FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION
SOUTHEAST DISTRICT OFFICE
400 NORTH CONGRESS AVENUE, 3RD FLOOR
WEST PALM BEACH, FL 33401
561-681-6600

RICK SCOTT
GOVERNOR

CARLOS LOPEZ-CANTERA
LT. GOVERNOR

HERSCHEL T. VINYARD JR.
SECRETARY

June XX, 2014

Sent by Electronic Mail – Received Receipt Requested
dsharp@dspresources.net

Floridian Natural Gas Storage Company, LLC
1000 Louisiana Street, Suite 4300
Houston, TX 77002

Re: Project No. 0850147-006-AC
Floridian Natural Gas Storage Co., LLC
Air Construction Permit Modification

Dear Mr. Sharp:

On March 18, 2014, you submitted an application requesting modification of the non-Title V air construction permit No. 0850147-006-AC, issued on March 12, 2008. This facility will be located in Martin County at 18300 SW Warfield Boulevard, Indiantown, Florida. Enclosed are the following documents: Technical Evaluation and Preliminary Determination, Draft Permit Modification and Appendices; the Written Notice of Intent to Issue Air Permit; and Public Notice of Intent to Issue Air Permit. The Public Notice of Intent to Issue Air Permit is the actual notice that you must have published in the legal advertisement section of a newspaper of general circulation in the area affected by this project. If you have any questions, please contact the project engineer, Scott D. Trainor, at 561-681-6629.

Sincerely,

_____ _____
Jennifer K. Smith Date
Southeast District Assistant Director

JKS/dmp/lch/sdt

WRITTEN NOTICE OF INTENT TO ISSUE AIR PERMIT

In the Matter of an
Application for Air Permit by:

Floridian Natural Gas Storage Company, LLC
1000 Louisiana Street, Suite 4300
Houston, TX 77002

Air Permit No. 0850147-008-AC
Permit Expires
Floridian Natural Gas Storage Co. LLC, Indiantown
Permit Modification

Authorized Representative:
Mr. Dave W. Sharp
Chief Operating Officer

Facility Location: Floridian Natural Gas Storage Company, LLC (FNGS) proposes to modify the construction permit for a new Gas Storage facility to be located in Martin County at 18300 Warfield Boulevard Indiantown, Florida.

Project: Floridian Natural gas Storage facility was permitted on March 12, 2008 to construct a facility to accept delivery of natural gas from customers through the Gulfstream Pipeline and the Florida Gas Transmission Pipeline, liquefy the gas using mixed refrigerant (MR), store the liquefied gas in one of two nominal 190,000 cubic meters full-containment tanks at slightly above atmospheric pressure, and vaporize the gas to send out on one or both of the interstate pipelines during periods of demand.

In 2012, the facility modified its original construction permit to bring the facility emissions of greenhouse gasses (GHGs) below the threshold of 100,000 tons of carbon dioxide equivalent to meet the new EPA regulations regarding GHGs called the Tailoring Rule. To date, the facility has not been constructed.

The current permit (0850147-007-AC) addressed the following air pollution emission units (EUs):
• EU001 - Four Mechanical Draft Cooling Towers
• EU002 - Two M&R Let Down Heaters at Meter Station
• EU003 - One Emergency Fire Water Pump
• EU004 - Four Emergency Generators
• EU005 - Two Amine System Heaters
• EU006 - Eight Water Ethylene Glycol Heaters
• EU007 - Two Regeneration Gas Heaters
• EU008 - Two Amine System Vents

The permit also addressed the following exempt air pollution activities:
• 60,000 Gallon Diesel fuel tank for Emergency Generators
• 50,000 Gallon Diesel fuel tank for Emergency Generators
• Utility Nitrogen
• Instruments and Plant Air

The fire pump engine (EU003) and the emergency generators (EU004) are Emergency Stationary Compression Ignition Internal Combustion Engines (Stationary ICE) and are subject to 40 CFR 60, Subpart IIII. The facility is subject to regulation of Florida Administrative Code (F.A.C.) Rules 62-4, and 62-204 through 62-297, and 40 CFR 60 Subpart Dc - Standards of Performance for Small Industrial Commercial- Institutional Steam Generating units.

As a result of the evolution of the project development and refinement of the project design, Floridian is requesting revisions to Air Construction Permit 0850147-007-AC as follows.

Changes to Existing Equipment and Emission Unit Operational Changes

Emission Units	Existing Permit Limitation		Proposed Permit Limitation	
	Capacity	Number of Units/Hours of Operation (hrs/yr)	Capacity	Number of Units/Hours of Operation (hrs/yr)
003 – Emergency Fire Water Pump	**298 kW**	**1-Unit 250 (hrs/yr)**	**298 kW**	**1 Unit 100(hrs/yr)**
004 – Emergency Generators	**3,500 kW(2) 3,000 kW(2)**	**4-Units 250 (hrs/yr)**	**300 kW**	**1-Unit 100 (hrs/yr)**
005 – Amine System Heaters	**10 MMBtu**	**2-Units 7,560 (hrs/yr)**	**Eliminated from Design**	**Eliminated from Design**
006 – Water Ethylene Glycol (WEG) Heaters	**98 MMBtu/hr**	**8-Units 1040 (hrs/yr)**	**65 MMBTU/hr**	**5-Units 1040 (hrs/yr)**
007 – Regeneration Gas Heaters	**6.8 MMBtu/hr**	**2-Units 7560 (hrs/yr)**	**9.1 MMTtu/hr**	**4 Units 8,400 (hrs/yr)**
008 – Amine System Vents	**NA**	**2-Units 5,760 (hrs/yr)**	**NA**	**4-Units 8,400 (hrs/yr)**

In addition, as the current air construction permit (0850147-007-AC) is due to expire on October 8, 2014, Floridian is requesting that the permit expiration date be extended by a year (until October 8, 2015) during this permit revision activity. The extension request would have occurred later this year regardless of the permit revision and combining the actions will make efficient use of agency resources.

1.2 New Emission Units

An emergency flare has been added to the design to handle relieving conditions in an emergency event. Under normal operations the flare will produce emissions from pilot burner operation and from flaring of tank boil-off vapors when the boil off gas compressor is shut down for routine maintenance. Emissions associated with these events are estimated in Table 10. The facility design has been revised to include a fuel gas heater to heat the gas supplied to the vaporization heater and the rest of the plant. This unit is an indirect fired bath-type heater.

New Emission Units

Emission Units	Existing Permit Limitation		Proposed Permit Limitation	
	Capacity	Number of Units/ Hours of Operation (hrs/yr)	Capacity	Number of Units/ Hours of Operation (hrs/yr)
009 – System Flares	NA	NA	See Table 10	8760 – Pilot
010 – Fuel Gas Heaters	NA	NA	0.33 MMBtu/hr	4 – Units 2,000 (hrs/yr)

Based on information provided in the permit application, the proposed changes result in a decrease in emissions of all pollutants except VOC.

Permitting Authority: Applications for air construction permits are subject to review in accordance with the provisions of Chapter 403, Florida Statutes (F.S.) and Chapters 62-4, 62-210, and 62-212 of the Florida Administrative Code (F.A.C.). The proposed project is not exempt from air permitting requirements and an air permit is required to perform the proposed work. The Permitting Authority responsible for making a permit determination for this project is the Department of Environmental Protection's Air Resource Section in the Southeast District Office. The Permitting Authority's physical and mailing address is: 400 North Congress Avenue, 3rd Floor, West Palm Beach, Florida 33401. The Permitting Authority's telephone number is 561-681-6600.

Project File: A complete project file is available for public inspection during the normal business hours of 8:00 a.m. to 5:00 p.m., Monday through Friday (except legal holidays), at address indicated above for the Permitting Authority. The complete project file includes the Draft Permit, the Technical Evaluation and Preliminary Determination, the application, and the information submitted by the applicant, exclusive of confidential records under Section 403.111, F.S. Interested persons may contact the Permitting Authority's project review engineer for additional information at the address or phone number listed above.

Notice of Intent to Issue Permit: The Permitting Authority gives notice of its intent to issue an air permit to the applicant for the project described above. The applicant has provided reasonable assurance that operation of the proposed equipment will not adversely impact air quality and that the project will comply with all appropriate provisions of Chapters 62-4, 62-204, 62-210, 62-212, 62-296, and 62-297, F.A.C. The Permitting Authority will issue a Final Permit in accordance with the conditions of the proposed Draft Permit unless a timely petition for an administrative hearing is filed under Sections 120.569 and 120.57, F.S. or unless public comment received in accordance with this notice results in a different decision or a significant change of terms or conditions.

Public Notice: Pursuant to Section 403.815, F.S. and Rules 62-110.106 and 62-210.350, F.A.C., you (the applicant) are required to publish at your own expense the enclosed Public Notice of Intent to Issue Air Permit (Public Notice). The Public Notice shall be published one time only as soon as possible in the legal advertisement section of a newspaper of general circulation in the area affected by this project. The newspaper used must meet the requirements of Sections 50.011 and 50.031, F.S. in the county where the activity is to take place. If you are uncertain that a newspaper meets these requirements, please contact the Permitting Authority at above address or phone number. Pursuant to Rule 62-110.106(5) and (9), F.A.C., the applicant shall provide proof of publication to the Permitting Authority at the above address within 7 days of publication. Failure to publish the notice and provide proof of publication may result in the denial of the permit pursuant to Rule 62-110.106(11), F.A.C.

Comments: The Permitting Authority will accept written comments concerning the proposed Draft Permit for a period of 14 days from the date of publication of the Public Notice. Written comments must be received by the Permitting Authority by close of business (5:00 p.m.) on or before the end of the 14-day period. If written comments received result in a significant change to the Draft Permit, the Permitting Authority shall revise the Draft Permit and require, if applicable, another Public Notice. All comments filed will be made available for public inspection.

Petitions: A person whose substantial interests are affected by the proposed permitting decision may petition for an administrative hearing in accordance with Sections 120.569 and 120.57, F.S. The petition must contain the information set forth below and must be filed with (received by) the Department's Agency Clerk in the Office of General Counsel of the Department of Environmental Protection at 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000 (Telephone: 850/245-2241). Petitions filed by the applicant or any of the parties listed below must be filed within 14 days of receipt of this Written Notice of Intent to Issue Air Permit. Petitions filed by any persons other than those entitled to written notice under Section 120.60(3), F.S., must be filed within 14 days of publication of the attached Public Notice or within 14 days of receipt of this Written Notice of Intent to Issue Air Permit, whichever occurs first. Under Section 120.60(3), F.S., however, any person who asked the Permitting Authority for notice of agency action may file a petition within 14 days of receipt of that notice, regardless of the date of publication. A petitioner shall mail a copy of the petition to the applicant at the address indicated above, at the time of filing. The failure of any person to file a petition within the appropriate time period shall constitute a waiver of that person's right to request an administrative determination (hearing) under Sections 120.569 and 120.57, F.S., or to intervene in this proceeding and participate as a party to it. Any subsequent intervention (in a proceeding initiated by another party) will be only at the approval of the presiding officer upon the filing of a motion in compliance with Rule 28-106.205, F.A.C.

A petition that disputes the material facts on which the Permitting Authority's action is based must contain the following information: (a) The name and address of each agency affected and each agency's file or identification

number, if known; (b) The name, address, and telephone number of the petitioner; the name, address and telephone number of the petitioner's representative, if any, which shall be the address for service purposes during the course of the proceeding; and an explanation of how the petitioner's substantial interests will be affected by the agency determination; (c) A statement of when and how each petitioner received notice of the agency action or proposed decision; (d) A statement of all disputed issues of material fact. If there are none, the petition must so state; (e) A concise statement of the ultimate facts alleged, including the specific facts the petitioner contends warrant reversal or modification of the agency's proposed action; (f) A statement of the specific rules or statutes the petitioner contends require reversal or modification of the agency's proposed action including an explanation of how the alleged facts relate to the specific rules or statutes; and, (g) A statement of the relief sought by the petitioner, stating precisely the action the petitioner wishes the agency to take with respect to the agency's proposed action. A petition that does not dispute the material facts upon which the Permitting Authority's action is based shall state that no such facts are in dispute and otherwise shall contain the same information as set forth above, as required by Rule 28-106.301, F.A.C.

Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means that the Permitting Authority's final action may be different from the position taken by it in this Written Notice of Intent to Issue Air Permit. Persons whose substantial interests will be affected by any such final decision of the Permitting Authority on the application have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above.

Mediation: Mediation is not available in this proceeding.

Executed in West Palm Beach, Florida.

_____ _____

Jennifer K. Smith Date
Southeast District Assistant Director

JKS/dmp/lch/sdt

CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this Written Notice of Intent to Issue Air Permit package (including the Written Notice of Intent to Issue Air Permit, the Public Notice of Intent to Issue Air Permit, the Technical Evaluation and Preliminary Determination and the Draft 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 _____ to the persons listed below.

Mr. Dave W. Sharp, Chief Operating Manager, FNGS: dsharp@dspresources.net
Mr. Scott H. Osbourn, P.E., Golder Associates: sospourn@golder.com

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.

_____ _____

(Clerk) (Date)

PUBLIC NOTICE OF INTENT TO ISSUE AIR PERMIT

Florida Department of Environmental Protection
Air Resource Section, Southeast District Office
Draft Minor Source Air Construction Permit
Project No. 0850147-008-AC
Martin County, Florida

Applicant: The applicant for this project is Floridian Natural Gas Storage Co. LLC. The applicant's authorized representative and mailing address is: Mr. Dave W. Sharp, Chief Operating Officer, Floridian Natural Gas Storage Company, LLC., 1000 Louisiana Street, Suite 4361, Houston Texas 77002.

Facility Location: Floridian Natural Gas Storage Company, LLC (FNGS) is a new gas storage facility to be located in Martin County at 18300 Warfield Boulevard, Indiantown, Florida.

Project: Floridian Natural gas Storage facility was permitted on March 12, 2008 to construct a facility to accept delivery of natural gas from customers through the Gulfstream Pipeline and the Florida Gas Transmission Pipeline, liquefy the gas using mixed refrigerant (MR), store the liquefied gas in one of two nominal 190,000 cubic meters full-containment tanks at slightly above atmospheric pressure, and vaporize the gas to send out on one or both of the interstate pipelines during periods of demand.

In 2012, the facility modified its original construction permit to bring the facility emissions of greenhouse gasses (GHGs) below the threshold of 100,000 tons of carbon dioxide equivalent to meet the new EPA regulations regarding GHGs called the Tailoring Rule. To date, the facility has not been constructed.

As a result of the evolution of the project development and refinement of the project design, Floridian Natural Gas Storage Company, LLC. is requesting revisions to the permit which, taken together, will result in a decrease in emissions of all pollutants except Volatile Organic Carbons (VOC). The facility proposes to reduce the number of emergency generators (EU004), eliminate the Amine System heaters (EU005), reduce the number of Water Ethylene Glycol Heaters (EU006), increase the number of Regeneration Gas Heaters (EU007), increase the number of Amine System Vents (EU008), add an emergency flare (EU009), and add 4 Fuel Gas Heaters (EU010).

Permitting Authority: Applications for air construction permits are subject to review in accordance with the provisions of Chapter 403, Florida Statutes (F.S.) and Chapters 62-4, 62-210 and 62-212 of the Florida Administrative Code (F.A.C.). The proposed project is not exempt from air permitting requirements and an air permit is required to perform the proposed work. The Permitting Authority responsible for making a permit determination for this project is the Department of Environmental Protection's Air Resource Section in the Southeast District Office. The Permitting Authority's physical and mailing address is: 400 North Congress Avenue, 3rd Floor, West Palm Beach, Florida 33401. The Permitting Authority's telephone number is 561-681-6600.

Project File: A complete project file is available for public inspection during the normal business hours of 8:00 a.m. to 5:00 p.m., Monday through Friday (except legal holidays), at the physical address indicated above for the Permitting Authority. The complete project file includes the Draft Permit, the Technical Evaluation and Preliminary Determination, the application and information submitted by the applicant (exclusive of confidential records under Section 403.111, F.S.). Interested persons may contact the Permitting Authority's project engineer for additional information at the address and phone number listed above. In addition, electronic copies of these documents are available on the following web site: http://www.dep.state.fl.us/air/emission/apds/default.asp.

Notice of Intent to Issue Air Permit: The Permitting Authority gives notice of its intent to issue an air construction permit to the applicant for the project described above. The applicant has provided reasonable assurance that operation of proposed equipment will not adversely impact air quality and that the project will comply with all appropriate provisions of Chapters 62-4, 62-204, 62-210, 62-212, 62-296 and 62-297, F.A.C. The Permitting Authority will issue a Final Permit in accordance with the conditions of the proposed Draft Permit unless a timely petition for an administrative hearing is filed under Sections 120.569 and 120.57, F.S. or unless public comment received in accordance with this notice results in a different decision or a significant change of terms or conditions.

Comments: The Permitting Authority will accept written comments concerning the proposed Draft Permit for a

period of 14 days from the date of publication of this Public Notice. Written comments must be received by the Permitting Authority by close of business (5:00 p.m.) on or before the end of the 14-day period. If written comments received result in a significant change to the Draft Permit, the Permitting Authority shall revise the Draft Permit and require, if applicable, another Public Notice. All comments filed will be made available for public inspection.

Petitions: A person whose substantial interests are affected by the proposed permitting decision may petition for an administrative hearing in accordance with Sections 120.569 and 120.57, F.S. The petition must contain the information set forth below and must be filed with (received by) the Department's Agency Clerk in the Office of General Counsel of the Department of Environmental Protection at 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000 (Telephone: 850/245-2241). Petitions filed by any persons other than those entitled to written notice under Section 120.60(3), F.S. must be filed within 14 days of publication of this Public Notice or receipt of a written notice, whichever occurs first. Under Section 120.60(3), F.S., however, any person who asked the Permitting Authority for notice of agency action may file a petition within 14 days of receipt of that notice, regardless of the date of publication. A petitioner shall mail a copy of the petition to the applicant at the address indicated above, at the time of filing. The failure of any person to file a petition within the appropriate time period shall constitute a waiver of that person's right to request an administrative determination (hearing) under Sections 120.569 and 120.57, F.S., or to intervene in this proceeding and participate as a party to it. Any subsequent intervention (in a proceeding initiated by another party) will be only at the approval of the presiding officer upon the filing of a motion in compliance with Rule 28-106.205, F.A.C.

A petition that disputes the material facts on which the Permitting Authority's action is based must contain the following information: (a) The name and address of each agency affected and each agency's file or identification number, if known; (b) The name, address and telephone number of the petitioner; the name address and telephone number of the petitioner's representative, if any, which shall be the address for service purposes during the course of the proceeding; and an explanation of how the petitioner's substantial rights will be affected by the agency determination; (c) A statement of when and how the petitioner received notice of the agency action or proposed decision; (d) A statement of all disputed issues of material fact. If there are none, the petition must so state; (e) A concise statement of the ultimate facts alleged, including the specific facts the petitioner contends warrant reversal or modification of the agency's proposed action; (f) A statement of the specific rules or statutes the petitioner contends require reversal or modification of the agency's proposed action including an explanation of how the alleged facts relate to the specific rules or statutes; and, (g) A statement of the relief sought by the petitioner, stating precisely the action the petitioner wishes the agency to take with respect to the agency's proposed action.
A petition that does not dispute the material facts upon which the Permitting Authority's action is based shall state that no such facts are in dispute and otherwise shall contain the same information as set forth above, as required by Rule 28-106.301, F.A.C.

Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means that the Permitting Authority's final action may be different from the position taken by it in this Public Notice of Intent to Issue Air Permit. Persons whose substantial interests will be affected by any such final decision of the Permitting Authority on the application have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above.

Mediation: Mediation is not available for this proceeding