# 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


December 20, 2007

Mr. Jason Goodwin
Director, Environmental Health and Safety
Calpine Corporation
717 Texas Avenue
Suite 100
Houston, Texas 77002

Re: Draft Air Construction Permit No. 1050221-012-AC (PSD-FL-185A and PSD-FL-287A)
Draft Title V Air Operation Permit Revision Project No. 1050221-014-AV
Auburndale Energy Complex

Dear Mr. Goodwin:

On September 25, 2007, the Calpine Corporation submitted an application to revise Air Permit No. 1050221-012-AC (PSD-FL-185 and PSD-FL-287) and concurrently revise Title V air operation Permit No. 1050221-013-AV. The project will authorize nominal increases in the heat input rates for the four existing combustion turbines. The turbines are installed at the existing Auburndale Energy Complex, which is located at 1501 Derby Avenue (Auburndale Power Plant and Auburndale Peak Energy Center) and 1651 Derby Avenue (Osprey Energy Center), Auburndale, Florida. Enclosed are the following documents:

- The Written Notice of Intent to Issue Air permits;
- The Public Notice of Intent to Issue Air Permits (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);
- The Technical Evaluation and Preliminary Determination for the air construction permit revisions;
- The Statement of Basis for the Title V Permit revisions;
- The Draft Air Construction Permit revisions and the Draft Title V Permit revision .

If you have any questions, please contact the Project Engineer, Bruce Thomas, at 850/488-0114.

Sincerely,

Trina L Vielhauer

Trina Vielhauer, Chief
Bureau of Air Regulation

Enclosures

TLV/jfk/bt

# WRITTEN NOTICE OF INTENT TO ISSUE AIR PERMITS

*In the Matter of an*
*Application for Air Permits by:*

Calpine Corporation
717 Texas Avenue, Suite 100
Houston, Texas 77002

*Authorized Representative:*
Mr. Jason Goodwin, Director, Environmental Health and Safety

Project No. 1050221-012-AC
Project No. 1050221-014-AV
Heat Input Increases for
Auburndale Energy Complex
Polk County, Florida

**Facility Location**: The applicant, Calpine Corporation, operates the existing Auburndale Energy Complex, which is located in Polk County at 1501 Derby Avenue (Auburndale Power Plant and Auburndale Peak Energy Center) and 1651 Derby Avenue (Osprey Energy Center), Auburndale, Florida.

**Project**: The purpose of the project is to revise the original air construction permits (Permit No. 1050221-003-AC and 1050221-004-AC / PSD-FL-185 and Permit No. 1050234-001 / PSD-FL-287) and concurrently revise the Title V air operation permit (Permit No. 1050221-013-AV) to allow increases to the heat input rates for the 156 MW combined cycle unit (EU-001) from 1,214 to 1,364 MMBtu per hour when firing natural gas in wet compression mode. The original operating curve submitted with the construction permit to allow wet compression operation does not accurately reflect the actual operation of the wet compression system. The permit also authorizes heat input increases for the 120 MW simple cycle combustion turbine (EU-006) from 1,591 to 1,776 MMBtu per hour when firing natural gas and from 1,546 to 1,726 MMBtu per hour when firing distillate oil; and a heat input increase for the 540 MW combined cycle turbines (EU-007 and EU-008) from 1,669 to 1,875 MMBtu per hour when firing natural gas. The increases were requested to correct estimates provided by the gas turbine vendor that underestimate the actual performance of the installed turbines. No physical or operational changes are necessary to realize the requested heat input increases. No increase in the emissions standards (concentrations or mass emissions rates) are requested to accommodate the change. The applicant does not expect any emissions increases nor increased utilization as a result of the change. The emissions units will continue to comply with all applicable provisions of the air construction and operation permits.

**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.). Applications for Title V air operation permits are subject to review in accordance with to provisions of Chapter 403, F.S. and Chapters 62-4, 62-210, and 62-213, F.A.C. The projects are not exempt from the permitting procedures for air construction and Title V air operation permits. 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.

**Notice of Intent to Issue Air Permit**: The Permitting Authority gives notice of its intent to issue a renewed Title V air operation permit and a concurrent air construction permit revision 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, 62-213, 62-296, and 62-297, F.A.C. The Permitting Authority will issue a final air construction permit revision and a proposed Title V air operation permit renewal (and subsequent final Title V air operation permit renewal) in accordance with the conditions of the proposed Draft Permits 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) and (9), F.A.C., the applicant shall provide proof of publication to the Permitting Authority at the above address within 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 on the Draft Air Construction Permit Revision**: The Permitting Authority will accept written comments concerning the Draft Air Construction Permit Revision for a period of 14 days from the date of publication of the Public Notice. Written comments must be post-marked by the close of business (5:00 p.m.), on or before the end of this 14-day period by the Permitting Authority at the above address. If written comments 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.

**Comments on the Draft Title V Air Operation Permit Revision**: The Permitting Authority will accept written comments concerning the Draft Permit for a period of 30 days from the date of publication of the Public Notice. Written comments must be post-marked 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. 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 (Telephone: 850/245-2241; Fax: 850/245-2303). Petitions filed by the applicant or any of the parties listed below must be filed within 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 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 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 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 L Vielhauer

Trina Vielhauer, Chief
Bureau of Air Regulation

## CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this Notice of Intent to Issue Air Permit package (including the Written Notice of Intent to Issue Air Permit, the Public Notice of Intent to Issue Air Permit, the Technical Evaluation and Preliminary Determination, and the Draft Permit) was sent by electronic mail with received receipt requested before the close of business on 12/21/07 to the persons listed below.

Mr. Jason Goodwin, Calpine Corporation (jgoodwin@calpine.com)
Ms. Heidi Whidden, Calpine Corporation (hwhidden@calpine.com)
Mr. Thomas Davis, ECT (tdavis@ectinc.com)
Ms. Cindy Zhang-Torres, Southwest District Office (Cindy.Zhang-Torres@dep.state.fl.us)
Ms. Kathleen Forney, EPA Region 4 (forney.kathleen@epa.gov)

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.

Barbara J. Friday (Clerk) 12/21/07 (Date)