

December 14, 2011

Mr. Jonathan Holtom, P.E.
Administrator, Bureau of Air Regulation
Florida Department of Environmental Protection
2600 Blair Stone Road, MS 5505
Tallahassee, FL 32399-2400

Re: Gainesville Regional Utilities
Deerhaven Generating Station
Construction Permit Extensions

Dear Mr. Holtom:

I am writing this letter pursuant to our telephone conversations on December 12 and 13, 2011. During those conversations we discussed extending the expiration dates of three specific permits; 0010006-005-AC, 0010006-012-AC, and 0010006-014-AC.

0010006-005-AC – Installation of Air Quality Control Systems

The original expiration date of September 13, 2011 was extended on January 14, 2011 through a document titled 0010006-012-AC. Currently this permit expires on September 30, 2012. This was done to allow for the delayed installation of the steam turbine upgrade and boiler reheat improvements during the fall 2011 outage recently completed. Unfortunately, due to material delivery issues, the boiler reheat modifications were not able to be completed. They are currently scheduled for the fall 2012 outage. Therefore GRU requests an extension of the September 30, 2012 expiration date to March 30, 2013 to allow for the completion of the boiler reheat modifications.

0010006-012-AC – NO_x and SO₂ Emissions Caps for Unit 2

This permit was issued to assure there would be no net increases in NO_x and SO₂ emissions when also considering increases from the currently under construction collocated woody biomass-fueled project for the Gainesville Renewable Energy Center (GREC). The current expiration date of the construction permit is December 31, 2011. As we discussed, it is more appropriate for the expiration date to be closer to the actual operating date of GREC since the emissions caps on Deerhaven Unit 2 are null and void if GREC does not go into operation. Therefore, GRU requests that the expiration date be extended to December 31, 2013.

0010006-014-AC – Low NO_x Burner for Unit 2

This permit was issued in March of 2011 with the assumption that the installation would be completed by the end of April 2011. The burner installation was begun, but due to a design problem, a

Mr. Jonathan Holtom, P.E.
December 14, 2011
Page 2

component of the burners that allows for tuning of each individual burner was found to be faulty. This caused severe binding of the adjustable part of the burner. Since it would take some time to design a corrective action, the unit was restarted and the installation of the redesign parts was scheduled for the fall 2011 outage. This outage was recently completed with the installation of the redesigned components thus completing the installation of the Low NO_x Burners. With a permit expiration date of March 2012, there is not sufficient time to apply for incorporation of the applicable conditions of the construction permit into the Title V Permit. Therefore, GRU requests an extension of the expiration date to August 31, 2012.

As we discussed, GRU intends to file for modification of the Title V Permit, 0010006-010-AV, sometime in the first quarter of 2012 to incorporate the activities authorized by the various construction permits detailed above

If you have any questions, please do not hesitate to contact me by phone at (352) 393-1283, by e-mail at klemansrw@gru.com or at the address at the bottom of the first page.

Sincerely,



Robert W. Klemans, P.E.
Supervising Utility Engineer

RWK

cc: E. Regan
J. Stanton
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M. Rutter
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file: Deerhaven Title V Permits