Michael P. Bist Garvin B. Bowden\* Benjamin B. Bush David S. Dee Erin W. Duncan Charles R. Gardner John T. LaVia, III Murray M. Wadsworth\*\*

#### 1300 Thomaswood Drive Tallahassee, Florida 32308

www.gbwlegal.com

Facsimile 850.385.5416 Murray M. Wadsworth, Jr. Bruce I. Wiener\* Wendy Russell Wiener D. Bedford Wilder Robert Scheffel "Schef" Wright

\*Board Certified Real Estate Lawyer

\*\*Of Counsel

May 15, 2014

Mr. Jeff Koerner, P.E.
Administrator
Florida Department of Environmental Protection
Division of Air Resource Management
Office of Permitting and Compliance
2600 Blair Stone Road, MS 5500
Tallahassee, Florida 32399-2400

Telephone

850.385.0070

Re: Gainesville Renewable Energy Center Permit Nos. 0010131-004-AV and 0010131-003-AC (PSD-FL-411B)

#### Dear Mr. Koerner:

On April 29, 2014, the Florida Department of Environmental Protection ("Department") provided notice to Gainesville Renewable Energy Center, LLC ("GREC"), that the Department intends to issue a revision to the Air Construction Permit for the GREC facility, as well as an initial Title V Air Operation Permit for the GREC facility. The notice indicates that the Department will accept written comments concerning the draft Air Construction Permit for fourteen (14) days and will accept written comments concerning the draft Title V Air Operation Permit for a period of thirty (30) days. Accordingly, GREC is submitting the following comments concerning these two permits.

On March 25, 2011, GREC submitted a letter that requested the Department to make certain changes to the PSD permit for the GREC facility. On April 4, 2011, the Department issued a letter indicating that the proposed changes should be handled during the "post-construction and Title V permit application stage." Copies of these two letters are attached.

On behalf of GREC, I respectfully request the Department to revise GREC's Air Construction Permit and the initial Title V

Mr. Jeff Koerner, P.E. May 15, 2014 Page 2

Permit in accordance with the provisions in GREC's letter dated March 25, 2011.

Please feel free to contact me if you have any questions about this request.

Sincerely,

David S. Dee

Attachments

cc: David Read, FDEP
 Len Fagan, GREC
 Bill Karl, ECT

# YOUNG VAN ASSENDERP, P.A.

#### ATTORNEYS AT LAW

Attorneys:

David S. Dee Ronald A. Labasky John T. LaVia, III Timothy R. Qualls Kenza van Assenderp Robert Scheffel Wright Roy C. Young Gallie's Hall
225 South Adams Street
Suite 200
Post Office Box 1833
(ZIP 32302-1833)

Telephone (850) 222-7206 Telecopier (850) 561-6834

Tallahassee, Florida 32301

March 25, 2011

Of Counsel Attorneys:

Joseph W. Landers, Jr. Philip S. Parsons

Trina L. Vielhauer, Chief Bureau of Air Regulation Florida Department of Environmental Protection Bob Martinez Center 2600 Blair Stone Road, MS 5500 Tallahassee, Florida 32399-2400

Re: Gainesville Renewable Energy Center

DEP Air Permit No. 0010131-001-AC (PSD-FL-411)

Dear Mrs. Vielhauer:

On December 28, 2010, the Department of Environmental Protection ("Department" or "FDEP") issued a final air construction permit (the "PSD Permit") that authorizes the construction of the Gainesville Renewable Energy Center ("Project"). On behalf of Gainesville Renewable Energy Center, LLC ("GREC"), I am sending you this letter to formally request the Department to revise the PSD Permit in the manner described below.

# I. Settlement of Appeal Concerning PSD Permit

GREC recently entered into a settlement agreement ("Agreement") with various individuals ("Appellants") that had been challenging the issuance of the permits and approvals for the Project, including the PSD Permit. In the Agreement, GREC agreed to request the Department to revise the PSD Permit in accordance with the terms in the Agreement. The relevant excerpts from the Agreement are quoted in

Sections A and B, below. Section A describes GREC's obligation to request modifications to the PSD Permit. Section B describes the proposed modifications to the PSD Permit.

### A. GREC's Obligation To Request Modifications To PSD Permit

- 1.24. Proposed Modifications to PSD Permit.
  GREC shall request FDEP to modify the PSD Permit in accordance with the provisions in Sections 1.2, 1.3, 1.5, 1.7, 1.8, 1.9, and 1.10 of this Agreement within thirty (30) days of the Effective Date. If a third party files a petition for an administrative hearing to challenge GREC's request for a modification, GREC shall have the right to withdraw its request from FDEP. If GREC exercises this right, GREC shall nonetheless comply with the requirements contained in the proposed modification to the PSD Permit, and Appellants shall have the right to enforce such requirements pursuant to this Agreement.
- 1.16. PSD Permit Requirements. The requirements of this Agreement between GREC and Appellants which are, pursuant to this Agreement, to be incorporated into the PSD Permit will take effect via the PSD Permit when the PSD Permit is modified to incorporate those provisions. Whether or not FDEP declines to approve a PSD Permit modification that fully incorporates any of these provisions into the PSD permit issued to GREC by FDEP, or fails to do so within forty-five (45) days of the Effective Date, such requirements of this Agreement will nonetheless take effect upon the Effective Date and be enforceable as a material contract term of the Parties' Agreement.

#### B. Proposed Modifications To The PSD Permit

1.2. CEMS Data and Reports. GREC shall install, operate and maintain continuous emissions monitoring systems ("CEMS") at the Project for the bubbling fluidized bed (BFB) boiler. GREC shall make the CEMS

<sup>&</sup>lt;sup>1</sup> The paragraph numbers in Sections A and B refer to the paragraph numbers used in the Agreement.

> monitoring data available for review by the Appellants and the public within seven (7) days after the CEMS reports are prepared. The CEMS reports will be prepared on at least a quarterly basis, pursuant to the requirements of FDEP. Upon request, FDEP, the Alachua County Environmental Protection Department ("ACEPD"), and the United States Environmental Protection Agency ("EPA") may inspect the CEMS monitoring data at the GREC facility site in real time. The CEMS reports, including all of the back-up hour-by-hour daily CEMS data summaries that were used in preparing the quarterly reports, shall be made available for public inspection, during normal business hours, starting within thirty-seven (37) days after the first quarter of certified CEMS operation, at the Project site or another location in Alachua County. The CEMS reports, the daily CEMS data summaries, and all of the other CEMS data stored by GREC after the completion of the requisite quality assurance/quality control ("QA/QC") review processes, shall be provided to the public in an electronic format (e.g., compact disk ("CD") or digital video disk ("DVD")), upon request, at the Project site or another location in Alachua County. The Project's operating records shall be available for inspection on-site by the ACEPD. GREC shall request FDEP to modify the PSD Permit in accordance with this Section 1.2. GREC shall allow ACEPD to observe the on-site Project computer monitors that receive the real time data feed from the CEMS.

1.3. ACEPD Inspections. GREC shall give ACEPD access to the Project site for the purpose of determining whether GREC is in compliance with GREC's Conditions of Certification and the PSD Permit, as well as the terms of this Agreement. Among other things, the ACEPD may conduct surveys for protected wildlife species; inspect the biomass fuel; inspect and sample environmental media; review the Project's monitoring data; and inspect the Project's boiler and air pollution control systems. The inspections by ACEPD may be conducted at any reasonable time selected by ACEPD, after giving reasonable notice to GREC. When ACEPD conducts its inspections, ACEPD's employees may be accompanied by consultants (other than Appellants)

> who have been selected by ACEPD to assist ACEPD with its inspections of the Project and who are deemed by the ACEPD to have the necessary professional education, training, or other qualifications. ACEPD, its employees and its consultants shall: (i) comply with GREC's health and safety procedures that are required by law or permit or are reasonable while conducting inspections or other activities on the GREC site; (ii) not unreasonably interfere with the operation of the Project; and (iii) maintain the confidentiality of any information obtained during such inspections that is legally protected as confidential, proprietary or trade secret. ACEPD shall have no right under this Agreement to inspect GREC's financial or personnel records. GREC shall request FDEP to modify the PSD Permit in accordance with this Section 1.3. If the PSD Permit has not been modified in accordance with this Section 1.3 by the time GREC is ready to clear the Project site, GREC shall nonetheless give ACEPD at least ten (10) days advance notice before GREC clears the Project site, and GREC shall allow ACEPD to inspect the Project site in accordance with the requirements in this Section GREC shall provide thirty (30) days' advance notice to ACEPD before GREC conducts stack tests at the Project.

- 1.5. MACT Requirements. GREC shall comply with any new MACT requirements that are promulgated by U.S. EPA and are applicable to the Project. GREC will comply with the MACT requirements that are imposed by EPA on the Project, regardless of whether EPA considers the Project as a stand-alone facility or whether EPA considers the Project as a component of the GRU Deerhaven facility. GREC agrees that the Project shall be subject to and shall comply with EPA's national MACT standards for a major source under either the EPA rules for Industrial Boilers or for Utility Boilers, whichever is applicable to the Project based on the language of EPA's rules. GREC shall request FDEP to modify the PSD Permit in accordance with this Section 1.5.
  - 1.7. Dioxin Emission Limit. GREC shall comply

with an emission limit for "dioxin" (polychlorinated dibenzo-p-dioxins and furans) from the Project's BFB boiler. Specifically, GREC shall comply with a dioxin emission limit of 0.15 toxic equivalent nanograms per dry standard cubic meter at 7% oxygen (0.15 TEQ ng/dscm @ 7% 02), the emission limit that FDEP previously proposed for a biomass facility in Port St. Joe, Florida. GREC shall request FDEP to modify the PSD Permit in accordance with this Section 1.7.

- Initial Stack Test for Dioxin. conduct an initial compliance test for dioxin emissions in stack gases from the Project's BFB boiler. The initial compliance test shall be conducted by an independent third party hired by GREC and it shall be performed in accordance with the applicable EPA Reference Test Methods. ACEPD, including any qualified professional consultant hired by ACEPD (other than the Appellants), may attend and observe the stack test. The test methods used and the test results will be provided to FDEP and ACEPD. The initial compliance test for dioxin shall be conducted at or promptly after the time when GREC conducts the initial compliance tests for other parameters pursuant to the PSD Permit. GREC shall request FDEP to modify the PSD Permit in accordance with this Section 1.8.
- Annual Stack Tests for Dioxin. GREC shall conduct annual stack tests for dioxin from the Project's BFB boiler. The annual tests will be conducted by an independent third party hired by GREC and they shall be performed in accordance with the applicable EPA Reference Test Methods. ACEPD, including any qualified professional consultant hired by ACEPD (other than the Appellants), may attend and observe the annual stack tests. The test methods used and the test results shall be provided to FDEP and ACEPD. The annual stack tests for dioxin shall be conducted at or promptly after the time when GREC conducts the annual stack tests for other parameters pursuant to the PSD Permit. GREC shall request FDEP to modify the PSD Permit in accordance with this Section 1.9.

> 1.10. Annual Stack Tests for PM2.5. GREC shall conduct annual stack tests for PM2.5 emissions from the Project's BFB Boiler. The annual tests will be conducted by an independent third party hired by GREC and they shall be performed in accordance with the applicable EPA Reference Test Methods. ACEPD, including any qualified professional consultant hired by ACEPD (other than the Appellants), may attend and observe the annual stack tests. The test methods used and the test results will be provided to FDEP and ACEPD. The annual stack tests for PM2.5 will be conducted at or promptly after the time when GREC conducts the annual stack tests for other parameters pursuant to the PSD Permit. GREC shall request FDEP to modify the PSD Permit in accordance with this Section 1.10.

## II. GREC's Request To Modify PSD Permit Consistent With Agreement

GREC hereby requests the Department to modify the PSD Permit in a manner that is consistent with the provisions of the Agreement quoted in Section I.B., above. Please note that if any third party files a petition for an administrative hearing to challenge the modification of the PSD Permit, GREC may withdraw this request to modify the PSD Permit.

We look forward to working with the Department on the proposed changes to the PSD Permit. Please call me if you have any questions.

DIMOCICITY,

David S. Dee

Al Linero
Jack Chisolm
Josh Levine
Mick Harrison
Tom Davis



# Florida Department of Environmental Protection

Bob Martinez Center 2600 Blair Stone Road Tallahassee, Florida 32399-2400 Rick Scott Governor

Jennifer Carroll Lt. Governor

Herschel T. Vinyard Jr. Secretary

April 4, 2011

Electronically Sent - Received Receipt Requested

Mr. David S. Dee, Esq. Young Van Assenderp, P.A. 225 South Adams Street, Suite 200 Tallahassee, Florida 32301

Re: Gainesville Renewable Energy Center

DEP File Number: 0010131-001-AC (PSD-FL-411)

Dear Mr. Dee:

The Department received your requests to modify the permit recently issued to GREC to reflect a settlement agreement with petitioners regarding litigation and some minor changes regarding the type of sorbent used for sulfur dioxide control and the number of cells in the mechanical cooling tower.

The information you provided would be most appropriately and efficiently handled at the post-construction and Title V permit application stage.

Sincerely,

A.A. Linero, Program Administrator

Bureau of Air Regulation Special Projects Section 1-850-717-9076

AAL/aal

Cc: Mick Harrison, Esq. Jack Chisolm, Esq., DEP OGC Josh Levine

Tom Davis, P.E.