Florida Department of Environmental Protection

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2600 Blair Stone Road, MS#5505
Tallahassee, Florida 32399-2400

Charlie Crist
Governor

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Michael W. Sole
Secretary

March 6, 2007

James M. Chansler, P.E., D.P.A., Chief Operating Officer
Jacksonville Electric Authority (JEA)
Kennedy Generating Station
21 West Church Street
Jacksonville, Florida 32202

Re: Draft Air Permit No. PSD-FL-386
Project No. 0310047-015-AC
JEA – Kennedy Generating Station
Combustion Turbine No. 8

Dear Mr. Chansler:

On December 22, 2006, JEA submitted an application to construct a simple cycle combustion turbine at the Kennedy Generating Station which is located at 21 West Church Street, Jacksonville, in Duval County, Florida. Enclosed are the following documents: "Technical Evaluation and Preliminary Determination", "Draft Permit", "Written Notice of Intent to Issue Air Permit", and "Public Notice of Intent to Issue Air Permit". The "Technical Evaluation and Preliminary Determination" summarizes the Bureau of Air Regulation's technical review of the application and provides the rationale for making the preliminary determination to issue a draft permit including the draft determinations of the Best Available Control Technology (BACT). The proposed "Draft Permit" includes the specific conditions that regulate the emissions units covered by the proposed project. The "Written Notice of Intent to Issue Air Permit" provides important information regarding: the Permitting Authority's intent to issue an air permit for the proposed project; the requirements for publishing a Public Notice of the Permitting Authority's intent to issue an air permit; the procedures for submitting comments on the Draft Permit; the process for filing a petition for an administrative hearing; and the availability of mediation. 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, Bruce Thomas at (850) 921-7744.

Sincerely,

For

Trina Vielhauer, Chief
Bureau of Air Regulation

Enclosures

WRITTEN NOTICE OF INTENT TO ISSUE AIR PERMIT

In the Matter of an
Application for Air Permit by:

Jacksonville Electric Authority (JEA)
Kennedy Generating Station
21 West Church Street
Jacksonville, Florida 32202

Authorized Representative:
James M. Chansler, P.E., D.P.A., Chief Operating Officer

Draft Air Permit No. PSD-FL-386
Project No. 0310047-015-AC
JEA – Kennedy Generating Station
Combustion Turbine No. 8

Duval County, Florida

Facility Location: The Jacksonville Electric Authority (JEA) operates an electrical generating facility in Jacksonville at 21 West Church Street in Duval County, Florida.

Project: The applicant proposes to construct a simple cycle combustion turbine. Details of the project are provided in the application and the enclosed "Technical Evaluation and Preliminary Determination".

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 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 and fax number is 850/921-9533.

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. A copy of the complete project file is also available at The City of Jacksonville Environmental Resource Management Department, Environmental Quality Division, 117 West Duval Street, Suite 225, Jacksonville, Florida 32202. The phone number for the Jacksonville program is 904/630-4900.

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 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.

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 the address or phone number listed above. Pursuant to Rule 62-110.106(5), F.A.C., the applicant shall provide proof of publication to the Permitting Authority at the above address within seven (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 Permit for a period of thirty (30) days from the date of publication of the Public Notice. Written comments must be post-marked, and all facsimile 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 or facsimile. 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 and in a newspaper of general circulation in the area affected by the permitting action. For additional information, contact the Permitting Authority at the above address or phone number. If written comments or comments received at a public meeting result in a significant change to the Draft Permit, the Permitting Authority will issue a Revised 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, 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 fourteen (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 fourteen (14) days of publication of the attached Public Notice or within fourteen (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 fourteen (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 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 how and when each petitioner received notice of the agency action or proposed action; (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; 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 Tallahassee, Florida.

Trina Vielhauer, Chief
Bureau of Air Regulation

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 Public Notice, the Technical Evaluation and Preliminary Determination, and the Draft Permit) was sent by electronic mail (received receipt requested) before the close of business on 3/7/07 to the persons listed below.

Mr. James M. Chansler, JEA (ChanJM@jea.com)
Mr. N. Bert Gianazza, JEA (giannb@jea.com)
Mr. Bob Holmes, Black & Veatch (HolmesAR@bv.com)
Mr. Gregg Worley, EPA Region 4 (worley.gregg@epa.gov)
Mr. Chris Kirts, NED Office (kirts_c@dep.state.fl.us)
Mr. Steve Pace, Duval County RESD (Pace@coj.net)

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.

Mary L Harry 3/7/07
(Clerk) (Date)