FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION

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PERMITTEE

Cedar Bay Generating Company, L.P.
Post Office Box 26324
9640 Eastport Road
Jacksonville, Florida 32226

Authorized Representative:
Mr. Tracy Patterson, General Manager

Air Permit No. 0310337-018-AC
Facility ID No. 0310337
SIC No. 4911
Fuel Sampling, Ammonia, Metals Testing and Material Handling

Permit Expires: December 31, 2015

PROJECT

This is the final air construction permit revision, which authorizes changes to the fuel sampling, ammonia, metals testing and material handling operations at the Cedar Bay Generating Plant (the facility). The facility is located in Duval County at 9640 Eastport Road, Jacksonville, Florida.

This final permit revision is organized into the following sections: Section 1 (General Information); Section 2 (Administrative Requirements); Section 3 (Emissions Unit Specific Conditions); and Section 4 (Appendices). Because of the technical nature of the project, the permit contains numerous acronyms and abbreviations, which are defined in Appendix A of Section 4 of this permit. As noted in the Final Determination provided with this final permit, no changes and clarifications were made to the draft permit.

STATEMENT OF BASIS

This air pollution construction permit revision 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.). The permittee is authorized to conduct the proposed work in accordance with the conditions of this permit. 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.

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

David L. Read, P.E.
2014.04.15
10:06:16 -04'00'

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

JFK/dkr/tbc

CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this Air Permit package 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. Tracy Patterson, Cedar Bay: (tracypatterson@cogentrix.com)
Mr. Ken Kosky, P.E., Golder Associates: (kkosky@golder.com)
Mr. Richard Rachal, DEP Northeast District: (richard.rachal@dep.state.fl.us)
Mr. Justin Green, DEP Siting Office: (justine.green@dep.state.fl.us)
Ms. Kathleen Forney, EPA Region 4: (forney.kathleen@epa.gov)
Ms. Heather Ceron, US EPA Region 4: (ceron.heather@epa.gov)
Ms. Barbara Friday, DEP OPC: (barbara.friday@dep.state.fl.us)
Ms. Lynn Scearce, DEP OPC: (lynn.scearce@dep.state.fl.us)
Ms. Alisa Coe, Earth Justice: (acoe@earthjustice.org)

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 2014.04.15 10:17:54 -04'00'

FACILITY AND PROJECT DESCRIPTION

This facility consists of three circulating fluidized bed steam generators (boilers) designated as Boilers A, B and C, a coal handling area, a limestone handling area, and an ash handling area. Crushed coal is the primary fuel for Boilers A, B and C with approval for limited co-firing of petroleum coke and tire-derived fuel. The fuel for Boilers B and C can also be supplemented with short fiber recycle rejects received from RockTenn CP, LLC. No. 2 fuel oil is used as supplemental fuel in all three boilers, normally only for start-ups. Also included in this permit are miscellaneous insignificant emissions units and/or activities.

Subsection B. Summary of Emissions Units.

EU ID No.	Brief Description
Regulated Emissions Units	
001	Circulating Fluidized Bed Boiler A – 1063 million British thermal units (MMBtu)/hour
002	Circulating Fluidized Bed Boiler B - 1063 MMBtu/hour
003	Circulating Fluidized Bed Boiler C - 1063 MMBtu/hour
004	Absorber Dryer System Train - 1 (Dryer and Handling System)
005	Absorber Dryer System Train - 2 (Dryer and Handling System)
006	Coal Crusher Building
007	Coal Silo Conveyor
009, 025	Absorber Dryer System (ADS) Storage Bins (1 & 2)
010	Bed Ash Hopper
011	Bed Ash Separator/Collector
012, 026	Fly Ash Separators/Collectors (1 & 2)
020	Coal Car Unloading
030	Dry Ash Rail Car
031	Pulverized Limestone Feeders (6)
032	Bed Ash Silo Vent (for transfers to silo and emissions control for truck loadout)
033	Fly Ash Silo Vent (for transfers to silo and emissions control for truck loadout)
034	Absorber Dryer System Train - 3 (Dryer and Handling System)

The applicant requested an air construction permit revision to change several conditions related to fuel sampling, ammonia and metals testing and the material handling systems at the facility. The Technical Evaluation and Preliminary Determination document in this permitting package describes the project in detail.

REGULATORY CLASSIFICATION

- The facility is a major source of hazardous air pollutants (HAP).
- The facility is a Title V major source of air pollution in accordance with Chapter 213, F.A.C.
- The facility is major stationary source in accordance with Rule 62-212.400, F.A.C., for the Prevention of Significant Deterioration (PSD) of Air Quality.
- The facility includes units subject to the New Source Performance Standards (NSPS) of Title 40 Code of Federal Regulations (CFR) Part 60.

- The facility includes units subject to the National Emission Standards for Hazardous Air Pollutants (NESHAP) of 40 CFR 63.
- The facility includes units subject to Clean Air Interstate Rule (CAIR).
- The facility has units subject to the acid rain provisions of the Clean Air Act (CAA)

RELEVANT DOCUMENTS

The following relevant documents are not a part of this permit, but helped form the basis for this permitting action: the permit application and additional information received to make it complete, the draft air construction permit, and the Technical Evaluation and Preliminary Determination.

SECTION 2. ADMINISTRATIVE REQUIREMENTS

1. Permitting Authority: The Permitting Authority for this project is the Office of Permitting and Compliance in the Division of Air Resource Management of the Department. The mailing address for the Office of Permitting and Compliance is 2600 Blair Stone Road, MS #5505, Tallahassee, Florida 32399-2400.

2. Compliance Authority: All documents related to compliance activities such as reports, tests, and notifications shall be submitted to the Department's Northeast District Office. The mailing address and phone number are: 8800 Baymeadows Way West, Suite 100, Jacksonville, Florida 32256, Telephone: 904/256-1700, Fax: 904/256-1590.

3. Appendices: The following Appendices are attached as part of this permit: Appendix A (Citation Formats and Glossary of Common Terms); Appendix B (General Conditions); and Appendix C (Common Conditions).

4. Applicable Regulations, Forms and Application Procedures: Unless otherwise specified in this permit, the construction and operation of the subject emissions units shall be in accordance with the capacities and specifications stated in the application. The facility is subject to all applicable provisions of: Chapter 403, F.S.; and Chapters 62-4, 62-204, 62-210, 62-212, 62-213, 62-214, 62-296 and 62-297, F.A.C. Issuance of this permit does not relieve the permittee from compliance with any applicable federal, state, or local permitting or regulations.

5. New or Additional Conditions: For good cause shown and after notice and an administrative hearing, if requested, the Department may require the permittee to conform to new or additional conditions. The Department shall allow the permittee a reasonable time to conform to the new or additional conditions, and on application of the permittee, the Department may grant additional time. [Rule 62-4.080, F.A.C.]

6. Modifications: No emissions unit shall be constructed or modified without obtaining an air construction permit from the Department. Such permit shall be obtained prior to beginning construction or modification. [Rules 62-210.300(1) and 62-212.300(1)(a), F.A.C.]

7. Source Obligation:

   (a) At such time that a particular source or modification becomes a major stationary source or major modification (as these terms were defined at the time the source obtained the enforceable limitation) solely by virtue of a relaxation in any enforceable limitation which was established after August 7, 1980, on the capacity of the source or modification otherwise to emit a pollutant, such as a restriction on hours of operation, then the requirements of subsections 62-212.400(4) through (12), F.A.C., shall apply to the source or modification as though construction had not yet commenced on the source or modification.

   (b) At such time that a particular source or modification becomes a major stationary source or major modification (as these terms were defined at the time the source obtained the enforceable limitation) solely by exceeding its projected actual emissions, then the requirements of subsections 62-212.400(4) through (12), F.A.C., shall apply to the source or modification as though construction had not yet commenced on the source or modification.

   [Rule 62-212.400(12), F.A.C.]

The specific conditions in this section apply to the following emissions units:

EU No.	Brief Description
001	Circulating Fluidized Bed Boiler A – 1063 million British thermal units (MMBtu)/hour
002	Circulating Fluidized Bed Boiler B - 1063 MMBtu/hour
003	Circulating Fluidized Bed Boiler C - 1063 MMBtu/hour
004	Absorber Dryer System Train - 1 (Dryer and Handling System)
005	Absorber Dryer System Train - 2 (Dryer and Handling System)
034	Absorber Dryer System Train - 3 (Dryer and Handling System)

1. Other Permits: Except as specified below, these units remain subject to the applicable requirements established in all previous air construction permits issued for this facility. [Rule 62-4.070, F.A.C.]

2. Permit 0310337-005-AC is revised as follows:

II.A. Emissions Limitation for CPCB Boilers

1. **Fluidized Bed Coal Fired Boilers**

d. The sulfur content of the coal shall not exceed 1.2%, by weight, on an annual basis. The sulfur content shall not exceed 1.7%, by weight, on a shipment (train load) basis. When cofiring coal and petcoke, the blended fuel input to the CFBs shall not exceed 3.2 lb/MMBtu equivalent SO2 content. Compliance shall be determined ~~on a monthly basis via a composite of daily fuel samples~~ from the ASTM results provided for each coal train as a rolling average.

4. Ammonia (NH_3) slip from exhaust gases shall not exceed 10 ppmvd when co-firing petcoke or burning coal at 100% capacity as measured by applicable test methods and 30 ppmvd when burning No. 2 fuel oil as demonstrated by operating records.

3. Permit 0310337-011-AC is revised as follows:

4. Permitted Capacity: The maximum handling/usage rates for ADS Train 3 for all limestone/aragonite unloading and storage shall not exceed ~~44 tons/hour and~~ 385,400 tons during any 12 consecutive months of limestone and aragonite and the volumetric flow rate shall not exceed 24,000 dscfm. [Application No. 0310337-011-AC, Rule 62-210.200(PTE), F.A.C.]

4. Permit PSD-FL-137A is revised as follows:

II.A.8. Compliance Test for each CFB

a. Initial and subsequent compliance tests for PM/PM_{10}, SO2, NO_X, CO, VOC, lead, fluorides, ammonia, mercury, ~~beryllium~~ and H_2SO_4 mist, shall be conducted in accordance with 40 CFR 60.8(a), (b), (c), (d), (e) and (f).

b. Annual compliance tests shall be performed for ~~PM,~~ CO, SO_2 and NO_X, commencing no later than12 months from the initial test.

e. The following test methods and procedures pursuant to Chapter 17-297, F.A.C., and 40 CFR 60 and 61, or by equivalent methods after obtaining prior written Department approval, shall be used for compliance testing:

~~(16) Method 104 for beryllium.~~

II.B CBCP - Material Handling and Treatment

9. Initial and annual PM emissions and VE compliance tests for all the emissions points in the material handling and treatment area, with the exception of the pulverized limestone feeders, including but not limited to the sources specified in this permit, shall be conducted in accordance with the July 1, 1992, version of 40 CFR 60, Appendix A, using EPA methods 5 and 9, respectively. Due to the size of the individual feeders that comprise the emission unit and due to the interior location of the feeders, visible emissions testing shall be conducted once every five years.

5. Permit PSD-FL-137D is revised as follows:

II.A.2. Coal Fired Boiler Controls

c. ~~Mercury testing shall not be routinely required. However, should the Department have reason to believe that a change in mercury emissions has occurred (e.g., via a change in fuel quality, particulate removal equipment, etc.) mercury testing shall be required.~~ Annual compliance testing for PM shall be performed until April 16, 2015, when testing requirements for the Mercury and Air Toxic Rule become effective.