



Florida Department of Environmental Protection

Bob Martinez Center
2600 Blair Stone Road, MS#5505
Tallahassee, Florida 32399-2400

Rick Scott
Governor

Jennifer Carroll
Lt. Governor

Herschel T. Vinyard Jr.
Secretary

Sent by Electronic Mail – Received Receipt Requested

John W. Stanton, Assistant General Manager
Gainesville Regional Utilities (GRU)
Post Office Box 147117 (A132)
Gainesville, Florida 32614

Re: Extension of Air Construction Permit Expiration Dates
GRU Deerhaven Generating Station
Project No. 0010006-015-AC
Extension of Air Permits Nos. 0010006-005-AC, 0010006-012-AC, and 0010006-014-AC

Dear Mr. Stanton:

This action extends the expiration dates of three previously issued air construction permits for existing Unit 2, a 251 MW steam generator fired primarily with coal, which is located at the Deerhaven Generating Station.

Construction permit No. 0010006-005-AC authorized a steam turbine upgrade and boiler reheat improvements to Unit 2, but due to material delivery issues, the boiler reheat modifications were not able to be completed according to the original schedule. Additional time is needed in order to complete the modifications to the boiler reheat section.

Construction permit No. 0010006-012-AC was established enforceable emissions limits for nitrogen oxides (NO_x) and sulfur dioxide (SO₂) for Unit 2 to assure there would be no net increases in NO_x and SO₂ emissions when also considering increases from the collocated woody biomass-fueled project for the Gainesville Renewable Energy Center (GREC), which is currently under construction. The current expiration date of this construction permit is December 31, 2011. The request is to extend 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.

Construction permit No. 0010006-014-AC was issued in March of 2011 based on a preliminary schedule that the installation of low-NO_x burners on Unit 2 would be complete by the end of April 2011. The burner installation has begun, but due to a design problem, a component of the burners that allows for tuning each individual burner was found by GRU staff to be faulty. Since additional time was needed to design a corrective action, the unit was restarted and the installation of the redesigned 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; however additional time is needed to submit an application to revise the Title V air operation permit.

Based on the circumstances and information provided, the Department approves these requests as indicated below.

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 Department of Environmental Protection's Office of Permitting and Compliance is the Permitting Authority responsible for making a determination for this project. The Permitting Authority's physical address is: 111 South Magnolia Drive, Suite #4, 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.

EXTENSION OF AIR CONSTRUCTION PERMITS

Determination: The expiration dates are hereby extended as follows: Permit Nos. 0010006-005-AC and 0010006-012-AC are extended to **December 31, 2013**; and Permit No. 0010006-014-AC is hereby extended to **December 31, 2012**. This permitting action does not authorize any new construction that has not been approved in the original air construction permits cited above. A copy of this letter shall be filed with the referenced permits and shall become part of the permits. This permitting decision is issued pursuant to Chapter 403, Florida Statutes.

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 must be filed within 14 days of receipt of this permit extension. 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. 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 Department 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 Department.

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.

EXTENSION OF AIR CONSTRUCTION PERMITS

Executed in Tallahassee, Florida
Electronically Signed

CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this Extension of Air Construction Permits 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 the date indicated below to the following persons.

John Stanton, RO for GRU (stantonjw@gru.com)
Robert W Klemans, P.E., GRU (klemansrw@gru.com)
Rita Felton-Smith, DEP NE District (rita.felton-smith@dep.state.fl.us)
Cindy Mulkey, DEP Siting Office (cindy.mulkey@dep.state.fl.us)
Kathleen Forney, EPA Region 4 (forney.kathleen@epa.gov)
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Anne Harvey, Earthjustice (aharvey@earthjustice.org)
Barbara Friday, DEP OPC (barbara.friday@dep.state.fl.us) (for posting with U.S. EPA, Region 4)
Lynn Searce, DEP OPC (lynn.searce@dep.state.fl.us) (for reading file)

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.