PUBLIC NOTICE OF INTENT TO ISSUE AIR PERMIT

Florida Department of Environmental Protection
Division of Air Resource Management, Bureau of Air Regulation

DEP File No. 0010131-001-AC (PSD-FL-411)
Gainesville Renewable Energy Center
Alachua County, Florida

Applicant: The applicant for this project is Gainesville Renewable Energy Center (GREC), LLC. The applicant's authorized representative and mailing address are: Mr. James S. Gordon, Chief Executive Officer, GREC, LLC, 275 Arlington Street, 5th Floor, Boston, Massachusetts 02116.

Facility Location: The GREC will be located on 131 leased acres within the site of the Gainesville Regional Utilities (GRU) Deerhaven Generating Station (DGS). The GRU DGS street address is 10001 Northwest 13th Street (U.S. Highway 441) in Gainesville, Florida.

Project: The project is the construction of a 100 megawatt (MW, net) woody biomass fueled power plant. The project is subject to the preconstruction review requirements of Rule 62-212.400, Florida Administrative Code (F.A.C.), for the Prevention of Significant Deterioration (PSD) of Air Quality requiring a best available control technology (BACT) determination.

Following the installation and startup of new control equipment at the adjacent DGS Unit 2, GRU accepted enforceable emissions caps (Permit No. 0010006-012-AC) for sulfur dioxide (SO_2) and nitrogen oxides (NO_X) which are less than baseline actual emissions for that unit. The emissions caps ensure that there will be no net increase in NO_X and SO_2 emissions from the GREC project when considering the decreases at the GRU DGS Unit 2.

As defined in Rule 62-210.200, F.A.C., the project will not result in PSD-significant emissions increases for SO_2 and NO_X and a BACT determination was not required for those pollutants. However, the GREC will incorporate sophisticated SO_2 and NO_X reduction technologies including: an in-duct sorbent injection system (IDSIS); flue gas recirculation (FGR); overfire air (OFA); and selective catalytic reduction (SCR), which is also part of a multi-pollutant control strategy.

The project will result in PSD-significant emissions increases for: carbon monoxide (CO); particulate matter (PM), PM with a mean diameter of 10 micrometers (µm) or less (PM_{10}); and volatile organic compounds (VOC). BACT determinations were required for those pollutants. The controls to meet the BACT determinations consist of a fabric filter baghouse; good combustion practices (GCP) in a bubbling fluidized bed (BFB) boiler; and reduction of $PM_{2.5}$ precursors including NO_X, SO_2, VOC and ammonia (NH_3).

According to the application, the GREC project will emit less than 10 tons per year (TPY) of any single hazardous air pollutant (HAP) and less than 25 TPY of all HAP combined. Therefore a case-by-case determination of maximum achievable control technology (MACT) pursuant to 40 Code of Federal Regulations (CFR), Part 63, Subpart B was not required. The same measures that control the PSD-pollutants will control the HAP emissions to levels less than the major HAP source thresholds.

Reasonable precautions and best management practices will be implemented to minimize fugitive dust and to insure the biomass used at the GREC comports to the allowable types defined for the project.

Continuous emissions monitoring systems (CEMS) will be required for SO_2, NO_X, CO, hydrogen chloride (HCl) and hydrogen fluoride (HF). A continuous opacity monitoring system (COMS) will be required for visible emissions (VE).

The Department reviewed the air quality analysis prepared by the applicant. The PSD increment represents the amount that new sources in an area may increase ambient ground level concentrations of a pollutant from a baseline concentration. The table below shows the maximum predicted annual and maximum predicted high, second high short term average PSD Class II area impacts from this project and other increment-consuming sources in the vicinity of the proposed project in micrograms per cubic meter ($\mu g/m^3$).

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Pollutant	Averaging Time	Allowable Increment ($\mu g/m^3$)	Increment Consumed ($\mu g/m^3$)	Percent
PM_{10}	24-hour	30	17	57
	Annual	17	5	29

The nearest PSD-Class I area is the Okefenokee National Wilderness Area located approximately 93 kilometers from the site. The results of the Class I analysis concluded that the project impacts are less than the significant impact levels and therefore, a more detailed multi-source modeling analysis was not required.

The Department has concluded that emissions from the project will not cause or contribute to a violation of any state or federal ambient air quality standards.

The details of the Department's BACT determination and the air quality analysis are provided in the Technical Evaluation and Preliminary Determination document available at the following web link:

http://www.dep.state.fl.us/Air/emission/bioenergy/gainesville.htm

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, 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 Florida Department of Environmental Protection's Bureau of Air Regulation is the Permitting Authority responsible for making a permit determination for this project. The Bureau of Air Regulation's physical address is 111 South Magnolia Drive, Suite 4, Tallahassee, Florida 32301 and the mailing address is 2600 Blair Stone Road, MS #5505, Tallahassee, Florida 32399-2400. The Bureau of Air Regulation's phone number is 850/488-0114.

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 and phone number listed above. In addition, electronic copies of these documents are available at the following web link:

www.dep.state.fl.us/Air/emission/bioenergy/gainesville.htm

Notice of Intent to Issue Air 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 applicable 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 and requests for a public meeting for a period of 30 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 this 30-day period. In addition, 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 comments 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.

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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 (Telephone: 850/245-2241; Fax: 850/245-2303). 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 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; (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 in this proceeding.

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