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. 0450012-001-AC
Northwest Florida Renewable Energy Center
Biomass Integrated Gasification Combined Cycle Unit
Gulf County

Applicant: The applicant for this project is Northwest Florida Renewable Energy Center, LLC. The applicant's authorized representative and mailing address is: Mr. Kenn Davis, Manager, 11993 South Street Route 63, Clinton, Indiana 47842.

Facility Location: The proposed Northwest Florida Renewable Energy Center (NWFREC) will be located at 521 Premier Drive in Port St. Joe, Gulf County, Florida.

Project: The project is to construct the NWFREC, which will be a 47 megawatts (MWnet) biomass integrated gasification combined cycle unit and ancillary equipment. The fuel source for the facility will be exclusively woody biomass that consists primarily of wood chips but may also include agricultural crops and byproducts, logging and lumber mill residues and untreated wood materials. Municipal solid waste (MSW) is expressly prohibited as a fuel source for the NWFREC.

The woody biomass will be dried and fed into a vessel containing a heated bed of circulating sand where the woody biomass will be converted to biomass product gas (BPG). The BPG will be cleaned, compressed and used as fuel in two 16 MW (gross) combustion turbine-electrical generators (CTG). Heat from the CTG exhaust gas will be recovered in two heat recovery steam generators (HRSG) equipped with BPG-fueled duct burners (DB). The resulting steam from the HRSG will drive a single 26.2 MW (gross) steam turbine-electrical generator (STG). The parasitic electrical loads at the facility are estimated to be 11.3 MW resulting in an electrical power output of 47 MWnet that can be supplied to the power grid.

The project will result in emissions increases of: 142 tons per year (TPY) of carbon monoxide (CO); 165 TPY of nitrogen oxides (NO_X); 47.4 TPY of particulate matter (PM); 41.4 TPY of PM with a mean diameter of 10 micrometers (µm) or less (PM_{10}); less than 7 TPY of sulfuric acid mist (SAM); 29.9 TPY of sulfur dioxide (SO_2); 24 TPY of volatile organic compounds (VOC); negligible amounts of lead (Pb) and mercury (Hg); and 5 TPY of other hazardous air pollutants (HAP). Because the potential emissions are below the major source thresholds, a review for the Prevention of Significant Deterioration (PSD) and a best available control technology (BACT) determination were not required.

To insure that emissions are less than the respective major source thresholds for PSD and hazardous air pollutants (HAP) and that compliance is achieved with applicable new source performance standards, the Department requires installation and operation of the following air pollution control equipment and practices at the facility: fabric filters and good combustion design and practices (PM, PM_{10}, CO, VOC); oxidation catalyst and selective catalytic reduction within the HRSG (NO_X, VOC, CO and dioxin/furan); and inherently low sulfur fuels (SO_2). In addition, the BPG cleanup system includes: particulate removal; tar removal; and scrubbing to remove other impurities such as ammonia (NH_3), hydrogen chloride (HCl), hydrogen sulfide (H_2S) and alkali metals.

The Department will require that continuous emissions monitoring systems (CEMS) be installed for NO_X and CO and that fuel analysis be conducted to limit SO_2 and sulfuric acid mist (SAM)

emissions. Emissions from emergency support equipment will be controlled by use of clean fuels and good combustion and design. Reasonable precautions will be employed to minimize fugitive dust emissions from biomass handling, storage and processing.

The Department reviewed an air quality analysis prepared by the applicant. The analysis demonstrated that ground-level concentrations of nitrogen dioxide (NO_2), PM_{10}, CO and SO_2 caused by the project, including background concentrations, will be much less than the respective National or Florida ambient air quality standards (AAQS).

The Technical Evaluation and Preliminary Determination document and the air quality analysis are available at the following web link:

www.dep.state.fl.us/Air/emission/construction/stjoe.NWFRECTech.pdf

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 Bureau of Air Regulation in the Department of Environmental Protection's Division of Air Resource Management. The Bureau of Air Regulation's physical address is: 111 South Magnolia Drive, Suite #4, Tallahassee, Florida. The Bureau of Air Regulation's mailing address is: 2600 Blair Stone Road, MS #5505, Tallahassee, Florida 32399-2400. The Bureau of Air Regulation's telephone 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 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:

www.dep.state.fl.us/Air/emission/construction/stjoe.htm

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.