

Bay Area Air Quality Management District

939 Ellis Street
San Francisco, CA 94109
(415) 771-6000

Final

MAJOR FACILITY REVIEW PERMIT

Issued To:
Jefferson Smurfit Corporation
Facility #A0732

Facility Address:
2600 De La Cruz Blvd
Santa Clara, CA 95050-2663

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Responsible Official
Richard M. Johnston, General Manager
(408) 496-5118

Facility Contact
Rick Horne, Technical Superintendent
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Type of Facility:	Recycle Paper Mill with a 26 MW Cogeneration Plant	BAAQMD Permit Division Contact: Dick Wocasek
Primary SIC:	2631	
Product:	Recycled Paperboard & Electricity	

ISSUED BY THE BAY AREA AIR QUALITY MANAGEMENT DISTRICT

Signed by Ellen Garvey
Ellen Garvey, Executive Officer/Air Pollution Control Officer

July 6, 2001
Date

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I. STANDARD CONDITIONS

A. Administrative Requirements

The permit holder shall comply with all applicable requirements in the following regulations:

- BAAQMD Regulation 1 - General Provisions and Definitions
(as amended by the District Board on 5/2/01);
- SIP Regulation 1 - General Provisions and Definitions
(as approved by EPA through 8/27/99);
- BAAQMD Regulation 2, Rule 1 - Permits, General Requirements
(as amended by the District Board on 5/2/01);
- SIP Regulation 2, Rule 1 - Permits, General Requirements
(as approved by EPA through 2/25/99);
- BAAQMD Regulation 2, Rule 2 - Permits, New Source Review
(as amended by the District Board on 5/17/00);
- SIP Regulation 2, Rule 2 - Permits, New Source Review and Prevention of Significant Deterioration
(as approved by EPA through 2/25/99);
- BAAQMD Regulation 2, Rule 4 - Permits, Emissions Banking
(as amended by the District Board on 5/17/00);
- SIP Regulation 2, Rule 4 - Permits, Emissions Banking
(as approved by EPA through 2/25/99); and
- BAAQMD Regulation 2, Rule 6 - Permits, Major Facility Review
(as amended by the District Board on 5/2/01).

B. Conditions to Implement Regulation 2, Rule 6, Major Facility Review

1. This Major Facility Review Permit expires on February 16, 2004. The permit holder shall submit a complete application for renewal of this Major Facility Review Permit no later than August 16, 2003 and no earlier than February 16, 2003. **If a complete application for renewal has not been submitted in accordance with these deadlines, the facility may not operate after February 16, 2004.** (Regulation 2-6-307, 404.2, & 409.6; MOP Volume II, Part 3, §4.2)
2. The permit holder shall comply with all conditions of this permit. The permit consists of this document and all appendices. Any non-compliance with the terms and conditions of this permit will constitute a violation of the law and may be grounds for enforcement action; permit termination, revocation and reissuance, or modification; or denial of a permit renewal application. (Regulation 2-6-307; MOP Volume II, Part 3, §4.11)
3. In the event any enforcement action is brought as a result of a violation of any term or condition of this permit, the fact that it would have been necessary for the permittee to halt or reduce the permitted activity in order to maintain compliance with such term or condition shall not be a defense to such enforcement action. (MOP Volume II, Part 3,

I. Standard Conditions (continued)

§4.11)

4. This permit may be modified, revoked, reopened and reissued, or terminated for cause. (Regulation 2-6-307, 409.8, 415; MOP Volume II, Part 3, §4.11)
5. The filing of a request by the facility for a permit modification, revocation and reissuance, or termination, or the filing of a notification of planned changes or anticipated non-compliance does not stay the applicability of any permit condition. (Regulation 2-6-409.7; MOP Volume II, Part 3, §4.11)
6. This permit does not convey any property rights of any sort, or any exclusive privilege. (Regulation 2-6-409.7; MOP Volume II, Part 3, §4.11)
7. The permit holder shall supply within 30 days any information that the District requests in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating the permit or to determine compliance with the permit. (Regulation 1-441, Regulation 2-6-409.4 & 501; MOP Volume II, Part 3, §4.11)
8. Any records required to be maintained pursuant to this permit which the permittee considers to contain proprietary or trade secret information shall be prominently designated as such. Copies of any such proprietary or trade secret information which are provided to the District shall be maintained by the District in a locked confidential file, provided, however, that requests from the public for the review of any such information shall be handled in accordance with the District's procedures set forth in Section 11 of the District Administrative Code. (Regulation 2-6-419; MOP Volume II, Part 3, §4.11)
9. Proprietary or trade secret information provided to EPA will be subject to the requirements of 40 CFR Part 2, Subpart B - Public Information, Confidentiality of Business Information. (40 CFR Part 2)
10. The emissions inventory submitted with the application for this Major Facility Review Permit is an estimate of actual emissions for the time period stated and is included only as one means of determining applicable requirements for emission sources. It does not establish, or constitute a basis for establishing, any new emission limitations. (MOP Volume II, Part 3, §4.11)
11. The responsible official shall certify all documents submitted by the facility pursuant to the major facility review permit. The certification shall state that based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete. The certifications shall be signed by a responsible official for the facility. (MOP Volume II, Part 3, §4.11)

C. Requirement to Pay Fees

The permit holder shall pay annual fees in accordance with District Regulation 3, including Schedule P. (Regulation 2-6-402 & 409.13, Regulation 3; MOP Volume II, Part 3, §4.12)

I. Standard Conditions (continued)

D. Inspection and Entry

Access to Facility: The permit holder shall provide reasonable access to the facility and equipment which is subject to this permit to the APCO and/or to his or her designee. (Regulation 1-440, Regulation 2-6-409.3; MOP Volume II, Part 3, §4.14)

E. Records

Notwithstanding the specific wording in any requirement, all records for federally enforceable requirements shall be maintained for at least five years from the date of entry. (Regulation 2-6-501, Regulation 3; MOP Volume II, Part 3, §4.7)

F. Monitoring Reports

Reports of all required monitoring must be submitted to the District at least once every six months, except where an applicable requirement specifies more frequent reporting. After the report for the period ending August 16, 2000, the next report shall be for the period starting August 17, 2000 and ending January 31, 2001. The report shall be submitted by February 28, 2001. Subsequent reports shall be for the following periods: February 1st through July __1st and August 1st through January 31st, and are due on the last day of the month after the end of the reporting period. All instances of non-compliance shall be clearly identified in these reports. The reports shall be certified by the responsible official as true, accurate, and complete. In addition, all instances of non-compliance with the permit shall be reported in writing to the District's Compliance and Enforcement Division within 10 calendar days of the discovery of the incident. Within 30 calendar days of the discovery of any incident of non-compliance, the facility shall submit a written report including the probable cause of non-compliance and any corrective or preventative actions. The reports shall be sent to the following address:

Director of Compliance and Enforcement
Bay Area Air Quality Management District
939 Ellis Street
San Francisco, CA 94109
Attn: Title V Reports

(Regulation 2-6-502, Regulation 3; MOP Volume II, Part 3, §4.7)

G. Compliance Certification

Compliance certifications shall be submitted annually by the responsible official of this facility to the Bay Area Air Quality Management District and to the Environmental Protection Agency. The certification period will be February 1st to January 31st. The certification shall be submitted by February 28th of each year. The certification must list each applicable requirement, the compliance status, whether compliance was

I. Standard Conditions (continued)

continuous or intermittent, the method used to determine compliance, and any other specific information required by the permit. The permit holder may satisfy this requirement through submittal of District-generated Compliance Certification forms. The certification should be directed to the District's Compliance and Enforcement Division at the address above, and a copy of the certification should be sent to the Environmental Protection Agency at the following address:

Director of the Air Division
USEPA, Region IX
75 Hawthorne Street
San Francisco, CA 94105
Attention: Air-3

(MOP Volume II, Part 3, §4.5 and 4.15)

H. Emergency Provisions

1. The permit holder may seek relief from enforcement action in the event of a breakdown, as defined by Regulation 1-208 of the District's Rules and Regulations, by following the procedures contained in Regulations 1-431 and 1-432. The District will thereafter determine whether breakdown relief will be granted in accordance with Regulation 1-433. (MOP Volume II, Part 3, §4.8)
2. The permit holder may seek relief from enforcement action for a violation of any of the terms and conditions of this permit caused by conditions beyond the permit holder's reasonable control by applying to the District's Hearing Board for a variance pursuant to Health and Safety Code Section 42350. The Hearing Board will determine after notice and hearing whether variance relief should be granted in accordance with the procedures and standards set forth in Health and Safety Code Section 42350 et seq. (MOP Volume II, Part 3, §4.8)
3. Notwithstanding the foregoing, the granting by the District of breakdown relief or the issuance by the Hearing Board of a variance will not provide relief from federal enforcement. (MOP Volume II, Part 3, §4.8)

I. Severability

In the event that any provision of this permit is invalidated by a court or tribunal of competent jurisdiction, or by the Administrator of the EPA, all remaining portions of the permit shall remain in full force and effect. (Regulation 2-6-409.5; MOP Volume II, Part 3, §4.10)

II. EQUIPMENT LIST

A. Permitted Source List

Each of the following sources has been issued a permit to operate pursuant to the requirements of BAAQMD Regulation 2-1-302.

Table II-A

S-#	Description	Make or Type	Model	Capacity
S-6	Gas Turbine, natural gas only, with Steam Injection	General Electric	LM2500	219 MM BTU/hr (26 MW)
S-7	Duct Burner, natural gas	Coen	C-0700-248	70 MM BTU/hr
S-9	Standby Boiler, with low NOx Burners and Flue Gas Recirculation, natural gas & distillate oil (cannot fire both simultaneously)	Cleaver-Brooks	W-3813	161 MM BTU/hr
S-10	Recycle Paper Machine Steam Dryers	Kobayashi	Not Applicable	

III. GENERAL APPLICABLE REQUIREMENTS

The permit holder shall comply with all applicable requirements, including those specified in the BAAQMD and SIP Rules and Regulations and other federal requirements cited below. These requirements apply in a general manner to the facility and/or to sources exempt from the requirement to obtain a District Permit to Operate. The District has determined that these requirements would not be violated under normal, routine operations, and that no additional periodic monitoring or reporting to demonstrate compliance is warranted. In cases where a requirement, in addition to being generally applicable, is also specifically applicable to one or more sources, the requirement and the source are also included in Section IV, Source-Specific Applicable Requirements, of this permit.

The dates in parenthesis in the Title column identify the versions of the regulations being cited and are, as applicable:

1. BAAQMD regulation(s):
 The date(s) of adoption or most recent amendment of the regulation by the District Board
2. Any federal requirement, including a version of a District regulation that has been approved into the SIP:
 The most recent date of EPA approval of any portion of the rule, encompassing all actions on the rule through that date

Where an applicable requirement is a SIP requirement, the full language of the SIP requirement is included in Appendix A of this permit.

NOTE:

There are differences between current BAAQMD rules and the versions of the rules in the SIP. For specific information, contact the District's Rule Development Section of the Enforcement Division. All sources must comply with both versions of a rule until US EPA has reviewed and approved (or disapproved) the District's revision of the regulation.

Table III

Applicable Requirement	Regulation Title or Description of Requirement	Federally Enforceable (Y/N)
BAAQMD Regulation 1	General Provisions and Definitions (5/2/01)	N
SIP Regulation 1	General Provisions and Definitions (8/27/99)	Y
BAAQMD Regulation 4	Air Pollution Episode Plan (3/20/91)	N
SIP Regulation 4	Air Pollution Episode Plan (8/06/90)	Y

III. General Applicable Requirements (continued)

Table III (continued)

Applicable Requirement	Regulation Title or Description of Requirement	Federally Enforceable (Y/N)
BAAQMD Regulation 5	Open Burning (11/2/94)	Y
BAAQMD Regulation 6	Particulate Matter and Visible Emissions	Y
BAAQMD Regulation 7	Odorous Substances	N
BAAQMD Regulation 8, Rule 1	Organic Compounds - General Provisions (6/15/94)	Y
BAAQMD Regulation 8, Rule 3	Organic Compounds - Architectural Coatings (12/20/95)	N
BAAQMD Regulation 8, Rule 49	Organic Compounds - Aerosol Paint Products (12/20/95)	N
SIP Regulation 8, Rule 49	Organic Compounds - Aerosol Paint Products (3/22/95)	Y
BAAQMD Regulation 8, Rule 51	Organic Compounds - Adhesive and Sealant Products (12/20/95)	N
BAAQMD Regulation 9, Rule 1	Inorganic Gaseous Pollutants - Sulfur Dioxide (3/15/95)	N
SIP Regulation 9, Rule 1	Inorganic Gaseous Pollutants - Sulfur Dioxide (5/3/84)	Y
BAAQMD Regulation 11, Rule 2	Hazardous Pollutants - Asbestos Demolition, Renovation and Manufacturing (12/4/91)	Y
BAAQMD Regulation 12, Rule 4	Miscellaneous Standards of Performance - Sandblasting (7/11/90)	N
SIP Regulation 12, Rule 4	Miscellaneous Standards of Performance - Sandblasting (9/2/81)	Y

IV. SOURCE-SPECIFIC APPLICABLE REQUIREMENTS

The permit holder shall comply with all applicable requirements, including those specified in the BAAQMD and SIP Rules and Regulations and other federal requirements cited below. The requirements cited in the following tables apply in a specific manner to the indicated source(s).

The dates in parenthesis in the Title column identify the versions of the regulations being cited and are, as applicable:

1. BAAQMD regulation(s):
 The date(s) of adoption or most recent amendment of the regulation by the District Board
2. Any federal requirement, including a version of a District regulation that has been approved into the SIP:
 The most recent date of EPA approval of any portion of the rule, encompassing all actions on the rule through that date

The full text of each permit condition cited is included in Section VI, Permit Conditions, of this permit. Additionally, where an applicable requirement is a SIP requirement, the full language of the SIP requirement is included in Appendix A of this permit. All other text may be found in the regulations themselves.

**Table IV-A
S-6, Turbine**

Applicable Requirement	Regulation Title or Description of Requirement	Federally Enforceable (Y/N)	Future Effective Date
BAAQMD Regulation 1	General Provisions and Definitions (11/3/93)		
1-522	Continuous Emission Monitoring and Recordkeeping Procedures	Y	
1-602	Area and Continuous Emission Monitoring Requirements	N	
BAAQMD Regulation 2, Rule 1	Regulation 2, Rule 1 - Permits, General Requirements (6/7/95)		
2-1-501	Monitors	N	
BAAQMD Regulation 6	Particulate Matter and Visible Emissions (12/19/90)		
6-301	Ringelmann Number 1 Limitation	N	

**Table IV-A (continued)
S-6, Turbine**

IV. Source-Specific Applicable Requirements (continued)

Applicable Requirement	Regulation Title or Description of Requirement	Federally Enforceable (Y/N)	Future Effective Date
6-305	Visible Particles	Y	
6-310	Particulate Weight Limitation	Y	
6-401	Appearance of Emissions	Y	
BAAQMD Regulation 9, Rule 1	Inorganic Gaseous Pollutants - Sulfur Dioxide (3/15/95)		
9-1-301	Limitations on Ground Level Concentrations	N	
9-1-302	General Emission Limitations	Y	
BAAQMD Regulation 9, Rule 9	Inorganic Gaseous Pollutants - Nitrogen Oxides from Stationary Gas Turbines (9/21/94)		
9-9-113	Exemption - Inspection/Maintenance	Y	
9-9-114	Exemption - Startup/Shutdown	Y	
9-9-301	Emission Limits - General	Y	
9-9-301.2	Emission Limits - Turbines over 10.0 MW without SCR	Y	
9-9-501	Monitoring & Recordkeeping	Y	
BAAQMD Manual of Procedures, Volume V	Continuous Emission Monitoring Policy and Procedures (1/20/82)	Y	
40 CFR 60	Standards of Performance for New Stationary Sources (12/23/71)	Y	
Subpart A	General Provisions	Y	
60.4(b)	Reports to EPA and District	Y	
60.7(a)(4)	Written notification of physical or operational changes	Y	
60.7(b)	Records	Y	
60.8	Performance Tests	Y	
60.9	Availability of Information	Y	
60.11(a)	Compliance with standards and maintenance requirements	Y	
60.11(d)	Minimizing emissions	Y	
60.12	Circumvention	Y	
60.13	Monitoring Requirements	Y	
NSPS Subpart GG	Standards of Performance for Stationary Gas Turbines (1/27/82)		
60.332 (a)(2)	Performance Standard, NOx	Y	
60.333	Performance Standards, SO2	Y	
60.334(a)	Monitoring of water to fuel ratio	Y	

IV. Source-Specific Applicable Requirements (continued)

Table IV-A (continued)
S-6, Turbine

Applicable Requirement	Regulation Title or Description of Requirement	Federally Enforceable (Y/N)	Future Effective Date
60.335	Test Methods and Procedures	Y	
BAAQMD Condition #14522	Permit to Operate Condition	Y	
Part 1	Natural gas firing [BACT]	Y	
Part 4	Steam Injection to control NOx emissions during all periods of gas turbine operation except during times of start-up, shutdown, and inspection and maintenance [BAAQMD Regulation 9-9]	Y	
Part 5	Monitoring & recordkeeping [BACT, BAAQMD Regulation 9-9]	Y	
Part 6	Sulfur Limit (PUC quality gas) [BAAQMD Regulation 2-1-403]	Y	

¹ This section has been removed from BAAQMD Regulations because it has been superseded. Nevertheless, the source must comply with this regulation until US EPA has reviewed and approved (or disapproved) the District's revision of the regulation.

IV. Source-Specific Applicable Requirements (continued)

**Table IV-B
 S-7, Duct Burner**

Applicable Requirement	Regulation Title or Description of Requirement	Federally Enforceable (Y/N)	Future Effective Date
BAAQMD Regulation 1	General Provisions and Definitions (11/3/93)		
1-522	Continuous Emission Monitoring and Recordkeeping Procedures	Y	
1-602	Area and Continuous Emission Monitoring Requirements	N	
BAAQMD Regulation 2, Rule 1	Regulation 2, Rule 1 - Permits, General Requirements (6/7/95)		
2-1-501	Monitors	N	
BAAQMD Regulation 9, Rule 1	Inorganic Gaseous Pollutants - Sulfur Dioxide (3/15/95)		
9-1-301	Limitations on Ground Level Concentrations	N	
9-1-302	General Emission Limitations	Y	
BAAQMD Manual of Procedures, Volume V	Continuous Emission Monitoring Policy and Procedures (1/20/82)	Y	
BAAQMD Condition #14522	Permit to Operate Condition	Y	
Part 1	Natural gas firing [BACT]	Y	
Part 5	Monitoring & recordkeeping [BACT]	Y	
Part 6	Sulfur Limit (PUC quality gas) [BAAQMD Regulation 2-1-403]	Y	

¹ This section has been removed from BAAQMD Regulations because it has been superseded. Nevertheless, the source must comply with this regulation until US EPA has reviewed and approved (or disapproved) the District's revision of the regulation.

IV. Source-Specific Applicable Requirements (continued)

**Table IV-C
 S-9, Standby Boiler**

Applicable Requirement	Regulation Title or Description of Requirement	Federally Enforceable (Y/N)	Future Effective Date
BAAQMD Regulation 9, Rule 1	Inorganic Gaseous Pollutants - Sulfur Dioxide (3/15/95)		
9-1-301	Limitations on Ground Level Concentrations	N	
9-1-302	General Emission Limitations	Y	
9-1-304	Fuel Burning (Liquid and Solid Fuels)	Y	
BAAQMD Regulation 9, Rule 7	Inorganic Gaseous Pollutants - Nitrogen Oxides and Carbon Monoxide from Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters (9/16/92)		
9-7-301	Emission Limits - Gaseous Fuels	Y	
9-7-301.1	Performance Standard, NOx	Y	
9-7-301.2	Performance Standard, CO	Y	
9-7-305	Natural Gas Curtailment-Non-Gaseous Fuel	Y	
9-7-305.1	Natural Gas Curtailment-Non-Gaseous Fuel: NOx limit	Y	
9-7-305.2	Natural Gas Curtailment-Non-Gaseous Fuel: CO limit	Y	
9-7-306	Equipment Testing Non-Gaseous Fuel	Y	
9-7-503	Records	Y	
9-7-503.2	Records of natural gas curtailment	Y	
9-7-503.3	Records of equipment testing	Y	
9-7-503.4	Source Test Records and Record Retention	Y	
BAAQMD Cond #12231	Permit to Operate Condition		
Part 1	Only burn natural gas or distillate oil , only use distillate oil in the event of natural gas curtailment, only PUC quality gas shall be used [Cumulative Increase]	Y	
Part 2	Operating Hour Limit (natural gas) [Cumulative Increase]	Y	
Part 3	Operating Hour Limit (distillate oil) [Cumulative Increase]	Y	
Part 4	Maximum Heat Input [Cumulative Increase]	Y	
Part 5	Natural Gas Flow Meter [Cumulative Increase]	Y	
Part 6	Flue Gas Recirculation Requirement [BACT]	Y	
Part 7	BACT NOx Limit (natural gas) [BACT]	Y	
Part 8	NOx Limit (distillate oil) [BACT]	Y	
Part 9	BACT CO Limit (natural gas) [BACT]	Y	

IV. Source-Specific Applicable Requirements (continued)

**Table IV-C
 S-9, Standby Boiler**

Applicable Requirement	Regulation Title or Description of Requirement	Federally Enforceable (Y/N)	Future Effective Date
Part 10	Sulfur Limit in distillate oil [BACT]	Y	
Part 11	PM Limit [BACT]	Y	
Part 12	Source Test Requirement [Offsets]	Y	
Part 13	Recordkeeping [BACT, Regulation 2-6-501]	Y	
Part 14	BACT review [Cumulative Increase]	Y	

**Table IV-D
 S-10, Recycle Paper Machine Steam Dryers**

Applicable Requirement	Regulation Title or Description of Requirement	Federally Enforceable (Y/N)	Future Effective Date
BAAQMD Regulation 8, Rule 1	Organic Compounds - General Provisions		
8-1-320	Standards for surface preparation, clean-up, coating, ink, paint removal	Y	
8-1-321	Standards for containers	Y	
BAAQMD Cond #13344	Permit to Operate Condition		
Part 1	Throughput Limit [Cumulative Increase]	Y	
Part 2	Recordkeeping [Cumulative Increase]	Y	

V. SCHEDULE OF COMPLIANCE

The permit holder shall comply with all applicable requirements cited in this permit. The permit holder shall also comply with applicable requirements that become effective during the term of this permit.

VI. PERMIT CONDITIONS

Any condition that is preceded by an asterisk is not federally enforceable.

A. Source Specific Permit Conditions

Sources 6, 7 - Turbine & Duct Burner Condition #14522

- 1) S-6, Gas Turbine, shall be fired only on natural gas. [basis: BACT]
- 2) Deleted 6/18/01
- 3) Deleted 7/2/01
- 4) The steam injection system to control NO_x emissions from S-6 Turbine shall be operated during all periods of gas turbine operation except during times of start-up, shutdown, and inspection and maintenance pursuant to Regulation 9-9-113 and 9-9-114. The steam injection rate shall be controlled by the gas turbine control system at all times during the operation of the turbine. [basis: BAAQMD Regulation 9, Rule 9]
- 5) JSC shall install, calibrate and operate District-approved continuous monitors and recorders for oxides of nitrogen and either oxygen or carbon dioxide as required by District Regulation 10. These monitoring records shall be supplied to the Director of the Compliance and Enforcement Division upon request. [basis: BACT, Regulation 9, Rule 9]
- 6) All natural gas burned at S-6, Gas Turbine, and S-7, Duct Burner, shall be PUC quality gas. [basis: BAAQMD Regulation 2, Rule 1, Section 403]

VI. Permit Conditions (continued)

A. Source specific Permit Conditions (continued)

Source: 9 Standby Boiler
Condition # 12231

- 1) This boiler shall burn only natural gas or distillate oil. Distillate oil shall be fired only in the event of a natural gas curtailment or shutdown. All natural gas burned at source 9, Standby Boiler, shall be PUC quality gas.[basis: cumulative increase]
- 2) This boiler shall not exceed 1,000 hours of firing on natural gas in any consecutive 12-month period. [basis: cumulative increase]
- 3) This boiler shall not exceed 100 hours of firing on distillate oil in any consecutive 12-month period. [basis: cumulative increase]
- 4) Heat input to this boiler shall not exceed 161 MMBtu/hr. [basis: cumulative increase]
- 5) A natural gas meter dedicated solely to monitor the flow of natural gas into this boiler shall be installed and maintained. [basis: cumulative increase]
- 6) The boiler shall not be operated unless the flue gas recirculation fan is in operation. [basis: BACT]
- 7) NO_x emissions during natural gas firing shall not exceed 25 ppmv @3% O₂ (dry basis). [basis: BACT]
- 8) NO_x emissions during distillate oil firing shall not exceed 60 ppmv @3% O₂ (dry basis). [basis: BACT]
- 9) CO emissions during natural gas firing shall not exceed 50 ppmv @3% O₂ (dry basis). [basis: BACT]
- 10) Sulfur content in the distillate oil shall not exceed 0.05% by weight. [basis: BACT, Cumulative Increase]
- 11) Visible particulate emissions shall not exceed Ringelmann No. 0.5. [basis: BACT]

VI. Permit Conditions (continued)

A. Source specific Permit Conditions (continued)

Source: 9 Standby Boiler (continued)

Condition # 12231

- 12) Source test data from a District approved source test shall be submitted to the District as follows:
 - The source test section shall be contacted prior to the test for correct source test procedures and the correct location for installation of source testing ports;
 - The source test section shall be notified in writing at least three business days in advance of the source test;
 - The source test data shall reflect boiler operation at maximum capacity;
 - The source test shall include all criteria pollutants;
 - Within 45 days of start-up, source test data shall be submitted to the source test section;
 - Within 45 days of start-up, a source test results summary shall be submitted to the Director of Enforcement and Compliance Division. [Offsets]

- 13) A District approved logbook shall be maintained of the hours of operation of this boiler, type of fuel fired and for what periods, and if distillate oil is fired PG&E verification of natural gas curtailment. Records shall be maintained for a period of at least five years from the date of entry and made readily available to District staff upon request. [basis: BACT, BAAQMD Regulation 2-6-501]

- 14) Any future modification to this boiler to increase hours of operation, type of fuel, or for any other reason which results in increased emissions, will subject this boiler to review as though it were a new source. This includes, but is not limited to, a new BACT review. In addition, should a future modification require installation of additional abatement equipment, District staff will not support any request for a Hearing Board variance. [basis: cumulative increase]

VI. Permit Conditions (continued)

A. Source specific Permit Conditions (continued)

Source 10: Recycle Paper Steam Dryers Condition # 13344

- 1) Paperboard throughput shall not exceed 146,000 tons of paperboard in any consecutive 12-month period. [basis: Cumulative Increase]
- 2) Records shall be maintained in a District approved logbook of the amount of paperboard throughput on a monthly basis. Records shall be maintained for a period of at least five years from the date of entry and made readily available to District staff upon request. [basis: cumulative increase, BAAQMD Regulation 2-6-501]

VII. APPLICABLE EMISSION LIMITS & COMPLIANCE MONITORING REQUIREMENTS

This section has been included only to summarize the applicable emission limits contained in Section IV, Source-Specific Applicable Requirements, of this permit. The following tables show the relationship between each emission limit and the associated compliance monitoring provisions, if any. The monitoring frequency indicates whether periodic (P) or continuous (C) monitoring is required. For periodic monitoring, the frequency of the monitoring has also been shown, either annual (A), quarterly (Q), monthly (M), daily (D), or on an event basis (E). No monitoring (N) has been required if the current applicable rule or regulation does not require monitoring, and the operation is unlikely to deviate from the applicable emission limit based upon the nature of the operation.

**Table VII-A
S-6, Turbine**

Type of Limit	Emission Limit Citation	FE Y/N	Future Effective Date	Emission Limit	Monitoring Requirement Citation	Monitoring Frequency (P/C/N)	Monitoring Type
NOx	BAAQMD 9-9-301.2	Y	01/01/97	17 ppmv @ 15% O ₂ (dry), 3-hour average	BAAQMD 9-9-501	C	C.E.M.
	NSPS Subpart GG, 60.332 (a)(2)	Y		50 ppmv @ 15% O ₂ , dry, 3-hour average	Monitoring Subsumed by Regulation 9 Rule 9 Monitoring	N	
SO ₂	BAAQMD 9-1-301	N		GLC ¹ of 0.5 ppm for 3 min or 0.25 ppm for 60 min or 0.05 ppm for 24 hours		N	
	BAAQMD 9-1-302	Y		300 ppm (dry)		N	
TSP	BAAQMD 6-301	N		Ringelmann No. 1		N ²	
	BAAQMD 6-310	Y		0.15 grain/dscf @ 6% O ₂		N ²	

¹ Ground Level Concentration

² Exceedance of particulate limits is not expected for natural gas combustion

**VII. Applicable Emission Limits & Compliance Monitoring Requirements
 (continued)**

**Table VII-B
 S-7 Duct Burner**

Type of Limit	Emission Limit Citation	FE Y/N	Future Effective Date	Emission Limit	Monitoring Requirement Citation	Monitoring Frequency (P/C/N)	Monitoring Type
SO2	BAAQM D 9-1-301	N		GLC ¹ of 0.5 ppm for 3 min or 0.25 ppm for 60 min or 0.05 ppm for 24 hours		N	
	BAAQM D 9-1-302	Y		300 ppm (dry)		N	
TSP	BAAQM D 6-301	N		Ringelmann No. 1		N ²	
	BAAQM D 6-310	Y		0.15 grain/dscf @ 6% O2		N ²	

¹ Ground Level Concentration

² Exceedance of particulate limits is not expected for natural gas combustion. When duct burner burns distillate oil, the ratio of natural gas to distillate oil burned is 3:1. Therefore, exceedance of particulate limits is not expected for distillate oil combustion either.

**Table VII-C
 S- 9 Standby Boiler**

Type of Limit	Emission Limit Citation	FE Y/N	Future Effective Date	Emission Limit	Monitoring Requirement Citation	Monitoring Frequency (P/C/N)	Monitoring Type
NOx	Regulation 9-7-301.1	Y		30 ppmv dry @3% O2		N	
	BAAQM D 9-7-305.1	Y		150 ppmv @3% O2, dry		N	
	BAAQM D 9-7-306.1	Y		150 ppmv @3% O2, dry		N	

**VII. Applicable Emission Limits & Compliance Monitoring Requirements
 (continued)**

**Table VII-C
 S- 9 Standby Boiler**

Type of Limit	Emission Limit Citation	FE Y/N	Future Effective Date	Emission Limit	Monitoring Requirement Citation	Monitoring Frequency (P/C/N)	Monitoring Type
	BAAQM D Cond #12231 Part 7	Y		25 ppmv dry @3% O ₂		N	
NOX	BAAQM D Cond #12231 Part 8	Y		60 ppmv dry @3% O ₂ (distillate oil)		N	
CO	Regulation 9-7-301.2	Y		400 ppmv dry @3% O ₂		N	
	BAAQM D 9-7-305.2	Y		400 ppmv @3% O ₂ , dry		N	
	BAAQM D 9-7-306.2	Y		400 ppmv @3% O ₂ , dry		N	
	BAAQM D Cond #12231 Part 9	Y		50 ppmv dry @3% O ₂		N	
SO ₂	BAAQM D 9-1-301	N		GLC ¹ of 0.5 ppm for 3 min or 0.25 ppm for 60 min or 0.05 ppm for 24 hours		N	
	BAAQM D 9-1-302	Y		300 ppm (dry)		N	
SO ₂	BAAQM D 9-1-304	Y		Sulfur content of fuel <0.5% by weight		P/E	Fuel certification upon delivery

**VII. Applicable Emission Limits & Compliance Monitoring Requirements
 (continued)**

**Table VII-C
 S- 9 Standby Boiler**

Type of Limit	Emission Limit Citation	FE Y/N	Future Effective Date	Emission Limit	Monitoring Requirement Citation	Monitoring Frequency (P/C/N)	Monitoring Type
	BAAQM D Cond #12231 Part 10	Y		Sulfur content of distillate <0.05% by weight		P/E	Fuel certification upon delivery
Hours of operation	BAAQM D Cond #12231 Part 2	Y		1000 hours or less per year of operation with natural gas		P/E	records
Hours of operation	BAAQM D Cond #12231 Part 3	Y		100 hours or less per year of operation with distillate oil		P/E	records
Heat input	BAAQM D Cond #12231 Part 10	Y		Heat input less than 161 mmbtu/yr		C	gas meter

¹ Ground Level Concentration

**Table VII-D
 S- 10 Recycle Paper Machine Steam Dryers**

Pollutant	Emission Limit Citation	FE Y/N	Future Effective Date	Emission Limit	Monitoring Requirement Citation	Monitoring Frequency (P/C/N)	Monitoring Type
POC	BAAQM D Cond #13344 Part 1	Y		throughput limit of 146,000 tons of paperboard in any consecutive 12 month period	BAAQMD Cond #13344 Part 2	P/M	Records

VIII. TEST METHODS

The test methods associated with the emission limit of a District regulation are generally found in Section 600 of the regulation. The following table indicates only the test methods associated with the emission limits referenced in Section VII, Applicable Emission Limits & Compliance Monitoring Requirements, of this permit.

Table VIII

Applicable Requirement	Description of Requirement	Acceptable Test Methods
BAAQMD 6-301	Ringelmann No. 1 Limitation	Manual of Procedures, Volume I, Evaluation of Visible Emissions
BAAQMD 6-310	Particulate Weight Limitation	Manual of Procedures, Volume IV, ST-15, Particulates Sampling
BAAQMD 9-1-302	General Emission Limitation	Manual of Procedures, Volume IV, ST-19A, Sulfur Dioxide, Continuous Sampling, or ST-19B, Total Sulfur Oxides Integrated Sample
BAAQMD 9-1-304	Fuel Burning (Liquid and Solid Fuels)	Manual of Procedures, Volume III, Method 10, Determination of Sulfur in Fuel Oils.
BAAQMD 9-7-301.1	Performance Standard, NO _x , Gaseous Fuel	Manual of Procedures, Volume IV, ST-13A, Oxides of Nitrogen, Continuous Sampling and ST-14, Oxygen, Continuous Sampling
BAAQMD 9-7-301.2	Performance Standard, CO, Gaseous Fuel	Manual of Procedures, Volume IV, ST-6, Carbon Monoxide, Continuous Sampling and ST-14, Oxygen, Continuous Sampling
BAAQMD 9-7-302.1	Performance Standard, NO _x , Non-Gaseous Fuel	Manual of Procedures, Volume IV, ST-13A, Oxides of Nitrogen, Continuous Sampling and ST-14, Oxygen, Continuous Sampling
BAAQMD 9-7-302.2	Performance Standard, CO, Non-Gaseous Fuel	Manual of Procedures, Volume IV, ST-6, Carbon Monoxide, Continuous Sampling and ST-14, Oxygen, Continuous Sampling
BAAQMD 9-7-305.1	Natural Gas Curtailment Performance Standard, NO _x	Manual of Procedures, Volume IV, ST-13A, Oxides of Nitrogen, Continuous Sampling and ST-14, Oxygen, Continuous Sampling

VIII. Test Methods (continued)

Table VIII (continued)

Applicable Requirement	Description of Requirement	Acceptable Test Methods
BAAQMD 9-7-305.2	Natural Gas Curtailment Performance Standard, CO	Manual of Procedures, Volume IV, ST-6, Carbon Monoxide, Continuous Sampling and ST-14, Oxygen, Continuous Sampling
BAAQMD 9-7-306.1	Equipment Testing - Non-Gaseous Fuel NOx Performance Standard	Manual of Procedures, Volume IV, ST-13A, Oxides of Nitrogen, Continuous Sampling and ST-14, Oxygen, Continuous Sampling
BAAQMD 9-7-306.2	Equipment Testing - Non-Gaseous Fuel CO Performance Standard	Manual of Procedures, Volume IV, ST-6, Carbon Monoxide, Continuous Sampling and ST-14, Oxygen, Continuous Sampling
BAAQMD 9-9-301.2	Emission Limits- Turbines over 10 mw w/o SCR (9/21/94)	Manual of Procedures, Volume IV, ST-13A, Oxides of Nitrogen, Continuous Sampling and ST-14, Oxygen, Continuous Sampling
NSPS Subpart GG	Standards of Performance for Stationary Gas Turbines (1/27/82)	
60.332 (a)(1)	Performance Standard, NOx	EPA Method 20, Determination of Nitrogen Oxides, Sulfur Dioxide, and Diluent Emissions from Stationary Gas Turbines
60.333 (a)	SO2 Volumetric Emission Limit	EPA Method 20, Determination of Nitrogen Oxides, Sulfur Dioxide, and Diluent Emissions from Stationary Gas Turbines
60.333 (b)	Fuel Sulfur Limit (gaseous fuel)	ASTM D 1072-80, Standard Method for Total Sulfur in Fuel Gases ASTM D 3031-81, Standard Test Method for Total Sulfur in Natural Gas by Hydrogenation ASTM D 4084-82, Standard Method for Analysis of Hydrogen Sulfide in Gaseous Fuels (Lead Acetate Reaction Rate Method), ASTM D 3246-81, Standard Method for Sulfur in Petroleum Gas by Oxidative Microcoulometry
Permit Condition 12231 part 7	NOx Limit	Manual of Procedures, Volume IV, ST-13A, Oxides of Nitrogen, Continuous Sampling and ST-14, Oxygen, Continuous Sampling
Permit Condition 12231 part 8	NOx Limit	Manual of Procedures, Volume IV, ST-13A, Oxides of Nitrogen, Continuous Sampling and ST-14, Oxygen, Continuous Sampling

VIII Test Methods (continued)

Table VIII (continued)

Applicable Requirement	Description of Requirement	Acceptable Test Methods
Permit Condition 12231 part 9	CO Limit	Manual of Procedures, Volume IV, ST-6, Carbon Monoxide, Continuous Sampling and ST-14, Oxygen, Continuous Sampling
Permit Condition 12231 part 10	SO2 Limit in distillate oil	ASTM D 2880-71, Standard Specification for Gas Turbine Fuel Oils
Permit Condition 12231 part 11	Visible particulate emissions	Manual of Procedures, Volume IV, ST-15, Particulate

IX. REVISION HISTORY

Initial Issuance:	February 16, 1999
Administrative Amendment: Changes in monitoring report dates	September 28, 2000
Administrative Amendments: Change to the responsible official and title of contact Deletion of permit to burn fuel oil at duct burner Deletion of permit condition parts 14522-2 and 14522-3 because the duct burner no longer burns fuel oil. Merging of permit condition parts 14522-1 and 14522-7 because they both require use of natural gas. Addition of standard condition I.11 to conform with Manual of Procedures, Volume 2, Part 3, as amended on May 2, 2001. Changes to standard conditions H.2 and H.3 to with Manual of Procedures, Volume 2, Part 3, as amended on May 2, 2001. Changes to dates of rule and SIP amendments Changes to the permit shield language in Section X.B to conform to Regulation 2, Rule 6, as amended on May 2, 2001 Deletion of out-dated SIP rules	July 6, 2001

X. PERMIT SHIELD

A. Non-Applicable Requirements

Pursuant to District Regulations 2-6-233 and 2-6-409.12, the federally enforceable regulations and/or standards cited in the following table[s] are not applicable to the source or group of sources identified at the top of the table[s]. Enforcement actions and litigation may not be initiated against the source or group of sources covered by this shield based on the regulatory and/or statutory provisions cited.

**Table IX-A
 S-7, Duct Burner**

Citation	Title or Description NOx from boilers
BAAQMD Regulation 9, Rule 7	Nitrogen Oxides And Carbon Monoxide From Industrial, Institutional, and Commercial Boilers, Steam Generators, and Process Heaters Waste heat recovery boilers are exempt per 9-7-110.5
NSPS, 40 CFR 60 Subparts A, Db, & Dc	Standards of Performance for New Stationary Sources S-7 is less than 100 MMBtu/hr and is installed before 6/9/89

**Table IX-B
 S-10, Steam Dryers
 All Recycle Paperboard Plant Sources, Felt Cleaning, Sealing & Coating**

Citation	Title or Description Standards of Performance
NSPS 40 CFR 60	(No applicable subpart for recycle paperboard plants)

**Table IX-C
 S-9 - Standby Boiler
 Recycle Paperboard Plant Sources**

Citation	Title or Description General Requirements
BAAQMD Regulation 1- 520	Continuous Emission Monitoring (Continuous emission monitoring not required for these sources by BAAQMD)

IX. Permit Shield (continued)

A. Non-Applicable Requirements

BAAQMD Regulation 1- 521	Monitoring May Be Required (Continuous emission monitoring not required for these sources by BAAQMD)
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**Table IX-D
Facility Wide**

Citation	Title or Description
BAAQMD Regulation 8, Rule 22	Valves and Flanges at Chemical Plants (Facility is not a chemical plant)
BAAQMD Regulation 8, Rule 25	Pump and Compressor Seals at Petroleum Refineries, Chemical Plants, Bulk Plants and Bulk Terminals (Facility is not a petroleum refinery, chemical plant, bulk plant, or bulk terminal)
BAAQMD Regulation 8, Rule 28	Pressure Relief Valves at Petroleum Refineries and Chemical Plants (Facility is not a petroleum refinery or chemical plant)
BAAQMD Regulation 6-302, 502	Particulate Matter and Visible Emissions (Monitoring device for opacity is not required by BAAQMD for this facility)
BAAQMD Regulation 9, Rule 1-500	Pressure Relief Valves at Petroleum Refineries and Chemical Plants (Continuous monitoring for SO2 not required by BAAQMD for these sources)
BAAQMD Regulation 11, except 11- 1	Hazardous Pollutants (Regulations not applicable to recycle paperboard plants or cogeneration plants)
BAAQMD Regulation 8, Rule 5	Tank emissions (Stored organic chemicals have vapor pressure below 25.8 mmHg)
NSPS, 40 CFR 52	Standards of Performance for New Stationary Sources Facility is not a major stationary source as no single pollutant is emitted above 250 tons per year

IX. Permit Shield (continued)

B. Subsumed Requirements

Pursuant to District Regulations 2-6-233.2 and 2-6-409.12, as of the date this permit is issued, the federally enforceable monitoring, recordkeeping, and reporting requirements cited in the following table for the source or group of sources identified at the top of the table[s] are subsumed by the monitoring, recordkeeping, and reporting for more stringent requirements or by a “hybrid” monitoring scheme. The District has determined that compliance with the requirements listed below and elsewhere in this permit will assure compliance with the substantive requirements of the subsumed monitoring requirements. Enforcement actions and litigation may not be initiated against the source or group of sources covered by this shield based on the subsumed monitoring requirements cited.

**Table IX-A
S-6, Turbine**

Subsumed Requirement Citation	Title or Description	Streamlined Requirements	Title or Description
NSPS Subpart GG	Standards of Performance for Stationary Gas Turbines		
60.334 (a)	Water to Fuel Monitoring	BAAQMD Regulation 9 Rule 9	Nitrogen Oxides from Stationary Gas Turbines
60.334 (b)(2)	Fuel Sulfur and Nitrogen Content monitoring (natural gas)	BAAQMD Condition 148, part 1	Requirement for use of PUC quality natural gas
60.334 (c)(2)	Periods of excess emissions, SO ₂ , natural gas	BAAQMD Condition 148, part 1	Requirement for use of PUC quality natural gas

XI. GLOSSARY

BAAQMD

Bay Area Air Quality Management District

BACT

Best Available Control Technology

CAA

The federal Clean Air Act

CAAQS

California Ambient Air Quality Standards

CEQA

California Environmental Quality Act

CFR

The Code of Federal Regulations. 40 CFR contains the implementing regulations for federal environmental statutes such as the Clean Air Act. Parts 50-99 of 40 CFR contain the requirements for air pollution programs.

CO

Carbon Monoxide

Cumulative Increase

The sum of permitted emissions from each new or modified source since a specified date pursuant to BAAQMD Rule 2-1-403, Permit Conditions (as amended by the District Board on 7/17/91) and SIP Rule 2-1-403, Permit Conditions (as approved by EPA on 6/23/95). Used to determine whether threshold-based requirements are triggered.

District

The Bay Area Air Quality Management District

EPA

The federal Environmental Protection Agency.

Excluded

Not subject to any District Regulations.

Federally Enforceable, FE

All limitations and conditions which are enforceable by the Administrator of the EPA including those requirements developed pursuant to 40 CFR Part 51, subpart I (NSR), Part 52.21 (PSD), Part 60, (NSPS), Part 61, (NESHAPs), Part 63 (HAP), and Part 72 (Permits Regulation, Acid Rain), and also including limitations and conditions contained in operating permits issued under

XI. Glossary (continued)

an EPA-approved program that has been incorporated into the SIP.

HAP

Hazardous Air Pollutant. Any pollutant listed pursuant to Section 112(b) of the Act. Also refers to the program mandated by Title I, Section 112, of the Act and implemented by both 40 CFR Part 63, and District Regulation 2, Rule 5.

MFR

Major Facility Review. The District's term for the federal operating permit program mandated by Title V of the Act and implemented by District Regulation 2, Rule 6.

MOP

The District's Manual of Procedures.

NAAQS

National Ambient Air Quality Standards

NMHC

Non-methane Hydrocarbons

NO_x

Oxides of nitrogen.

NSPS

Standards of Performance for New Stationary Sources. Federal standards for emissions from new stationary sources. Mandated by Title I, Section 111 of the Act, and implemented by both 40 CFR Part 60 and District Regulation 10.

NSR

New Source Review. A federal program for preconstruction review and permitting of new and modified sources of air pollutants for which the District is classified "non-attainment". Mandated by Title I of the Clean Air Act and implemented by 40 CFR Parts 51 and 52 as well as District Regulation 2, Rule 2. (Note: There are additional NSR requirements mandated by the California Clean Air Act.)

Offset Requirement

A New Source Review requirement to provide federally enforceable emission offsets at a specified ratio for the emissions from a new or modified source and any pre-existing cumulative increase minus any onsite contemporaneous emission reduction credits. Applies to emissions of POC, NO_x, PM₁₀, and SO₂.

POC

Precursor Organic Compounds

PM

XI. Glossary (continued)

Total Particulate Matter

PM10

Particulate matter with aerodynamic equivalent diameter of less than or equal to 10 microns

PSD

Prevention of Significant Deterioration. A federal program for permitting new and modified sources of air pollutants for which the District is classified "attainment" of the National Air Ambient Quality Standards. Mandated by Title I of the Act and implemented by both 40 CFR Part 52 and District Regulation 2, Rule 2.

SIP

State Implementation Plan. State and District programs and regulations approved by EPA and developed in order to attain the National Air Ambient Quality Standards. Mandated by Title I of the Act.

SO2

Sulfur dioxide

Title V

Title V of the federal Clean Air Act. Requires a federally enforceable operating permit program for major and certain other facilities.

VOC

Volatile Organic Compounds

Units of Measure:

Btu	=	British Thermal Unit
GLC	=	ground level concentration
hr	=	hour
lb	=	pound
in	=	inches
max	=	maximum
min	=	minute
MM	=	million
O2	=	diatomaceous oxygen
ppb	=	parts per billion
ppm	=	parts per million
ppmv	=	parts per million, by volume
S	=	sulfur
std	=	standard
vol	=	volume
wt	=	weight

XI. Glossary (continued)

yr = year

XII. APPENDIX A - APPLICABLE STATE IMPLEMENTATION PLAN

See Attachments