STATEMENT OF BASIS

DeSoto County Generating Company, LLC
DeSoto County Energy Park

Final Permit No. 0270016-009-AV, Title V Air Operation Permit Renewal

APPLICANT

The applicant for this project is the DeSoto County Generating Company, LLC. The applicant's responsible official and mailing address are: Mr. Dale Gray, Asset Manager, DeSoto County Generating Company, LLC, 3800 Northeast Roan Street, Arcadia, Florida 34266.

FACILITY DESCRIPTION

The DeSoto County Energy Park is located in Desoto County at 3800 Northeast Roan Street, Arcadia, Florida.

This existing facility consists of two, dual-fuel, nominal 170 megawatt (MW) General Electric model PG7241FA combustion turbine-electrical generators with evaporative inlet coolers. The combustion turbine units can operate in simple cycle mode and intermittent duty mode. The units are equipped with dry low NOx (DLN-2.6) combustors and water injection capability. Also included in this permit are miscellaneous insignificant emissions units and/or activities.

PROJECT DESCRIPTION

The purpose of this permitting project is to renew the Title V air operation permit for the above referenced facility.

PROCESSING SCHEDULE AND RELATED DOCUMENTS

Application for a Title V Air Operation Permit Renewal submitted on May 21, 2012 and received on May 22, 2012.
Draft/Proposed Title V Air Operation Permit Renewal posted onto web site on July 12, 2012.
Public Notice published on August 9, 2012.
Notification to U.S. EPA Region 4 of Publication of Public Notice on August 16, 2012.

PRIMARY REGULATORY REQUIREMENTS

Title III: This facility is not a major source of hazardous air pollutants (HAP), based on the Title V air operation permit renewal application.

NESHAP: This facility does not operate units subject to the National Emissions Standards for Hazardous Air Pollutants (NESHAP) of 40 Code of Federal Regulations (CFR) 63.

Since the facility is not a major source of HAP, the NESHAP (MACT) - 40 CFR 63, Subpart YYYY, Stationary Combustion Turbines, does not apply to the combustion turbine units.

Title IV: This facility does operate units subject to the acid rain provisions of the Clean Air Act.

Title V: This facility is a Title V major source of air pollution in accordance with Chapter 62-213, Florida Administrative Code (F.A.C.).

PSD: This facility is a Prevention of Significant Deterioration (PSD)-major source of air pollution in accordance with Rule 62-212.400, F.A.C.

NSPS: This facility operates units subject to the New Source Performance Standards (NSPS) of 40 Code of Federal Regulations (CFR) 60.

The combustion turbine units are regulated under NSPS - 40 CFR 60, Subpart GG, Standards of Performance for Stationary Gas Turbines. Since the combustion turbine units commenced construction before February 18, 2005, they are not regulated under 40 CFR 60 Subpart KKKK, Standards of Performance for Stationary Combustion Turbines.

The heater is subject to NSPS - 40 CFR 60, Subpart Dc, Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units.

CAIR: This facility does operate units subject to the Clean Air Interstate Rule (CAIR) set forth in Rule 62-296.470, F.A.C.

Siting: This facility does not operate units subject to the power plant siting provisions of Chapter 62-17, F.A.C.

CAM: The emissions units at this facility are not subject to CAM for one or more of the following reasons: they do not trigger the potential pre-air pollution control device major source emission thresholds; they demonstrate continuous compliance with a continuous emission monitoring system (CEMS); they are not equipped with air pollution control device(s); they are equipped with device(s) which are considered to be inherent to the process/operation; or, they satisfy CAM by meeting the post-1990 federal monitoring requirements for the same or similar air pollutants.

GHG: This facility is identified as a major source of green house gas (GHG) pollutants.

PROJECT REVIEW

Changes were made in the format of this renewed Title V air operation permit.

Permit

- Unconfined Emissions of PM. The reasonable precautions previously in Specific Condition 9. of Appendix CC from Permit No. 0270016-007-AV, were moved into Section II. Facility-wide Conditions of the renewed permit.
- Custom Fuel Monitoring Schedule. The custom fuel monitoring schedule for the combustion turbines previously contained in "Appendix CFMS - Custom Fuel Monitoring Schedule for Natural Gas" as part of Permit No. 0270016-007-AV was moved directly into the emissions unit subsection of the renewed permit (see Subsection III.A.).
- Indirect Fuel Fired Natural Gas Heater. The 13.5 mmBtu/hr indirect fuel-fired natural gas heater previously listed in Appendix I, List of Insignificant Emissions Units and/or Activities, was moved to the emissions unit subsection of the renewed permit (see Subsection III.B.). The heater is classified as an "unregulated emissions unit." An E.U. ID No. of 005 was assigned to the heater.
- Engines. The facility claims to have no stationary engines regulated under 40 CFR 63 Subpart ZZZZ, National Emission Standards for Hazardous Air Pollutants (NESHAP) for Stationary Reciprocating Internal Combustion Engines (RICE).

CONCLUSION

This project renews Title V air operation permit No. 0270016-007-AV, which was effective January 1, 2008.

DeSoto County Energy Park

http://www.southerncompany.com/southernpower/pdfs/SP_Plant_DeSoto.pdf