STATEMENT OF BASIS

Title V Air Operation Permit Renewal
Permit No. 0550003-007-AV

APPLICANT

The applicant for this project is Progress Energy Florida, Inc. The applicant's responsible official and mailing address are: Mr. Martin J. Drango, Plant Manager, Progress Energy Florida, Inc., Avon Park Power Plant, P.O. Box 14042, IC-44, St. Petersburg, Florida 33733-4042.

FACILITY DESCRIPTION

The applicant operates the existing Avon Park Plant, which is located in Highlands County at 1172 Memorial Drive, Avon Park, Florida. The facility consists of two gas turbine peaking units (Units 1 and 2) permitted to fire No. 2 fuel oil or natural gas. Each unit is rated at 33.8 megawatts with a maximum heat input rate of 562.6 million British thermal units per hour (MMBtu/hour). Each unit has a separate stack and emissions are uncontrolled. These units began commercial operation in 1968. Insignificant emissions units include: turbine fuel oil storage, lube oil storage, and waste oil storage tanks. Emissions testing are not required for unregulated, insignificant, or abandoned emissions units.

PROJECT DESCRIPTION

The purpose of this permitting project is to renew the existing Title V permit for this facility.

PROCESSING SCHEDULE AND RELATED DOCUMENTS

Initial Title V Permit, No. 0550003-001-AV**,** issued on December 29, 1997
Title V Permit Renewal, No. 0550003-002-AV, issued on December 24, 2002
Title V Permit Revision, No. 0550003-004-AV, effective date August 4, 2005
Title V Permit Renewal, No. 0550003-005-AV, effective date January 1, 2008
Title V Permit Revision, No. 0550003-006-AV, effective date June 3, 2008

PRIMARY REGULATORY CLASSIFICATIONS

Standard Industrial Classification (SIC) Code: 4911 – Electrical Generation.

Title III: The facility is identified as a major source of hazardous air pollutants (HAP).

Title IV: The facility has a retired acid rain unit.

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

CAIR: The facility is subject to the Clean Air Interstate Rule (CAIR) set forth in Rule 62-296.470, F.A.C.

CAM: Compliance Assurance Monitoring (CAM) does not apply to any of the units at the facility.

PRIMARY REGULATORY REQUIREMENTS

Having begun operation in 1968, the gas turbines are considered pre-NSPS (New Source Performance Standards) units and are not subject to Subpart GG in Part 60, Title 40, of the Code of Federal Regulations. The units are subject to the general 20% opacity standard specified in Rule 62-296.320, F.A.C. Fuels are limited to No. 2 fuel oil and natural gas. As identified in previous air operation Permit No. AO28-202500, the maximum allowable sulfur content of the fuel oil is 1.0% by weight with compliance demonstrated by vendor certification or fuel oil analysis.

PROJECT REVIEW

There have been no changes to the permit since it was last renewed.

CONCLUSION

This project renews Title V air operation permit and is issued under the provisions of Chapter 403, Florida Statues (F.S.), and Chapters 62-4, 62-210 and, 62-213, F.A.C.