


Florida Department of
Environmental Protection

Memorandum

To: Trina Vielhauer, Bureau of Air Regulation
From: Jeff Koerner, New Source Review Section 
Date: February 26, 2009
Subject: Project No. 0010006-009-AC
Draft Revision of Air Permit No. 0010006-005-AC
Gainesville Regional Utilities, Deerhaven Generating Station
Superheater Replacement Revision

Attached for your review is a draft revision to Air Permit No. 0010006-005-AC for the Deerhaven Generating Station, which is an existing coal-fired power plant located in Alachua County at 10001 NW 13th Street in Gainesville, Florida. The draft permit revision authorizes a like-kind replacement of the superheater during the scheduled March 2009 outage, which is part of the original project to install a new air quality control system. The project is not subject to PSD preconstruction review. The attached Technical Evaluation and Preliminary Determination provides a detailed description of the project and the rationale for permit issuance. I recommend your approval of the attached draft permit package.

Attachments

TLV/jfk

P.E. CERTIFICATION STATEMENT

PERMITTEE

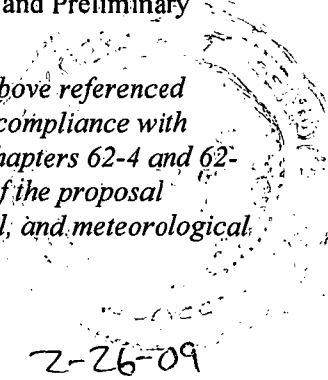
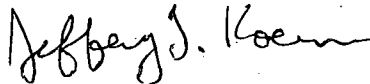
Gainesville Regional Utilities
P.O. Box 147117 (A136)
Gainesville, FL 32614-7117

Project No. 0010006-009-AC
Deerhaven Generating Station
Superheater Replacement Revision
Alachua County, Florida

PROJECT DESCRIPTION

This project will revise Air Permit No. 0010006-005-AC for the Deerhaven Generating Station, which authorized installation of an air quality control system on Unit 2. During construction, the applicant determined that it was necessary to replace the superheater and submitted an application to do this in the scheduled March 2009 outage. The replacement will be with like-kind components, have the same surface area, use the same size and grade of tubing and have the same shape as the original. The replacement will not change the combustion characteristics of the boiler, increase maximum steam production or cause an increase in capacity utilization for the base-loaded unit. The replacement will not regain any lost capacity for Unit 2. No emissions increases are expected due to the revision; therefore, the project is not subject to PSD preconstruction review. The Department's full review of the project and rationale for issuing the draft permit is provided in the Technical Evaluation and Preliminary Determination.

I HEREBY CERTIFY that the air pollution control engineering features described in the above referenced application and subject to the proposed permit conditions provide reasonable assurance of compliance with applicable provisions of Chapter 403, Florida Statutes, and Florida Administrative Code Chapters 62-4 and 62-204 through 62-297. However, I have not evaluated and I do not certify any other aspects of the proposal (including, but not limited to, the electrical, mechanical, structural, hydrological, geological, and meteorological features).



Jeffery F. Koerner, P.E.
Registration Number 49441

2-26-09

(Date)

WRITTEN NOTICE OF INTENT TO ISSUE AIR PERMIT

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

Gainesville Regional Utilities
P.O. Box 147117 (A136)
Gainesville, FL 32614-7117

Project No. 0010006-009-AC
Deerhaven Generating Station
Superheater Replacement Revision
Alachua County, Florida

Authorized Representative
Mr. Daniel Moffett, Plant Manager

Facility Location: Gainesville Regional Utilities operates the existing Deerhaven Generating Station, which is located in Alachua County at 10001 NW 13th Street in Gainesville, Florida.

Project: This project will revise previous Air Permit No. 0010006-005-AC for the Deerhaven Generating Station, which authorized installation of an air quality control system on Unit 2. During construction, the applicant determined that it was necessary to replace the superheater and submitted an application to do this in the scheduled March 2009 outage. The replacement will be with like-kind components, have the same surface area, use the same size and grade of tubing and have the same shape as the original. The replacement will not change the combustion characteristics of the boiler, increase maximum steam production or cause an increase in capacity utilization for the base-loaded unit. The replacement will not regain any lost capacity for Unit 2. No emissions increases are expected due to the revision; therefore, the project is not subject to PSD preconstruction review. Additional 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: The Permitting Authority gives notice of its intent to issue an air permit to the applicant 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 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

WRITTEN NOTICE OF INTENT TO ISSUE AIR PERMIT

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) 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: The Permitting Authority will accept written comments concerning the proposed Draft Permit for a period of 14 days from the date of publication of the 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, 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 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 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. 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 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

WRITTEN NOTICE OF INTENT TO ISSUE AIR PERMIT

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

CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this Written 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 (or a link to these documents made available electronically on a publicly accessible server) with received receipt requested before the close of business on 2/26/09 to the persons listed below.

- Mr. Daniel Moffett, Plant Manager, GRU (moffettw@gru.com)
- Mr. Robert Klemans, GRU (klemensrw@gru.com)
- Mr. Tom Davis, ECT (tdavis@ectinc.com)
- Mr. Chris Kirts, NED (christopher.kirts@dep.state.fl.us)
- Mr. Mike Halpin, DEP Siting Office (mike.halpin@dep.state.fl.us)
- Ms. Kathleen Forney, EPA Region 4 (forney.kathleen@epa.gov)
- Ms. Heather Abrams, EPA Region 4 (abrams.heather@epamail.epa.gov)
- Ms. Vickie Gibson, DEP BAR Reading File (victoria.gibson@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.

 2/26/09
(Clerk) (Date)



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

February 26, 2009

Mr. Daniel Moffett, Plant Manager
Gainesville Regional Utilities
P.O. Box 147117 (A136)
Gainesville, FL 32614-7117

Re: Project No. 0010006-009-AC
Revision of Previous Air Permit No. 0010006-005-AC
Gainesville Regional Utilities, Deerhaven Generating Station
Superheater Replacement Revision

Dear Mr. Moffett:

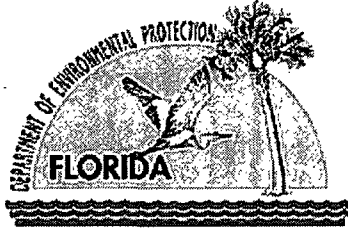
On February 25, 2009, you submitted an application requesting authorization to replace the superheater on coal-fired Unit 2 at the existing Deerhaven Generating Station. This facility is located in Alachua County at 10001 NW 13th Street in Gainesville, Florida. The project will revise existing Air Permit No. 0010006-005-AC, which authorized installation of the air quality control system on Unit 2. Enclosed are the following documents: the Technical Evaluation and Preliminary Determination; the Draft Permit Revision; the Written Notice of Intent to Issue Air Permit; and the Public Notice of Intent to Issue Air Permit. 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

TLV/jfk



**TECHNICAL EVALUATION
&
PRELIMINARY DETERMINATION**

APPLICANT

Gainesville Regional Utilities
P.O. Box 147117 (A136)
Gainesville, FL 32614-7117

Deerhaven Generating Station
Facility ID No. 0010006

PROJECT

Project No. 0010006-009-AC
Application to Revise Air Permit No. 0010006-005-AC
Superheater Replacement Revision

COUNTY

Alachua County, Florida

PERMITTING AUTHORITY

Florida Department of Environmental Protection
Division of Air Resource Management
Bureau of Air Regulation
New Source Review Section
2600 Blair Stone Road, MS#5505
Tallahassee, Florida 32399-2400

February 26, 2009

1. GENERAL PROJECT INFORMATION

Air Pollution Regulations

Projects at stationary sources with the potential to emit air pollution are subject to the applicable environmental laws specified in Section 403 of the Florida Statutes (F.S.). The statutes authorize the Department of Environmental Protection (Department) to establish regulations regarding air quality as part of the Florida Administrative Code (F.A.C.), which includes the following applicable chapters: 62-4 (Permits); 62-204 (Air Pollution Control – General Provisions); 62-210 (Stationary Sources – General Requirements); 62-212 (Stationary Sources – Preconstruction Review); 62-213 (Operation Permits for Major Sources of Air Pollution); 62-296 (Stationary Sources - Emission Standards); and 62-297 (Stationary Sources – Emissions Monitoring). Specifically, air construction permits are required pursuant to Rules 62-4, 62-210 and 62-212, F.A.C.

In addition, the U. S. Environmental Protection Agency (EPA) establishes air quality regulations in Title 40 of the Code of Federal Regulations (CFR). Part 60 specifies New Source Performance Standards (NSPS) for numerous industrial categories. Part 61 specifies National Emission Standards for Hazardous Air Pollutants (NESHAP) based on specific pollutants. Part 63 specifies NESHAP based on the Maximum Achievable Control Technology (MACT) for numerous industrial categories. The Department adopts these federal regulations on a quarterly basis in Rule 62-204.800, F.A.C.

Glossary of Common Terms

Because of the technical nature of the project, the permit contains numerous acronyms and abbreviations, which are defined in Appendix A of this permit.

Facility Description and Location

Gainesville Regional Utilities operates the Deerhaven Generating Station, an existing coal-fired power plant that is categorized under Standard Industrial Classification Code No. 4911. The existing facility is located in Alachua County at 10001 NW 13th Street in Gainesville, Florida. The UTM coordinates are: Zone 17; 365.7 km E; 3292.6 km N. This site is in an area that is in attainment (or designated as unclassifiable) for all air pollutants subject to state and federal Ambient Air Quality Standards (AAQS).

Facility Regulatory Categories

- The facility is a major source of hazardous air pollutants (HAP).
- The facility operates units subject to the acid rain provisions of the Clean Air Act.
- The facility is a Title V major source of air pollution in accordance with Chapter 213, F.A.C.
- The facility is a major stationary source in accordance with Rule 62-212.400, F.A.C. for the Prevention of Significant Deterioration (PSD) of Air Quality.

Project Description

On February 25, 2009, the Department received an application to revise Air Permit No. 0010006-005-AC, which was issued on February 27, 2007 to install an air quality control system on Unit 2 primarily consisting of a new selective catalytic reduction system, a new dry flue gas desulfurization system and a new baghouse. In addition, the original project authorized a steam turbine upgrade to improve the unit efficiency. As the actual construction took place, it became necessary to also replace the superheater during the scheduled outage in March of 2009. The replacement will be with like-kind components, have the same surface area, use the same size and grade of tubing and have the same shape as the original. The replacement will not change the combustion characteristics of the boiler, increase maximum steam production or cause an increase in capacity utilization for the base-loaded unit.

The applicant requests authorization to replace the existing superheater as described. The applicant contends that the superheater replacement project will not result in any emissions increases; therefore, it is not necessary to

TECHNICAL EVALUATION AND PRELIMINARY DETERMINATION

revise the original comparison of projected actual emissions to baseline actual emissions. Emissions of most pollutants from the overall project are expected to decrease because the primary purpose is to install new air pollution control equipment.

2. PSD APPLICABILITY

General PSD Applicability

For areas currently in attainment with the state and federal AAQS or areas otherwise designated as unclassifiable, the Department regulates major stationary sources of air pollution in accordance with Florida's PSD preconstruction review program as defined in Rule 62-212.400, F.A.C. Under preconstruction review, the Department first must determine if a project is subject to the PSD requirements ("PSD applicability review") and, if so, must conduct a PSD preconstruction review. A PSD applicability review is required for projects at new and existing major stationary sources. In addition, proposed projects at existing minor sources are subject to a PSD applicability review to determine whether potential emissions *from the proposed project itself* will exceed the PSD major stationary source thresholds. A facility is considered a major stationary source with respect to PSD if it emits or has the potential to emit:

- 5 tons per year or more of lead;
- 250 tons per year or more of any regulated air pollutant; or
- 100 tons per year or more of any regulated air pollutant and the facility belongs to one of the following 28 PSD-major facility categories: fossil fuel-fired steam electric plants of more than 250 million British thermal units per hour heat input, coal cleaning plants (with thermal dryers), Kraft pulp mills, portland cement plants, primary zinc smelters, iron and steel mill plants, primary aluminum ore reduction plants, primary copper smelters, municipal incinerators capable of charging more than 250 tons of refuse per day, hydrofluoric, sulfuric, and nitric acid plants, petroleum refineries, lime plants, phosphate rock processing plants, coke oven batteries, sulfur recovery plants, carbon black plants (furnace process), primary lead smelters, fuel conversion plants, sintering plants, secondary metal production plants, chemical process plants, fossil fuel boilers (or combinations thereof) totaling more than 250 million British thermal units per hour heat input, petroleum storage and transfer units with a total storage capacity exceeding 300,000 barrels, taconite ore processing plants, glass fiber processing plants and charcoal production plants.

Once it is determined that a project is subject to PSD preconstruction review, the project emissions are compared to the "significant emission rates" defined in Rule 62-210.200, F.A.C. for the following pollutants: carbon monoxide (CO); nitrogen oxides (NO_x); sulfur dioxide (SO₂); particulate matter (PM); particulate matter with a mean particle diameter of 10 microns or less (PM₁₀); volatile organic compounds (VOC); lead (Pb); fluorides (Fl); sulfuric acid mist (SAM); hydrogen sulfide (H₂S); total reduced sulfur (TRS), including H₂S; reduced sulfur compounds, including H₂S; municipal waste combustor organics measured as total tetra- through octa-chlorinated dibenzo-p-dioxins and dibenzofurans; municipal waste combustor metals measured as particulate matter; municipal waste combustor acid gases measured as SO₂ and hydrogen chloride (HCl); municipal solid waste landfills emissions measured as non-methane organic compounds (NMOC); and mercury (Hg). In addition, significant emissions rate also means any emissions rate or any net emissions increase associated with a major stationary source or major modification which would construct within 10 kilometers of a Class I area and have an impact on such area equal to or greater than 1 µg/m³, 24-hour average.

If the potential emission exceeds the defined significant emissions rate of a PSD pollutant, the project is considered "significant" for the pollutant and the applicant must employ the Best Available Control Technology (BACT) to minimize the emissions and evaluate the air quality impacts. Although a facility or project may be *major* with respect to PSD for only one regulated pollutant, it may be required to install BACT controls for several "significant" regulated pollutants.

TECHNICAL EVALUATION AND PRELIMINARY DETERMINATION

PSD Applicability for Project

As previously mentioned, replacing the superheater does not alter the original analysis for the air quality control system project. The following table shows the PSD applicability analysis presented with the original air project.

Table A. Predicted Emissions Changes, Tons/Year (TPY) and PSD Applicability

Pollutant	Project Change in Emissions (TPY)	Significant Emissions Rate (TPY)	Subject To PSD?
CO	No change	100	No
Fl	-28	3	No
Hg	-0.03	0.1	No
NO _x	-3262	40	No
PM	-166	25	No
PM ₁₀	-80	15	No
SAM	-68	7	No
SO ₂	-7139	40	No
VOC	No change	40	No

As shown in the above table, total project emissions are expected to decrease and will not exceed the PSD significant emissions rates. Therefore, the project is not subject to PSD preconstruction review.

3. DEPARTMENT REVIEW

The Department reviewed the following sets of operational data to ensure that the superheater replacement project will not regain lost capacity.

- Excerpts of continuous monitoring data collected from September 1, 2008 through February 19, 2009 show that Unit is capable of sustained operation at permitted capacity based on the maximum heat input rate (2428 MMBtu/hour) as well as generating capacity (238.5 MW).
- Excerpts of continuous monitoring data collected from September 1, 2008 through February 19, 2009 show compliance with the current emissions standards for sulfur dioxide (1.2 lb/MMBtu) and nitrogen oxides (0.70 lb/MMBtu for coal).
- Data collected during a stack test conducted on June 23, 2008 demonstrated compliance with the current emissions standards for opacity (20%), particulate matter (0.1 lb/MMBtu), sulfur dioxide and nitrogen oxides.

Based on the information provided and statements made by the applicant, the Department agrees that the superheater replacement project will not regain lost capacity. Therefore, the project will not result in increased emissions due to increased capacity utilization.

4. PRELIMINARY DETERMINATION

The Department makes a preliminary determination to revise the existing permit to also authorize replacement of the superheater. The project remains a minor source air construction permit. This determination is based on a technical review of the complete application, reasonable assurances provided by the applicant, and the conditions specified in the draft permit. No air quality modeling analysis is required because the project does not result in a significant increase in emissions. Jeff Koerner is the project engineer responsible for reviewing the application and drafting the permit. Additional details of this analysis may be obtained by contacting the project engineer at the Department's Bureau of Air Regulation at Mail Station #5505, 2600 Blair Stone Road, Tallahassee, Florida 32399-2400.

PUBLIC NOTICE OF INTENT TO ISSUE AIR PERMIT

Florida Department of Environmental Protection
Division of Air Resource Management, Bureau of Air Regulation
Draft Air Construction Permit Revision
Project No. 0010006-009-AC
Gainesville Regional Utilities, Deerhaven Generating Station
Alachua County, Florida

Applicant: The applicant for this project is Gainesville Regional Utilities. The applicant's authorized representative and mailing address is: Mr. Daniel Moffett, Plant Manager, Gainesville Regional Utilities, Deerhaven Generating Station, P.O. Box 147117 (A136), Gainesville, FL 32614-7117.

Facility Location: Gainesville Regional Utilities operates the existing Deerhaven Generating Station, which is located in Alachua County at 10001 NW 13th Street in Gainesville, Florida.

Project: This project will revise previous Air Permit No. 0010006-005-AC for the Deerhaven Generating Station, which authorized installation of an air quality control system on Unit 2. During construction, the applicant determined that it was necessary to replace the superheater and submitted an application to do this in the scheduled March 2009 outage. The replacement will be with like-kind components, have the same surface area, use the same size and grade of tubing and have the same shape as the original. The replacement will not change the combustion characteristics of the boiler, increase maximum steam production or cause an increase in capacity utilization for the base-loaded unit. The replacement will not regain any lost capacity for Unit 2. No emissions increases are expected due to the revision; therefore, the project is not subject to PSD preconstruction review.

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 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 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: <http://www.dep.state.fl.us/air/eproducts/apds/default.asp>.

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

(Public Notice to be Published in the Newspaper)

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.

DRAFT

NOTICE OF PERMIT REVISION

In the Matter of an
Application for Permit by:

Gainesville Regional Utilities
P.O. Box 147117 (A136)
Gainesville, FL 32614-7117

Air Permit No. 0010006-009-AC
Deerhaven Generating Station
Superheater Replacement Revision
Alachua County, Florida

Authorized Representative
Mr. Daniel Moffett, Plant Manager

Gainesville Regional Utilities operates the Deerhaven Generating Station, an existing coal-fired power plant that is categorized under Standard Industrial Classification Code No. 4911. The existing facility is located in Alachua County at 10001 NW 13th Street in Gainesville, Florida. This project revises original Air Permit No. 0010006-005-AC, which authorized installation of an air quality control system on Unit 2. This permit revision authorizes replacement of the superheater on existing Unit 2. A copy of this letter shall be filed with the referenced permit and shall become part of the permit. This permit modification is issued pursuant to Chapter 403, Florida Statutes.

Any party to this order has the right to seek judicial review of it under Section 120.68 of the Florida Statutes 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

(DRAFT)

Joseph Kahn, Director
Division of Air Resource Management

(Date)

TLV/jfk

DRAFT PERMIT REVISION

CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that either this Notice of Final Air Permit Revision (including the Final Air Permit Revision and Final Determination), or a link to these documents available electronically on a publicly accessible server, was sent by electronic mail with received receipt requested to the persons listed below.

- Mr. Daniel Moffett, Plant Manager, GRU (moffettw@gru.com)
- Mr. Robert Klemans, GRU (klemensrw@gru.com)
- Mr. Tom Davis, ECT (tdavis@ectinc.com)
- Mr. Chris Kirts, NED (christopher.kirts@dep.state.fl.us)
- Mr. Mike Halpin, DEP Siting Office (mike.halpin@dep.state.fl.us)
- Ms. Kathleen Forney, EPA Region 4 (forney.kathleen@epa.gov)
- Ms. Heather Abrams, EPA Region 4 (abrams.heather@epamail.epa.gov)
- Ms. Vickie Gibson, DEP BAR Reading File (victoria.gibson@dep.state.fl.us)

Clerk Stamp

FILED 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)

(Date)

DRAFT PERMIT REVISION

This permit action revises original Permit No. 0010006-005-AC.

The following permit conditions are revised as follows. Deleted text is marked by ~~strike through~~ and new text is marked with double underline. All other conditions are unchanged and the affected emissions units remain subject to the applicable requirements.

Under the “Project Description” in Section 1, the 3rd paragraph is revised as follows:

“The Unit 2 steam turbine may be refurbished by replacing the high- and intermediate- pressure rotor along with the associated stationary elements. In addition, the superheater may be replaced with like-kind components having approximately the same surface area and shape as the original equipment. Unit 2 is currently fired with low sulfur eastern bituminous coal. Following installation and operation of the new controls, Unit 2 will be capable of firing a variety of eastern bituminous coal blend, including medium sulfur coal (up to 2.5 weight percent sulfur), and still comply with the New Source Performance Standards in 40 CFR 60, Subpart D. There will be no changes to the existing electrical generator (i.e., no expansion in steam generating capability) and no increase in maximum heat input to the boiler or steam flow capability of the turbine.”

Under Section 3, Specific Condition No. 1 is revised as follows:

“Permit Determination: This permit authorizes a steam turbine upgrade, replacement of the superheater and the installation of SCR, CDS and baghouse systems for Unit 2. Unless otherwise specified, these conditions are in addition to all existing applicable permit conditions and regulatory requirements specified in the current Title V Operation Permit (No. 0010006-003-AV). [Rule 62-4.070(3), F.A.C.]

Walker, Elizabeth (AIR)

From: Tom Davis [tdavis@ectinc.com] **Sent:** Thu 2/26/2009 6:29 PM
To: Walker, Elizabeth (AIR)
Cc: Robert W. Klemans (klemansrw@gru.com)
Subject: RE: GRU-DEERHAVEN GENERATING STATION/0010006-009-AC
Attachments:

Elizabeth,

I have received and can view the documents provided.

Thanks.

From: Walker, Elizabeth (AIR) [mailto:Elizabeth.Walker@dep.state.fl.us]
Sent: Thursday, February 26, 2009 4:48 PM
To: moffettw@gru.com
Cc: klemansrw@gru.com; Tom Davis; Kirts, Christopher; Halpin, Mike; Forney.Kathleen@epamail.epa.gov; abrams.heather@epamail.epa.gov; Gibson, Victoria; Koerner, Jeff
Subject: GRU-DEERHAVEN GENERATING STATION/0010006-009-AC

Dear Sir/ Madam:

Attached is the official **Notice of Intent to Issue** for the project referenced below. Click on the link displayed below to access the permit project documents and send a "reply" message verifying receipt of the document(s) provided in the link; this may be done by selecting "Reply" on the menu bar of your e-mail software, noting that you can view the documents, and then selecting "Send".

Note: We must receive verification that you are able to access the documents. Your immediate reply will preclude subsequent e-mail transmissions to verify accessibility of the document(s).

Click on the following link to access the permit project documents:

http://ARM-PERMIT2K.dep.state.fl.us/adh/prod/pdf_permit_zip_files/0010006.009.AC.D_pdf.zip

Owner/Company Name: CITY OF GAINESVILLE, GRU
Facility Name: DEERHAVEN GENERATING STATION
Project Number: 0010006-009-AC
Permit Status: DRAFT
Permit Activity: CONSTRUCTION
Facility County: ALACHUA

Processor: Jeff Koerner, P.E.

The Bureau of Air Regulation is issuing electronic documents for permits, notices and other correspondence in lieu of hard copies through the United States Postal System, to provide greater service to the applicant and the engineering community. Access these documents by clicking on the link provided above, or search for other project documents using the "Air Permit Documents Search" website at <http://www.dep.state.fl.us/air/eproducts/apds/default.asp>.

Permit project documents that are addressed in this email may require immediate action within a specified time frame. Please open and review the document(s) as soon as possible, and verify that they are accessible. Please advise this office of any changes to your e-mail address or that of the Engineer-of-Record. If you have any problems opening the documents or would like further information, please contact the Florida Department of Environmental Protection, Bureau of Air Regulation.

Elizabeth Walker

Walker, Elizabeth (AIR)

From: Klemans, Robert W [KLEMANSRW@gru.com] **Sent:** Fri 2/27/2009 8:02 AM
To: Walker, Elizabeth (AIR)
Cc:
Subject: RE: GRU-DEERHAVEN GENERATING STATION/0010006-009-AC
Attachments:

Everything is viewable.

Thanks!

Rob

Robert W. Klemans, PE

Supervising Utility Engineer

Gainesville Regional Utilities

P.O. Box 147114, Station A136

Gainesville, Florida 32614-7117

work - 352-393-1283

fax - 352-334-3151

cell - 352-317-0684

From: Walker, Elizabeth (AIR) [mailto:Elizabeth.Walker@dep.state.fl.us]
Sent: Thursday, February 26, 2009 4:48 PM
To: moffettw@gru.com
Cc: Klemans, Robert W; Tom Davis; Kirts, Christopher; Halpin, Mike; Forney.Kathleen@epamail.epa.gov; abrams.heather@epamail.epa.gov; Gibson, Victoria; Koerner, Jeff
Subject: GRU-DEERHAVEN GENERATING STATION/0010006-009-AC

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