Florida Department of Environmental Protection

Bob Martinez Center
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

Rick Scott
Governor

Jennifer Carroll
Lt. Governor

Herschel T. Vinyard Jr.
Secretary

Electronic Mail – Received Receipt Requested.

kasheffield@tecoenergy.com
Karen Sheffield, Director Polk Power Station
Tampa Electric Company
Post Office Box 111
Tampa, Florida 33601-0111

Re: Revised Draft/Proposed Permit Package
Permit No. 1050233-028-AV, Revised Title V Air Operation Permit
Permit No. 1050233-029-AC (PSD-FL-194J), Revised Air Construction Permit for Unit 1
Permit No. 1050233-032-AC (PSD-FL-263B and PSD-363C), Revised Air Construction Permits for Units 2, 3, 4, and 5
Tampa Electric Company, Polk Power Station

Dear Ms. Sheffield:

Enclosed is the revised draft/proposed permit package for air construction permit revisions with a concurrent Title V air operation permit revision for the Polk Power Station. The Department rescinds the previous permit package issued on May 9, 2012 and replaces it with this revised package for combined projects. This existing facility is located in Polk County at 9995 State Route 37 South in Mulberry, Florida. The permit package includes the following documents:

- The draft air construction permits and supporting Technical Evaluation and Preliminary Determination document.
- The draft/proposed revised Title V air operation permit and the Statement of Basis (summary of plant and primary rule applicability).
- The Written Notice of Intent to Issue Air Permits provides important information regarding: the Permitting Authority's intent to issue air permits for the proposed project; the requirements for publishing a Public Notice of the Permitting Authority's intent to issue air permits; the procedures for submitting comments on the draft/proposed permits; the process for filing a petition for an administrative hearing; and the availability of mediation.
- The Public Notice of Intent to Issue Air Permits 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. The Public Notice of Intent to Issue Title V Air Permits must be published as soon as possible and the proof of publication must be provided to the Department within seven days of the date of publication. Because this permit is being processed as a combined draft/proposed permit in order to reduce processing time, a duplicate copy of the proof of publication must also be transmitted by electronic mail within seven days of the date of publication to Ms. Ana Oquendo at EPA Region 4 at the following address: oquendo.ana@epamail.epa.gov. The proof of publication may be provided to the Department as an electronic file in the Adobe Acrobat portable document format (PDF).

If you have any questions, please contact the Project Engineer, David Read, by telephone at (850)717-9075 or by email at David.Read@dep.state.fl.us.

Sincerely,
Electronic Signature

Enclosures

JK/jg/dlr

WRITTEN NOTICE OF INTENT TO ISSUE AIR PERMITS

In the Matter of an
Application for Air Permits by:

Polk Power Station
Tampa Electric Company
Post Office Box 111
Tampa, Florida 33601-0111

Responsible Official:
Karen Sheffield, Director Polk Power Station

Permit No. 1050233-028-AV
Revised Title V Air Operation Permit
Permit No. 1050233-029-AC (PSD-FL-194J)
Revised Air Construction Permit for Unit 1
Permit No. 1050233-032-AC (PSD-FL-263B and PSD-363C)
Air Construction Permits for Units 2, 3, 4, and 5

Facility ID No. 1050233
Polk Power Station

Facility Location: The Tampa Electric Company operates the existing Polk Power Station, which is located in Polk County at 9995 State Road 37 South in Mulberry, Florida.

Project: The Polk Power Station is an existing electrical power plant consisting of five key generating units. Unit 1 is a nominal 260 megawatt (MW) solid fuel-based combined cycle combustion turbine (CCCT, IGCC) plant consisting of: a nominal 192 MW combustion turbine-electrical generator (EU 001) firing a synthetic gas (syngas) derived from coal and petcoke; a heat recovery steam generator with a nominal 123 MW steam turbine-electrical generator; and an auxiliary boiler (EU-003); a sulfuric acid plant (EU 004); a solid fuel handling system (EU 005); an entrained flow solid fuel gasification system (EU 006); an oxygen plant; a syngas cleanup and sulfur recovery system. Units 2, 3, 4 and 5 (EU 009, 010, 013 and 014) are 165 MW simple cycle combustion turbine-electrical generators fired with natural gas. Units 2 and 3 may also fire limited amounts of distillate oil. Other units include emergency generators (EU 007) and miscellaneous heating units and internal combustion engines (EU 008).

This project is a combination of requests made in applications submitted on February 28, 2012 and May 21, 2012 for revisions to underlying air construction permits with a concurrent Title V air operation permit revision as described below. On May 9, 2012 a draft air construction permit revision and draft/proposed Title V revision was issued addressing some of the applicant's request. Subsequently, the applicant requested that the applications be combined.

Project No. 1050233-029-AC (PSD-FL-194J): This project will make the following revisions: changes the heat input rate to CCCT (EU 001) from a maximum to a design basis and changes the fuel heat input rate from a higher heating value to a lower heating value basis; monitoring provisions for the fuel sulfur and sulfur dioxide limits for the auxiliary boiler (EU 003); monitoring requirements for the blend of coal and petcoke for the solid fuel gasification system (EU 006); authorization of natural gas to replace distillate oil in the auxiliary boiler (EU 003); authorization of natural gas to replace propane in the burners for both the sulfuric acid plant hydrogen sulfide to sulfur dioxide conversion furnace burners and the sulfur trioxide converter preheater burners; authorization of natural gas to replace propane in the solid fuel gasifier preheater; authorization of natural gas to replace distillate oil as a back-up fuel for the Unit 1 combustion turbine (EU 001); and authorization of natural gas to augment syngas firing in the CCCT. Once the gas conversion projects are complete, the distillate oil requirements will become obsolete and be superseded by requirements related to natural gas. Also, redundant and obsolete permit conditions are removed. Since the revisions are extensive, this permit is being re-issued in its entirety.

Project No. 1050233-032-AC (PSD-FL-263B and PSD-FL-363C):

This project will make the following revisions: minor changes to the nitrogen oxide reporting requirements when firing natural gas and distillate oil for combustion turbine Units 2 and 3 (EU 009 and 010); the fuel monitoring schedule for combustion turbine Units 2 and 3 (EU 009 and 010); replace the advance notice for tuning with a requirement to report tuning in the quarterly reports for Units 4 and 5 (EU 013 and 014); correct identification numbers of Units 4 and 5 from EU 011 and 012 to EU 013 and 014, respectively, to match what is currently in the Department's Air Resource Management System database.

Project No. 1050233-028-AV: This project revises the Title V air operation permit to incorporate all of the changes made to the concurrent air construction permits previously identified. In addition, it revises the requirement to conduct daily visible emissions observations on the sulfuric acid plant from daily to quarterly tests, with the possibility of annual tests if no visible emissions are observed. Finally, the identification numbers for Units 4 and 5 were corrected from EU 011 and 012 to EU 013 and 014, respectively, throughout the permit.

All of the changes made to the air construction permits are described in Technical Evaluation and Preliminary Determination document. All of the changes made to the concurrent Title V air operation permit revision are described

in the Statement of Basis. These documents along with all other associated documents in the issued draft/proposed permit package can be accessed by entering file number in the permit number field at the web link given under "Project File" heading below.

By this action, the Department rescinds the previous permit package issued on May 9, 2012 and replaces it with this revised package to address the combined requests of the applicant.

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.

Applications for Title V air operation permits with Acid Rain units are subject to review in accordance with the provisions of Chapter 403, F.S. and Chapters 62-4, 62-210, 62-213 and 62-214 of the F.A.C. The proposed project is not exempt from air permitting requirements and a Title V air operation permit is required to operate the facility. The Division of Air Resource Management is the Permitting Authority responsible for making a permit determination for this project. The Permitting Authority's physical address is: 111 South Magnolia Drive, Suite #4, Tallahassee, Florida. The Permitting Authority's mailing address is: 2600 Blair Stone Road, MS #5505, Tallahassee, Florida 32399-2400. The Permitting Authority's telephone number is 850/717-9000.

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 address indicated above for the Permitting Authority. The complete project file includes the draft air construction permit revisions, the Technical Evaluation and Preliminary Determination, the draft/proposed Title V air operation permit, the Statement of Basis, the application, and the information submitted by the applicant, exclusive of confidential records under Section 403.111, F.S. Interested persons may view the draft/proposed permit package by visiting the following website: http://www.dep.state.fl.us/air/emission/apds/default.asp and entering the permit number shown above. 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 Permits: The Permitting Authority gives notice of its intent to issue air construction permits to the applicant for the project described above. The Department rescinds the previous permit package issued on May 9, 2012 and replaces it with this revised package. 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 final permits in accordance with the conditions of the proposed draft air construction permits 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.

The Permitting Authority gives notice of its intent to issue a Title V air operation permit to the applicant for the project described above. The applicant has provided reasonable assurance that continued operation of existing 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, 62-213, 62-214, 62-296 and 62-297, F.A.C. The draft permit is also the proposed permit. The Permitting Authority will issue a final Title V air operation permit in accordance with the conditions of the draft/proposed Title V air operation 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 Permits (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 the 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 draft air construction permits and the draft/proposed Title V air operation permit (draft/proposed permit package) for a period of 30 days from the date of publication of the Public Notice. Written comments must be received by the close of business (5:00 p.m.), on or before the end of this 30-day period by the Permitting Authority at the above address. As part of his or her comments, any person may also request that the Permitting Authority hold a public meeting on this permitting action. If the Permitting Authority determines there is sufficient interest for a public meeting, it will publish notice of the time, date, and location in the Florida Administrative Weekly. If a public meeting is requested within the 30-day comment period and conducted by the Permitting Authority, any oral and written comments received during the public meeting will also be considered by the Permitting Authority. If timely received written comments or comments received at a public meeting result in a significant change to the draft/proposed permit package, the Permitting Authority shall issue a revised draft/proposed permit package and require, if applicable, another Public Notice. All comments filed will be made available for public inspection. For additional information, contact the Permitting Authority at the above address or phone number.

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, 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000. 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 Permits. 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 Permits, 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 indicate; (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 Permits. 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.

EPA Review: EPA has agreed to treat the draft/proposed Title V air operation permit as a proposed Title V air operation permit and to perform its 45-day review provided by the law and regulations concurrently with the public comment period, provided that the applicant also transmits an electronic copy of the required proof of publication

directly to EPA at the following email address: oquendo.ana@epamail.epa.gov. Although EPA's 45-day review period will be performed concurrently with the public comment period, the deadline for submitting a citizen petition to object to the EPA Administrator will be determined as if EPA's 45-day review period is performed after the public comment period has ended. The final Title V air operation permit will be issued after the conclusion of the 45-day EPA review period so long as no adverse comments are received that result in a different decision or significant change of terms or conditions. The status regarding EPA's 45-day review of this project and the deadline for submitting a citizen petition can be found at the following website address: http://www.epa.gov/region4/air/permits/florida.htm.

Objections: Finally, pursuant to 42 United States Code (U.S.C.) Section 7661d(b)(2), any person may petition the Administrator of the EPA within 60 days of the expiration of the Administrator's 45-day review period as established at 42 U.S.C. Section 7661d(b)(1), to object to the issuance of any Title V air operation permit. Any petition shall be based only on objections to the permit that were raised with reasonable specificity during the 30-day public comment period provided in the Public Notice, unless the petitioner demonstrates to the Administrator of the EPA that it was impracticable to raise such objections within the comment period or unless the grounds for such objection arose after the comment period. Filing of a petition with the Administrator of the EPA does not stay the effective date of any permit properly issued pursuant to the provisions of Chapter 62-213, F.A.C. Petitions filed with the Administrator of EPA must meet the requirements of 42 U.S.C. Section 7661d(b)(2) and must be filed with the Administrator of the EPA at: U.S. EPA, 401 M Street, S.W., Washington, D.C. 20460. For more information regarding EPA review and objections, visit EPA's Region 4 web site at http://www.epa.gov/region4/air/permits/florida.htm.

Executed in Tallahassee, Florida
(Electronic Signature)

CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that either this Written Notice of Intent to Issue Permits (including the Public Notice, the Statement of Basis, the draft permits, the draft/proposed permit, and the Technical Evaluation and Preliminary Determination), or a link to these documents available electronically on a publicly accessible server, was sent by electronic mail with received receipt requested before the close of business on the date indicated below to the following persons.

Ms. Karen Sheffield, TEC: kasheffield@tecoenergy.com
Mr. Paul L. Carpinone, TEC: plcarpinone@tecoenergy.com
Mr. Byron Burrows, TEC: btburrows@tecoenergy.com
Mr. Robert A. VeIasco, P.E., TEC: ravelasco@tecoenergy.com
Mr. Robert Wong, DEP SWD: robert.wong@dep.state.fl.us
Ms. Cindy Mulkey, DEP Siting Office: cindy.mulkey@dep.state.fl.us
Ms. Ana Oquendo, EPA Region 4: oquendo.ana@epa.gov
Ms. Heather Ceron, EPA Region 4: ceron.heather@epa.gov
Ms. Alisa Coe, Earth Justice: acoe@earthjustice.org
Ms. Lynn Scearce, DEP PC Reading File: lynn.scearce@dep.state.fl.us
Ms. Barbara Friday, DEP PP Reading File: barbara.friday@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.
(Electronic Signature)