



Jeb Bush
Governor

Department of Environmental Protection

Twin Towers Office Building
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

Colleen M. Castille
Secretary

October 9, 2006

{Sent by Electronic Mail – Electronic Receipt Requested}

Mr. Mark J. Hornick, General Manager
Tampa Electric Company
Polk Power Station
P.O. Box 111
Tampa, FL 33601

Re: Revised Draft Permit No. 1050233-019-AC
Tampa Electric Company – Polk Power Station
Trial Burn of 100% Petroleum Coke on IGCC Unit 1

Dear Mr. Hornick:

On August 15, 2006, the Department issued a draft permit package regarding your request for a trial period to gasify and fire coal/petroleum coke blends with to 100% petroleum coke in the existing integrated gasification combined cycle system at the Polk Power Station. On August 28, 2006, the Department received your request for an extension of time in which to file a petition to provide sufficient time in which to resolve issues regarding the draft permit. On September 18, 2006, the Department received comments on the draft permit and additional information to support several requests. Based on your requests and additional information provided, the Department withdraws its previous intent to issue permit (dated August 15, 2006) and gives notice of its intent to issue this revised air permit to the applicant as attached. The revised package replaces the previously issued documents and includes the following revised documents: “Technical Evaluation and Preliminary Determination”, “Revised Draft Permit”, “Written Notice of Intent to Issue Revised Air Permit”, and “Public Notice of Intent to Issue Air Permit”.

The “Technical Evaluation and Preliminary Determination” summarizes the Permitting Authority’s technical review of the application and provides the rationale for making the preliminary determination to issue a Draft Permit. 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, Jeff Koerner, at 850/921-9536.

Sincerely,

Trina Vielhauer, Chief
Bureau of Air Regulation

Enclosures

“More Protection, Less Process”

Printed on recycled paper.

PUBLIC NOTICE OF INTENT TO ISSUE AIR PERMIT

Florida Department of Environmental Protection
Draft Air Permit No. 1050233-019-AC
Tampa Electric Company – Polk Power Station
Polk County, Florida

Applicant: The applicant for this project is the Tampa Electric Company. The applicant's authorized representative is Mark Hornick, General Manager – Polk Power Station. The mailing address is P.O. Box 111, Tampa, FL 33601.

Facility Location: The Tampa Electric Company operates Polk Power Station, which is located 9995 State Route 37 South, in Polk County Florida.

Project: The Polk Power Station operates an existing integrated gasification and combined cycle (IGCC) system consisting of a combined cycle combustion turbine, a solid fuel handling system, a solid fuel gasification plant, and a sulfuric acid plant. Currently, the IGCC system fires syngas in the combined cycle combustion turbine produced from gasifying a blend of coal/petroleum coke with up to 60% petroleum coke and a maximum sulfur content of 3.5% by weight. The applicant proposes a temporary trial period to gasify various petroleum coke/coal blends of up to 100% petroleum coke with a maximum sulfur content of 6.0% by weight. For trial burn blends greater than 80% petroleum coke, a flux will be injected to help gasify the residual mineral matter from the petroleum coke.

The purpose of the temporary trial period is to fully test the capabilities of the existing equipment with the higher sulfur fuel blends. Information will be gathered to determine operational changes that must be implemented as well as physical changes that may be necessary for the permanent firing of these fuel blends. Aside from the higher sulfur fuel blends authorized during the trial period, the plant must comply with all other existing permit restrictions. Emissions are not expected to increase as a result of the temporary project. Emissions will be monitored by conducting stack tests and collecting continuous emissions monitoring data during each of the trial burns to determine any changes in emissions.

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 Bureau of Air Regulation is the Permitting Authority responsible for making a permit determination for this project. The Permitting Authority's physical address is: 111 South Magnolia Drive, Suite #4, Tallahassee, Florida. The Permitting Authority's mailing address is: 2600 Blair Stone Road, MS #5505, Tallahassee, Florida 32399-2400. The Permitting Authority's telephone number is 850/488-0114.

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 or phone number listed above.

Notice of Intent to Issue Air Permit: 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 fourteen (14) days from the date of publication of this Public Notice. Written comments must be provided to the Permitting Authority at the above address. Any written comments filed will be made available for public inspection. 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.

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

(Public Notice to be Published in the Newspaper)

PUBLIC NOTICE OF INTENT TO ISSUE AIR PERMIT

#35, Tallahassee, Florida 32399-3000. 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 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 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 rights will be affected by the agency determination; (c) A statement of how and when the 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 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.

WRITTEN NOTICE OF INTENT TO ISSUE AIR PERMIT (REVISED)

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

Tampa Electric Company
P.O. Box 111
Tampa, FL 33601

Authorized Representative:
Mark J. Hornick, General Manager

Air Permit No. 1050233-019-AC
Facility ID No. 1050233
Polk Power Station, IGCC System
Trial Burn of Up to 100% Petroleum Coke
Polk County, Florida

Facility Location: The Tampa Electric Company operates Polk Power Station, which is located at 9995 State Route 37 South in Polk County, Florida.

Project: The applicant proposes a temporary trial period to gasify a coal/petroleum coke blend with up to 100% petroleum coke and fire the resulting syngas in the existing integrated gasification combined cycle (IGCC) system. 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 Bureau of Air Regulation is the Permitting Authority responsible for making a permit determination for this project. The Permitting Authority's physical address is: 111 South Magnolia Drive, Suite #4, Tallahassee, Florida. The Permitting Authority's mailing address is: 2600 Blair Stone Road, MS #5505, Tallahassee, Florida 32399-2400. The Permitting Authority's telephone number is 850/488-0114.

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 or phone number listed above.

Notice of Intent to Issue Permit: For the project described above, the Permitting Authority withdraws its previous intent to issue permit (dated August 15, 2006) and gives notice of its intent to issue a revised air permit to the applicant. 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.

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 above address or phone number. 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 proposed Draft Permit for a period of fourteen (14) days from the date of publication of the Public Notice. Written comments must be provided to the Permitting Authority at the above address. Any written comments filed will be made available for public inspection. 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.

WRITTEN NOTICE OF INTENT TO ISSUE AIR PERMIT (REVISED)

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

WRITTEN NOTICE OF INTENT TO ISSUE AIR PERMIT (REVISED)

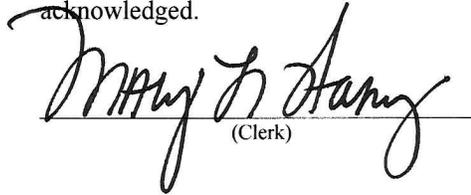
CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this revised "Notice of Intent to Issue Air Permit" package (including the revised Written Notice of Intent to Issue Air Permit, the revised Public Notice of Intent to Issue Air Permit, the revised Technical Evaluation and Preliminary Determination, and the revised Draft Permit) was sent by electronic mail before the close of business on 10/10/06 to the persons listed below.

Mr. Mark Hornick, TECO (MJHORNICK@TECOENERGY.COM)
Mr. Byron Burrows, TECO (BTBURROWS@TECOENERGY.COM)
Mr. Joshua Ellwein, TECO (JDELLWEIN@TECOENERGY.COM)
Mr. Thomas Davis, ECT (TDAVIS@ECTINC.COM)
Ms. Mara Nasca, SWD Office (MARA.NASCA@DEP.STATE.FL.US)
Mr. Gregg Worley, EPA Region 4 (WORLEY.GREGG@EPAMAIL.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.



(Clerk)

10/10/06
(Date)