Florida Department of Environmental Protection

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

Rick Scott
Governor

Carlos Lopez-Cantera
Lt. Governor

Noah Valenstein
Secretary

Sent by Electronic Mail – Received Receipt Requested

Ms. Joyce Bowers, Vice President
Walt Disney Parks and Resorts U.S., Inc.
P.O. Box 10,000
Lake Buena Vista, FL 32830-1000

Re: Conditional Exemption from the Requirement to Obtain an Air Construction Permit
Walt Disney Parks and Resorts U.S., Inc., Walt Disney World Resort Complex
Project No. 0950111-040-AC-AC
Air Construction Permit Exemption for Contemporary Resort Hot Water Heaters

Dear Ms. Bowers:

On June 15, 2017, Walt Disney Parks and Resorts U.S., Inc. (WDW) submitted a request for an after-the-fact exemption from the requirement to obtain an air construction permit for the installation of eight new natural gas-fired hot water heaters at the existing Contemporary Resort, which is part of the Walt Disney World Resort Complex, which is located in Orange and Osceola Counties at 1375 Buena Vista Drive, Lake Buena Vista, Florida.

Based on the information presented in the submitted request and on discussions with the Department's Central District Compliance Authority, the Department understands that the need for these new hot water heaters arose in June of 2016 after there was a failure of the high temperature hot water lines feeding the existing high temperature hot water system at the Contemporary Resort. These hot water lines originated at the remotely located Reedy Creek Energy Services Central Energy Plant. At the time of the water line failure, WDW installed three temporary/portable boilers to maintain the hot water supply to the resort buildings so they could continue guest operations while a permanent solution was designed and executed. After researching possible resolutions to the water line failure, WDW determined that it was technically infeasible and cost prohibitive to replace the water lines and restore service from the remote supply. Based on this determination, WDW decided to install permanent boilers at the resort so that it would not be dependent upon remote sources of hot water in the future.

The three temporary hot water boilers that were immediately brought to the site in June of 2016 are planned to remain in operation until the installation of the permanent equipment is finished and the new equipment is operational, which is projected to be completed in December 2017. The temporary equipment will be removed from operation no later than January 1, 2018. However, one or more of these boilers may be removed at an earlier date as the new ones are installed. WDW plans to incorporate the permanent equipment into the current Title V air operation permit renewal application that was submitted in May 2017, which has been released back to WDW for inclusion of other edits that have since been identified.

Based on the above circumstances and the following information, WDW has requested an exemption from the requirement to obtain an air construction permit pursuant to the provisions of Rule 62-4.040(1)(b), Florida Administrative Code (F.A.C.) In addition, WDW has requested that the following information be used to satisfy the requirements of initial notification for 40 CFR 63, Subpart DDDDD, in accordance with 40 CFR 63.7545(b).

The permanent equipment being installed at the Contemporary Resort consists of eight new natural gas-fired boilers/hot water heaters, which are identified as follows:

Location	Manufacturer	Model	Heat Input Capacity
South Garden Wing 1	Teledyne Laars	MGH2000NXJXC1	1.999 MMBtu/hr
South Garden Wing 2	Teledyne Laars	MGV2000NJXCX1	1.999 MMBtu/hr
Tower 1	Patterson Kelley	SC-4000	4.0 MMBtu/hr
Tower 2	Patterson Kelley	SC-4000	4.0 MMBtu/hr
Tower 3	Patterson Kelley	SC-4000	4.0 MMBtu/hr
DVC Bay Lake Tower 1	Patterson Kelley	C-2000H	2.0 MMBtu/hr
DVC Bay Lake Tower 2	Patterson Kelley	C-2000H	2.0 MMBtu/hr
DVC Bay Lake Tower 3	Patterson Kelley	C-2000H	2.0 MMBtu/hr

The manufacturer-supplied emissions information that was obtained and the potential emissions from the permanent equipment is identified as follows:

Unit ID	Heat Input (MMBtu/hr)	Natural Gas Fuel Input (106scf/HR)	Potential Emissions (TPY)				
			NO_X	CO	VOC	PM	SO_X
South Garden Wing 1	2.00	1.96E-03	0.09	0.16	0.05	0.07	5.15E-03
South Garden Wing 2	2.00	1.96E-03	0.09	0.16	0.05	0.07	5.15E-03
Tower 1	4.00	3.92E-03	0.18	0.34	0.09	0.13	1.03E-02
Tower 2	4.00	3.92E-03	0.18	0.34	0.09	0.13	1.03E-02
Tower 3	4.00	3.92E-03	0.18	0.34	0.09	0.13	1.03E-02
DVC Bay Lake Tower 1	2.00	1.96E-03	0.08	0.13	0.05	0.07	5.15E-03
DVC Bay Lake Tower 2	2.00	1.96E-03	0.08	0.13	0.05	0.07	5.15E-03
DVC Bay Lake Tower 3	2.00	1.96E-03	0.08	0.13	0.05	0.07	5.15E-03
Total (TPY)			**0.96**	**1.72**	**0.52**	**0.72**	**0.06**

Notes:
-PTE is estimated using the maximum possible hours of operation (8,760 Hours)
-Natural gas heating value assumed to be 1,020 MMBtu/10^6 scf per AP-42, July 1998, Section 1.4
-Assumed PM = PM_{10} = $PM_{2.5}$ emissions
-Model-specific NO_x and CO emission factors were used in calculation, and AP-42 emission factors for VOC, PM, and SO_X.

Determination: Pursuant to Rule 62.4.040(1)(b), F.A.C., based on the information presented above and subject to the conditions listed below, the Office of Permitting and Compliance determines that the described activity will not emit air pollutants, "… in sufficient quantity, with respect to its character, quality or content, and the circumstances surrounding its location, use and operation, as to contribute significantly to the pollution problems within the State, so that the regulation thereof is not reasonably justified", Therefore, the project is exempt from the requirement to obtain an air construction permit. This determination may be revoked if the proposed activity is substantially modified or the basis for the exemption is determined to be materially incorrect. A copy of this letter shall be maintained at the site of the proposed activity. This permitting decision is made pursuant to Chapter 403, Florida Statutes.

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, F.A.C. The Permitting Authority responsible for making a permit determination for this project is the Office of Permitting and Compliance in the Department of Environmental Protection's Division of Air Resource Management. The Permitting Authority's physical address is: 2600 Blair Stone Road, Tallahassee, Florida 32301. 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 and email address is: DARM_Permitting@dep.state.fl.us.

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 agency clerk in the Office of General Counsel of the Department of Environmental Protection, 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000, Agency_Clerk@dep.state.fl.us. Petitions must be filed within 21 days of receipt of this exemption from air permitting requirements. 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, any email address, telephone number and any facsimile number of the petitioner; the name, address, any email address, telephone number, and any facsimile 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 permitting action. 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.

Effective Date: This permitting decision is final and effective on the date filed with the clerk of the Permitting Authority unless a petition is filed in accordance with the above paragraphs or unless a request for extension of time in which to file a petition is filed within the time specified for filing a petition pursuant to Rule 62-110.106, F.A.C., and the petition conforms to the content requirements of Rules 28-106.201 and 28-106.301, F.A.C. Upon timely filing of a petition or a request for extension of time, this action will not be effective until further order of the Permitting Authority.

Judicial Review: Any party to this permitting decision (order) has the right to seek judicial review of it under Section 120.68, F.S., by filing a notice of appeal under Rule 9.110 of the Florida Rules of Appellate Procedure with the clerk of the Department of Environmental Protection in the Office of General Counsel, Mail Station #35, 3900 Commonwealth Boulevard, Tallahassee, Florida, 32399-3000, and by filing a copy of

the notice of appeal accompanied by the applicable filing fees with the appropriate District Court of Appeal. The notice must be filed within 30 days after this order is filed with the clerk of the Department.

Executed in Tallahassee, Florida

Jonathan Holtom

Digitally signed by Jonathan Holtom, P.E.
Date: 2017.06.30 15:17:12 -04'00'

for:
Syed Arif, P.E., Program Administrator
Division of Air Resource Management

SA/dlr/jh

CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this Air Permit Exemption was sent by electronic mail, or a link to this document made available electronically on a publicly accessible server, with received receipt requested before the close of business on the date indicated below to the following persons.

Ms. Joyce Bowers, Vice President, Walt Disney Parks and Resorts U.S., Inc.: joyce.m.bowers@disney.com
Mr. Armando Rodriguez, Walt Disney Parks and Resorts U.S., Inc.: armando.rodriguez@disney.com
Mr. Jose Garrido, Walt Disney Parks and Resorts U.S., Inc.: jose.r.garrido@disney.com
Ms. Sarah Hibbs, P.E., Walt Disney Parks and Resorts U.S., Inc.: sarah.j.hibbs@disney.com
DEP - Central District Compliance Office: DEP_CD@dep.state.fl.us
Mr. Aaron Watkins, DEP - CD: aaron.watkins@dep.state.fl.us
Ms. Sirena Davila, DEP - CD: sirena.davila@dep.state.fl.us
Mr. Daniel Hall, DEP - CD: Daniel.k.hall@dep.state.fl.us
Ms. Lynn Scearce, DEP - OPC: lynn.scearce@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.

Lynn Scearce

2017.06.30
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CONDITIONS OF EXEMPTION

Subject to the following conditions, WDW is exempted from the requirements contained in Rule 62-210.300(1)(a), F.A.C., to obtain an air construction permit for the installation of eight new hot water heaters (as described above) located at and within the Contemporary Resort Complex:

1. This exemption is valid only for the eight hot water heaters described above.
2. If equipment selection changes, WDW shall submit the pertinent information to the Department of Environmental Protection's Office of Permitting and Compliance within the Division of Air Resource Management by electronic mail and request a new exemption, if applicable. The email address for the Office of Permitting and Compliance is: DARM_Permitting@dep.state.fl.us. If it is determined that an exemption for the alternately selected equipment is not applicable, WDW shall apply for and receive an air construction permit prior to commencing construction of that equipment.
3. WDW shall notify the Department's Central District Compliance Office by electronic mail prior to starting up each of the new hot water heaters. The email address for the Central District's Compliance Office is: DEP_CD@dep.state.fl.us.
4. Because the Walt Disney World Resort Complex is a major source of hazardous air pollutants, the above described hot water heaters are subject to regulation pursuant to 40 CFR 63, Subpart DDDDD - National Emissions Standards for Hazardous Air Pollutants for Major Sources: Industrial, Commercial, and Institutional Boilers and Process Heaters (NESHAP DDDDD), and shall comply with all applicable requirements of NESHAP DDDDD upon startup.
5. WDW shall include the above described hot water heaters, along with a detailed NESHAP DDDD rule applicability analysis, as part of the pending supplemental information submission related to the Title V air operation permit renewal application (project No. 0950111-039-AV), originally submitted on May 18, 2017.
6. Prior to future replacements or additions of any air pollutant emitting equipment, WDW shall submit to the Office of Permitting and Compliance either a claim of exemption from the requirement to obtain an air construction permit pursuant to Rule 62-210.300(3), F.A.C., or a properly prepared application for an air construction permit pursuant to Rule 62-210.300(1), F.A.C.
7. WDW shall continue to work with the Department's Central District Compliance Office to develop and implement new internal operating procedures designed to help assure that individual WDW operating entities do not commence construction/installation of new equipment without first obtaining any necessary permitting authorizations.