



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

June 19, 2000

4APT-ARB

Howard L. Rhodes, Director
Department of Environmental Protection
Division of Air Resources Management
Mail Station 5500
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

SUBJ: EPA's Review of Proposed Title V Permit No. 1070005-002-AV
Georgia Pacific Corporation - Palatka Mill

Dear Mr. Rhodes:

The purpose of this letter is to notify the Florida Department of Environmental Protection (FDEP) that the U.S. Environmental Protection Agency (EPA) formally objects to the issuance of the above referenced proposed title V operating permit for the Georgia Pacific Corporation - Palatka Mill in Palatka, Florida, which was received by EPA, via e-mail notification and FDEP's web site, on May 3, 2000. This letter also provides our general comments on the proposed permit.

Based on EPA's review of the proposed permit and the supporting information received for this facility, EPA objects, under the authority of Section 505(b) of the Clean Air Act ("the Act") and 40 C.F.R. 70.8(c) (see also Florida Regulation 62-213.450), to the issuance of the proposed title V permit for this facility. The basis for EPA's objection is that the permit does not fully meet the periodic monitoring requirements of 40 C.F.R. 70.6(a)(3)(i), does not contain conditions that assure compliance with all applicable requirements, as required by 40 C.F.R. 70.6(a), fails to incorporate all applicable requirements from previous permits, as defined in 40 C.F.R. 70.2, and has permit shield requirements that do not conform with the requirements of 40 C.F.R. 70.6(f). Pursuant to 40 C.F.R. 70.8(c), this letter and its enclosure contain a detailed explanation of the objection issues and the changes necessary to make the permit consistent with the requirements of 40 C.F.R. Part 70 and assure compliance with applicable requirements of the Clean Air Act. The enclosure also contains general comments applicable to the permit.

Section 70.8(c) requires EPA to object to the issuance of a proposed permit in writing within 45 days of receipt of the proposed permit (and all necessary supporting information) if EPA determines that the permit is not in compliance with the applicable requirements under the Act or the requirements of 40 C.F.R. Part 70. Section 70.8(c)(4) of the title V regulations and

Section 505(c) of the Act further provide that if the State fails to revise and resubmit a proposed permit within 90 days to satisfy the objection, the authority to issue or deny the permit passes to EPA, and EPA will act accordingly. Because the objection issues must be fully addressed within the 90 days, we suggest that the revised permit be submitted in advance in order that any outstanding issues may be resolved prior to the expiration of the 90-day period.

If you have any questions or wish to discuss this further, please contact Mr. Gregg Worley, Chief of the Operating Source Section, at (404) 562-9141. Should your staff need additional information, they may contact Ms. Gracy R. Danois, Florida Title V Contact, at (404) 562-9119 or Ms. Lynda Crum, Associate Regional Counsel, at (404) 562-9524.

Sincerely,

/s/
Winston A. Smith
Director
Air, Pesticides and Toxics
Management Division

Enclosure

cc: Mr. Henry Hirschman, Georgia Pacific Corporation
Mr. Scott Sheplak, P.E., FDEP (via E-Mail)

Enclosure

U.S. EPA Region 4 Objection
Proposed Part 70 Operating Permit
Georgia Pacific Corporation
Palatka Mill
Permit no. 1070005-002-AV

I EPA Objection Issues

1. **Applicable Requirements - Subpart S:** Section II, condition 9 of the permit establishes that the facility shall comply with the requirements of Part 63, subpart S, National Emission Standards for Hazardous Air Pollutants from the Pulp and Paper Industry. However, the permit fails to incorporate the applicable subpart S requirements. All applicable requirements for the source must be included in the Title V permit. Subpart S became effective on April 15, 1998, and the mill has been required to comply with several items of the rule since then. For example, the mill was required to submit an initial notification report on April 15, 1999, and to submit updates to the report every two years until the source achieves compliance with the requirements of Subpart S. Also, the mill is subject to the requirements of Subpart S, Table 1, which outlines the applicable portions of Part 63, Subpart A, General Provisions. At a minimum, these conditions must be in the permit along with a requirement to submit a permit modification request within a specified time frame before the compliance date of the compliance option selected by the facility.
2. **Applicable Requirements - Subpart BB:** The applicable requirements of 40 C.F.R. Part 60, subpart BB, Standards of Performance for Kraft Pulp Mills, appear not to be adequately addressed in the permit. The following requirements for TRS were not incorporated in the permit for unit 032, NCG system:
 - a. 40 CFR 60.284(a)(2): Requirement to install, calibrate, maintain and operate a TRS continuous monitoring system.
 - b. 40 CFR 60.285(d): The use of Method 16 to determine compliance with the TRS emission limit.

We noticed that the construction permit for this unit, PSD-FL-226, states that compliance with the TRS limit is assumed if the facility maintains a minimum temperature of 1200F and a minimum retention time of 0.5 seconds. However, we could not find a regulatory basis for the substitution of the testing requirement with the temperature and retention time requirements. Therefore, the Department must incorporate these requirements into the title V permit for this facility. Additionally, the appendixes which outline the applicable and not applicable requirements must be revised to reflect the changes in the permit.

3. Applicable Requirements - Subpart A: The applicable requirements of 40 C.F.R. Part 60, Subpart A, General Provisions, appear not be included in the permit. The facility has two units subject to Part 60 requirements (units 032 and 034), therefore, the requirements from subpart A must be included in the permit. If the Department has streamlined the requirements from subpart A into other requirements in the permit, the rule citations must also include the appropriate subpart A citations.
4. Periodic Monitoring - Capacity: Conditions A.1, B.1, C.1, D.1, E.1, G.1, H.1 and I.1 specify the maximum capacity for the units at this facility. For all the conditions listed above, periodic monitoring requirements sufficient to assure compliance with these capacity limitations need to be included in the permit. However, if the capacity conditions are being included to ensure that stack testing is representative of normal operation, then a permitting note must be added to these conditions to clarify that the conditions are not intended as enforceable limits, as stated in previous permits issued by the Department. Further, conditions A.1 and B.1 are labeled as "not federally enforceable." While we agree that the addition of the statement proposed in this paragraph will have the same effect in terms of enforcement of these conditions by EPA, the labeling may not be sufficient to clarify whether or not the Department will enforce the capacity limitations for the units.

Based on the specificity of several of these conditions, it appears that the capacity of the units must be regularly monitored. The conditions specify averaging times and the maximum percent of operating time that they can exceed the capacity limitations without being considered a violation. The Department must provide an explanation in the statement of basis describing the purpose of these conditions.

5. Emission Limitations - Particulate Matter: Section III, Condition A.4 states that there are no quantitative particulate matter limits, but the regulatory citation refers to a BACT equivalent. No other information is provided. The statement of basis or permit must state what the BACT equivalent is and why no steady-state particulate matter emission limit is included in the permit
6. Applicable Requirements - PSD: The following applicable requirements from previous permits issued to Georgia Pacific Corporation were not incorporated in the title V permit:
 - a. The capacity limit for the digesters as contained in PSD-FL-226.
 - b. The requirements of PSD-FL-264 issued on June 30, 1999, for the construction of a new elemental chlorine-free bleach plant, identified in the PSD permit as emission unit 036.
 - c. Specific condition 5 of permit AO54-198182, which requires annual testing for sulfur dioxide emissions for unit 015. This condition appears to have been replaced in the title V permit by condition B.11, which specifies that in lieu of stack testing, records of fuel oil analysis shall be maintained.

- d. Specific condition 4.b. of permit AC54-163040, also found in condition 4 of permit AO54-170265. This condition specifies a more stringent VE limitation for times when only fuel oil no. 6 is being used in unit.
- e. Specific condition 6, items a and b, of permit AC54-163040, also found in condition 8 of permit AO54-170265. These items specify monitoring of the steam production rate per hour, including pressure and temperature and the fuel oil no. 6 feed rate per hour for unit 016.
- f. Part of specific condition 2 of permit PSD-FL-171, which establishes a maximum production rate for the lime kiln of 38,889 lb/hr of CaO.
- g. Part of specific condition 12 of permit PSD-FL-226, which specifies the maximum BLS input to the recovery boiler as 5.04×10^6 lb/day.
- h. Last sentence of specific condition 6 of permit PSD-FL-226, which specifies that compliance with the 12-month rolling average for TRS shall be based on the CEM data.
- i. Specific condition 2 of permit AC54-108945, as revised on January 11, 1988, which states that "the maximum operating rate is one cook of 55 tons of crude tall oil per 12-hr period with a yearly maximum of 20,020 tons of crude tall oil."
- j. Specific conditions 6 and 7 of permits number AC54-142282, 142283, 142288 and 142291, which establish the maximum operating rates for the digester system, the multiple effect evaporators and the condensate stripper system and the hourly operation rate and fuel input rates for the TRS incinerator, respectively.

These requirements must be included in the permit or an explanation in the statement of basis must be provided supporting the Department's decision to not include these conditions in the permit. For permit conditions that originate from construction permits issued pursuant to the State Implementation Plan, Prevention of Significant Deterioration, or the New Source Performance Standards rules, the Department must modify the construction permit before or at the same time that it is including the modified condition in the title V permit. For permit conditions that are being streamlined into other requirements in the title V permit, the regulatory citations for the condition in the title V permit must contain all the relevant citations. In order to satisfy EPA's concerns, the Department must identify the origin of the conditions listed above (i.e, whether the underlying permits are Federally enforceable) and incorporate the conditions that are Federally enforceable in the permit. Also, an explanation of any streamlining taking place in the permit must be included in the statement of basis.

- 7. Parametric Monitoring - TRS: Conditions F.9 and G.5 state surrogate parameters and the range of operation to demonstrate compliance with the TRS emissions. The statement of basis does not provide any information about the correlation developed between the

surrogate parameters and TRS. In accordance with rule 62-296.404(5)(d), F.A.C., the source must provide an adequate demonstration (historical data, performance test, etc.) to support the use of the parameter selected to assure compliance with the TRS emission limit. Such information needs to be included in the statement of basis for the permit. Also, the permit must include a condition establishing the frequency for re-evaluating the parameter and requiring a performance test to be conducted if an emission unit operates outside of the acceptable range for a specified percentage of the normal operating time. The Department must set the appropriate percentage of the operating time that would serve as trigger for this testing requirement.

In addition, condition H.14 specifies that the facility will have continuous monitors for scrubber liquid flow and pressure. However, the permit does not contain any parametric ranges that are representative of proper operation of the control equipment or any conditions that explain the correlation that exists between these parameters and the TRS emission levels. The source needs to provide an adequate demonstration (historical data, performance test, etc.) to support the approach used. The range, or the procedure used to establish the parametric ranges that are representative of the operation of the control equipment, and the frequency for re-evaluating the range needs to be specified in the permit. Also, as described above, the permit must include a condition requiring a performance test to be conducted if an emission unit operates outside of the acceptable range for a specified percentage of the normal operating time.

8. Appropriate Averaging Times: In order for the emissions standard for particulate matter (conditions D.4, E.4, F.3, H.4), sulfur dioxide (conditions A.6, B.6, C.5, D.7, E.7 and I.4), carbon monoxide (conditions D.9, E.9), TRS (condition F.4), VOC's (conditions D.10, E.10), sulfuric acid mist (conditions E.11, H.8), beryllium (condition E.12) and nitrogen oxides (conditions D.8, E.8), contained in the permit to be practicably enforceable, the appropriate averaging time must be specified in the permit. An approach that can be used to address this deficiency is to include general language in the permit to indicate that the averaging times for all specified emission standards are tied to or based on the run time of the test method(s) used for determining compliance. Therefore, we proposed the following language to address EPA's concern:

"Unless otherwise specified, the averaging times for the applicable limits in this permit are tied to or based upon the run time of the test methods used for determining compliance".

In addition, EPA has concerns with the language contained in conditions B.4 and C.4 to address the averaging time for the PM limits. Our primary concern with the language in the proposed permit is that it implies that averaging times are specified in test methods. However, almost without exception, this is not the case. The duration of the three runs that comprise a valid test are usually established outside of the test methods (i.e., in the applicable regulation or in a permit condition). Because the language we're suggesting in the paragraph above doesn't explicitly state how the run time is set, it is flexible enough to address a wide variety of situations. The language in conditions B.4 and C.4 must be

revised to include language that more accurately reflects the basis of the averaging time for these conditions.

9. Periodic Monitoring - TRS: Condition F.4 states that the emission of total reduced sulfur from each smelt dissolving tank shall not exceed 0.048 pounds per 3000 pounds of black liquor solids as hydrogen sulfide. However, the permit does not require the source to keep records of the black liquor solids throughput for each smelt dissolving tank. In order to determine compliance with the TRS limit, the amount of black liquor solids processed will be required. Therefore, the permit must contain a condition that requires the source to keep records of the amount of black liquor solids sent through each smelt dissolving tank.
10. Federally Enforceable Requirements: Section II, condition 6 is labeled as "not Federally enforceable." However, this condition is Federally enforceable because it is contained in the Federally approved portion of the Florida SIP. Therefore, the permit must be changed to reflect that condition 6 is Federally enforceable.
11. Permit Shield: Appendixes SC, AR and NAR provide lists of requirements that are either applicable or not applicable to the source and the justification for those requirements identified as non-applicable. While the appendixes appear to be intended as permit shields, the permit does not actually state that a shield from any requirement is provided. A mere summary of the requirements that are or are not applicable to the source does not constitute, by itself, a permit shield. Therefore, the Department must rewrite conditions 10-12 of Section II to explicitly provide for a permit shield, if that is the intent of these conditions in the appendixes, and add the appropriate regulatory citations to the conditions. Also, the appendixes must be identified in the cover page of the permit as part of the permit.

Moreover, please note that the purpose of the permit shield provision at 40 C.F.R. 70.6(f)(1)(ii) is to clarify the applicability of certain requirements where that applicability is questionable or unclear. Region 4 recommends that the permitting authority not include a permit shield consisting of an extensive account of all requirements that are obviously not applicable to the source. The accuracy of such a shield is difficult to confirm, and appropriate enforcement action may be thwarted where errors are made.

12. Regulatory Citations: Section III, conditions A.9, B.11 and C.8 fail to contain regulatory citations. As described in 40 C.F.R. 70.6(a)(1)(i), the permit shall specify and reference the origin of and authority for each term and condition. The Department must include the appropriate regulatory citations for these condition in the permit.

II General Comments

1. General Comment: Please note that our opportunity for review and comment on this permit does not prevent EPA from taking enforcement action for issues that have not been raised in these comments. After final issuance, this permit shall be reopened if EPA or the

permitting authority determines that it must be revised or revoked to assure compliance with applicable requirements.

2. Compliance Certification: Section II, condition 8 of the permit should specifically reference condition 51 of Appendix TV-3, which lists the compliance certification requirements of 40 C.F.R. 70.6(c)(5)(iii), to ensure that complete certification information is submitted to EPA. Also, please replace "Operating Permits Section" with "Air Enforcement Section" and add the following phone and fax numbers: 404/562-9155, Fax 404/562-9163 or 404/562-9164.
3. Subpart S Requirements: The State should try to incorporate as many applicable standards and monitoring, reporting and recordkeeping requirements from Subpart S as possible. For example, the requirements for LVHC systems can be included in the permit, as well as any other requirements for which the facility has already decided upon a compliance option to follow, even if the requirements will become effective at some point after permit issuance. The permit should establish when the source is expected to begin demonstrating continuous compliance with the requirements. Any changes to specific parameters listed under a compliance option may be incorporated by minor permit modification.
4. Section III, Subsection A, Condition A.4 and A.6: The rule citations for these conditions include F.A.C. rule 62-210.200(42). This rule is the definition of biological waste. Please include the correct citations for these conditions.
5. Section III, Conditions A.9, B.11: These conditions should be revised to add the following language at the beginning of the conditions: "To verify compliance with the . . ."
6. Section III, Condition C.2: The condition needs to list wood waste/bark as the allowed fuels, as specified in the construction and operating permits for the unit (AC54-163040 and AO-54-170265).
7. Section III, condition H.14: It appears that the condition is missing some language. Please verify.
8. Section III, condition H.15: For clarity, the Department should consider adding a description of the applicable requirements that this condition is referring to at the end of the condition.
9. Subsections K, L, M and N: These subsections contain a direct copy of the regulations regarding excess emissions, testing requirements, kraft (sulfate) pulp mills and required title V permit content. While the permit must contain requirements that meet these regulations, it is not necessary to repeat these regulations. The specific requirements, such as unit-specific emissions limits, excess emission provisions and periodic monitoring requirements, are supposed to be present in the main body of the permit, and standard condition requirements are provided in Appendix TV-3. Only the relevant portions of these regulations, not addressed anywhere else in the permit, should be included.

10. Periodic Monitoring: As you are aware, on April 14, 2000, the U.S. Court of Appeals for the D.C. Circuit issued an opinion addressing industry's challenge to the validity of portions of EPA's periodic monitoring guidance. See, *Appalachian Power Co. v. EPA*, No. 98-1512 (D.C. Cir., April 14, 2000). The Court found that "State permitting authorities [] may not, on the basis of EPA's guidance or 40 C.F.R. 70.6(a)(3)(i)(B), require in permits that the regulated source conducts more frequent monitoring of its emissions than that provided in the applicable State or Federal standard, unless that standard requires no periodic testing, specifies no frequency, or requires only a one-time test." While the permit contains testing from "time to time," as discussed in the court opinion, EPA does not consider these conditions sufficient to ensure compliance. In light of the court case, EPA is withholding formal objection regarding the adequacy of the periodic monitoring included in the permit for the following pollutants: Particulate Matter (PM), Visible Emissions (VE), Sulfur Dioxide (SO₂), Nitrogen Oxides (NO_x), Carbon Monoxide (CO), Volatile Organic Compounds (VOC), Sulfuric Acid Mist (SAM) and Beryllium. EPA's concerns are outlined below:

11. The permit does not contain adequate periodic monitoring for PM (B.9, B.10, C.7, D.11, E.13, F.6 and H.9), VE (conditions A.10, B.12, B.13, C.9, E.14, H.10 and I.10), SO₂ (D.14, E.15 and H.11), NO_x (D.15 and E.16), CO (D.16 and E.17), VOC (D.17 and E.18), SAM (E.20 and H.12) and beryllium (E.21). Although the permit requires either annual or once every five years testing for all of these pollutants, this infrequent testing is not sufficient to provide a reasonable assurance of compliance with emission limits. All Title V permits must contain monitoring that is sufficient to assure compliance with the applicable permit requirements. In particular, 40 C.F.R. Part 70.6 (a)(3)(B) requires that permits include periodic monitoring that is sufficient to yield reliable data from the relevant time period that are representative of the source's compliance with the applicable emission limits. In addition to assuring compliance, a system of periodic monitoring will also provide the source with an indication of their emission unit's performance, so that periods of excess emissions and violations of the emission limits can be minimized or avoided. Therefore, the permit should include a periodic monitoring scheme that will provide data which is representative of the source's actual performance.

Since some of the emission units are equipped with control devices, the best approach to address the periodic monitoring requirements for these units is to utilize parametric monitoring of the control equipment. In order to do this, a correlation needs to be developed between the control equipment parameter(s) to be monitored and the pollutant emission levels. The source needs to provide an adequate demonstration (historical data, performance test, etc.) to support the approach used. In addition, an acceptable performance range for each parameter that is to be monitored should be established. The range, or the procedure used to establish the parametric ranges that are representative of proper operation of the control equipment, and the frequency for re-evaluating the range should be specified in the permit. Also, the permit should include a condition requiring a performance test to be conducted if an emission unit operates outside of the acceptable range for a specified percentage of the normal operating time. The Department should set the appropriate percentage of the operating time that would serve as trigger for this testing requirement.

As an alternative to the approaches described above, a technical demonstration can be included in the statement of basis explaining why the State has chosen not to require any additional visible emissions testing for these units. The demonstration needs to identify the rationale for basing the compliance certification on data from a short-term test performed once a year.