



Florida Department of Environmental Protection

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

Charlie Crist
Governor

Jeff Kottkamp
Lt. Governor

Michael W. Sole
Secretary

May 4, 2007

Electronically sent – Received Receipt requested.

Mr. James Miller, Plant Manager
Lake Cogeneration L.P.
39001 Golden Gem Drive
Umatilla, Florida 32784

Re: DEP File No. 0694801-008-AC
Lake Cogeneration L.P.

Dear Mr. Miller:

Enclosed is one copy of the Draft Air Construction Permit to modify the existing combustion turbines (Units 1 and 2) at the Lake Cogeneration Facility in Umatilla, Lake County. The Department's Intent to Issue Air Construction Permit, the Technical Evaluation and Preliminary Determination, and the Public Notice of Intent to Issue Air Construction Permit are also included.

The Public Notice must be published one time only as soon as possible in a newspaper of general circulation in the area affected, pursuant to the requirements of Chapter 50, Florida Statutes. Proof of publication, such as a newspaper affidavit, must be provided to the Department's Bureau of Air Regulation office within seven days of publication. Failure to publish the notice and provide proof of publication within the allotted time may result in denial of the permit.

Please submit any written comments you wish to have considered concerning the Department's proposed action to A.A. Linero, Program Administrator, at the letterhead address. If you have any questions regarding this matter, please contact Tom Cascio at (850)921-9526 or Mr. Linero at (850)921-9523.

Sincerely,

For Trina Vielhauer, Chief
Bureau of Air Regulation

TLV/tbc

Enclosures

In the Matter of an
Application for Permit by:

Lake Cogeneration L.P.
39001 Golden Gem Drive
Umatilla, Florida 32784

Authorized Representative:
Mr. James Miller, Plant Manager

DEP File No. 0694801-008-AC
Lake Cogeneration Facility
Modification of Units 1 and 2
Spray Intercooling Uprate
Lake County, Florida

INTENT TO ISSUE AIR CONSTRUCTION PERMIT

The Department of Environmental Protection (Department) gives notice of its intent to issue an air construction permit, copy of Draft Air Construction Permit attached, for the proposed project as detailed in the application specified above and the enclosed Technical Evaluation and Preliminary Determination for the reasons stated below.

Lake Cogeneration L.P. applied on December 12, 2006 to the Department for a permit to modify and enhance the performance of the two existing combustion turbines located at its facility in Umatilla, Lake County.

The Department has permitting jurisdiction under the provisions of Chapter 403, Florida Statutes (F.S.), Florida Administrative Code (F.A.C.) Chapters 62-4, 62-210, and 62-212. The above actions are not exempt from permitting procedures. Department has determined that an air construction permit is required.

The Department intends to issue this air construction permit based on the belief that reasonable assurances have been provided to indicate that operation of these emission units will not adversely impact air quality, and the emission units will comply with all appropriate provisions of Chapters 62-4, 62-204, 62-210, 62-212, 62-296 and 62-297, F.A.C.

Pursuant to Section 403.815, F.S., and Rule 62-110.106(7)(a)1., F.A.C., you (the applicant) are required to publish at your own expense the enclosed Public Notice of Intent to Issue Air Construction Permit. The notice shall be published one time only in the legal advertisement section of a newspaper of general circulation in the area affected. Rule 62-110.106(7)(b), F.A.C., requires that the applicant cause the notice to be published as soon as possible after notification by the Department of its intended action. For the purpose of these rules, publication in a "newspaper of general circulation in the area affected" means publication in a newspaper meeting 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 Department at the address or telephone number listed below. The applicant shall provide proof of publication to the Department's Bureau of Air Regulation, at 2600 Blair Stone Road, Mail Station #5505, Tallahassee, Florida 32399-2400 (Telephone: 850/488-0114; Fax 850/921-9533). You must provide proof of publication within seven days of publication, pursuant to Rule 62-110.106(5) & (9), F.A.C. No permitting action for which published notice is required shall be granted until proof of publication of notice is made by furnishing a uniform affidavit in substantially the form prescribed in section 50.051, F.S. to the office of the Department issuing the permit. Failure to publish the notice and provide proof of publication may result in the denial of the permit pursuant to Rules 62-110.106(9) & (11), F.A.C.

The Department will issue the final permit with the attached conditions unless a response received in accordance with the following procedures results in a different decision or significant change of terms or conditions.

The Department will accept written comments concerning the proposed permit issuance action for a period of 14 days from the date of publication of the enclosed Public Notice. Written comments should be provided to the Department's Bureau of Air Regulation at 2600 Blair Stone Road, Mail Station #5505, Tallahassee, Florida 32399-2400. Any written comments filed shall be made available for public inspection. If comments received result in a change in the proposed agency action, the Department shall revise the proposed permit and require, if applicable, another Public Notice.

The Department will issue the permit with the attached conditions unless a timely petition for an administrative hearing is filed pursuant to sections 120.569 and 120.57, F.S., before the deadline for filing a petition. The procedures for petitioning for a hearing are set forth below.

A person whose substantial interests are affected by the proposed permitting decision may petition for an administrative proceeding (hearing) under sections 120.569 and 120.57 of the Florida Statutes. The petition must contain the information set forth below and must be filed (received) in the Office of General Counsel of the Department at 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida, 32399-3000. Petitions filed by the permit applicant or any of the parties listed below must be filed within fourteen days of receipt of this notice of intent. 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 public notice or within fourteen days of receipt of this notice of intent, whichever occurs first. Under section 120.60(3), however, any person who asked the Department for notice of agency action may file a petition within fourteen 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 Department'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 the petitioner received notice of the agency 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 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 Department'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 Department's final action may be different from the position taken by it in this notice. Persons whose substantial interests will be affected by any such final decision of the Department on the application have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above. Mediation is not available in this proceeding.

Executed in Tallahassee, Florida.



For Trina L. Vielhauer, Chief
Bureau of Air Regulation

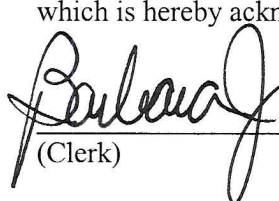
CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this Intent to Issue Air Construction Permit (including the Public Notice, Technical Evaluation, and the Draft permit) and all copies were sent electronically (with Received Receipt) before the close of business on 5/4/07 to the persons listed:

James Miller, Plant Manager: jmiller@caithnessenergy.com
Scott Osbourn, P.E., Golder Associates, Inc.: sosbourn@golder.com
James Bradner, P.E., Central District Office: james.bradner@dep.state.fl.us
Thomas A. Grace, Lake Cogeneration L.P.: tgrace@caithnessenergy.com
Katy Forney, EPA Region 4: forney.kathleen@epa.gov
James Little, EPA Region 4: little.james@epa.gov

Clerk Stamp

FILING AND ACKNOWLEDGMENT FILED,
on this date, pursuant to §120.52, Florida Statutes,
with the designated Department Clerk, receipt of
which is hereby acknowledged.


(Clerk) Friday 5/4/07 (Date)