air Operation Permit Renewal
DRAFT Permit Project No.: 0990016-007-AV

This Title V Air Operation Permit Renewal is issued 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. The above named permittee is hereby authorized to operate the facility shown on the application and approved drawing(s), plans, and other documents, attached hereto or on file with the permitting authority, in accordance with the terms and conditions of this permit.

The subject of this permit is for the renewal of Title V Air Operation Permit.

This facility consists of a sugar mill and boiling house where sugar cane is pressed, the raw juice is clarified, then crystallized into raw sugar and centrifuged. Steam for this operation is furnished by five (5) bagasse fueled boilers. Besides bagasse, rice hulls and wood chips are burned as carbonaceous fuel. These five (5) boilers also fire No. 6 residual fuel oil as supplementary fuel.

Based on the initial Title V permit application received June 14, 1996, and subsequent additional information received, this facility is a major source of hazardous air pollutants (HAPs).

This permit includes miscellaneous unregulated/insignificant emissions units and/or activities.

The Title V Source is classified as a major VOC and NOx emitting facility and subject to the Reasonably Available Control Technology (RACT) requirements of Rule 62-296.570, F.A.C.; Rule 62-210.200, F.A.C. (Potential to Emit); Rule 62-213.440(1)(b), F.A.C. (Periodic Monitoring); and Rule 62-296.410, F.A.C. (Carbonaceous Fuel Burning Equipment.).

In addition to the requirements of RACT of Rule 62-296.570, F.A.C., Boiler No. 5 (EU-005) is also regulated under Rule 62-212.400, F.A.C. [Prevention of Significant Deterioration (PSD)]; Rule 62-296.410, F.A.C., which regulates visible emissions and particulate matter emissions from carbonaceous fuel fired equipment; Maximum Achievable Control Technology (MACT) standards of Chapter 40 Code of Federal Regulations (CFR) Part 63 Subpart DDDDD (National Emission Standards for Hazardous Air Pollutants for Industrial, Commercial, and Institutional Boilers and Process Heaters; and] Best Available Control Technology (BACT) determinations for carbon monoxide (CO), nitrogen oxides (NOx), particulate matter (PM/PM_{10}), and volatile organic compounds (VOC).

Boilers No.1, No. 2, No. 3, and No. 4 (existing boilers) are subject to the requirements of Maximum Achievable Control Technology (MACT) standards of Chapter 40 Code of Federal Regulations (CFR) Part 63 Subpart DDDDD, National Emission Standards for Hazardous Air Pollutants for Industrial, Commercial, and Institutional Boilers and Process Heaters. Initial notification has been submitted. The facility must comply with the requirements of 40 CFR 63 Subpart DDDDD by September 13, 2007.

CAM does apply.

This facility consists of five boilers:

Boiler No. 1 is a dumping grate boiler fired with carbonaceous fuel (bagasse, wood chips, rice hulls) and supplemented with No. 6 residual fuel oil. Particulate emissions are controlled by a Joy type Impingement

Scrubber (equivalent to Type D). This boiler is designed to operate while combusting carbonaceous fuel (bagasse or wood chips) alone, No. 6 fuel oil alone, or a combination of carbonaceous fuel and No. 6 fuel oil. Rice hulls can be burned in combination with other fuels. During start-up procedures the following additional fuels may be used: lumber, oily rags, oil soaked peat moss, and oil soaked paper towels. Emissions limitations are: visible emission limitations are Number 1.5 on the Ringelmann Chart (30 percent opacity) except that a density of Ringelmann Number 2 (40 percent opacity) is permissible for not more than two minutes in any one hour (visible emission limits for emissions units equipped with wet scrubbers shall be effective only if the visible emission measurement can be made without being substantially affected by plume mixing or moisture condensation); VOC's shall not exceed 2.5 pounds per million Btu heat input; particulate matter (PM) shall not exceed shall not exceed 0.30 pounds per million Btu of heat input of carbonaceous fuel plus 0.1 pounds per million Btu heat input of fossil fuel, 84 lbs./hour, and 183.5 tons/year; NO_x not exceed 0.45 pounds per million Btu heat input while burning carbonaceous fuel, 252 lbs./hour and 550 tons/year; No. 6 (residual) fuel oil with a maximum sulfur content of 2.5% by weight. Compliance with the emission limits for PM, VOC, and NOx shall be determined by assuming a thermal efficiency of 55 percent. The scrubber control system shall be equipped with instrumentation to monitor total pressure drop and inlet water pressure.

Boiler No. 2 is a dumping grate boiler fired with carbonaceous fuel (bagasse, wood chips, rice hulls) and supplemented with No. 6 residual fuel oil. This boiler is designed to operate while combusting carbonaceous fuel (bagasse or wood chips) alone, No. 6 fuel oil alone or a combination of carbonaceous fuel and No. 6 fuel oil. Rice hulls can be burned in combination with other fuels. During start-up procedures the following additional fuels may be used: lumber, oily rags, oil soaked peat moss, and oil soaked paper towels. Emissions limitations are: visible emission (VE) limitations are Number 1.5 on the Ringelmann Chart (30 percent opacity) except that a density of Ringelmann Number 2 (40 percent opacity) is permissible for not more than two minutes in any one hour, (visible emission limits for emissions units equipped with wet scrubbers shall be effective only if the visible emission measurement can be made without being substantially affected by plume mixing or moisture condensation.); VOC's shall not exceed 2.5 pounds per million Btu heat input; particulate matter (PM) shall not exceed 0.30 pounds per million Btu of heat input of carbonaceous fuel plus 0.1 pounds per million Btu heat input of fossil fuel, 84 lbs./hour, and 183.5 tons/year; NO_x shall not exceed 0.45 pounds per million Btu heat input while burning carbonaceous fuel, 252 pounds/hour and 550 tons/year; No. 6 (residual) fuel oil with a maximum sulfur content of 2.5% by weight. Compliance with the emission limits for PM, VOC, and NOx shall be determined by assuming a thermal efficiency of 55 percent. The scrubber control system shall be equipped with instrumentation to monitor total pressure drop and inlet water pressure.

Boiler No. 3 is a cell boiler fired with carbonaceous fuel (bagasse, wood chips, rice hulls) and supplemented with No. 6 residual fuel oil. Particulate emissions are controlled by a Joy type Impingement Scrubber (equivalent to Type D, size 90). This boiler is designed to operate while combusting carbonaceous fuel (bagasse or wood chips) alone, No. 6 fuel oil alone, or a combination of carbonaceous fuel and No. 6 fuel oil. Rice hulls can be burned at a rate not to exceed 5.0 tons per hour in combination with other fuels. During start-up procedures the following additional fuels may be used: lumber, oily rags, oil soaked peat moss, and oil soaked paper towels. Emission limitations are: visible emission (VE) limitations are Number 1.5 on the Ringelmann Chart (30 percent opacity) except that a density of Ringelmann Number 2 (40 percent opacity) is permissible for not more than two minutes in any one hour, (visible emission limits for emissions units equipped with wet scrubbers shall be effective only if the visible emission measurement can be made without being substantially affected by plume mixing or moisture condensation.); particulate matter (PM) shall not exceed 0.30 pounds per million Btu of heat input of carbonaceous fuel plus 0.1 pounds per million Btu heat input of fossil fuel; VOC's shall not exceed 1.5 pounds per million Btu heat input; NO_x shall not exceed 0.45 pounds per million Btu heat

input while burning carbonaceous fuel; No. 6 (residual) fuel oil with a maximum sulfur content of 2.5% by weight. Compliance with the emission limits for PM, VOC, and NOx shall be determined by assuming a thermal efficiency of 55 percent. The scrubber control system shall be equipped with instrumentation to monitor total pressure drop and inlet water pressure.

Boiler No. 4 is a cell boiler fired with carbonaceous fuel (bagasse, wood chips, rice hulls) and supplemented with No. 6 residual fuel oil. Particulate emissions are controlled by a Joy type Impingement Scrubber (equivalent to Type D). This boiler is designed to operate while combusting carbonaceous fuel (bagasse or wood chips) alone, No. 6 fuel oil alone, or a combination of carbonaceous fuel and No. 6 fuel oil. Rice hulls can be burned at a rate not to exceed 5.0 tons per hour in combination with other fuels. During startup procedures the following additional fuels may be used: lumber, oily rags, oil soaked peat moss, and oil soaked towels. Emission limitations are: visible emission (VE) limitations are Number 1.5 on the Ringelmann Chart (30 percent opacity) except that a density of Ringelmann Number 2 (40 percent opacity) is permissible for not more than two minutes in any one hour, (visible emission limits for emissions units equipped with wet scrubbers shall be effective only if the visible emission measurement can be made without being substantially affected by plume mixing or moisture condensation.); particulate matter (PM) of 0.29 pounds per million Btu of heat input of carbonaceous fuel plus 0.1 pounds per million Btu heat input of fossil fuel; VOC's shall not exceed 1.5 pounds per million Btu heat input; NO_x shall not exceed 0.45 pounds per million Btu heat input while burning carbonaceous fuel; No. 6 (residual) fuel oil with a maximum sulfur content of 2.5% by weight. Compliance with the emission limits of PM, VOC, and NOx shall be determined by assuming a thermal efficiency of 55 percent. The scrubber control system shall be equipped with instrumentation to monitor total pressure drop and inlet water pressure.

Sugar Mill Boiler No. 5 is a traveling grate boiler (including economizer) with a maximum hourly steam production rate of 130,000 pounds per hour and a maximum hourly heat input rate of 255.3 MMBtu per hour. The boiler fires bagasse as the primary fuel and fuel oil, wood chips, and rice hulls as supplemental fuels. The boiler has two fuel oil burners, each with a maximum designed firing rate of 235 gallons per hour. A Type D Joy Turbulaire wet impingement scrubber controls particulate matter emissions. Boiler No. 5 are authorized to fire the following types and amounts of allowable fuels: *Primary Fuel*: Bagasse shall be fired as the primary fuel. Untreated wood chips and rice hulls may supplement bagasse firing. No more than 120,458 tons of total wet carbonaceous fuel shall be fired during any crop season. Of this total, no more than 2200 tons of wood chips and rice hulls (combined) shall be fired during any crop season. If oil is fired, the limit on total carbonaceous fuel shall be prorated based on the heat input from each fuel. *Auxiliary Fuel*: As an auxiliary fuel, Boiler No. 5 may fire No.6 fuel oil (or a superior grade), which shall contain no more than 1.0% sulfur by weight. Boiler No. 5 shall fire no more than 470 gallons per hour and no more than 200,000 gallons during any crop season. The permittee shall install, calibrate, operate, and maintain fuel oil meters with integrators or continuous recording equipment. The sulfur content of the fuel oil shall be determined be ASTM Methods D-129, D-1552, D-2622, or D-4294.

The facility's fuel consumption is restricted by the limits on steam production.