Department of Environmental Protection

Jeb Bush
Governor

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

David B. Struhs
Secretary

March 2, 2000

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. Gregg Worley, Chief
Preconstruction/HAP Section
Air, Radiation Technology Branch
US EPA Region IV
61 Forsyth Street
Atlanta, GA 30303

Re: PSD Review and Custom Fuel Monitoring Schedule
IPSAPC DeSoto Power Project
PSD-FL-284

Dear Mr. Worley:

Enclosed are two copies of the Department's Intent to Issue package for the IPSAPC DeSoto Power Project in DeSoto County. It will be a natural gas and oil-fired simple cycle facility consisting of three nominal 170-megawatt (MW) simple cycle combustion turbine-electrical generators.

Please provide your comments on the Draft BACT determination and Draft Permit. The project is not subject to the Florida's Power Plant Siting procedure because it will generate no electricity from steam.

Please send your written comments on or approval of the applicant's proposed custom fuel monitoring schedule. The plan is based on the letter dated January 16, 1996 from Region V to Dayton Power and Light. The Subpart GG limit on SO_2 emissions is 150 ppmvd @ 15% O_2 or a fuel sulfur limit of 0.8% sulfur. Neither of these limits could conceivably be violated by the use of pipeline quality natural gas with a sulfur limit of 1 grain per 100 standard cubic feet or by back-up fuel oil with a 0.05% sulfur content. The requirements have been incorporated into the enclosed draft permit as Specific Conditions 44 and 45 and read as follows:

44. Natural Gas Monitoring Schedule: A custom fuel monitoring schedule pursuant to 40 CFR 75 Appendix D for natural gas may be used in lieu of the daily sampling requirements of 40 CFR 60.334 (b)(2) provided the following requirements are met:

- The permittee shall apply for an Acid Rain permit within the deadlines specified in 40 CFR 72.30.
- The permittee shall submit a monitoring plan, certified by signature of the Designated Representative, that commits to using a primary fuel of pipeline supplied natural gas (sulfur content less than 20 gr/100 scf pursuant to 40 CFR 75.11(d)(2)).

- Each unit shall be monitored for SO_2 emissions using methods consistent with the requirements of 40 CFR 75 and certified by the USEPA.
- This custom fuel monitoring schedule will only be valid when pipeline natural gas is used as a primary fuel. If the primary fuel for these units is changed to a higher sulfur fuel, SO_2 emissions must be accounted for as required pursuant to 40 CFR 75.11(d).

45. Fuel Oil Monitoring Schedule: The following monitoring schedule for No. 2 or superior grade fuel oil shall be followed: For all bulk shipments of No. 2 fuel oil received at this facility an analysis which reports the sulfur content and nitrogen content of the fuel shall be provided by the fuel vendor. The analysis shall also specify the methods by which the analyses were conducted and shall comply with the requirements of 40 CFR 60.335(d).

Please comment on Specific Conditions 40 and 41 which allow the use of the acid rain NO_x CEMS for demonstrating compliance as well as reporting excess emissions, as well as Specific Condition 42 which allows the use of CEMS in lieu of measuring the water to fuel ratio. Typically NO_x emissions will be less than 9 ppmvd @15% O_2 (natural gas) which is less than one-tenth of the applicable Subpart GG limit based on the efficiency of the unit. A CEMS requirement is stricter and more accurate than any Subpart GG requirement for determining excess emissions.

The Department recommends your approval of the custom fuel monitoring schedule and these NO_x monitoring provisions. If you have any questions on these matters please contact me at 850/921-9523.

Sincerely,

A. A. Linero, P.E. Administrator
New Source Review Section

AAL/al

Enclosures

Z 031 391 872

US Postal Service
Receipt for Certified Mail
No Insurance Coverage Provided.
Do not use for International Mail *(See reverse)*

Sent to	Gregg Worley
Street & Number	EPA
Post Office, State, & ZIP Code	Atlanta GA
Postage	$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	$
Postmark or Date	3-3-00

PS Form **3800**, April 1995

0270016-001-AC
PSD-FL-284

Is your RETURN ADDRESS completed on the reverse side?

SENDER:
- Complete items 1 and/or 2 for additional services
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write *"Return Receipt Requested"* on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):
1. ☐ Addressee's Address
2. ☐ Restricted Delivery

Consult postmaster for fee.

3. Article Addressed to:
Gregg Worley, Chief
Air Radiation Tech Branch
US EPA Region IV
61 Forsyth St.
Atlanta, GA 30303

4a. Article Number
Z 031 391 872

4b. Service Type
☐ Registered ☒ Certified
☐ Express Mail ☐ Insured
☐ Return Receipt for Merchandise ☐ COD

7. Date of Delivery
3-6-00

5. Received By: *(Print Name)*

8. Addressee's Address *(Only if requested and fee is paid)*

6. Signature: *(Addressee or Agent)*
X

PS Form **3811**, December 1994 102595-98-B-0229 Domestic Return Receipt

Thank you for using Return Receipt Service.

Department of Environmental Protection

Jeb Bush
Governor

Marjory Stoneman Douglas Building
3900 Commonwealth Boulevard
Tallahassee, Florida 32399-3000

David B. Struhs
Secretary

February 11, 2000

Mr. Gregg Worley, Chief
Air, Radiation Technology Branch
Preconstruction/HAP Section
U.S. EPA – Region IV
61 Forsyth Street
Atlanta, Georgia 30303

Re: IPS 510 MW Simple Cycle Project
DEP File No. 0270016-001-AC (PSD-FL-284)

Dear Mr. Worley:

Enclosed for your review and comment is an application for the DeSoto Power Project in DeSoto County. This facility will be comprised of three nominal 170 MW GE PG7241FA combustion turbines operating in simple cycle mode, one fuel oil storage tank, and ancillary equipment. IPS proposes 3,390 hours of operation per unit. IPS requests up to 1000 hours of 0.05 percent sulfur No. 2 distillate fuel oil use per unit within the requested 3,390 hours.

The site is approximately 152 kilometers south-southeast of the Chassahowitzka National Wildlife Area. The applicant proposes NO_X emissions at 9 ppmvd on natural gas and 42 ppmvd on fuel oil with annual emissions as per the table below:

Pollutant	Proposed Facility Emissions (tons per year)
NO_X	756
SO_2	166
CO	259
PM/PM_{10}	61.4
VOC	34.4
SAM	25.4

The project is identical to the IPSAPC Shady Hills Project. Your comments can be forwarded to my attention at the letterhead address or faxed to me at (850) 922-6979. If you have any questions, please contact me at (850) 921-9523.

Sincerely,

A. A. Linero, P.E., Administrator
New Source Review Section

AAL/kt

Enclosure

Department of Environmental Protection

Jeb Bush
Governor

Marjory Stoneman Douglas Building
3900 Commonwealth Boulevard
Tallahassee, Florida 32399-3000

David B. Struhs
Secretary

February 11, 2000

Mr. John Bunyak, Chief
Policy, Planning & Permit Review Branch
NPS-Air Quality Division
Post Office Box 25287
Denver, CO 80225

Re: IPS 510 MW Simple Cycle Project
DEP File No. 0270016-001-AC (PSD-FL-284)

Dear Mr. Bunyak:

Enclosed for your review and comment is an application for the IPS DeSoto Power Project in DeSoto County. This facility will be comprised of three nominal 170 MW GE PG7241FA combustion turbines operating in simple cycle mode, one fuel oil storage tank, and ancillary equipment. IPS proposes 3,390 hours of operation per unit. IPS requests up to 1000 hours of 0.05 percent sulfur No. 2 distillate fuel oil use per unit within the requested 3,390 hours.

The site is approximately 152 kilometers south-southeast of the Chassahowitzka National Wildlife Area. The applicant proposes NO_X emissions at 9 ppmvd on natural gas and 42 ppmvd on fuel oil with annual emissions as per the table below:

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The project is identical to the IPSAPC Shady Hills project. Your comments can be forwarded to my attention at the letterhead address or faxed to me at (850) 922-6979. If you have any questions, please contact me at (850) 921-9523.

Sincerely,

A. A. Linero, P.E., Administrator
New Source Review Section

AAL/kt

Enclosure

Prudential Securities COMMAND "Account

IPS AVON PARK CORP
1560 GULF BLVD UNIT 701
CLEARWATER, FL 33767

298

25-80/440

Date 1-25-2000

Pay to the order of FLORIDA DEPT OF ENVIRONMENTAL Protection $ 7,500.00

seven thousand five hundred dollars and no/100 Dollars

Security features included Details on back

1 2 3 4 5 6 7 8 9 0
CHECK ONE BOX

Prudential Bank
PAYABLE THROUGH BANK ONE, COLUMBUS, NA
COLUMBUS, OHIO 43271

For DESOTO Air Permit Application per John A Ellis

⑆044000804⑆ 434000123524⑈0298

CC: SWD
EPA
NPS

INTEROFFICE MEMORANDUM

Date: 22-Jun-2000 10:51am
From: Joseph Kahn TAL
KAHN_J
Dept: Air Resources Management
Tel No: 850/921-9519

To: sfyke@entergy.com

Subject: DeSoto Power Project

Mr. Fyke,

Ross Pollock referred your latest message to me for a response, because I am in the New Source Review Section. To date, we have not been advised by our Office of General Counsel whether or not an administrative hearing is still pending in this matter, so I am unable to answer your question at this time. Until advised by our Office of General Counsel, we will be unable to issue a final permit. Al Linero is the engineer reviewing this project, and he is scheduled to be out of the office through June. Feel free to follow up with him by e-mail at Alvaro.Linero@dep.state.fl.us, after July 3rd. Or you can contact me via reply to this message or at 850-921-9519 before then.

-Joe Kahn

INTEROFFICE MEMORANDUM

Sensitivity: COMPANY CONFIDENTIAL

Date: 22-Jun-2000 04:47am
From: Fyke, Steve
sfyke@entergy.com
Dept:
Tel No:

To: 'Ross Pollock TAL 850/488-0114' (Ross.Pollock@dep.state.fl.us)

Subject: Re: DeSoto Power Project

MIME-Version: 1.0
Content-type: text/plain; charset=windows-1252

My understanding was that the petition for an administrative hearing was deficient and that the person who asked for the hearing had 30 days from May 19, 2000 to respond (per letter from W. Douglas Beason). That deadline has now passed. What I am asking is if a procedurally correct petition has been filed or not. If not, then the air permit should be issued. Thanks for your attention.

-----Original Message-----
From: Ross Pollock TAL 850/488-0114
[mailto:Ross.Pollock@dep.state.fl.us]
Sent: Wednesday, June 21, 2000 9:42 AM
To: sfyke@entergy.com
Subject: DeSoto Power Project
Sensitivity: Confidential

Mr. Fyke,

The Department issued an intent to issue the air construction permit for this
facility. A petition for an administrative hearing regarding the permit was filed. So currently the Department's Office of General Counsel is working on
this project. No further action will be taken regarding the permit until this
issue is resolved. Please let me know if you have any other questions.

Thanks,

Ross Pollock

INTEROFFICE MEMORANDUM

Sensitivity: COMPANY CONFIDENTIAL

Date: 21-Jun-2000 10:42am
From: Ross Pollock TAL POLLOCK_R
Dept: Air Resources Management
Tel No: 850/488-0114

To: sfyke@entergy.com

Subject: DeSoto Power Project

Mr. Fyke,

The Department issued an intent to issue the air construction permit for this facility. A petition for an administrative hearing regarding the permit was filed. So currently the Department's Office of General Counsel is working on this project. No further action will be taken regarding the permit until this issue is resolved. Please let me know if you have any other questions.

Thanks,
Ross Pollock

INTEROFFICE MEMORANDUM

Date: 20-Jun-2000 04:36pm
From: depwebmaster
depwebmaster@dep.state.fl.us
Dept:
Tel No:

Subject: Data posted to form 1 of http://www.dep.state.fl.us/bisweb/emailus/feedback.htm

MIME-Version: 1.0
Content-type: Text/plain; charset=windows-1252
Content-transfer-encoding: 8BIT

****

lasturl:
MessageType: Question
Subject2: Permits
Division: Air
SubjectOther:
badurl: http://tlhora2.dep.state.fl.us/www_pa/owa/get_appl
Username: Steve Fyke
UserEmail: sfyke@entergy.com
County:
UserTel: 281-297-5351
UserFAX:
btnSubmit: Submit Comments
Date: 6/20/00
Time: 4:16:53 PM
Remote Name: 207.123.42.2
Remote User:
HTTP User Agent: Mozilla/4.5 [en] (WinNT; U)

Comments:

Trying to determine status of Air Permit for DeSoto Power Project in DeSoto County, FL under permit number 0270016-AC (PSD-FL-284) filed by IPS Avon Park Corporation

May 3, 2000

TO: Al Linero

FROM: Jerry Kissel

RE: Materials from DeSoto Power Project (0270016-001-AC) Public Meeting 4/19/00

Attached are materials from the meeting as listed below. From my meeting notes, it was unclear as to whether we owe specific responses to any individuals. The only question in my notes which is associated with an individual is the question of truck traffic associated with the oil tank, raised by a Ron Freeman; Mr. Freeman did not identify himself other than as a resident of Arcadia Village on a Speaker Card.

c: W. Thomas, w/o attachments
permit file

attachments:

1) Sign-in sheets (3), comment cards (3), and speaker cards (7)
2) Tanker truck trips calculation sheets
3) "Information Regarding the Gas Pipeline" This was a handout with pipeline safety statistics, etc. we distributed at the meeting. Note the map included, which was updated after the meeting.

* * * * * * * * * * * *

This staff assessment is preliminary and is designed to assist in the review of the application prior to final agency action. The comments provided herein are not the final position of the Department and may be subject to revision pursuant to additional information and final review.

desoto2.doc

IPSAPC-DeSoto Meeting – 4/19/2000

Sign In Sheet – (Name and Address)

1.	Leon Stohlen	2692 NE Hwy 70 # 695 Arcadia Fl 34266
2.	FORREST WHITTLE	ARCADIA VILLAGE
3.	[illegible]	Arcadia Village
4.	Ethel M. Farran	arcadia Village
5.	Robert D Bell	Arcadia
6.	Jack Farran	Arcadia Village
7.	Phil Laddaff	ARCADIA VILLAGE
8.	[illegible]	Arcadia Village
9.	Roland Pinel	Port Charlotte
10.	Michelle Pinel	Toby's RV
11.	Terry Loflin	Arcadia Village
12.	Ron Loflin	Arcadia Village
13.	Ann Vanek	Citizens for a Rational Energy Policy
14.	Charleston Fredell	Arcadia Village
15.	Bob Fredell	Arcadia Village

IPSAPC-DeSoto Meeting – 4/19/2000

Sign In Sheet – (Name and Address)

1. F. L. Van Rensselaer	
2. Patricia Freeman	
3. Henry Larouque	Arcadia Village
4. Bob Bowman	" "
5. Ann Bowman	" "
6. Allison Potter	" "
7. Jack Packard	" "
8. Geo DeWitt	" "
9. Mulford W. Nelson	" "
10. Dorothy L. Nelson	" "
11. Ed Zipper	" "
12. Mark Vogt	" "
13. Robert C Glass	" "
14. Joan Gladstone	" "
15. Jim Webster	"

IPSAPC-DeSoto Meeting – 4/19/2000

Sign In Sheet – (Name and Address)

1. Ellen Nauds	Arcadia Village
2. Maria Mazanek	Arcadia Village
3. Sara Harper	Arcadia Village
4. Harry Coleman	" "
5. Joan Coleman	Arcadia Village
6. Adrian H. Union	School District
7. Ed Patterson	DeSoto County
8. Lenora P. Brown	DeSoto Co School Board member
9. [illegible]	[illegible]
10. [illegible]	[illegible]
11. Nancy Lucynt	P.O Box 573 Arcadia, Fla.
12. [illegible]	DeSoto County
13. [illegible]	[illegible]
14.	
15.	

DESOTO TANKER TRUCK TRIPS

4/21/00

Jerry,

Here are the numbers on fuel usage and transport for that Desoto Power Project.

Total hours burning F.O.: $(3\ CT^{s}) * \left(1000 \frac{hours}{C.T.\ year}\right) = 3000 \frac{hours}{year}$

Worst-case (max.) fuel consumption rate: $\left(101{,}530 \frac{lb}{hr \cdot CT}\right) \div \left(7.1 \frac{lb}{gal\ diesel}\right) = 14{,}300 \frac{gal\ F.O.}{hr \cdot C}$

Worst-case (max.) fuel consumption: $\left(14{,}300 \frac{gal\ F.O.}{hr \cdot CT.}\right) * \left(3000 \frac{hr}{yr.}\right) = 42{,}900{,}000 \frac{gal}{yr}$

Number of tanker-loads needed: $\left(42{,}900{,}000 \frac{gal}{yr.}\right) \div \left(9000 \frac{gal}{transport}\right) = 4767 \frac{transport}{year}$

$\approx 92 \frac{transports}{week}$

$= 13.1/DAY$

~~$14{,}300 \frac{gal}{hr \cdot CT} \times 3\ CT = 42{,}900\ gal/hr$~~

$\frac{1{,}500{,}000\ gal}{42{,}900\ gal/hr} \cong 35\ hrs$

ODH - Apr. 20, 2000

$= 15.3/DAY$ FOR 6 DAY WEEK

~~FOR~~ FOR 12HR DAY, 6 DAY WEEK

$\frac{15.3}{12} \cong 1.3/HR$ OR

ABOUT 1 EVERY 47 MINUTES

le A-13. Design Information and Stack Parameters for IPS - DeSoto
GE Frame 7FA, Dry Low NOx Combustor, Distillate Oil, Base Load

rameter	Ambient Temperature 32 °F	59 °F	95 °F
ombustion Turbine Performance			
et power output (MW)	183.9	181.9	171.2
et heat rate (Btu/kWh, LHV)	10,103	9,929	9,988
(Btu/kWh, HHV)	10,710	10,524	10,588
eat Input (MMBtu/hr, LHV)	1,858	1,806	1,710
(MMBtu/hr, HHV)	1,969	1,914	1,813
uel heating value (Btu/lb, LHV)	18,300	18,300	18,300
(Btu/lb, HHV)	19,398	19,398	19,398
(HHV/LHV)	1.060	1.060	1.060
Exhaust Flow			
Mass Flow (lb/hr)- with margin of 10%	4,230,600	4,081,000	3,825,800
- provided	3,846,000	3,710,000	3,478,000
Temperature (°F)	1,076	1,094	1,121
Moisture (% Vol.)	11	11.7	13.3
Oxygen (% Vol.)	11.20	11.04	10.60
Molecular Weight	28.33	28.25	28.06
el Usage			
uel usage (lb/hr) = Heat Input (MMBtu/hr) x 1,000,000 Btu/MMBtu (Fuel Heat Content, Btu/lb (LHV))			
eat input (MMBtu/hr, LHV)	1,858	1,806	1,710
eat content (Btu/lb, LHV)	18,300	18,300	18,300
el usage (lb/hr)- calculated	101,530	98,689	93,443
Stack			
ck height (ft)	60	60	60
meter (ft)	22	22	22
bine Flow Conditions			
rbine Flow (acfm) = [(Mass Flow (lb/hr) x 1,545 x (Temp. (°F)+ 460°F)] / [Molecular weight x 2116.8] / 60 min/hr			
ass flow (lb/hr)	4,230,600	4,081,000	3,825,800
emperature (°F)	1,076	1,094	1,121
olecular weight	28.33	28.25	28.06
olume flow (acfm)- calculated	2,790,601	2,731,215	2,622,427
(ft3/s)- calculated	46,510	45,520	43,707
elocity (ft/sec)	122.4	119.7	115.0

Universal gas constant = 1,545 ft-lb(force)/°R; atmospheric pressure = 2,116.8 lb(force)/ft²; 14.7 lb/ft³

ce: GE, 1999; Golder Associates, 1999

E. SEGMENT (PROCESS/FUEL) INFORMATION
(All Emissions Units)

Segment Description and Rate: Segment 1 of 2

1. Segment Description (Process/Fuel Type) (limit to 500 characters): **Distillate (No. 2) Fuel Oil**		
2. Source Classification Code (SCC): **20100101**	3. SCC Units: **1,000 gallons used**	
4. Maximum Hourly Rate: **13.9**	5. Maximum Annual Rate: **13,900**	6. Estimated Annual Activity Factor:
7. Maximum % Sulfur: **0.05**	8. Maximum % Ash:	9. Million Btu per SCC Unit: **130**
10. Segment Comment (limit to 200 characters): **Million Btu per SCC Unit = 129.9 (rounded to 130). Based on 7.1 lb/gal; LHV of 18,300 Btu/lb, ISO conditions, 1,000 hrs/yr operation.**		

Segment Description and Rate: Segment 2 of 2

1. Segment Description (Process/Fuel Type) (limit to 500 characters): **Natural Gas**		
2. Source Classification Code (SCC): **20100201**	3. SCC Units: **Million Cubic Feet**	
4. Maximum Hourly Rate: **1.70**	5. Maximum Annual Rate: **5,752**	6. Estimated Annual Activity Factor:
7. Maximum % Sulfur:	8. Maximum % Ash:	9. Million Btu per SCC Unit: **950**
10. Segment Comment (limit to 200 characters): **Based on 950 Btu/cf (LHV); ISO conditions and 3,390 hrs/yr operation.**		

4of4

TABLE 3-6. RELATIVE POTENTIAL FOR LEAKS DURING FLEET STORAGE

AMF	Relative Leak Potential (compared togasoline/diesel truck)	Reason
Gasoline/Diesel	Reference Fuels	
Ethanol/EthanolBlends	Slightly Higher	Potential corrosion effects
Methanol/MethanolBlends	Somewhat Higher	Potential corrosion effects
LNG	Higher	Temperature differentials
Propane	Higher	Moderately high pressure
CNG	Higher	High pressure

(compared w/reference, which is gas/diesel transport)

For the case of bulk transport of liquid AMFs, the maximum typical volume of the standardfuel tanker truck is approximately the same -- 10,000 gallons. Therefore, the hazards of amassive spill depend mostly upon the physical characteristics of the burning vapor/airmixture, the heat release rate and flame radiation levels. In the case of fleet storage, theapproximation can be made that, for a fleet of equivalent size, the amount of fleet storagerequired is based on the energy density of the fuel. Assuming one unit mass (kg) of dieselfuel, the following equivalent amounts of fuel (as indicated in the left-hand box) are requiredto provide the same fleet miles, including engine fuel efficiency effects.

The size of a fire for a massive spill of the liquid AMFs will depend upon the volume of fuelspilled from a storage tank. Assuming a uniform unconfined depth for the liquid pool, thearea will be directly proportional to the volume. Again, using diesel fuel as the reference,the box on the right indicates the relative volume of liquid fuel that must be stored to achievethe equivalent fleet miles.

It should be noted that total fleet storage capacity may require the use of several storagetanks. In that case, the maximum size of the fire from a spill would most likely be based onthe capacity of a single tank.

The total potential exposure based on total storage capacity with most AMFs at the fleetoperator's facility is approximately two to three times greater than diesel fuel based on thepotential area of a liquid pool. The total fire hazard exposure would depend upon the highlyunlikely event that all of the individual storage tanks would become involved in the course ofan accident.

The only fuel not noted above is CNG. As discussed in Section 2, the fleet storagerequirements for CNG will be quite small, on the order of 3 to 4 times the vehicle fuelcapacity of an individual vehicle for fast fill operators. Therefore, for most CNG-fueledfleets, where the number of vehicles would be relatively large, the total heat release potentialfrom a storage tank fire will be quite small compared to the other AMFs.

HG, FTEF 4/18/00
ATTACH. B (MAP) REVISED 4/25/00

INFORMATION REGARDING THE GAS PIPELINE

Project Information: Florida Gas Transmission Company is constructing and modifying its natural-gas-distribution system in southwest Florida. Its purpose is to deliver natural gas primarily for electric-power generation. (The largest user, for which most of the proposed facilities would be constructed, is FP&L's Fort Myers Power Generating Station, in Lee County.) This Phase IV project is a major undertaking that requires the approval of federal and state agencies, particularly the US DOE's Federal Energy Resource Commission, US Army Corps of Engineers, US Fish and Wildlife Service, Florida's DEP, and the South Florida Water Management District.

Project Maps: See Attachment A (State of Florida)
See Attachment B (Pipeline and Desoto Power Project)

Consideration of Impact: An Environmental Impact Statement has been prepared by the Federal Energy Regulatory Commission to fulfill the requirements of the National Environmental Policy Act. The document considered the impacts of the project on such matters as safety, wildlife habitat, cultural and archeological sites, noise, water resources, air quality, among others. Public notice was given, public comments were solicited, and public meetings in the project area were held. A public meeting on this matter was held in the Margaret Way Building of the city of Arcadia's Parks and Recreation Department on November 2, 1999.

Noise: Compressors are the only significant sources of noise associated with the long-term operation of the pipeline. No compressor station is planned for Desoto County as part of Florida Gas Transmission Company's Phase IV project.

Safety: The transportation of natural gas by pipeline involves some risk, primarily rupture of pipeline and subsequent release of gas that causes a fire or explosion. Methane, the primary component, is not toxic but is classified as a simple asphyxiate and poses a slight inhalation hazard. Methane is buoyant at atmospheric temperatures and disperses rapidly in air.

USDOT sets the safety standards for the design, construction, operation, and maintenance of gas pipelines. It requires that all operators report certain accidents and releases. Attachment C is a photocopy of the safety-related information and statistics provided by the Draft Environmental Impact Statement for the Phase IV Project.

General Information on Gas Transport: See Attachment D

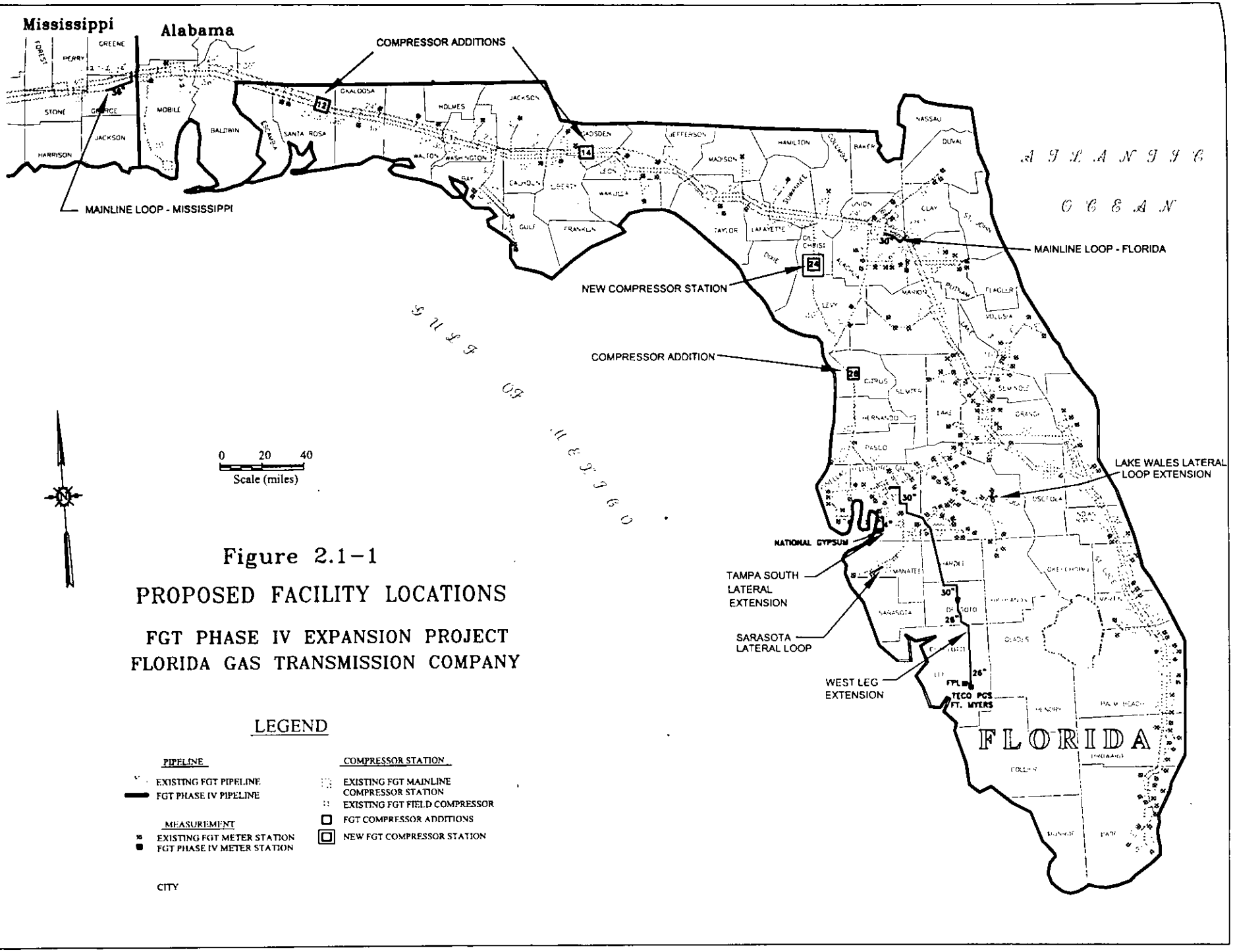


Figure 2.1-1

PROPOSED FACILITY LOCATIONS

FGT PHASE IV EXPANSION PROJECT
FLORIDA GAS TRANSMISSION COMPANY

LEGEND

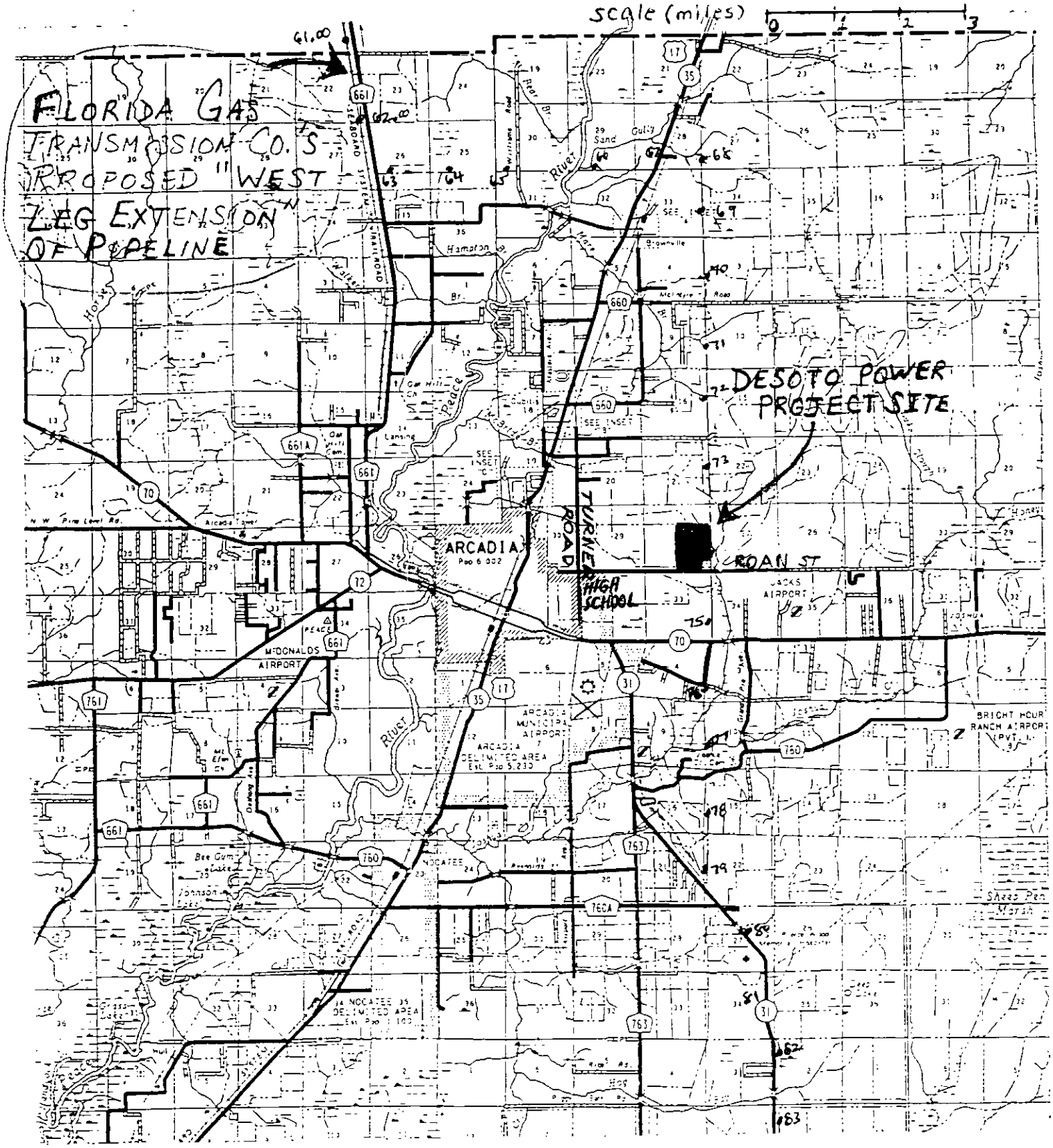
PIPELINE
- EXISTING FGT PIPELINE
- FGT PHASE IV PIPELINE

MEASUREMENT
- EXISTING FGT METER STATION
- FGT PHASE IV METER STATION

CITY

COMPRESSOR STATION
- EXISTING FGT MAINLINE COMPRESSOR STATION
- EXISTING FGT FIELD COMPRESSOR
- FGT COMPRESSOR ADDITIONS
- NEW FGT COMPRESSOR STATION

ATTACHMENT A



ATTACHMENT B

flammable concentration within an enclosed space in the presence of an ignition source can explode. It is buoyant at atmospheric temperatures and disperses rapidly in air.

5.12.1 Safety Standards

Commentors were concerned about pipeline safety, including explosions and leaks. The pipeline and aboveground facilities associated with the FGT Phase IV Expansion Project would be designed, constructed, operated, and maintained in accordance with the DOT Minimum Federal Safety Standards in 49 CFR (Part 192). The regulations are intended to ensure adequate protection for the public and to prevent natural gas facility accidents and failures. Part 192 specifies material selection and qualification, minimum design requirements, and protection from internal, external, and atmospheric corrosion.

Part 192 also defines area classifications, based on population density in the vicinity of the pipeline, which determine more rigorous safety requirements for populated areas. The class location unit is an area that extends 220 yards on either side of the centerline of any continuous 1 mile length of pipeline. The four area classifications are defined as follows:

Class 1 - Location with 10 or fewer buildings intended for human occupancy.

Class 2 - Location with more than 10 but less than 46 buildings intended for human occupancy.

Class 3 - Location with 46 or more buildings intended for human occupancy or where the pipeline lies within 100 yards of any building, or small well-defined outside area occupied by 20 or more people during normal use.

Class 4 - Location where buildings with four or more stories aboveground are prevalent.

Class locations representing more populated areas require higher safety factors in pipeline design, testing, and operation. Pipelines constructed on land in Class 1 locations must be installed with a minimum depth of cover of 30 inches in normal soil and 18 inches in consolidated rock. All pipelines installed in navigable rivers, streams, and harbors must have a minimum cover of 48 inches in soil or 24 inches in consolidated rock. Offshore pipelines constructed in less than 12 feet of water, as measured from the mean low tide, must have a minimum cover of 36 inches in soil and 18 inches in consolidated rock. Offshore pipelines constructed in 12 to 200 feet of water, as measured from the mean low tide, must be installed so that the top of the pipe is below the natural bottom unless the pipeline is protected by some other means such as a heavy concrete coating.

Class 2, 3, and 4 locations, as well as drainage ditches of public roads and railroad crossings, require a minimum cover of 36 inches in normal soil and 24 inches in consolidated rock. Class locations also specify the maximum distance to a sectionalizing block valve (e.g., 10.0 miles in Class 1, 7.5 miles in Class 2, 4.0 miles in Class 3, and 2.5 miles in Class 4). A comment was received regarding the location of block valves. FGT has determined the locations of the block valves. See table 5.11.2-2 for a listing of locations of mainline valves. Pipe wall thickness and pipeline design pressures, hydrostatic test pressures, maximum allowable operating pressure, inspection and testing of welds, and frequency of pipeline patrols and leak surveys must also conform to higher standards in more populated areas. Preliminary class locations for the FGT project would be available once the pipeline design has been undertaken to determine the pipeline centerline with respect to other structures and manmade features.

Part 192 prescribes the minimum standards for operating and maintaining pipeline facilities, including the requirement to establish a written plan governing these activities. Under section 192.615, each

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pipeline operator must also establish an emergency plan that includes procedures to minimize the hazards in a natural gas pipeline emergency. Key elements of the plan include procedures for:

- receiving, identifying, and classifying emergency events, gas leakage, fires, explosions, and natural disasters;
- establishing and maintaining communications with local fire, police, and public officials, and coordinating emergency response;
- making personnel, equipment, tools, and materials available at the scene of an emergency;
- protecting people first and then property, and making them safe from actual or potential hazards; and
- emergency shutdown of system and safe restoration of service.

We received comments concerning evacuation and emergency procedures, including a 24-hour emergency hotline. Part 192 requires that each operator must establish and maintain liaison with appropriate fire, police, and public officials to learn the resources and responsibilities of each organization that may respond to a natural gas pipeline emergency, and to coordinate mutual assistance. The operator must also establish a continuing education program to enable customers, the public, government officials, and those engaged in excavation activities to recognize a gas pipeline emergency and report it to appropriate public officials.

5.12.2 Pipeline Accident Historical Data

Since February 9, 1970, 49 CFR (Part 191) has required all operators of transmission and gathering systems to notify the DOT of any reportable incident and to submit a report on form F7100.2 within 20 days. Reportable incidents are defined as any leaks that:

- caused a death or personal injury requiring hospitalization;
- required taking any segment of transmission line out of service;
- resulted in gas ignition;
- caused estimated damage to the property of the operator, or others, of a total of $5,000 or more;
- required immediate repair on a transmission line;
- occurred while testing with gas or another medium; or
- in the judgment of the operator was significant, even though it did not meet the above criteria.

The DOT changed reporting requirements after June 1984 to reduce the amount of data collected. Since that date, operators must only report incidents that involve property damage of more than $50,000, injury, death, release of gas, or that are otherwise considered significant by the operator. Table 5.12.2-1

presents a summary of incident data for the 1970 to 1984 period, as well as more recent incident data for 1991 through 1997, recognizing the difference in reporting requirements. The 14.5-year period from 1970 through June 1984, which provides a larger universe of data and more basic report information than subsequent years, has been subject to detailed analysis as discussed in the following sections.[1]

TABLE 5.12.2-1

Service Incidents by Cause Incidents per 1,000 miles-year (percentage)

Cause	1970 - 1984	1991 - 1997
Outside Forces	0.70 (53.5)	0.10 (41.2)
Corrosion	0.22 (16.6)	0.06 (22.6)
Construction or Material Defect	0.27 (21.7)	0.03 (11.6)
Other	0.11 (8.2)	0.06 (24.7)
Total	1.30	0.25

During the 14.5-year period, 5,862 service incidents were reported over the more than 300,000 total miles of natural gas transmission and gathering systems nationwide. Service incidents, defined as failures that occur during pipeline operation, remained fairly constant over this period with no clear upward or downward trend in annual totals. In addition, 2,013 test failures were reported. Correction of test failures removed defects from the pipeline before operation.

Additional insight into the nature of service incidents may be found by examining the primary factors that caused the failures. Table 5.12.2-1 provides a percentage distribution of the causal factors as well as the annual frequency of each factor per 1,000 miles of pipeline in service.

The pipelines included in the data set in table 5.12.2-1 vary widely in terms of age, pipe diameter, and level of corrosion control. Each variable influences the incident frequency that may be expected for a specific segment of pipeline.

The dominant incident cause is outside forces, constituting 53.5 percent of all service incidents. Outside forces incidents result from the encroachment of mechanical equipment such as bulldozers and backhoes; from earth movements due to soil settlement, washouts, or geologic hazards; from weather effects such as winds, storms, and thermal strains; and from willful damage. The breakdown of outside force incidents in table 5.12.2-2 shows that human error in equipment usage was responsible for approximately 75 percent of outside force incidents. We received a comment concerning the use of backhoes in citrus groves rupturing the pipeline. Since April 1982, operators have been required to participate in "One Call" public utility programs in populated areas to minimize unauthorized excavation activities in the vicinity of pipelines. The "One Call" program is a service used by public utilities and some private sector companies (e.g., oil pipelines and cable television) to provide preconstruction information to contractors or other maintenance workers on the underground location of pipes, cables, and culverts. The 1991 through 1997 data show that the portion of incidents caused by outside forces has decreased to 41.2 percent.

Older pipelines have a higher frequency of outside forces incidents partly because their location may be less well known and less well marked than newer lines. In addition, the older pipelines contain a

1 Jones, D. J., G. S. Kramer, D. N. Gideon, and R. J. Eiber, 1986. "An Analysis of Reportable Incidents for Natural Gas Transportation and Gathering Lines 1970 Through June 1984." NG-18 Report No. 158, Pipeline Search Committee of the American Gas Association.

disproportionate number of smaller diameter pipelines, which have a greater rate of outside force incidents. Small diameter pipelines are more easily crushed or broken by mechanical equipment or earth movements.

The frequency of service incidents is strongly dependent on pipeline age. While pipelines installed since 1950 exhibit a fairly constant level of service incident frequency, pipelines installed before that time have a significantly higher rate, partially due to corrosion. Older pipelines have a higher frequency of corrosion incidents, since corrosion is a time-dependent process. Further, new pipe generally uses more advanced coatings and cathodic protection to reduce corrosion potential.

TABLE 5.12.2.-2

Outside Forces Incidents by Cause (1970 – 1984)

Cause	Percent
Equipment operated by outside party	67.1
Equipment operated by or for operator	7.3
Earth movement	13.3
Weather	10.8
Other	1.5

Table 5.12.2-3 clearly demonstrates the effectiveness of corrosion control in reducing the incidence of failures caused by external corrosion. The use of both an external protective coating and a cathodic protection system, required on all pipelines installed after July 1971, significantly reduces the rate of failure compared to unprotected or partially protected pipe. The data shows that bare, cathodically protected pipe actually has a higher corrosion rate than unprotected pipe. This anomaly reflects the retrofitting of cathodic protection to actively corroding spots on pipes.

TABLE 5.12.2.-3

External Corrosion by Level of Control (1970 – 1984)

Corrosion Control	Incidents per 1,000 miles-year
None – bare pipe	0.42
Cathodic protection only	0.97
Coated only	0.40
Coated and cathodic protection	0.11

5.12.3 Impact on Public Safety

The service incident data summarized in table 5.12.2-1 include pipeline failures of all magnitudes with widely varying consequences. Approximately two-thirds of the incidents were classified as leaks, and the remaining third classified as ruptures, implying a more serious failure. Fatalities or injuries occurred in 4 percent of the service incidents reported in the 14.5-year period from 1970 through June 1984.

Table 5.12.3-1 presents the average annual fatalities that occurred on natural gas transmission and gathering lines from 1970 to 1998. Fatalities between 1970 and June 1984 have been separated into employees and nonemployees, to better identify a fatality rate experienced by the general public. Of the total

5.0 nationwide average, fatalities among the public averaged 2.6 per year over this period. The simplified reporting requirements in effect after June 1984 do not differentiate between employees and nonemployees. However, the data show that the total annual average for the period 1984 through 1998 decreased to 3.5 fatalities per year. Subtracting two major offshore incidents in 1989, which do not reflect the risk to the onshore public, yields a total annual rate of 2.3 fatalities per year for this period.

The nationwide totals of accidental fatalities from various manmade and natural hazards are listed in table 5.12.3-2 provide a relative measure of the industry-wide safety of natural gas pipelines. Direct comparisons between accident categories should be made cautiously since individual exposures to hazards are not uniform among all categories. Nevertheless, the average 2.6 public fatalities per year is relatively small considering the more than 300,000 miles of transmission and gathering lines in service nationwide. Furthermore, the fatality rate is approximately two orders of magnitude (100 times) lower than the fatalities from natural hazards such as lightning, tornadoes, floods, and earthquakes.

TABLE 5.12.3-1

Annual Average Fatalities – Gas Transmission and Gathering System [a, b]

Year	Employees	Nonemployees	Total
1970 – June 1984	2.4	2.6	5.0
1984 – 1998	-	-	3.5
1984 – 1998	-	-	2.3 [c]

[a] 1970 through June 1984 – American Gas Association, 1986
[b] U.S. DOT Hazardous Materials Information System
[c] Without 18 offshore fatalities occurring in 1989 – 11 fatalities resulted from a fishing vessel striking an offshore pipeline and 7 fatalities resulted from an explosion on an offshore production platform
- Employee/nonemployee breakdown not available after June 1984

TABLE 5.12.3.-2

Nationwide Accidental Deaths [a]

Type of Accident	Fatalities
All accidents	86,777
Motor vehicles	40,982
Falls	12,646
Drowning	3,524
Poisoning	7,280
Fires and burns	3,956
Suffocation by ingested object	3,128
Tornado, flood, and earthquake (1984-93 average)	181
All liquid and gas pipelines (1978-87 average) [b]	27
Gas transmission and gathering lines, nonemployees only (1970-84 average) [c]	2.6

[a] All data, unless otherwise noted, reflect 1992 statistics from the U.S. Department of Commerce, Bureau of the Census, "Statistical Abstract of the United States 115th Edition."
[b] U.S. Department of Transportation, "Annual Report on Pipeline Safety – Calendar Year 1987."
[c] American Gas Association, 1986

The available data show that natural gas pipelines continue to be a safe, reliable means of energy transportation. Based on approximately 311,000 miles in services, the rate of public fatalities for the nationwide mix of transmission and gathering lines in service is 0.008 per 1,000 miles per year. Using this rate, the FGT Phase IV Expansion Project would result in a public fatality every 609 years. This would represent a slight increase in risk to the nearby public.

5.13 CUMULATIVE IMPACT

NEPA requires the lead Federal agency to consider the cumulative impacts of proposals under their review. Cumulative impacts are the incremental impacts of the proposed action, when added to other past, present, and reasonably foreseeable future actions regardless of what agency or person undertakes such other actions. Cumulative impacts can result from individually minor, but collectively significant, actions taking place over a period of time.

As stated by FGT, the principal objectives of the FGT Phase IV Expansion Project are to deliver needed quantities of natural gas largely for electric power generation and to enhance the FGT system. The FGT Phase IV Expansion Project would increase system reliability and would help make natural gas available to southwest Florida for the first time as a result of the construction of the proposed West Leg Extension.

FGT contends that construction of the FGT Phase IV Expansion Project would be necessary to satisfy growing fuel requirements of electric generation customers and others in Florida. If the Commission postpones or denies the application, the short- and long-term environmental impacts identified in this DEIS would not occur. However, potential gas shippers would be forced to make other arrangements to obtain natural gas transportation service and end users may need to use alternative fuel sources (e.g., fuel oil, coal, wood). This could require the construction of additional and/or new natural gas pipeline facilities in other locations to transport natural gas supplies or it could result in the increased use of alternative fuels with higher emissions rates of NO_x, SO_2 and other pollutants, than from the use of natural gas.

In the Fort Myers area, TECO-PGS operates an existing propane-based distribution system, which will be improved, converted to natural gas, and expanded over time. TECO-PGS is currently building an intrastate 8-inch diameter natural gas pipeline approximately 110 miles long from the Sarasota area to the Fort Myers and Naples area to be completed by the end of 1999. The FGT Phase IV Expansion Project is not essential to the immediate operation or expansion of the Fort Myers TECO-PGS system, but provides a supplemental gas supply for the future.

Three other pipeline projects that would each provide transportation of natural gas in the Gulf of Mexico into central and southern peninsular Florida when formerly filed with FERC:

- The Buccaneer Pipeline Project, is sponsored by a subsidiary of the Williams Companies, according to Williams press releases. The project would extend approximately 420 miles from near Mobile, Alabama, across the Gulf of Mexico, entering Florida onshore north of Tampa. From there, the project would continue onshore, branching out in an easterly direction approximately 250 miles to serve markets across the center of the state. Williams states that it plans to file the Buccaneer project with the FERC during the third quarter of 1999, and is targeting April 2002 for in-service date

- The Gulfstream Natural Gas System is sponsored by a subsidiary of the Coastal Corporation. According to Coastal press releases, this approximately 700-mile long

Transportation of Natural Gas


Source: NGSA

After raw gas from the wellhead is processed, it is moved into a pipeline system for transportation to an area where it will be sold. A pipeline company is a totally separate company from a producer or a distributor, although sometimes pipelines sell gas directly to large customers. The interstate pipeline system is massive, reliable, and efficient. Major investments in the pipeline system during the 1980's and early 1990's improved the system's capacity to areas in the Northeast, West Coast and Florida. However, the pipeline industry is still making improvements in capacity, efficiency and cost effectiveness, since transportation costs still make up a large portion of the consumer's price for natural gas.

Most sections of pipeline are made of steel piping, measuring anywhere from 20 to 42 inches in diameter. When natural gas is moved through a pipeline, it is transmitted at higher pressures (from 200 to 1500 psi) to reduce the volume of the gas, and provide a pushing force to propel the gas through the pipe. In order to maintain the level of pressure required to move the large volumes of gas through a pipeline, the gas needs to be compressed periodically as it moves through the pipeline. This requires pipelines to install compressor stations every about every 100 miles along the pipeline. Most of these compressors are classified as reciprocating compressors, which means that they are powered by a very small portion of the natural gas that flows through the pipeline. These compressors are efficient and safe, their only drawback being that they tend to be quite large. There are over 8,000 gas compressing stations along gas pipelines, with a combined output capability of over 20 million horsepower.

One of the classic environmental problems with any sort of energy is that a portion of the energy is lost in transporting it from its source to its destination. Gas transportation is very efficient in this respect, compared to other energy resources. Only about 3 percent of the gas energy that is transported is lost in the process. When considering the efficiency of an energy resource from start to finish, gas appears even more efficient. For example, the use of natural gas is much more efficient than using electricity. Electricity delivers less than 30% of the natural energy to your home because so much energy is lost in generating electricity. Over 70% of the natural energy used to generate electricity is lost during electric generation and powerline transmission to your home. Natural gas delivery to your home is over 90% efficient.

The U.S. gas transmission system is composed of over 300,000 miles of piping, not including local distribution lines. These pipelines

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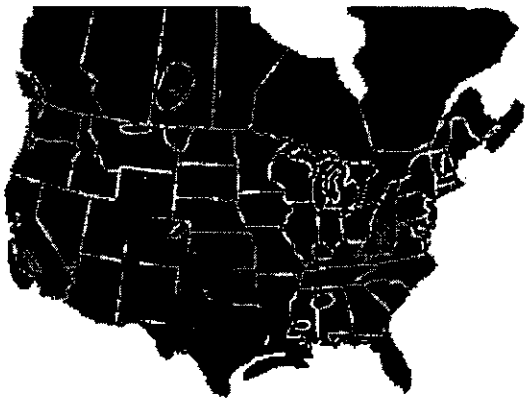
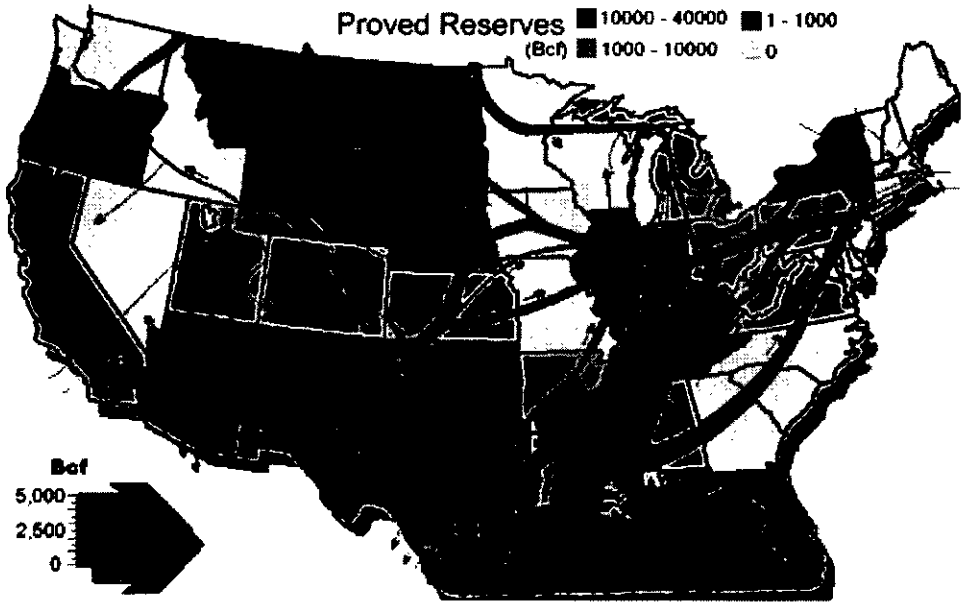
need to be monitored 24 hours a day and 365 days a year. In order to keep accurate, constant information on sections of pipeline, pipeline companies use 'supervisory control and data acquisition systems' (SCADA systems diagram). These are computerized systems that allow pipeline operators to acquire information from remote sections of pipeline, and also control the flow of gas at remote locations by using computers that are linked to satellite communication and telephone communication systems. SCADA systems allow not only the pipeline operators to obtain timely information, but they also allow producers to have access to some of the same information so that they can purchase distribution services according to the current volume of gas in a pipeline.



Because natural gas reserves are not evenly spaced across the continent, an efficient, reliable gas transportation system is essential.
Source: NGSA

The information that is provided to those shipping gas on pipelines is posted on electronic bulletin boards (EBBs), which can be accessed by users in order to purchase transportation service, check on billing, or arrange storage of gas that has been transported through a pipeline. The Federal Energy Regulation Commission has begun to require pipeline companies to post information about pipeline utilization on such EBBs, and with the recent unbundling of pipeline services, it is beneficial to a pipeline company to provide such information so that its capacity can be used efficiently.



This map shows the prinipal flow of natural gas in the lower 48 states. It also shows the areas that hold most of the nation's proved reserves. The flow of natural gas from the Gulf region is nearly 5,000 Bcf annually.
Source: EIA

Another method that pipeline companies use to maintain their pipelines is the use of intelligent PIGs (intelligent robotic inspection devices). Not like your typical farm animal, these PIGs are used to inspect pipeline interior walls for corrosion and defects, measure the interior diameter of a section of pipe, and to remove accumulated debris from a section of pipeline. As a PIG travels through a pipeline, it takes thousands of measurements with its accurate sensors that can later be analyzed and

modeled by computers for a pipeline to show possible problems. Although pipelines use cathodic protection for many newer sections of their pipelines, they still encounter corrosion problems that weaken some parts of the pipeline. Magnetic-flux leakage PIGs are used to detect metal loss in pipeline walls, locating potential problems without the cost and risk of using other methods.

Overall, delivering natural gas is among the safest means of distributing energy to customers. Much of this is due to the fact that the transmission system is fixed, and buried underground. Statistical data collected by the National Transportation Safety Board indicate that energy transportation by rail or truck represents a much higher safety risk than transportation through a pipeline. According to data from the U.S. Department of Transportation (DOT), natural gas and petroleum liquids pipelines are the safest method of transporting energy. For example, electric current is responsible for more than 100 deaths a year during its transmission to the home. In contrast, in 1993, the most recent year for which data is available, only 14 pipeline accident fatalities were reported, according to DOT's National Transportation Safety Board (NTSB).

See also, Gas Industry Standards Board, ANR Pipeline Co.

Previous Section Next Section

SOURCES

Bill Gerger and Kenneth Anderson's *Modern Petroleum: A Basic Primer of the Industry, 3rd Edition*
Copyright 1992 by PennWell Publishing and,
Arlon R. Tussing and Bob Tippee's *The Natural Gas Industry: Evolution, Structure, and Economics, 2nd Edition*
Copyright 1995 by PennWell Publishing.

Publications of the Natural Gas Council, Natural Gas Supply Association and Independent Petroleum Association of America.

Exploration Extraction Production Transport Storage
Distribution End Use Supply Environment Policy
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Golder Associates

TRANSMITTAL LETTER

To: Kim Tober
FDEP
Bureau of Air Regulation

Date: 4/26/00
Project No.: 993-9557-0200

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Per:

Quantity	Item	Description
1	PUBLIC NOTICE	Certification of Publication - IPS Desoto

Remarks:

Kim,
Attached is the original of the IPS DESOTO PUBLIC NOTICE. THIS WAS SENT TO MY OFFICE while I was OUT and misplaced. Please put into the permit file. Thanks

Jon Bailey

GOLDER ASSOCIATES INC.
MAR 20 2000

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Printers and Publishers of
Charlotte Sun Herald
DeSoto Sun Herald
PUBLISHER'S AFFIDAVIT OF PUBLICATION

STATE OF FLORIDA,
COUNTY OF DESOTO
Before the undersigned personally appeared ,TAMI JEWELL who an oath says he/she is CUSTOMER SERVICE CLERK SunHerald, Englewood Sun Herald, DeSoto Sun Herald a daily newspaper printed printed at Charlotte Harbor in Charlotte County, Florida; that the attached copy of advertisement being a

Public Notice

Court was published in said newspaper in the issues of:

3/10/00

Affiant further says that the said newspaper has heretofore been continuously published in Charlotte County, Florida, Sarasota County, Florida, and DeSoto County, Florida, each day and has been entered as Second Class mail matter at the Post Office in Punta Gorda, in said Charlotte County, Florida and at additional mailing offices, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says he/she has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper

SIGNATURE OF AFFIANT

Tami Jewell

Sworn to and subscribed before me this 10 day of March 2000

SIGNATURE OF NOTARY

Angela Roberta Angel

PUBLIC NOTICE OF INTENT TO ISSUE AIR CONSTRUCTION PERMIT

STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION

DEP File No. 0270016-001-AC (PSD-FL-284)

DeSoto Power Project — Units 1-3
DeSoto County

The Department of Environmental Protection (Department) gives notice of its intent to issue an air construction permit under the requirements for the Prevention of Significant Deterioration (PSD) of Air Quality to IPS Avon Park Corporation. The permit is to construct three nominal 170 megawatt (MW) natural gas and distillate fuel oil-fired combustion turbine-electrical generators with 60-foot stacks, evaporative coolers, and one 1.5 million gallon fuel oil storage tank for the proposed DeSoto Power Project to be located East of Arcadia in unincorporated DeSoto County. A Best Available Control Technology (BACT) determination was required for sulfur dioxide (SO_2), particulate matter (PM/PM_{10}), nitrogen oxides (NO_x), sulfuric acid mist (SAM), and carbon monoxide (CO) pursuant to Rule 62-212.400, F.A.C. The applicant's name and address are IPS Avon Park Corporation, 1560 Gulf Boulevard, #701, Clearwater, Florida 33767.

The new units will be General Electric nominal 170 MW PG7241FA combustion turbines-electrical generators. The units will operate in simple cycle mode and intermittent duty. The units will operate primarily on natural gas and will be permitted to operate 3,390 hours per year of which no more than 1000 hours per year will be using maximum 0.05 percent sulfur distillate fuel oil.

NO_x emissions will be controlled by Dry Low NO_x (DLN-2.6) combustors. The units must meet a continuous emission limit of 9 parts per million by volume at 15 percent oxygen (ppm). NO_x will be controlled to 42 ppm by wet injection when firing fuel oil. Sulfuric acid mist, SO_2, and PM/PM_{10} will be limited by use of clean fuels. Emissions of VOC and CO will be controlled by good combustion practices.

The maximum emissions from the combustion turbines in tons per year based on the original application are summarized below. There will be minor emissions of VOC from the fuel oil storage tank. However total VOC emissions will still be less than significant for PSD purposes.

Pollutant	Maximum Potential Emissions	PSD Significant Emission Rate
PM/PM_{10}	61	25/15
CO	259	100
NO_x	756	40
VOC	34	40
SO_2	166	40
Sulfuric Acid Mist	25	7

Air quality impact analyses were conducted. Maximum predicted impacts due to proposed emissions from the project are less than the applicable PSD Class I and Class II significant impact levels. There will be insignificant impacts on visibility in the Class I Everglades National Park. Based on the required analyses, the Department has reasonable assurance that the proposed project will not cause or significantly contribute to a violation of any AAQS or PSD increment.

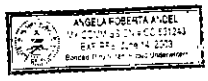
The Department will issue the FINAL Permit, in accordance with the conditions of the DRAFT Permit, unless a response received in accordance with the following procedures results in a different decision or significant change of terms or conditions.

The Department will accept written comments and requests for public meetings concerning the proposed permit issuance action for a period of 30 (thirty) days from the date of publication of this Public Notice of Intent to Issue Air Construction Permit. Written comments and requests for public meetings should be provided to the Department's Bureau of Air Regulation at 2600 Blair Stone Road, Mail Station #5505, Tallahassee, FL 32399-2400. Any written comments filed shall be made available for public inspection. If written comments received result in a significant change in the proposed agency action, the Department shall revise the proposed permit and require, if applicable, another Public Notice.

The Department will issue the permit with the attached conditions unless a timely petition for an administrative hearing is filed pursuant to sections 120.569 and 120.57 F.S., before the deadline for filing a petition. The procedures for petitioning for a hearing are set forth below. Mediation is not available in this proceeding.

Sworn to and subscribed before me this ----------day of ----------

SIGNATURE OF NOTARY----------



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A person whose substantial interests are affected by the proposed permitting decision may petition for an administrative proceeding (hearing) under sections 120.569 and 120.57 of the Florida Statutes. The petition must contain the information set forth below and must be filed (received) in the Office of General Counsel of the Department at 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida, 32399-3000. Petitions filed by the permit applicant or any of the parties listed below must be filed within fourteen days of receipt of this notice of intent. Petitions filed by any persons other than those entitled to written notice under section 120.60(3) of the Florida Statutes must be filed within fourteen days of publication of the public notice or within fourteen days of receipt of this notice of intent, whichever occurs first. Under section 120.60(3), however, any person who asked the Department for notice of agency action may file a petition within fourteen 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 of the Florida Administrative Code.

A petition that disputes the material facts on which the Department'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 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 indicate; (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 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 Department'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.

Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means that the Department's final action may be different from the position taken by it in this notice. Persons whose substantial interests will be affected by any such final decision of the Department on the application have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above.

A complete project file is available for public inspection during normal business hours, 8:00 a.m. to 5:00 p.m., Monday through Friday, except legal holidays, at:

Department of Environmental Protection
Bureau of Air Regulation
111 S. Magnolia Drive, Suite 4
Tallahassee, Florida 32301
Telephone: 850/488-0114
Fax: 850/922-6979

Department Environmental Protection
Southwest District Office
3804 Coconut Palm Drive
Tampa, Florida 33619-8218
Telephone: 813/744-6100
Fax: 813/744-6084

The complete project file includes the application, technical evaluations, Draft Permit, and the information submitted by the responsible official, exclusive of confidential records under Section 403.111, F.S. Interested persons may contact the Administrator, New Resource Review Section at 111 South Magnolia Drive, Suite 4, Tallahassee, Florida 32301, or call 850/488-0114 for additional information.

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Edition	Start Date	Stop Date	Insertions	Cost/Day	Total
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Printers and Publishers of
DeSoto Sun Herald
PUBLISHER'S AFFIDAVIT OF PUBLICATION

STATE OF FLORIDA,
COUNTY OF DESOTO
Before the undersigned personally appeared , Tami Jewell who an oath says he/she is CUSTOMER/SERVICE CLERK DeSoto Sun Herald a daily newspaper printed printed at Charlotte Harbor in Charlotte County, Florida; that the attached copy of advertisement being a, in the matter of Notice of Public Meeting was published in said newspaper in the issues of:

4/12/00 - 4/18/00

Affiant further says that the said newspaper has heretofore been continuously published in Charlotte County, Florida, Sarasota County, Florida, and DeSoto County, Florida, each day and has been entered as Second-Class mail matter at the Post Office in Punta Gorda, in said Charlotte County, Florida and at additional mailing offices, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says he/she has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

SIGNATURE OF AFFIANT

Tami Jewell

Sworn to and subscribed before me this 18 day of April 2000

SIGNATURE OF NOTARY Angela R. Santucci

ANGELA ROBERTA SANTUCCI
Notary Public, State of Florida
My comm. expires June 14, 2003
Comm. No CC831243
Bonded Thru Notary Public Underwriters

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
NOTICE OF PUBLIC MEETING
DESOTO POWER PROJECT

The Department of Environmental Protection gives notice that a public meeting will be held regarding the Department's intent to issue an air construction permit pursuant to the rules for the Prevention of Significant Deterioration of Air Quality (PSD) to IPS Avon Park Corporation for construction of three 170 megawatt simple cycle combustion turbine-electrical generators and ancillary equipment East of Arcadia in unincorporated DeSoto County.

The formal meeting will be held at 7:00 p.m. on Wednesday, April 19, 2000 at the DeSoto County Administrative Building, 201 East Oak Street, Room 103, Arcadia. Department staff will also be available from 6:00 to 7:00 p.m. to discuss the proposed permit on an informal basis. IPS Avon Park may also have representatives present to discuss their proposed project from 6:00 to 7:00 p.m. Beginning at 7:00 p.m., the Department will provide the status of the permit application and receive oral and written comments regarding the Department's Intent to Issue an Air Construction Permit.

The Department's Public Notice of Intent to Issue an Air Construction Permit was published in the DeSoto Sun-Herald on March 10, 2000. This public meeting was requested pursuant to the procedures described in that Public Notice. The application, Meeting Agenda, Public Notices, Technical Evaluation, Draft Best Available Control Technology (BACT), Draft Permit, and file are available for review during normal business hours, 8:00 a.m. to 5:00 p.m., Monday through Friday, except legal holidays at:

Department of Environmental Protection
Bureau of Air Regulation
111 S. Magnolia Drive. Suite 4
Tallahassee, Florida 32301
Telephone: 850/488-0114
Fax: 850/922-6979

Department Environmental Protection
Southwest District Office
3804 Coconut Palm Drive
Tampa, Florida 33619-8218
Telephone: 813/744-6100
Fax: 813/744-6084

The Public Notice of Intent to Issue an Air Construction Permit, Technical Evaluation, Draft Permit, and Draft BACT may also be accessed at www.dep.state.fl.us/air/permitting.htm

A separate Notice of this public meeting was published in the Florida Administrative Weekly dated April 7, 2000 and can be viewed at election.dos.state.fl.us/faw/issues.shtml

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this meeting is asked to advise the agency at least 348 hours before the meeting by contacting the Personnel Service Specialist in the Bureau of Personnel at (850) 488-2996. If you are hearing or speech impaired, please contact the agency by calling (800) 955-8771 (TDD).

5231S9

HG, FTEF 4/13/00

INFORMATION REGARDING THE GAS PIPELINE

Project Information: Florida Gas Transmission Company is constructing and modifying its natural-gas-distribution system in southwest Florida. Its purpose is to deliver natural gas primarily for electric-power generation. (The largest user, for which most of the proposed facilities would be constructed, is FP&L's Fort Myers Power Generating Station, in Lee County.) This Phase IV project is a major undertaking that requires the approval of federal and state agencies, particularly the US DOE's Federal Energy Resource Commission, US Army Corps of Engineers, US Fish and Wildlife Service, Florida's DEP, and the South Florida Water Management District.

Project Maps: See Attachment A (State of Florida)
See Attachment B (Pipeline and Desoto Power Project)

Consideration of Impact: An Environmental Impact Statement has been prepared by the Federal Energy Regulatory Commission to fulfill the requirements of the National Environmental Policy Act. The document considered the impacts of the project on such matters as safety, wildlife habitat, cultural and archeological sites, noise, water resources, air quality, among others. Public notice was given, public comments were solicited, and public meetings in the project area were held. A public meeting on this matter was held in the Margaret Way Building of the city of Arcadia's Parks and Recreation Department on November 2, 1999.

Noise: Compressors are the only significant sources of noise associated with the long-term operation of the pipeline. No compressor station is planned for Desoto County as part of Florida Gas Transmission Company's Phase IV project.

Safety: The transportation of natural gas by pipeline involves some risk, primarily rupture of pipeline and subsequent release of gas that causes a fire or explosion. Methane, the primary component, is not toxic but is classified as a simple asphyxiate and poses a slight inhalation hazard. Methane is buoyant at atmospheric temperatures and disperses rapidly in air.

USDOT sets the safety standards for the design, construction, operation, and maintenance of gas pipelines. It requires that all operators report certain accidents and releases. Attachment C is a photocopy of the safety-related information and statistics provided by the Draft Environmental Impact Statement for the Phase IV Project.

General Information on Gas Transport: See Attachment D

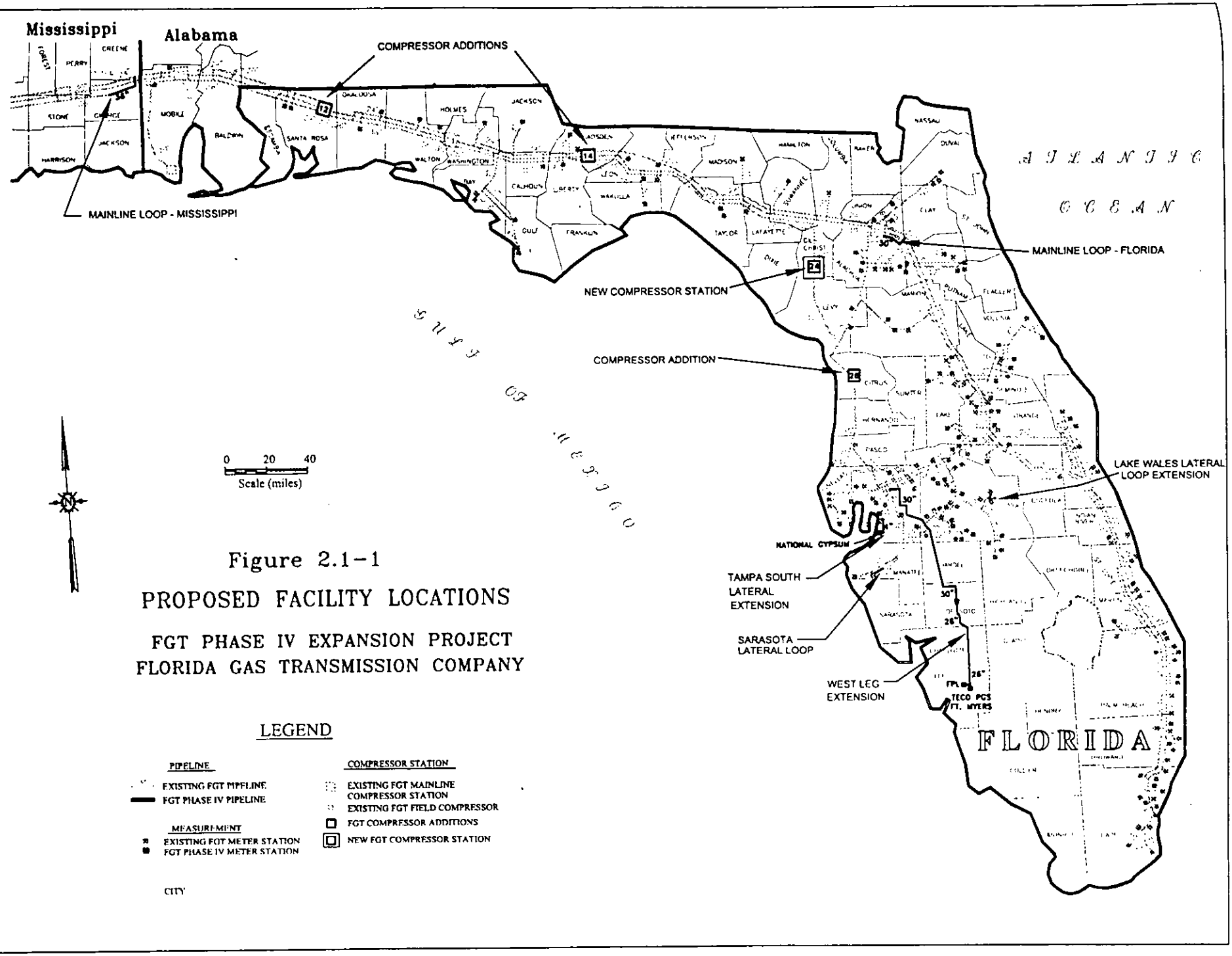
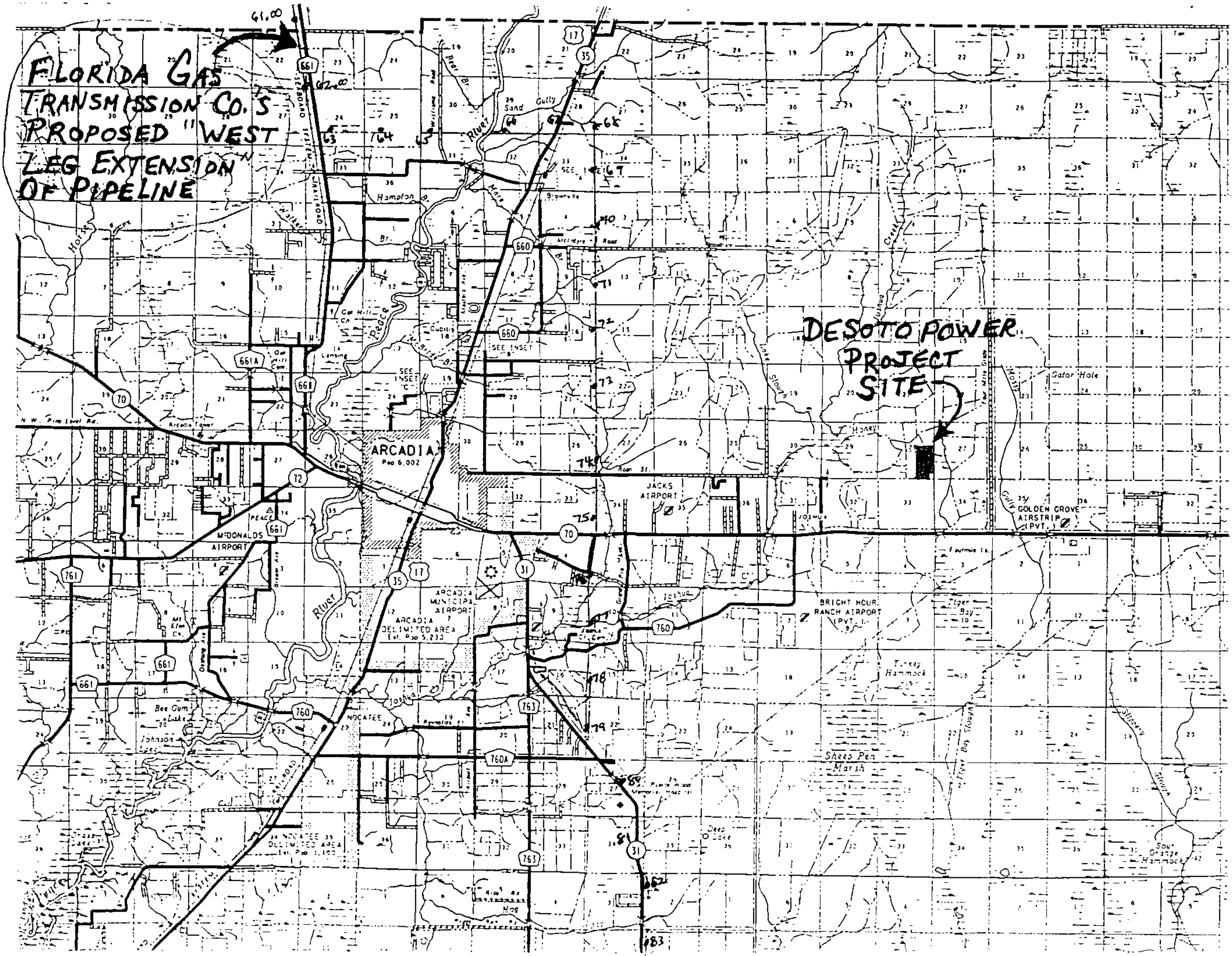


Figure 2.1-1

PROPOSED FACILITY LOCATIONS

FGT PHASE IV EXPANSION PROJECT
FLORIDA GAS TRANSMISSION COMPANY

ATTACHMENT A



FLORIDA GAS TRANSMISSION CO.'S PROPOSED "WEST LEG EXTENSION" OF PIPELINE
DESOTO POWER PROJECT SITE
ARCADIA
JACKS AIRPORT
GOLDEN GROVE AIRSTRIP (PVT.)
McDONALDS AIRPORT
ARCADIA MUNICIPAL AIRPORT
ARCADIA DELIMITED AREA
BRIGHT HOUR RANCH AIRPORT (PVT.)
NOCATEE
Peace River
Hampton Br.
Gator Hole
Turkey Hammock
Sheep Pen Marsh
Bee Gum Lake
Johnson Lake
Deep Lake

flammable concentration within an enclosed space in the presence of an ignition source can explode. It is buoyant at atmospheric temperatures and disperses rapidly in air.

5.12.1 Safety Standards

Commentors were concerned about pipeline safety, including explosions and leaks. The pipeline and aboveground facilities associated with the FGT Phase IV Expansion Project would be designed, constructed, operated, and maintained in accordance with the DOT Minimum Federal Safety Standards in 49 CFR (Part 192). The regulations are intended to ensure adequate protection for the public and to prevent natural gas facility accidents and failures. Part 192 specifies material selection and qualification, minimum design requirements, and protection from internal, external, and atmospheric corrosion.

Part 192 also defines area classifications, based on population density in the vicinity of the pipeline, which determine more rigorous safety requirements for populated areas. The class location unit is an area that extends 220 yards on either side of the centerline of any continuous 1 mile length of pipeline. The four area classifications are defined as follows:

Class 1 - Location with 10 or fewer buildings intended for human occupancy.

Class 2 - Location with more than 10 but less than 46 buildings intended for human occupancy.

Class 3 - Location with 46 or more buildings intended for human occupancy or where the pipeline lies within 100 yards of any building, or small well-defined outside area occupied by 20 or more people during normal use.

Class 4 - Location where buildings with four or more stories aboveground are prevalent.

Class locations representing more populated areas require higher safety factors in pipeline design, testing, and operation. Pipelines constructed on land in Class 1 locations must be installed with a minimum depth of cover of 30 inches in normal soil and 18 inches in consolidated rock. All pipelines installed in navigable rivers, streams, and harbors must have a minimum cover of 48 inches in soil or 24 inches in consolidated rock. Offshore pipelines constructed in less than 12 feet of water, as measured from the mean low tide, must have a minimum cover of 36 inches in soil and 18 inches in consolidated rock. Offshore pipelines constructed in 12 to 200 feet of water, as measured from the mean low tide, must be installed so that the top of the pipe is below the natural bottom unless the pipeline is protected by some other means such as a heavy concrete coating.

Class 2, 3, and 4 locations, as well as drainage ditches of public roads and railroad crossings, require a minimum cover of 36 inches in normal soil and 24 inches in consolidated rock. Class locations also specify the maximum distance to a sectionalizing block valve (e.g., 10.0 miles in Class 1, 7.5 miles in Class 2, 4.0 miles in Class 3, and 2.5 miles in Class 4). A comment was received regarding the location of block valves. FGT has determined the locations of the block valves. See table 5.11.2-2 for a listing of locations of mainline valves. Pipe wall thickness and pipeline design pressures, hydrostatic test pressures, maximum allowable operating pressure, inspection and testing of welds, and frequency of pipeline patrols and leak surveys must also conform to higher standards in more populated areas. Preliminary class locations for the FGT project would be available once the pipeline design has been undertaken to determine the pipeline centerline with respect to other structures and manmade features.

Part 192 prescribes the minimum standards for operating and maintaining pipeline facilities, including the requirement to establish a written plan governing these activities. Under section 192.615, each

ATTACHMENT C

pipeline operator must also establish an emergency plan that includes procedures to minimize the hazards in a natural gas pipeline emergency. Key elements of the plan include procedures for:

- receiving, identifying, and classifying emergency events, gas leakage, fires, explosions, and natural disasters;
- establishing and maintaining communications with local fire, police, and public officials, and coordinating emergency response;
- making personnel, equipment, tools, and materials available at the scene of an emergency;
- protecting people first and then property, and making them safe from actual or potential hazards; and
- emergency shutdown of system and safe restoration of service.

We received comments concerning evacuation and emergency procedures, including a 24-hour emergency hotline. Part 192 requires that each operator must establish and maintain liaison with appropriate fire, police, and public officials to learn the resources and responsibilities of each organization that may respond to a natural gas pipeline emergency, and to coordinate mutual assistance. The operator must also establish a continuing education program to enable customers, the public, government officials, and those engaged in excavation activities to recognize a gas pipeline emergency and report it to appropriate public officials.

5.12.2 Pipeline Accident Historical Data

Since February 9, 1970, 49 CFR (Part 191) has required all operators of transmission and gathering systems to notify the DOT of any reportable incident and to submit a report on form F7100.2 within 20 days. Reportable incidents are defined as any leaks that:

- caused a death or personal injury requiring hospitalization;
- required taking any segment of transmission line out of service;
- resulted in gas ignition;
- caused estimated damage to the property of the operator, or others, of a total of $5,000 or more;
- required immediate repair on a transmission line;
- occurred while testing with gas or another medium; or
- in the judgment of the operator was significant, even though it did not meet the above criteria.

The DOT changed reporting requirements after June 1984 to reduce the amount of data collected. Since that date, operators must only report incidents that involve property damage of more than $50,000, injury, death, release of gas, or that are otherwise considered significant by the operator. Table 5.12.2-1

presents a summary of incident data for the 1970 to 1984 period, as well as more recent incident data for 1991 through 1997, recognizing the difference in reporting requirements. The 14.5-year period from 1970 through June 1984, which provides a larger universe of data and more basic report information than subsequent years, has been subject to detailed analysis as discussed in the following sections.[1]

TABLE 5.12.2-1

Service Incidents by Cause Incidents per 1,000 miles-year (percentage)

Cause	1970 - 1984	1991 - 1997
Outside Forces	0.70 (53.5)	0.10 (41.2)
Corrosion	0.22 (16.6)	0.06 (22.6)
Construction or Material Defect	0.27 (21.7)	0.03 (11.6)
Other	0.11 (8.2)	0.06 (24.7)
Total	1.30	0.25

During the 14.5-year period, 5,862 service incidents were reported over the more than 300,000 total miles of natural gas transmission and gathering systems nationwide. Service incidents, defined as failures that occur during pipeline operation, remained fairly constant over this period with no clear upward or downward trend in annual totals. In addition, 2,013 test failures were reported. Correction of test failures removed defects from the pipeline before operation.

Additional insight into the nature of service incidents may be found by examining the primary factors that caused the failures. Table 5.12.2-1 provides a percentage distribution of the causal factors as well as the annual frequency of each factor per 1,000 miles of pipeline in service.

The pipelines included in the data set in table 5.12.2-1 vary widely in terms of age, pipe diameter, and level of corrosion control. Each variable influences the incident frequency that may be expected for a specific segment of pipeline.

The dominant incident cause is outside forces, constituting 53.5 percent of all service incidents. Outside forces incidents result from the encroachment of mechanical equipment such as bulldozers and backhoes; from earth movements due to soil settlement, washouts, or geologic hazards; from weather effects such as winds, storms, and thermal strains; and from willful damage. The breakdown of outside force incidents in table 5.12.2-2 shows that human error in equipment usage was responsible for approximately 75 percent of outside force incidents. We received a comment concerning the use of backhoes in citrus groves rupturing the pipeline. Since April 1982, operators have been required to participate in "One Call" public utility programs in populated areas to minimize unauthorized excavation activities in the vicinity of pipelines. The "One Call" program is a service used by public utilities and some private sector companies (e.g., oil pipelines and cable television) to provide preconstruction information to contractors or other maintenance workers on the underground location of pipes, cables, and culverts. The 1991 through 1997 data show that the portion of incidents caused by outside forces has decreased to 41.2 percent.

Older pipelines have a higher frequency of outside forces incidents partly because their location may be less well known and less well marked than newer lines. In addition, the older pipelines contain a

1 Jones, D. J., G. S. Kramer, D. N. Gideon, and R. J. Eiber, 1986. "An Analysis of Reportable Incidents for Natural Gas Transportation and Gathering Lines 1970 Through June 1984." NG-18 Report No. 158, Pipeline Search Committee of the American Gas Association.

disproportionate number of smaller diameter pipelines, which have a greater rate of outside force incidents. Small diameter pipelines are more easily crushed or broken by mechanical equipment or earth movements.

The frequency of service incidents is strongly dependent on pipeline age. While pipelines installed since 1950 exhibit a fairly constant level of service incident frequency, pipelines installed before that time have a significantly higher rate, partially due to corrosion. Older pipelines have a higher frequency of corrosion incidents, since corrosion is a time-dependent process. Further, new pipe generally uses more advanced coatings and cathodic protection to reduce corrosion potential.

TABLE 5.12.2.-2

Outside Forces Incidents by Cause (1970 – 1984)

Cause	Percent
Equipment operated by outside party	67.1
Equipment operated by or for operator	7.3
Earth movement	13.3
Weather	10.8
Other	1.5

Table 5.12.2-3 clearly demonstrates the effectiveness of corrosion control in reducing the incidence of failures caused by external corrosion. The use of both an external protective coating and a cathodic protection system, required on all pipelines installed after July 1971, significantly reduces the rate of failure compared to unprotected or partially protected pipe. The data shows that bare, cathodically protected pipe actually has a higher corrosion rate than unprotected pipe. This anomaly reflects the retrofitting of cathodic protection to actively corroding spots on pipes.

TABLE 5.12.2.-3

External Corrosion by Level of Control (1970 – 1984)

Corrosion Control	Incidents per 1,000 miles-year
None – bare pipe	0.42
Cathodic protection only	0.97
Coated only	0.40
Coated and cathodic protection	0.11

5.12.3 Impact on Public Safety

The service incident data summarized in table 5.12.2-1 include pipeline failures of all magnitudes with widely varying consequences. Approximately two-thirds of the incidents were classified as leaks, and the remaining third classified as ruptures, implying a more serious failure. Fatalities or injuries occurred in 4 percent of the service incidents reported in the 14.5-year period from 1970 through June 1984.

Table 5.12.3-1 presents the average annual fatalities that occurred on natural gas transmission and gathering lines from 1970 to 1998. Fatalities between 1970 and June 1984 have been separated into employees and nonemployees, to better identify a fatality rate experienced by the general public. Of the total

5.0 nationwide average, fatalities among the public averaged 2.6 per year over this period. The simplified reporting requirements in effect after June 1984 do not differentiate between employees and nonemployees. However, the data show that the total annual average for the period 1984 through 1998 decreased to 3.5 fatalities per year. Subtracting two major offshore incidents in 1989, which do not reflect the risk to the onshore public, yields a total annual rate of 2.3 fatalities per year for this period.

The nationwide totals of accidental fatalities from various manmade and natural hazards are listed in table 5.12.3-2 provide a relative measure of the industry-wide safety of natural gas pipelines. Direct comparisons between accident categories should be made cautiously since individual exposures to hazards are not uniform among all categories. Nevertheless, the average 2.6 public fatalities per year is relatively small considering the more than 300,000 miles of transmission and gathering lines in service nationwide. Furthermore, the fatality rate is approximately two orders of magnitude (100 times) lower than the fatalities from natural hazards such as lightning, tornadoes, floods, and earthquakes.

TABLE 5.12.3-1

Annual Average Fatalities – Gas Transmission and Gathering System [a, b]

Year	Employees	Nonemployees	Total
1970 – June 1984	2.4	2.6	5.0
1984 – 1998	-	-	3.5
1984 – 1998	-	-	2.3 [c]

[a] 1970 through June 1984 – American Gas Association, 1986
[b] U.S. DOT Hazardous Materials Information System
[c] Without 18 offshore fatalities occurring in 1989 – 11 fatalities resulted from a fishing vessel striking an offshore pipeline and 7 fatalities resulted from an explosion on an offshore production platform
- Employee/nonemployee breakdown not available after June 1984

TABLE 5.12.3.-2

Nationwide Accidental Deaths [a]

Type of Accident	Fatalities
All accidents	86,777
Motor vehicles	40,982
Falls	12,646
Drowning	3,524
Poisoning	7,280
Fires and burns	3,956
Suffocation by ingested object	3,128
Tornado, flood, and earthquake (1984-93 average)	181
All liquid and gas pipelines (1978-87 average) [b]	27
Gas transmission and gathering lines, nonemployees only (1970-84 average) [c]	2.6

[a] All data, unless otherwise noted, reflect 1992 statistics from the U.S. Department of Commerce, Bureau of the Census, "Statistical Abstract of the United States 115th Edition."
[b] U.S. Department of Transportation, "Annual Report on Pipeline Safety – Calendar Year 1987."
[c] American Gas Association, 1986

The available data show that natural gas pipelines continue to be a safe, reliable means of energy transportation. Based on approximately 311,000 miles in services, the rate of public fatalities for the nationwide mix of transmission and gathering lines in service is 0.008 per 1,000 miles per year. Using this rate, the FGT Phase IV Expansion Project would result in a public fatality every 609 years. This would represent a slight increase in risk to the nearby public.

5.13 CUMULATIVE IMPACT

NEPA requires the lead Federal agency to consider the cumulative impacts of proposals under their review. Cumulative impacts are the incremental impacts of the proposed action, when added to other past, present, and reasonably foreseeable future actions regardless of what agency or person undertakes such other actions. Cumulative impacts can result from individually minor, but collectively significant, actions taking place over a period of time.

As stated by FGT, the principal objectives of the FGT Phase IV Expansion Project are to deliver needed quantities of natural gas largely for electric power generation and to enhance the FGT system. The FGT Phase IV Expansion Project would increase system reliability and would help make natural gas available to southwest Florida for the first time as a result of the construction of the proposed West Leg Extension.

FGT contends that construction of the FGT Phase IV Expansion Project would be necessary to satisfy growing fuel requirements of electric generation customers and others in Florida. If the Commission postpones or denies the application, the short- and long-term environmental impacts identified in this DEIS would not occur. However, potential gas shippers would be forced to make other arrangements to obtain natural gas transportation service and end users may need to use alternative fuel sources (e.g., fuel oil, coal, wood). This could require the construction of additional and/or new natural gas pipeline facilities in other locations to transport natural gas supplies or it could result in the increased use of alternative fuels with higher emissions rates of NO_x, SO_2 and other pollutants, than from the use of natural gas.

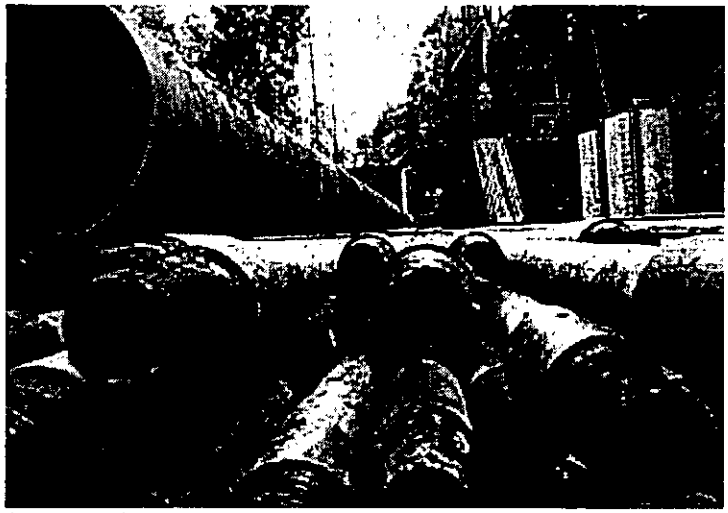
In the Fort Myers area, TECO-PGS operates an existing propane-based distribution system, which will be improved, converted to natural gas, and expanded over time. TECO-PGS is currently building an intrastate 8-inch diameter natural gas pipeline approximately 110 miles long from the Sarasota area to the Fort Myers and Naples area to be completed by the end of 1999. The FGT Phase IV Expansion Project is not essential to the immediate operation or expansion of the Fort Myers TECO-PGS system, but provides a supplemental gas supply for the future.

Three other pipeline projects that would each provide transportation of natural gas in the Gulf of Mexico into central and southern peninsular Florida when formerly filed with FERC:

- The Buccaneer Pipeline Project, is sponsored by a subsidiary of the Williams Companies, according to Williams press releases. The project would extend approximately 420 miles from near Mobile, Alabama, across the Gulf of Mexico, entering Florida onshore north of Tampa. From there, the project would continue onshore, branching out in an easterly direction approximately 250 miles to serve markets across the center of the state. Williams states that it plans to file the Buccaneer project with the FERC during the third quarter of 1999, and is targeting April 2002 for in-service date

- The Gulfstream Natural Gas System is sponsored by a subsidiary of the Coastal Corporation. According to Coastal press releases, this approximately 700-mile long

Transportation of Natural Gas



Source: NGSA

After raw gas from the wellhead is processed, it is moved into a pipeline system for transportation to an area where it will be sold. A pipeline company is a totally separate company from a producer or a distributor, although sometimes pipelines sell gas directly to large customers. The interstate pipeline system is massive, reliable, and efficient. Major investments in the pipeline system during the 1980's and early 1990's improved the system's capacity to areas in the Northeast, West Coast and Florida. However, the pipeline industry is still making improvements in capacity, efficiency and cost effectiveness, since transportation costs still make up a large portion of the consumer's price for natural gas.

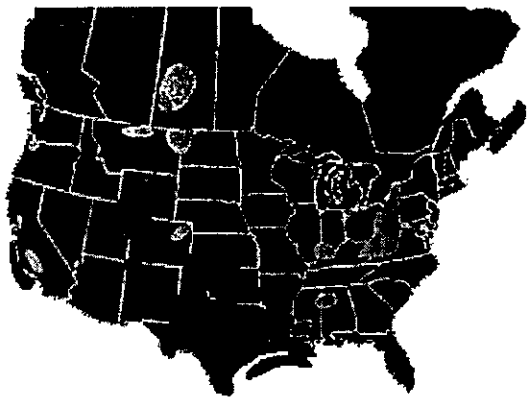
Most sections of pipeline are made of steel piping, measuring anywhere from 20 to 42 inches in diameter. When natural gas is moved through a pipeline, it is transmitted at higher pressures (from 200 to 1500 psi) to reduce the volume of the gas, and provide a pushing force to propel the gas through the pipe. In order to maintain the level of pressure required to move the large volumes of gas through a pipeline, the gas needs to be compressed periodically as it moves through the pipeline. This requires pipelines to install compressor stations every about every 100 miles along the pipeline. Most of these compressors are classified as reciprocating compressors, which means that they are powered by a very small portion of the natural gas that flows through the pipeline. These compressors are efficient and safe, their only drawback being that they tend to be quite large. There are over 8,000 gas compressing stations along gas pipelines, with a combined output capability of over 20 million horsepower.

One of the classic environmental problems with any sort of energy is that a portion of the energy is lost in transporting it from its source to its destination. Gas transportation is very efficient in this respect, compared to other energy resources. Only about 3 percent of the gas energy that is transported is lost in the process. When considering the efficiency of an energy resource from start to finish, gas appears even more efficient. For example, the use of natural gas is much more efficient than using electricity. Electricity delivers less than 30% of the natural energy to your home because so much energy is lost in generating electricity. Over 70% of the natural energy used to generate electricity is lost during electric generation and powerline transmission to your home. Natural gas delivery to your home is over 90% efficient.

The U.S. gas transmission system is composed of over 300,000 miles of piping, not including local distribution lines. These pipelines

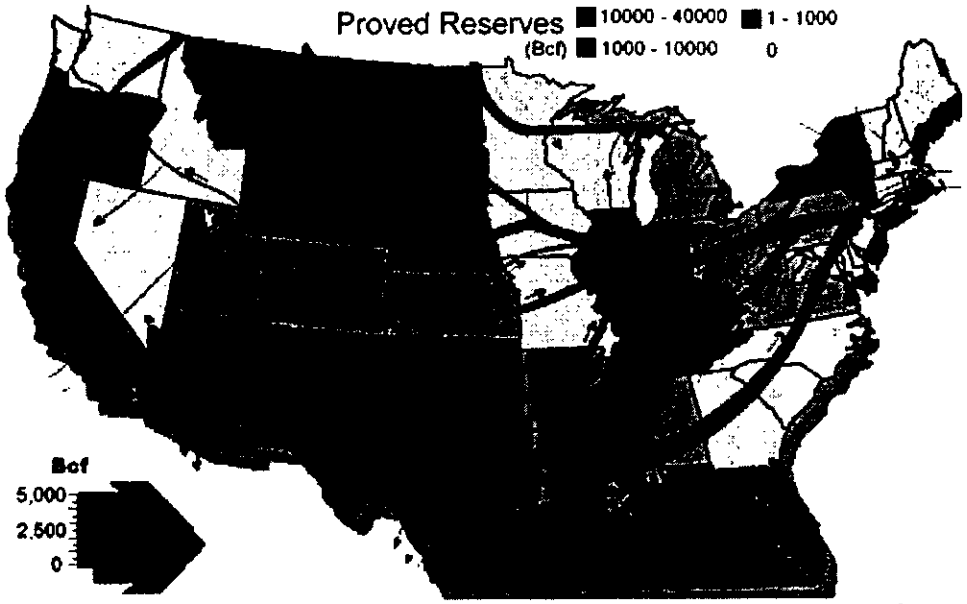
ATTACHMENT D

need to be monitored 24 hours a day and 365 days a year. In order to keep accurate, constant information on sections of pipeline, pipeline companies use 'supervisory control and data acquisition systems' (SCADA systems diagram). These are computerized systems that allow pipeline operators to acquire information from remote sections of pipeline, and also control the flow of gas at remote locations by using computers that are linked to satellite communication and telephone communication systems. SCADA systems allow not only the pipeline operators to obtain timely information, but they also allow producers to have access to some of the same information so that they can purchase distribution services according to the current volume of gas in a pipeline.



Because natural gas reserves are not evenly spaced across the continent, an efficient, reliable gas transportation system is essential.
Source: NGSA

The information that is provided to those shipping gas on pipelines is posted on electronic bulletin boards (EBBs), which can be accessed by users in order to purchase transportation service, check on billing, or arrange storage of gas that has been transported through a pipeline. The Federal Energy Regulation Commission has begun to require pipeline companies to post information about pipeline utilization on such EBBs, and with the recent unbundling of pipeline services, it is beneficial to a pipeline company to provide such information so that its capacity can be used efficiently.



This map shows the prinipal flow of natural gas in the lower 48 states. It also shows the areas that hold most of the nation's proved reserves. The flow of natural gas from the Gulf region is nearly 5,000 Bcf annually.
Source: EIA

Another method that pipeline companies use to maintain their pipelines is the use of intelligent PIGs (intelligent robotic inspection devices). Not like your typical farm animal, these PIGs are used to inspect pipeline interior walls for corrosion and defects, measure the interior diameter of a section of pipe, and to remove accumulated debris from a section of pipeline. As a PIG travels through a pipeline, it takes thousands of measurements with its accurate sensors that can later be analyzed and

modeled by computers for a pipeline to show possible problems. Although pipelines use cathodic protection for many newer sections of their pipelines, they still encounter corrosion problems that weaken some parts of the pipeline. Magnetic-flux leakage PIGs are used to detect metal loss in pipeline walls, locating potential problems without the cost and risk of using other methods.

Overall, delivering natural gas is among the safest means of distributing energy to customers. Much of this is due to the fact that the transmission system is fixed, and buried underground. Statistical data collected by the National Transportation Safety Board indicate that energy transportation by rail or truck represents a much higher safety risk than transportation through a pipeline. According to data from the U.S. Department of Transportation (DOT), natural gas and petroleum liquids pipelines are the safest method of transporting energy. For example, electric current is responsible for more than 100 deaths a year during its transmission to the home. In contrast, in 1993, the most recent year for which data is available, only 14 pipeline accident fatalities were reported, according to DOT's National Transportation Safety Board (NTSB).

See also, Gas Industry Standards Board, ANR Pipeline Co.

Previous Section Next Section

SOURCES

Bill Gerger and Kenneth Anderson's *Modern Petroleum: A Basic Primer of the Industry, 3rd Edition*
Copyright 1992 by PennWell Publishing and,
Arlon R. Tussing and Bob Tippee's *The Natural Gas Industry: Evolution, Structure, and Economics, 2nd Edition*
Copyright 1995 by PennWell Publishing.

Publications of the Natural Gas Council, Natural Gas Supply Association and Independent Petroleum Association of America.

Exploration Extraction Production Transport Storage
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Index Gas Line

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April 7, 2000

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APR 10 2000
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Twin Towers Office Building
2600 Blair Stone Road
Tallahassee, Florida 32399

Dear Mr. Beason:

This law firm is assisting IPS Avon Park (Avon Park) with its efforts to obtain a Prevention of Significant Deterioration (PSD) permit for the construction of an electrical power plant in DeSoto County, Florida.

The Florida Department of Environmental Protection (DEP) has given notice of its intent to issue the PSD permit for Avon Park's proposed project, and the Department's "Public Notice of Intent to Issue Air Construction Permit" (Notice) was published in the DeSoto Sun newspaper. See DEP File No. 00270016-001-AC; PSD FL-264. In response to the Notice, Ms. Nancy Grant sent a letter (dated March 23, 2000) to DEP, which apparently is intended to be a petition for a formal administrative hearing.

Avon Park respectfully requests the Department to dismiss Ms. Grant's letter, with prejudice. A cursory review of Ms. Grant's letter reveals that she has not satisfied the minimum pleading requirements for a petition, which are set forth in DEP's Notice.

A closer review shows that the comments in Ms. Grant's letter are not relevant to the project that is the subject of DEP's Notice. Her letter states:

> This pipeline must be shut down. Pipelines similar to this are causing massive damage in other parts of the world and these projects are not brought to attention when decisions are made.

Avon Park is not proposing to build a pipeline and DEP's PSD permit does not authorize the construction of a pipeline.

It appears that Ms. Grant's objection is directed toward the pipeline expansion project that has been proposed by Florida Gas Transmission Company (FGT). Ms. Grant's confusion about the facts is reflected in her allegation that "all state agencies are involved in inter-state projects like this". Avon Park's power plant is not an inter-state project, but the FGT pipeline is. Similarly, Ms. Grant's comments about "your EIS" [Environmental Impact Statement] may be relevant to the FGT pipeline, but no EIS has been performed for Avon Park's project because an EIS is not required.

Avon Park believes Ms. Grant's letter should be dismissed, with prejudice, because Ms. Grant has not properly plead any grounds for granting an administrative hearing concerning the electrical power plant that has been proposed by Avon Park. Further, Ms. Grant's letter should be dismissed because DEP cannot grant any relief in this case that would address her concerns about a pipeline project.

Avon Park is happy to work with Ms. Grant and any other citizen that has a legitimate concern about Avon Park's project. In this case, a representative of Avon Park met with Ms. Grant the day after Avon Park received her letter. Avon Park described its project to Ms. Grant and informed her that the statements in her letter are false and misleading. Avon Park also informed Ms. Grant that, if she files another request for an administrative hearing based on allegations that she knows are false, Avon Park will seek attorneys' fees and costs from her pursuant to Section 120.595, Florida Statutes, on the grounds that she is participating in this case for an improper purpose.

If you or other members of the Department speak to Ms. Grant, I hope you will caution her about the provisions in Chapter 120, Florida Statutes, that prohibit people from filing administrative cases primarily to harass an applicant, or cause delay, or for other frivolous purposes.

Sincerely,

David S. Dee

DSD/nw
cc: Nancy Grant
John Ellis, Avon Park
Al Linero, DEP

LANDERS & PARSONS, P.A.
Attorneys at law
310 West College Avenue
Tallahassee, Florida 32301
(850) 681-0311
(850) 224-5595 FAX

FAX COVER SHEET

DATE: **April 7, 2000**

NUMBER OF PAGES (INCLUDING COVER SHEET): 3

PLEASE DELIVER FAX TO:	FAX NO.
Al Linero	922-6979

FROM: DAVID S. DEE
IF ANY PROBLEMS, please contact Nanci at: (850) 681-0311.

MESSAGE:

LANDERS & PARSONS, P.A.

ATTORNEYS AT LAW

DAVID B. DEE
JOSEPH W. LANDERS, JR.
JOHN T. LAVIA, III
FRED A. McCORMACK
PHILIP S. PARSONS
LESLIE J. PAUGH
ROBERT SCHEFFEL WRIGHT

VICTORIA J. TSCHINKEL
SENIOR CONSULTANT
(NOT A MEMBER OF THE FLORIDA BAR)

MAILING ADDRESS:
POST OFFICE BOX 271
TALLAHASSEE, FL 32302-0271

310 WEST COLLEGE AVENUE
TALLAHASSEE, FL 32301

TELEPHONE (850) 681-0311
TELECOPY (850) 224-5595
www.landersandparsons.com

April 7, 2000

Mr. Douglas Beason
Department of Environmental
Protection
Twin Towers Office Building
2600 Blair Stone Road
Tallahassee, Florida 32399

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Sincerely,

David S. Dee

DSD/nw
cc: Nancy Grant
John Ellis, Avon Park
Al Linero, DEP

NOTICE OF PUBLIC MEETING

The Department of Environmental Protection announces a public meeting to which all persons are invited:

DATE AND TIME: April 19, 2000 - 7:00 - 9:00 p.m.

PLACE: DeSoto County Administrative Building, 201 East Oak Street, Room 103, Arcadia Florida

PURPOSE: To accept public comments and provide status of Department's Intent to Issue an Air Construction Permit to IPS Avon Park Corporation to construct three 170 megawatt simple cycle combustion turbine-electrical generators East of Arcadia in unincorporated DeSoto County, Florida. The permitting action is subject to the Department's rules for the Prevention of Significant Deterioration of Air Quality and Best Available Control Technology (BACT).

A copy of the agenda and the Department's proposed permit and supporting documents can be obtained by contacting: Al Linero, Department of Environmental Protection at 2600 Blair Stone Road - MS 5505, Tallahassee, Florida 32399, phone (850)921-9529, or by phoning the Bureau of Air Regulation's New Source

Review Section at (850)921-9533.

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this meeting is asked to advise the agency at least 48 hours before the meeting by contacting the Personnel Service Specialist in the Bureau of Personnel at (850)488-2996. If you are hearing or speech impaired, please contact the agency by calling (800)955-8771 (TDD).

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

MAR 24 2000

4 APT-ARB

Mr. A. A. Linero, P.E.
Florida Department of Environmental Protection
Twin Towers Office Building
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

SUBJ: Preliminary Determination and Draft PSD Permit for IPS Avon Park Corp. - DeSoto Power Project (PSD-FL-284) located in DeSoto County, Florida

Dear Mr. Linero:

Thank you for sending the preliminary determination and draft prevention of significant deterioration (PSD) permit for IPS APC - DeSoto dated March 3, 2000. The preliminary determination is for the proposed construction and operation of three simple cycle combustion turbines (CTs) with a total nominal generating capacity of 510 MW to be located near Arcadia, FL. The combustion turbines proposed for the facility are General Electric (GE), frame 7FA units. The CTs will primarily combust pipeline quality natural gas with No. 2 fuel oil combusted as backup fuel. As proposed, the CTs will be allowed to fire natural gas up to 3,390 hours per year and fire No. 2 fuel oil a maximum of 1,000 hours per year. Total emissions from the proposed project are above the thresholds requiring PSD review for nitrogen oxides (NO_x), carbon monoxide (CO), sulfur dioxide (SO_2), particulate matter (PM/PM_{10}) and sulfuric acid mist (SAM).

Based on our review of the preliminary determination and draft PSD permit, we have the following comments:

1. We suggest you verify the emission rate used by Golder Associates to estimate potential formaldehyde emissions. The emission factor cited by Golder is two orders of magnitude lower than the 1998 draft AP-42 emission factor for formaldehyde from natural gas turbines and lower yet than the current official AP-42 factor that will eventually be replaced. If a higher emission rate is more appropriate that the emission rate in the application, the facility could be subject to 112(g) case-by-case MACT requirements.

2. As indicated in Condition 25 and 26 of the draft permit, FDEP is proposing to allow excess emissions due to startup, shutdown or malfunction for up to 2 hours in any 24-hour period. It is the Environmental Protection Agency's (EPA's) policy that BACT applies during all normal operations and that automatic exemptions should not be granted for excess emissions. Startup and shutdown of process equipment are part of the normal operation of a source and

should be accounted for in the planning, design, and implementation of operating procedures for the process and control equipment. Accordingly, it is reasonable to expect that careful and prudent planning and design will eliminate violations of emission limitations during such periods.

3. Section III, Condition 13 of the draft PSD permit addresses the maximum number of hours the CTs are allowed to operate. It is unclear whether each CT is limited to 3,390 hours/year or 5,000 hours/year. After discussing this question with FDEP, we understand that each individual CT may not operate more than 5,000 hours/year, and 3,390 hours/year is the average number of hours a CT may operate based on the total number of hours all three CTs can operate (10,170 hours/year). This should be clarified in the final PSD permit. Additionally, since a single turbine could potentially operate up to 5,000 hours per year, the BACT cost analyses should take this into account when calculating the tons of pollutants reduced.

4. The applicant's cost analysis for selective catalytic reduction includes both a "MW Loss" and a "Heat Rate Loss Penalty" and cites the document "EPA, 1993 (Page 6-20)" as the reference for this approach. A complete citation is not provided for this reference, and we are not sure which EPA publication is meant. Please verify this reference and make certain the use of both the MW loss and the Heat Rate loss penalty is not double-counting energy losses. Additionally, page B-13 of the PSD application indicates the applicant used the 1990 and 1993 *OAQPS Control Cost Manuals* when performing the cost evaluations. We would like to point out that the latest version of the *OAQPS Control Cost Manual* is dated February 1996.

Thank you for the opportunity to comment on the IPS Avon Park - DeSoto Power Project preliminary determination and draft PSD permit. If you have any questions regarding these comments, please direct them to either Katy Forney at 404-562-9130 or Jim Little at 404-562-9118.

Sincerely,

Paul Stanley

R. Douglas Neeley
Chief
Air and Radiation Technology Branch
Air, Pesticides and Toxics
Management Division

cc: J. Ellis, IPS
NPS
SWD
R. Kosky, Golder

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
OFFICE OF GENERAL COUNSEL

3900 Commonwealth Boulevard, M.S. 35
Marjory Stoneman Douglas Building
Tallahassee, Florida 32399-3000

FACSIMILE TRANSMITTAL

to: Al Linero

phone: _____

fax: 222-6979

from: _____

phone: 904/488-9314

fax: 904/487-4938

sender: K. Carter

pages: 3 including cover

RE: Al - wasn't able to get this through to you yesterday.

FAX

Date: 3.23-00

Number of Pages Including Cover Sheet 2

To:
Kathy Carter
Office of General Counsel

Phone # 850-488-9314
Fax # 850-487-4938

From:
Nancy Grant

Phone # 863-494-9696
Phone # 863-993-3700

Remarks:

I had 14 days from date of receipt notice - this is the 14th day. DEP sent me a copy of the intended permit and I have a copy of the EIS

March 23, 2000

Nancy Grant
P.O. Box 573
Arcadia, Florida 33865
863-494-9696

DEP File No 0270016-001-AC PSD-FL-284
DeSoto Power Project-Units 1-3 DeSoto County

Petition for administrative hearing under sections 120.596 and 120.57 of the Florida Statutes. All state agencies are involved in inter-state projects like this. SWFWMD, CFRPC, EPA, etc.

The substantial interests that will be effected by the agencies involving this project:

I have not been informed about this project. There are many questions that have not been answered that will effect the lives of countless individuals locally as well as nationallly. My interest is for the people.

I received notice of this project in the newspaper. The DeSoto Sun advertised a "Public Notice of Intent to Issue Air Construction Permit", on March 10.2000. This is the first time I have been able to see something about what the county is hearing rumors about. The public was not suffiently notified in large advertising such as this notice till the end of permitting time.

I dispute all the facts advertised thus far. The facts are slanted to push projects such as this through.

A concise statement of the ultimate facts alleged would take as much information compiled as your EIS that was done. This does effect the environment, econmics, and health of the public.

Rights are being violated under the Constitution of the United States.

What must be done is to do what ever is necessary to enhance our environment and protect the jobs and economy for the people in this nation and for its future.

This pipeline must be shut down. Piplines similar to this are causing massive damage in other parts of the world and these projects are not brought to attention when decisions are made.

Nancy Grant

GOLDER ASSOCIATES INC.

MAR 20 2000

GAINESVILLE

RECEIVED

MAR 27 2000

BUREAU OF AIR REGULATION

SMG

A SUN COAST MEDIA GROUP, INC PUBLICATION

Printers and Publishers of
Charlotte Sun Herald
DeSoto Sun Herald

PUBLISHER'S AFFIDAVIT OF PUBLICATION

STATE OF FLORIDA,
COUNTY OF _DESOTO_____
Before the undersigned personally appeared ,TAMI JEWELL who an oath says he/she is CUSTOMER SERVICE CLERK SunHerald, Englewood Sun Herald, DeSoto Sun Herald a daily newspaper printed printed at Charlotte Harbor in Charlotte County, Florida; that the attached copy of advertisement being a

Public Notice

Court was published in said newspaper in the issues of:

3/10/00

Affiant further says that the said newspaper has heretofore been continuously published in Charlotte County, Florida, Sarasota County, Florida, and DeSoto County, Florida, each day and has been entered as Second-Class mail matter at the Post Office in Punta Gorda, in said Charlotte County, Florida and at additional mailing offices, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says he/she has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper

SIGNATURE OF AFFIANT

Tami Jewell

Sworn to and subscribed before me this 10 **day of** March **2000**

SIGNATURE OF NOTARY Angela R. Andel

ANGELA ROBERTA ANDEL
MY COMMISSION # CC 831243
EXPIRES: June 14, 2003
Bonded Thru Notary Public Underwriters

PUBLIC NOTICE OF INTENT TO ISSUE AIR CONSTRUCTION PERMIT

STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION

DEP File No. 0270016-001-AC (PSD-FL-284)

DeSoto Power Project — Units 1-3
DeSoto County

The Department of Environmental Protection (Department) gives notice of its intent to issue an air construction permit under the requirements for the Prevention of Significant Deterioration (PSD) of Air Quality to IPS Avon Park Corporation. The permit is to construct three nominal 170 megawatt (MW) natural gas and distillate fuel oil-fired combustion turbine-electrical generators with 60-foot stacks, evaporative coolers, and one 1.5 million gallon fuel oil storage tank for the proposed DeSoto Power Project to be located East of Arcadia in unincorporated DeSoto County. A Best Available Control Technology (BACT) determination was required for sulfur dioxide (SO_2), particulate matter (PM/PM_{10}), nitrogen oxides (NO_x), sulfuric acid mist (SAM), and carbon monoxide (CO) pursuant to Rule 62-212.400, F.A.C. The applicant's name and address are IPS Avon Park Corporation, 1560 Gulf Boulevard, #701, Clearwater, Florida 33767.

The new units will be General Electric nominal 170 MW PG7241FA combustion turbines-electrical generators. The units will operate in simple cycle mode and intermittent duty. The units will operate primarily on natural gas and will be permitted to operate 3,390 hours per year of which no more than 1000 hours per year will be using maximum 0.05 percent sulfur distillate fuel oil.

NO_x emissions will be controlled by Dry Low NO_x (DLN-2.6) combustors. The units must meet a continuous emission limit of 9 parts per million by volume at 15 percent oxygen (ppm). NO_x will be controlled to 42 ppm by wet injection when firing fuel oil. Sulfuric acid mist, SO_2, and PM/PM_{10} will be limited by use of clean fuels. Emissions of VOC and CO will be controlled by good combustion practices.

The maximum emissions from the combustion turbines in tons per year based on the original application are summarized below. There will be minor emissions of VOC from the fuel oil storage tank. However total VOC emissions will still be less than significant for PSD purposes.

Pollutant	Maximum Potential Emissions	PSD Significant Emission Rate
PM/PM_{10}	61	25/15
CO	259	100
NO_x	756	40
VOC	34	40
SO_2	166	40
Sulfuric Acid Mist	25	7

Air quality impact analyses were conducted. Maximum predicted impacts due to proposed emissions from the project are less than the applicable PSD Class I and Class II significant impact levels. There will be insignificant impacts on visibility in the Class I Everglades National Park. Based on the required analyses, the Department has reasonable assurance that the proposed project will not cause or significantly contribute to a violation of any AAQS or PSD increment.

The Department will issue the FINAL Permit, in accordance with the conditions of the DRAFT Permit, unless a response received in accordance with the following procedures results in a different decision or significant change of terms or conditions.

The Department will accept written comments and requests for pubic meetings concerning the proposed permit issuance action for a period of 30 (thirty) days from the date of publication of this Public Notice of Intent to Issue Air Construction Permit. Written comments and requests for public meetings should be provided to the Department's Bureau of Air Regulation at 2600 Blair Stone Road, Mail Station #5505, Tallahassee, FL 32399-2400. Any written comments filed shall be made available for public inspection. If written comments received result in a significant change in the proposed agency action, the Department shall revise the proposed permit and require, if applicable, another Public Notice.

require, if applicable, another Public Notice.

The Department will issue the permit with the attached conditions unless a timely petition for an administrative hearing is filed pursuant to sections 120.569 and 120.57 F.S., before the deadline for filing a petition. The procedures for petitioning for a hearing are set forth below. Mediation is not available in this proceeding.

A person whose substantial interests are affected by the proposed permitting decision may petition for an administrative proceeding (hearing) under sections 120.569 and 120.57 of the Florida Statutes. The petition must contain the information set forth below and must be filed (received) in the Office of General Counsel of the Department at 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida, 32399-3000. Petitions filed by the permit applicant or any of the parties listed below must be filed within fourteen days of receipt of this notice of intent. Petitions filed by any persons other than those entitled to written notice under section 120.60(3) of the Florida Statutes must be filed within fourteen days of publication of the public notice or within fourteen days of receipt of this notice of intent, whichever occurs first. Under section 120.60(3), however, any person who asked the Department for notice of agency action may file a petition within fourteen 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 of the Florida Administrative Code.

A petition that disputes the material facts on which the Department'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 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 indicate; (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 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 Department'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.

Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means that the Department's final action may be different from the position taken by it in this notice. Persons whose substantial interests will be affected by any such final decision of the Department on the application have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above.

A complete project file is available for public inspection during normal business hours, 8:00 a.m. to 5:00 p.m., Monday through Friday, except legal holidays, at:

Department of Environmental Protection
Bureau of Air Regulation
111 S. Magnolia Drive, Suite 4
Tallahassee, Florida 32301
Telephone: 850/488-0114
Fax: 850/922-6979

Department Environmental Protection
Southwest District Office
3804 Coconut Palm Drive
Tampa, Florida 33619-8218
Telephone: 813/744-6100
Fax: 813/744-6084

The complete project file includes the application, technical evaluations, Draft Permit, and the information submitted by the responsible official, exclusive of confidential records under Section 403.111, F.S. Interested persons may contact the Administrator, New Resource Review Section at 111 South Magnolia Drive, Suite 4, Tallahassee, Florida 32301, or call 850/488-0114, for additional information.

523405

INTEROFFICE MEMORANDUM

Sensitivity: COMPANY CONFIDENTIAL

Date: 26-Mar-2000 11:47am
From: Alvaro Linero TAL LINERO_A
Dept:
Tel No:

To: ken_kosky@golder.com@in
To: ~~Bob McCann~~ mccann@golder.com@in
To: richard_zwolak@golder.com@in
To: steve_marks@golder.com@in

Fax: John Ellis 727/517-1255

Subject: Public Meeting on DeSoto Power

Ken. (I copied others in case Ken is out). We were asked by a member of the public to hold a meeting pursuant to the Notice published by IPSAPC on 3/10/00.

We had to schedule this quickly (see attachment) because of time requirements related to FAW. We will also put an ad in a local paper. This will be done just like the Oleander public meetings we did last year.

If you or IPSAPC want, we can say in our ad that things will begin at 6:30 to allow people to see any materials that you or IPSAPC want to prepare. At 7:00 it becomes our meeting.

By the way, I understand that a resident has filed a petition. I have not seen it or know the substance of it.

By the way, the DeSoto project documents (issued by DEP) were posted on our website at www.dep.state.fl.us/air/permitting

Check it out.

I am faxing a copy of this E-Mail to John Ellis.

Thanks. Al Linero 850/921-9523.

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

MAR 2 1 2000

RECEIVED

MAR 2 4 2000

BUREAU OF AIR REGULATION

4APT-ARB

Mr. A. A. Linero, P.E.
Administrator
New Source Review Section
Florida Department of Environmental Protection
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

SUBJECT: Custom Fuel Monitoring Schedule Proposed for IPS Avon Park Corporation - DeSoto Generating Station located in DeSoto County, Florida

Dear Mr. Linero:

This letter is in response to your March 2, 2000, request for approval of a custom fuel monitoring schedule for IPS Avon Park Corporation - DeSoto Generating Station. IPS DeSoto will operate three natural gas-fired simple cycle combustion turbines subject to 40 C.F.R. Part 60, Subpart GG - Standards of Performance for Stationary Gas Turbines. As requested, Specific Conditions 40, 41, 42, 44 and 45 have been reviewed. Region 4 has concluded that the use of acid rain nitrogen oxides (NO_x) continuous emission monitoring system (CEMS) for demonstrating compliance, as described in Specific Conditions 40, 41 and 42, is acceptable. Region 4 has also concluded that the natural gas custom fuel monitoring schedule proposed in Specific Condition 44 and the fuel oil monitoring schedule described in Specific Condition 45 are both acceptable.

According to 40 C.F.R. 60.334(b)(2), owners and operators of stationary gas turbines subject to Subpart GG are required to monitor fuel nitrogen and sulfur content on a daily basis if a company does not have intermediate bulk storage for its fuel. 40 C.F.R. 60.334(b)(2) also contains provisions allowing owners and operators of turbines that do not have intermediate bulk storage for their fuel to request approval of custom fuel monitoring schedules that require less frequent monitoring of fuel nitrogen and sulfur content.

Region 4 reviewed Specific Condition 44 which allows SO_2 emissions to be quantified using procedures in 40 C.F.R. 75 Appendix D in lieu of daily sampling as required by 40 C.F.R. 60.334(b). Since the specific limitations listed in the permit condition are consistent with previous determinations, we have concluded that the use of this custom fuel monitoring schedule is acceptable.

Specific Conditions 41 and 42 involve the method used to monitor NO_x excess emissions. Under the provisions for 40 C.F.R. 60.334(c)(1), the operating parameters used to identify NO_x

excess emissions for Subpart GG turbines are water-to-fuel injection rates and fuel nitrogen content. As an alternative to monitoring NO_x excess emissions using these parameters, IPS DeSoto is proposing to use a NO_x CEMS that is certified for measuring NO_x emissions under 40 C.F.R. Part 75. Based upon a determination issued by EPA on March 12, 1993, NO_x CEMS can be used to monitor excess emissions from Subpart GG turbines if a number of conditions specified in the determination are met and included in the permit condition.

Specific Condition 40 addresses the potential for correcting results to ISO standard day conditions. The basis for this requirement is that, under the provisions of 40 C.F.R. 60.335(c), NO_x results from performance tests must be converted to ISO standard day conditions. As an alternative to continuously correcting results to ISO standard day conditions, IPS DeSoto plans to keep records of the data needed to make this conversion, so that NO_x results could be calculated on an ISO standard day condition basis anytime at the request of EPA or the Florida DEP. This approach is acceptable, since the construction permit contains NO_x limits that are more stringent than those in Subpart GG, and compliance with Subpart GG for these units would be a concern only in cases when a turbine is in violation of the NO_x limits in its permit.

Finally, Specific Condition 45 addresses the monitoring schedule for fuel oil. According to 40 C.F.R. 60.334(b)(1), the nitrogen and sulfur content of the fuel oil must be monitored each time a new shipment of fuel oil is transferred to bulk storage. IPS DeSoto is proposing to use the fuel analysis provided by the fuel vendor instead of sampling each shipment directly. Provided that all the oil received at the plant complies with the applicable sulfur content limit of 0.8 weight percent, this approach is acceptable, since the specific condition states that the fuel vendor's analyses will comply with the test method requirements of 40 C.F.R. 60.335(d).

If you have any questions about the determination provided in this letter, please contact Katy Forney of my staff at 404-562-9130.

Sincerely,

Douglas Neeley

R. Douglas Neeley
Chief
Air and Radiation Technology Branch
Air, Pesticides and Toxics
Management Division

cc: J. Ellis, IPS
NPS
SWD
K. Kosky, Golder + Assoc.

FAX Cover Sheet

USEPA · Region 4
61 Forsyth St., SW
Atlanta, Georgia 30303

TO: ~~Al Linero~~ FDEP

Forward → to: Ken Kosky 352/336-0603
John Ellis 727/517-1255

FAX #: 850-922-6979

RE: IPS Avon Park - DeSoto

FROM: Katy Forney
Air Permits Section, Region 4 USEPA

Phone #: 404-562-9130

Date: 3-24-00

# of Pages (including cover): 3

COMMENTS:

Ken Kosky, John Ellis
Please review attached EPA comments.
Reaffirm or re-calculate Air Toxics emissions estimates. See item 4 also.
Call me at 850/921-9523 if you have questions. Al Linero

If this FAX is poorly received, please call
Katy Forney: 404-562-9130

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
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61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

4 APT-ARB

Mr. A. A. Linero, P.E.
Florida Department of Environmental Protection
Twin Towers Office Building
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

SUBJ: Preliminary Determination and Draft PSD Permit for IPS Avon Park Corp. - DeSoto Power Project (PSD-FL-284) located in DeSoto County, Florida

Dear Mr. Linero:

Thank you for sending the preliminary determination and draft prevention of significant deterioration (PSD) permit for IPS APC - DeSoto dated March 3, 2000. The preliminary determination is for the proposed construction and operation of three simple cycle combustion turbines (CTs) with a total nominal generating capacity of 510 MW to be located near Arcadia, FL. The combustion turbines proposed for the facility are General Electric (GE), frame 7FA units. The CTs will primarily combust pipeline quality natural gas with No. 2 fuel oil combusted as backup fuel. As proposed, the CTs will be allowed to fire natural gas up to 3,390 hours per year and fire No. 2 fuel oil a maximum of 1,000 hours per year. Total emissions from the proposed project are above the thresholds requiring PSD review for nitrogen oxides (NO_x), carbon monoxide (CO), sulfur dioxide (SO_2), particulate matter (PM/PM_{10}) and sulfuric acid mist (SAM).

Based on our review of the preliminary determination and draft PSD permit, we have the following comments:

1. We suggest you verify the emission rate used by Golder Associates to estimate potential formaldehyde emissions. The emission factor cited by Golder is two orders of magnitude lower than the 1998 draft AP-42 emission factor for formaldehyde from natural gas turbines and lower yet than the current official AP-42 factor that will eventually be replaced. If a higher emission rate is more appropriate that the emission rate in the application, the facility could be subject to 112(g) case-by-case MACT requirements.

2. As indicated in Condition 25 and 26 of the draft permit, FDEP is proposing to allow excess emissions due to startup, shutdown or malfunction for up to 2 hours in any 24-hour period. It is the Environmental Protection Agency's (EPA's) policy that BACT applies during all normal operations and that automatic exemptions should not be granted for excess emissions. Startup and shutdown of process equipment are part of the normal operation of a source and

should be accounted for in the planning, design, and implementation of operating procedures for the process and control equipment. Accordingly, it is reasonable to expect that careful and prudent planning and design will eliminate violations of emission limitations during such periods.

3. Section III, Condition 13 of the draft PSD permit addresses the maximum number of hours the CTs are allowed to operate. It is unclear whether each CT is limited to 3,390 hours/year or 5,000 hours/year. After discussing this question with FDEP, we understand that each individual CT may not operate more than 5,000 hours/year, and 3,390 hours/year is the average number of hours a CT may operate based on the total number of hours all three CTs can operate (10,170 hours/year). This should be clarified in the final PSD permit. Additionally, since a single turbine could potentially operate up to 5,000 hours per year, the BACT cost analyses should take this into account when calculating the tons of pollutants reduced.

4. The applicant's cost analysis for selective catalytic reduction includes both a "MW Loss" and a "Heat Rate Loss Penalty" and cites the document "EPA, 1993 (Page 6-20)" as the reference for this approach. A complete citation is not provided for this reference, and we are not sure which EPA publication is meant. Please verify this reference and make certain the use of both the MW loss and the Heat Rate loss penalty is not double-counting energy losses. Additionally, page B-13 of the PSD application indicates the applicant used the 1990 and 1993 *OAQPS Control Cost Manuals* when performing the cost evaluations. We would like to point out that the latest version of the *OAQPS Control Cost Manual* is dated February 1996.

Thank you for the opportunity to comment on the IPS Avon Park - DeSoto Power Project preliminary determination and draft PSD permit. If you have any questions regarding these comments, please direct them to either Katy Forney at 404-562-9130 or Jim Little at 404-562-9118.

Sincerely,

Paul Stagner

R. Douglas Neeley
Chief
Air and Radiation Technology Branch
Air, Pesticides and Toxics
Management Division

FAX

Date: 3-16-00

Number of Pages Including Cover Sheet 4

To:
Al Linew
Kina Tober
Jo Kahn

Phone #

Fax # 850-922-6979

From:
Nancy Grant

Phone # 863-494-9696

Phone # 863-993-3700

Remarks:

DeSotoIIIEDC

DeSoto County Economic Development Council, Inc.

To: **Chairman Felton Garner and the DeSoto County Board of County Commissioners**

From: **Jay R. Marlles, Executive Director** JRM

Re: **Dynegy Plant Power Proposal/Letter of Support**

Date: **January 17, 2000**

REQUEST

Dynegy Power Corp. has selected a site in DeSoto County for a compact, low profile 500-megawatt natural gas fired combustion turbine electric generating peaking facility. At this point in time, Dynegy is seeking a letter of support (attached) from both the County Commission and the Economic Development Council so that they can eventually develop the site.

ACKGROUND

Nationally, due to various factors, there has been a move towards electric power deregulation. As an example, both Georgia and New Hampshire have deregulated. There are several other states that are currently in the process. The economic implication is that resulting competition could produce lower consumer costs. In states where electric power generation has been deregulated, it has been estimated that there has been a 6% to 10% decrease in power costs to consumers.

In Florida, some deregulation issues are currently being debated. Unregulated parties are allowed to develop, construct, own, and operate peaking generating facilities; however, the right of unregulated parties to develop, construct, own, and operate base load generating facilities is currently in front of the Supreme Court. By Federal law, utilities must make available and grant access to their excess transmission capability to all regulated and unregulated parties. There are currently at least fourteen (14) proposals for what are called "peaking" power plants in the State of Florida.

What is anticipated to happen in this first wave of deregulation in Florida is that peaking plants would be built. Those peaking plants are typically part-time units that only generate power during peak demand hours. In the past, as most residents are aware, there have been peak hour failures by the major utilities because of excess demand and lack of generating capacity. Most of these peaking plants will operate during hours when peak load occurs. These peaking plants would be built to basically sell the electrical output on a wholesale basis to existing utilities through the utilities transmission lines.

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is anticipated that further into the deregulation process, consumers would have a choice of who their power providers would be. It would be a very similar situation to the current phone bill, where there is a base charge by the local provider and then a long-distance carrier, which may or may not be the local provider, depending on your price and preference. That is currently the situation in natural gas in several states, which is also being deregulated.

Dynegy proposes to build a 500-megawatt peaking plant off of Roan Street NE on the Fussell property. Access would be along the eastern boundary of the 3-F Ranch property. Both properties are located on the north side of Ran Street. The closest house is the Burkhart's house, which lies approximately ¼ mile to the south of the proposed plant site. The Burkharts have given their support to the project following a visit and tour of a Dynegy power plant in Georgia very similar to the one proposed here.

The proposed plant would be natural gas fired and would be supplies by the new Florida Gas Transmission Company supply pipeline, which is to follow the FP&L right-of-way through the County and lies directly to the east of the property. The natural gas line is anticipated to start construction as soon as the current regulatory process is complete.

Dynegy will meet all Federal, State, and local environmental permitting for the power plant. Construction is anticipated to start during 2002 and be completed during 2004.

Since these are peaking plants, they typically generate power during the peak hours. In most cases, operating hours are during the colder winter mornings and evenings, and during the hotter summer afternoons and evenings when the demand is the highest. Typical run times on these days would range from four (4) to sixteen (16) hours per day. Total average operation hours are projected to average 1,000 to 2,000 hours per year.

Water impacts would be minimal. The plant is planned to utilize only approximately 60 gallons per minute, mainly for cooling purposes, during full load plant operation or approximately 32,000 gallons per day average on an annual basis. Any wastewater discharged by the plant will meet applicable Federal and State water quality standards. The noise of the plant at the property line is projected to be approximately 60 to 65 dB, which is comparable to the Peace River Citrus Plant. The plant employment impacts are anticipated to be a peak of approximately 150 persons during a twelve (12) to eighteen (18) month construction period. The employment once the plant is operating would be approximately six (6) to eight (8) persons.

Tax abatement and help with the access road will be negotiated when the plans for Dynegy's plant are formally submitted. It should be noted that such plants are in operation in Hardee County (and additional plants are being proposed in Hardee County), and tax abatement has been provided by Hardee County. Even with tax abatement being provided, the economic impact of Dynegy's plant on DeSoto County will be significant. It is anticipated that the project cost will range between $125 to $150 million. The property tax revenue from the plant is anticipated to range between $800,000 to $1 million per year without abatement being considered.

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RECOMMENDATION

The Economic Development Council is requesting that the Board approve the attached letter of support, authorize the Chairman to sign and forward it to Dynegy Power Corp.

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