Florida Department of Environmental Protection
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2600 Blair Stone Road
Tallahassee, Florida 32399-2400

Rick Scott
Governor

Jennifer Carroll
Lt. Governor

Herschel T. Vinyard Jr.
Secretary

PERMITTEE

City of Gainesville, Gainesville Regional Utilities
P.O. Box 147117 (AI36)
Gainesville, Florida 32614-7117

Air Permit No. 0010006-016-AC
Minor Air Construction Permit Revision
Deerhaven Generating Station
Unit 2 Annual SO_2 Cap Reduction

Authorized Representative:
John W. Stanton, Assistant General Manager – Energy Supply

PROJECT

This is the final air construction permit, which reduces the annual sulfur dioxide (SO_2) emissions cap for Unit 2. The proposed work will be conducted at the existing Deerhaven Generating Station, which is a steam-driven electrical generating power plant predominantly fired with coal, categorized under Standard Industrial Classification No. 4911. The existing facility is located in Alachua County at 10001 NW 13th Street in Gainesville, Florida. The UTM coordinates are Zone 17, 365.70 East and 3,292.60 North.

This final permit is organized into the following sections: Section 1 (General Information) and Section 2 (Permit Revisions). As noted in the Final Determination provided with this final permit, no changes were made to the draft permit.

STATEMENT OF BASIS

This air pollution construction permit is issued under the provisions of: Chapter 403 of the Florida Statutes (F.S.) and Chapters 62-4, 62-204, 62-210, 62-212, 62-296 and 62-297 of the Florida Administrative Code (F.A.C.). This project is subject to the general preconstruction review requirements in Rule 62-212.300, F.A.C. and is not subject to the preconstruction review requirements for major stationary sources in Rule 62-212.400, F.A.C. for the Prevention of Significant Deterioration (PSD) of Air Quality. A copy of this permit modification shall be filed with the referenced permit and shall become part of the permit.

Upon issuance of this final permit, any party to this order has the right to seek judicial review of it under Section 120.68 of the Florida Statutes by filing a notice of appeal under Rule 9.110 of the Florida Rules of Appellate Procedure with the clerk of the Department of Environmental Protection in the Office of General Counsel (Mail Station #35, 3900 Commonwealth Boulevard, Tallahassee, Florida, 32399-3000) and by filing a copy of the notice of appeal accompanied by the applicable filing fees with the appropriate District Court of Appeal. The notice must be filed within 30 days after this order is filed with the clerk of the Department.

Executed in Tallahassee, Florida

On Behalf of:

Digitally signed by
Jonathan Holtom, P.E., CPM
Date: 2012.06.26 14:21:42
-04'00'

Jeffery F. Koerner, Program Administrator
Office of Permitting and Compliance
Division of Air Resource Management

The undersigned duly designated deputy agency clerk hereby certifies that this final air permit package (including the Final Determination and final permit) was sent by electronic mail, or a link to these documents made available electronically on a publicly accessible server, with received receipt requested before the close of business on the date indicated below to the following persons:

Mr. John W. Stanton, City of Gainesville, GRU: stantonjw@gru.com
Mr. Robert W. Klemans, City of Gainesville, GRU: klemansrw@gru.com
Mr. Thomas W. Davis, Environmental Consulting & Technology, Inc.: tdavis@ectinc.com
Mr. Khalid AlNahdy, Air Program Administrator, NWD District Office: khalid.alnahdy@dep.state.fl.us.
Ms. Cindy Mulkey, DEP Siting Office: cindy.mulkey@dep.state.fl.us
Ms. Anne Harvey, Earthjustice: aharvey@earthjustice.org
Ms. Kathleen Forney, EPA Region 4: forney.kathleen@epa.gov
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Ms. Barbara Friday, DEP OPC: barbara.friday@dep.state.fl.us
Ms. Lynn Scearce, DEP OPC: lynn.scearce@dep.state.fl.us

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.

Lynn Scearce
2012.06.26 14:30:14 -04'00'

FACILITY DESCRIPTION

The existing facility is a steam powered electrical generation plant, which consists of: two steam boilers; two steam turbines; three simple cycle combustion turbines (CT); a recirculating cooling water system; storage and handling facilities for coal, brine salt, fly ash and bottom ash; fuel oil storage tanks; water treatment facilities; a railcar maintenance facility; and ancillary support equipment. Boiler No. 1 (EU003) is only subject to the State of Florida emission standards. Boiler No. 2 (EU005) and CT No. 3 (EU006) are licensed under the Florida Power Plant Siting Act (PPSA).

FACILITY REGULATORY CLASSIFICATION

- The facility is a major source of hazardous air pollutants (HAP).
- The facility operates units subject to the acid rain provisions of the Clean Air Act (CAA).
- The facility is a Title V major source of air pollution in accordance with Chapter 62-213, F.A.C.
- The facility is a major stationary source in accordance with Rule 62-212.400(PSD), F.A.C.

PROPOSED PROJECT

The requested revision is for a reduction to the annual sulfur dioxide (SO_2) emission cap for Deerhaven Generating Station Unit 2 to ensure that Unit 2 will not be subject to the reasonable progress requirements of the Regional Haze State Implementation Plan.

SECTION 2. PERMIT REVISIONS

The following permit conditions are revised as indicated. ~~Strikethrough~~ is used to denote the deletion of text. Double-underlines are used to denote the addition of text. All changes are emphasized with yellow highlight.

Permit Being Modified: Permit No. 0010006-012-AC.

Affected Emissions Unit: EU 005, Boiler No. 2.

1. Prior Permits. This permit does not authorize any new construction, nor any increases in capacity or actual pollutant emissions to the atmosphere. Except as specified below, the facility remains subject to all of the rules and requirements contained in all previously issued air construction permits for this facility.

2. To avoid being subject to the reasonable progress requirements of the Regional Haze State Implementation Plan, Specific Condition 3.2. of permit No. 0010006-012-AC is revised as follows to assure that the Q/D ratio (annual SO_2 emissions in tons / distance from a Class 1 area in kilometers) is less than 50.

3.2. Emissions Caps:

a. NO_X emissions from Unit 2 shall not exceed 3,381 tons during any calendar year based on data collected by CEMS for all periods of operation including startup, shutdown and malfunction. The NO_X emissions cap shall become effective beginning with the calendar year that the Gainesville Renewable Energy Center (ARMS ID No. 0010131) establishes commercial operation.

b. SO_2 emissions from Unit 2 shall not exceed ~~8,005~~5,500 tons during any calendar year based on data collected by CEMS for all periods of operation including startup, shutdown and malfunction.

~~These emissions caps become effective beginning with the calendar year that the Gainesville Renewable Energy Center (ARMS ID No. 0010131) establishes commercial operation.~~

[Rule 62-4.070(3), F.A.C.; Permit No. 0010006-012-AC; and, Application No. 0010006-01~~2~~6-AC]

3. Title V Permit. The above condition shall be incorporated into the facility's Title V air operation permit within 180 days of the effective date of this permit. [Rules 62-4.030, 62-4.050, 62-4.220 and Chapter 62-213, F.A.C.]