

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
NOTICE OF FINAL PERMIT

In the Matter of an
Application for Permit by:

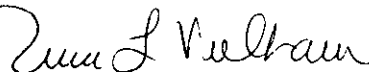
Mr. Robert M. Tanis
DeSoto County Generating Company
410 S. Wilmington Street, PEB 9A5
Raleigh, NC 27601

DEP File No. 0270016-004-AC (PSD-284B)
DeSoto County 510 MW Power Plant
Permit Modification of Specific Condition No. 29
DeSoto County

Enclosed is the Final Air Construction Permit PSD-FL-284B (0270016-004-AC) authorizing the modification of Specific Condition No. 29 of original PSD-FL-284 (File No. 0270016-001-AC) at the above facility located at East of Arcadia in unincorporated DeSoto County. This permit is issued pursuant to Chapter 403, Florida Statutes.

Any party to this order (permit) has the right to seek judicial review of the permit pursuant to Section 120.68, F.S., by the filing of a Notice of Appeal pursuant to Rule 9.110, Florida Rules of Appellate Procedure, with the Clerk of the Department in the Legal Office; and by filing a copy of the Notice of Appeal accompanied by the applicable filing fees with the appropriate District Court of Appeal. The Notice of Appeal must be filed within 30 (thirty) days from the date this Notice is filed with the Clerk of the Department.

Executed in Tallahassee, Florida.



Trina L. Vielhauer, Chief
Bureau of Air Regulation

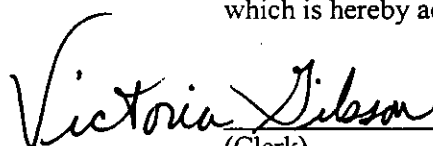
CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this NOTICE OF FINAL PERMIT was sent by certified mail* and copies were mailed by U.S. Mail before the close of business on 10/1/03 to the person(s) listed:

Robert M. Tanis,* DeSoto County Generating Company, LLC
Matthew Lydon,* Progress Energy
G. Kissel, DEP SWD

Clerk Stamp

FILING AND ACKNOWLEDGMENT FILED,
on this date, pursuant to §120.52, Florida Statutes,
with the designated Department Clerk, receipt of
which is hereby acknowledged.

 / October 1, 2003
(Clerk) (Date)

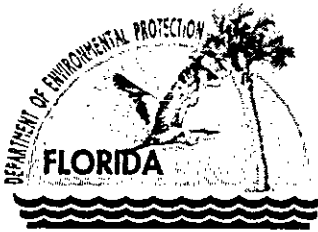
FINAL DETERMINATION
DeSOTO GENERATING COMPANY, LLC
Specific Condition No. 29
Permit No. 0270016-004-AC

An Intent to Issue an Air Construction Permit to DeSoto Generating Company was distributed on July 27, 2003. The permit is to revise the text of Specific Condition 29 to delete the requirement to repeat "initial" tests after tuning the gas turbines or replacing like-kind components of the gas turbines, such as combustors. This facility is located East of Arcadia in unincorporated DeSoto County.

The Public Notice of Intent to Issue Air Construction Permit was published in the SUN Newspapers on August 23, 2003. Copies of the draft construction permit and related documents were available for public inspection at the Department's offices in Tallahassee and Tampa.

Comments were received from the applicant during the public comment period. The applicant requested that the expiration date of the permit be as stated in the permit modification issued on 7/1/02, this is December 30, 2004. The Department agrees with this request.

The final action of the Department will be to issue this permit modification as noted above.



Jeb Bush
Governor

Department of Environmental Protection

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

David B. Struhs
Secretary

PERMITTEE:

DeSoto County Generating Company, LLC
410 S. Wilmington Street, PEB 9A5
Raleigh, NC 27601

Authorized Representative:

Robert M. Tanis, V.P. and General Manager

Permit No. PSD-FL-284 B
File No. 0270016-004-AC
Modification of Condition No. 29
SIC No. 4911
Expires: December 30, 2004

PROJECT AND LOCATION:

This permit modification revises Specific Condition No. 29 of original PSD Permit No. PSD-FL-284 (DEP File No. 0270016-001-AC) issued on July 1, 2000. This facility consists of: three dual-fuel nominal 170 megawatt (MW) General Electric PG7241FA combustion turbine-electrical generators with evaporative inlet coolers; one 1.5-million gallon fuel oil storage tank; and three 60-foot stacks. The units are permitted to operate in simple cycle mode and intermittent duty. The units are equipped with Dry Low NO_x (DLN-2.6) combustors and wet injection capability.

{Permitting Note: Two of the three simple cycle units have been constructed, tested, and are in operation. The third unit has not yet been installed. The permittee is reminded that discontinuing construction activities for 18 months or more requires a revalidation of the Best Available Control Technology Determination and possibly a new permit.}

The facility is located East of Arcadia and North of SR 70 in unincorporated DeSoto County. UTM coordinates are: Zone 17; 419.75 km E; 3011.5 km N.

STATEMENT OF BASIS:

This Air Construction permit is issued under the provisions of Chapter 403 of the Florida Statutes (F.S.), and Chapters 62-4, 62-204, 62-210, 62-212, 62-296, and 62-297 of the Florida Administrative Code (F.A.C.). The above named permittee is authorized to modify the facility in accordance with the conditions of this permit and as described in the application, approved drawings, plans, and other documents on file with the Department of Environmental Protection (Department).

Michael G. Cooke, Director
Division of Air Resources Management

SPECIFIC CONDITIONS

This permit modification (PSD-FL-284B/File No. 0270016-004-AC) does not modify any of the requirements of air construction Permit No. PSD-FL-284 (File No. 0270016-001-AC) issued on 7/1/00, the Transfer of Permit (File No. 0270016-002-AC) issued on 10/30/00, or the modification of Permit No. PSD-FL-284A (File No. 0270016-003-AC) issued on 7/1/02, except for the following revision to original Specific Condition 29.

29. Initial (I) performance tests (for both fuels) shall be performed on each unit while firing natural gas as well as while firing oil. Annual (A) compliance tests shall be performed during every federal fiscal year (October 1 - September 30) pursuant to Rule 62-297.310(7), F.A.C., on each unit as indicated. The following reference methods shall be used. No other test methods may be used for compliance testing unless prior DEP approval is received in writing.

- EPA Reference Method 9, "Visual Determination of the Opacity of Emissions from Stationary Sources" (I, A).
- EPA Reference Method 10, "Determination of Carbon Monoxide Emissions from Stationary Sources" (I, A).
- EPA Reference Method 20, "Determination of Oxides of Nitrogen Oxide, Sulfur Dioxide and Diluent Emissions from Stationary Gas Turbines". Initial test only for compliance with 40CFR60 Subpart GG and (I, A) short-term NO_x BACT limits (EPA reference Method 7E, "Determination of Nitrogen Oxides Emissions from Stationary Sources" or RATA test data may be used to demonstrate compliance for annual test requirements).
- EPA Reference Method 18, 25 and/or 25A, "Determination of Volatile Organic Concentrations". Initial test only.

In accordance with Rule 62-297.310(7), F.A.C., the Department may require the initial tests to be repeated after a modification (and shakedown period not to exceed 100 days after restart) of a combustion turbine. Within 60 days of replacing combustors and restarting a unit, the permittee shall conduct an EPA Method 10 test to determine compliance with the CO emissions standard for firing natural gas. NO_x CEMS data collected during each of the CO test runs shall be averaged and reported in the test report. The results of this test may be used to satisfy the requirement for an annual CO emissions test.

[Rule 62-297.310, F.A.C.]

Memorandum

Florida Department of Environmental Protection

TO: Michael G. Cooke

THRU: Trina L. Vielhauer ✓
A. Linero
Jeff Koernig ✓

FROM: Teresa Heron ✓

DATE: September 15, 2003

SUBJECT: DeSoto County Generating Company, LLC
510 MW Power Plant – Minor Permit Modification
DEP File No. 0270016-004-AC (PSD-FL-284B)

Attached is the final permit package for the above facility.

The application is for a permit modification to revise the text of Specific Condition 29 to delete the requirement to repeat "initial" tests after tuning the gas turbines or replacing like-kind components of the gas turbines, such as combustors.

We recommend your approval of the attached final permit package.

Attachments

Mike -
We change this from an automatic testing
requirement to "The Department may require".
Mike

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

4409 2692 1000 0220 1007

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark
Here

Sent To
 Robert M. Tanis
 Street, Apt. No.
 or P.O. No. 410 S. Wilmington St., PEB 9A5
 City, State, ZIP+4
 Raleigh, NC 27601

PS Form 3800, January 2001 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Mr. Robert M. Tanis
 DeSoto County Generating Company
 410 S. Wilmington Street, PEB 9A5
 Raleigh, NC 27601

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature

x *Wicki Glisson*

☐ Agent
☐ Addressee

D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee) ☐ Yes

2. 7001 0320 0001 3692 6044