Golder Associates Inc.

5100 West Lemon Street, Suite 114 Tampa, FL USA 33609 Telephone (813) 287-1717 Fax (813) 287-1716





June 25, 2002

BUREAU OF AIR REGULATION

013-9589

Mr. Scott Sheplak Bureau of Air Regulation Florida Department of Environmental Protection 2600 Blair Stone Road Mail Station #5505 Tallahassee, Florida 32399-2400

RE:

AFFIDAVIT OF PUBLICATION

DRAFT TITLE V OPERATION PERMIT NO. 0270016-003-AV

DESOTO COUNTY ENERGY PARK 3800 NORTHEAST ROAN STREET

ARCADIA, DESOTO COUNTY, FLORIDA

Dear Mr. Sheplak:

On behalf of DeSoto County Generating Company, LLC, and in accordance with Rule 62-110.106(5), Florida Administrative Code (F.A.C.), please find enclosed a copy of the proof of publication of the Notice of Intent published in the Charlotte Sun, Englewood Sun, North Port Sun, DeSoto Sun and Venice Gondolier on June 21, 2002.

DeSoto County Generating Company, LLC and Golder Associates Inc. appreciate your assistance. If you have any questions or need additional information, please contact me at (813) 287-1717.

Very truly yours,

GOLDER ASSOCIATES INC.

Sr. Project Manager

RW/MM

cc:

Mr. Cal Ogburn, DeSoto County Generating Company, LLC

Attachments

H:\GolderVol1\PROJECTS\2001proj\013-9589 DeSoto County Energy Complex\0600 Air Permit\NOI-publication.doc



RECEIVED

JUN 27 2002

BUREAU OF AIR REGULATION

A SUN COAST MEDIA GROUP, INC PUBLICATION

Printers and Publishers of the
Charlotte Sun
Englewood Sun
North Port Sun
DeSoto Sun
Venice Gondolier

PUBLISHER'S AFFIDAVIT OF PUBLICATION

STATE OF FLORIDA COUNTY OF CHARLOTTE:

Before the undersigned authority personally appeared Amber Freeman, who on oath says that she is legal clerk of the (Charlotte Sun, Englewood Sun, DeSoto Sun, North Port Sun, Venice Gondolier Sun), a newspaper published at Charlotte Harbor in Charlotte County, Florida; that the attached copy of advertisement, being a Notice of Permit in the Circuit Court, was published in said newspaper in the issues of:

June 21, 2002

Affiant further says that the said newspaper is a newspaper published at Charlotte Harbor, in said Charlotte County, Florida, and that the said newspaper has heretofore been continuously published in said Charlotte County, Florida, Sarasota County, Florida and DeSoto County, Florida, each day and has been entered as periodicals matter at the post office in Punta Gorda, in said Charlotte County, Florida, for a period of 1 year next preceding the first publication of the attached copy of advertisement; and affiant further says that he or 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 if Affiant)

Sworn and subscribed before me this 21st day of June, 2002.

Signature of Notary Public)

SUSAN J. DESMIDT My Comm Exp. 6/26/04

y Comm Exp. 6/26/04 No. CC 947769

Personally Known (1 Other I.D.

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PUBLIC NOTICE OF INTENT TO ISSUE TITLE V AIR OPERATION PERMIT STATE OF FLORIDA

DEPARTMENT OF ENVIRONMENTAL PROTECTION DRAFT Permit No.: 0270016-003-AV DeSoto Countý Energy Park

DeSoto County
The Department of Environmental Protection (permitting authority) gives notice of its intent to issue a Title V Air Operation Permit to the DeSoto County Generating Company, LLC, for the DeSoto County Energy Park located at 3800 Northeast Roan Street, Arcadia, DeSoto County. The applicant's name and address are: Mr. Joel Y. Kamya, President, DeSoto County Generating Company, LLC, 410 South Wilmington Street; Mail Code 333.4, Raleigh, NC 27602-1551.

The permitting authority will issue the PROPOSED Permit, and subsequent 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 permitting authority will accept written comments concerning the proposed DRAFT Permit issuance action for a period of 30 (thirty) days from the date of publication of this Notice. Written comments should be provided to the permitting authority's office, the Department's Bureau of Air Regulation, 2600 Blair Stone Road, Mail Station #5505, Tallahassee, Florida 32399-2400. Any written comments filed shall be made available for public inspection. If written comments received result in a significant change in this DRAFT Permit, the permitting authority shall issue a Revised DRAFT Permit and require, if applicable, another Public Notice.

A person whose substantial interests are affected by the proposed permitting decision may petition for an administrative hearing in accordance with Sections 120,569 and 120.57, Florida Statutes (F.S.). The petition must contain the information set forth below and must be filed received) in the Office of General Counsel of the Department of Environmental Protection, 3900 Commonwealth, Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000 (Telephone: 850/488-9730; Fax: 850/487-4938). Petitions filed by any persons other than those entitled to written notice under Section 120.60(3), F.S., must be filed within fourteen days of publication of the public notice or within fourteen days of receipt of the notice of intent, whichever occurs first. Under Section 120,60(3), F.S. however, any person who asked the permitting authority 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 applicable time period shall constitute a waiver of that person's right to request an administrative determination (hearing) under Section 120.569 and 120.57, F.S., or to intervene in this proceeding and participate as a party to: 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, Florida Administration

A petition that disputed the material facts on which the permitting authority's action is based must contain the following information:

(a) The name and address of each agency affected and each

agency's file or identification number, if known,
(b) The name, address and telephone number of the
petitioner's 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 petitioner's substantial rights will
be affected by the agency determination.

(c) A statement of how and when the petitioner received notice of the agency action or proposed action.

(d) A statement of all disputed issues of material fact

there are none, the petition must so state.

(e) A concise statement of the ultimate facts alleged, as we as the rules and statutes which entitle petitioner to relief.

(f) A statement of the specific rules or statutes the petitioner contends require reversal or modification of the agency.

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 permitting authority's action is based shall stat that no such facts are in dispute and otherwise shall contain the same information as set forth above, as required by Rul 28-106, 301, F.A.C.

Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means that the permitting authority's final action may be different

7 1

BEST'AVAILABLE COPY

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 permitting authority's action is based shall state that no such facts are in dispute and otherwise shall contain the same information as set forth above, as required by Rule 28-106.301, F.A.C.

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

Mediation is not available for this proceeding.

In addition to the above, pursuant to 42 United State Code (U.S.C.) Section 7661d(b)(2), any person may petition the Administrator of the EPA within 60 (sixty) days of the expiration of the Administrator's 45 (forty-five) day review period as established at 42 U.S.C. Section 7661d(b)(1), to object to issuance of any permit. Any petition shall be based only on objections to the permit that were raised with reasonable specificity during the 30 (thirty) day public comment period provided in this notice, unless the petitioner demonstrates to the Administrator of the EPA that it was impracticable to raise such objections within the comment period or unless the grounds for such objections arose after the comment period. Filing of a petition with the Administrator of the EPA does not stay the effective date of any permit properly issued pursuant to the provisions of Chapter 62-213, F.A.C. Petitions filed with the Administrator of EPA must meet the requirements of 42 U.S.C. Section 766ld(b)(2) and must be filed with the Administrator of the EPA at: U.S. EPA, 401 M Street, S.W., Washington, D.C. 20460.

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:

Permitting Authority:

Department of Environmental Protection

Bureau of Air Regulation

111 South magnolia Drive, Suite 4

Tallahassee, Florida 32301

Telephone: 850/488-0114 Fax: 850/922-6979

Affected District Program:

Department of Environmental Protection

Southwest District Office

3804 Coconut Palm Drive

Tampa, Florida 33619

Telephone: 813/744-6100

Fax: 813/744-6458

The complete project file includes the DRAFT Permit, the application, and the information submitted by the responsible official, exclusive of confidential records under Section 403.111, F.S. Interested persons may contact Scott M Sheplak, P.E., at the above address, or call 850/921-9532 for additional information.

Publish: June 21, 2002

x503997

p115029

Ton

DeSoto County Generating Company, LLC

5625 Dillard Drive Suite 201

Mail Code: XRDS-2 Cary, NC 27511-9227 RECEIVED

JUN 17 2002

June 12, 2002

BUREAU OF AIR REGULATION

Ms. Kathy Carter
Office of General Counsel
Florida Department of Environmental Protection
Room 638
3900 Commonwealth Boulevard
Tallahassee, FL 32399-3000

Re: DeSoto County Generating Company, LLC

REQUEST FOR ENLARGEMENT OF TIME on the Intent to Issue Title V Air

Operation Permit

Draft Permit No. 0270016-003-AV

Dear Ms. Carter:

On June 3, 2002, DeSoto County Generating Company, LLC (DeSoto) received the above-referenced Intent to Issue Title V Air Operation Permit. A review of the permit conditions has revealed that several issues need to be resolved. Accordingly, DeSoto requests an enlargement of time, pursuant to Florida Administrative Code Rule 62-110.106(4) to and including September 17, 2002, in which to file a Petition for Administrative Proceedings in the above-styled matter. Granting of this request will not prejudice either party, but will further both parties' mutual interest by hopefully avoiding the need to actually file a Petition for Administrative Proceeding in this matter. If the Department denies this request, DeSoto requests the opportunity to file a Petition for Administrative Proceeding within 10 days of such denial.

If you should have any questions, please contact Mr. J. Michael Kennedy at (727) 826-4334 or Robert Manning at Hopping Green & Sams, P.A. at (850) 222-7500.

Sincerely,

Joel Kamya

President and General Manager

Joel & Kang g

DeSoto County Generating Company, LLC

JYK/pde(02-70ltr.doc)

cc:

Scott Sheplak, DEP

Doug Beason, DEP OGC

Cascio, Tom

From:

Sheplak, Scott

Sent:

Thursday, June 13, 2002 3:10 PM

To:

Beason, Doug

Cc: Subject: Glenn, Lisa; Cascio, Tom FW: extension request

----Original Message-----

From:

Cascio, Tom

Sent:

Thursday, June 13, 2002 2:50 PM

To:

Carter, Kathy

Cc: Subject: Sheplak, Scott

Subject: RE: extension request

Hi Kathy -- I discussed this with Scott -- we have no problem with a 30-day extension -- Tom.

----Original Message----

From:

Carter, Kathy

Sent:

Thursday, June 13, 2002 1:55 PM

To: Cc: Cascio, Tom Chisolm, Jack

Subject:

extension request

Tom:

OGC has received a request for extension of time from DeSoto County Generating Company, LLC, 0270016-003-AV. It has been sent to Jack Chisolm who will assign to one of the attorneys. The OGC Case No. is 02-0823

Kathy C. Carter
Office of General Counsel
#SC278-9736
(850) 488-9736
Kathy. Carter@dep.state.fl.us

Cascio, Tom

From:

Cascio, Tom

Sent:

Thursday, June 13, 2002 2:50 PM

To: Cc: Carter, Kathy Sheplak, Scott

Subject:

RE: extension request

Hi Kathy -- I discussed this with Scott -- we have no problem with a 30-day extension -- Tom.

-----Original Message-----

From:

Carter, Kathy

Sent:

Subject:

Thursday, June 13, 2002 1:55 PM

To: Cc: Cascio, Tom Chisolm, Jack extension request

Tom:

OGC has received a request for extension of time from DeSoto County Generating Company, LLC, 0270016-003-AV. It has been sent to Jack Chisolm who will assign to one of the attorneys. The OGC Case No. is 02-0823

Kathy C. Carter
Office of General Counsel
#SC278-9736
(850) 488-9736
Kathy. Carter@dep.state.fl.us

Cascio, Tom

From:

Friday, Barbara

Sent:

To:

Tuesday, May 28, 2002 10:22 AM Gracy Danois; Gregg Worley (E-mail); Jenny Jachim; Joel Huey; Kathleen Forney; Walker,

Elizabeth (AIR) Cascio, Tom

Cc:

Subject:

New Posting #0270016

There is a new posting on Florida's website.

0270016003AV **DESOTO COUNTY GENERATING** COMPANY, LLC

Draft

If you have any questions, feel free to contact me.

Thanks, Barbara



David J. Balevic
Manager – Combustion Design Engineering

GE Power Generation

Gas Turbine Operation General Electric Company PO Box 648 300 Garlington Road, FD-4 Greenville, SC 29602-0648

Phone: (864)254-3402 or 8*288-3402 Fax: (864)254-2380 or 8*288-2380

May 21, 2002

Mr. Scott Churbock Environmental Manager Enron North America 1400 Smith Street Houston, TX 77002

Subject: Water Injection for NO_x Abatement

Dear Sir,

Industrial gas turbines must provide power generation to maintain reliable electric supply within the US and elsewhere. In addition to reliable operation, which provides grid stability, industrial gas turbine emissions need to be minimized to reduce the environmental impact of operation. GE, through its research and development efforts, has maintained a leadership position in industrial gas turbine emissions and operational reliability, maintainability, and availability. To reduce NO_x in GE's Dry Low NO_x combustion systems, water injection is used to suppress combustion system flame temperature while firing liquid fuel. The magnitude of flame temperature suppression is proportional to the rate of water injection and NO_x reduction. Over suppression of the flame temperature by increasing the water injection rate has been demonstrated to produce the following consequences:

- Elevated combustion dynamics resulting in premature combustion hardware failure, collateral damage to the hot gas path section of the gas turbine, and forced outages measured in weeks.
- Reduced flame stability at extreme ambient conditions resulting in increased unit trips.
- Less reliable, available gas turbines resulting in lost customer revenue and increased maintenance costs.
- Reduced gas turbine efficiency at base load resulting in increased emissions on a lb/MW basis.
- Out of compliance CO and VOC at part load.

GE's water injection schedule used to achieve 42 ppm NO_x for liquid fuel is the optimal water injection rate to maintain reliable equipment operation and minimum total plant emissions (NO_x , CO, VOC).

For these reasons, GE's industrial gas turbine warranty will not cover damage to the gas turbine resulting from operation outside of GE's defined water injection schedule. State permits mandating that owners of GE gas turbines operate outside of GE's defined water injection schedule which achieves 42 ppm NO_x, risk increased gas turbine forced outages that could reduce grid stability. GE cannot support operation of large industrial gas turbines outside the design and operating envelope due to the damages that have been demonstrated to result from such operation.

Sincerely,

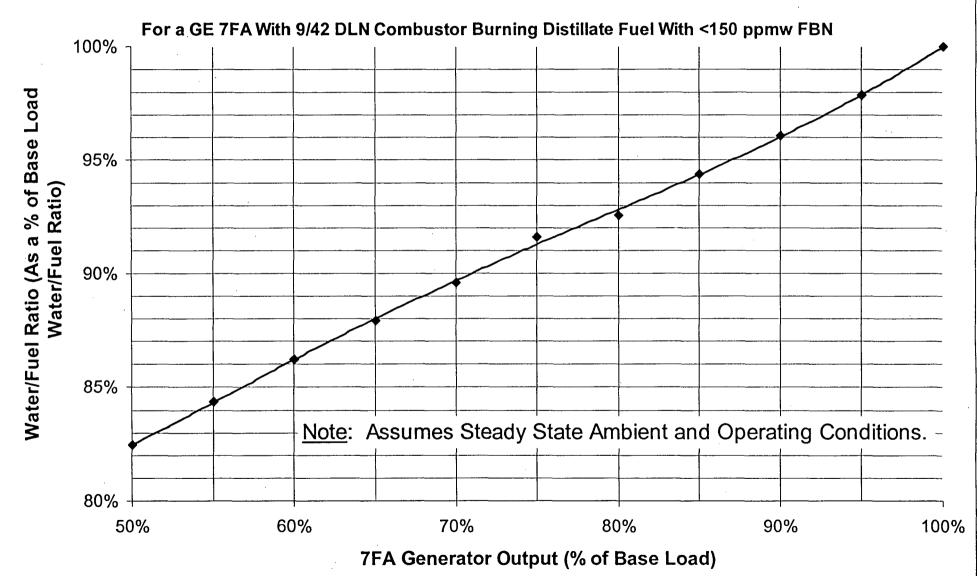
Daniel Baleric

Manager - Combustion Design Engineering

Donald Hoffmann

Gas Turbine Product Line Leader

Water/Fuel Ratio vs Load Assuming a NO_x Target of 42ppmvd @ 15 vol.% O₂





GE Energy and Environmental Research Corporation

ATTACHMENT A

RECEIVED

SUMMARY OF TECHNICAL EDITS

JEI 1 ! 2002

FLORIDA POWER AND LIGHT COMPANY MARTIN STATION POWER PLANT

J. Torosian

Initial Compliance Demonstration for
Air Emissions Permit Limits on Units 8A and 8B
Combustion Turbine in the Simple Cycle Mode
Distillate Oil

Prepared for:

General Electric Company 1 River Road Building 2, Room 506 Schenectady, New York 12345

Prepared by:

GE - Energy and Environmental Research Corporation 1001 Aviation Parkway Morrisville, NC 27560 (919) 460-1060

> Issued on July 31, 2001 Attachment prepared January 9, 2002

> > RECEIVED

MAY 06 2002

BUREAU OF AIR REGULATION



GE Energy and Environmental Research Corporation

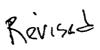
Table 4-5. Emission Summary Table for FP&L, Indiantown, FL - Unit 8A Approximately 100% Base Load Conditions on Distillate Oil -CEMS PARAMETERS

Approximately 100% Base Load Conditions on Distillate Oil –CEMS PARAMETERS					
Test Identification					Processing Control
Test Period	••	l	2	3	Average
Test Condition	load level, %	100	100	100	的影響
Sampling Location		stack	stack	stack	
Date	+-	05-Jun-01	05-Jun-01	05-Jun-01	
Test Time (start-stop)		1235-1335	1435-1540	1855-1955	मे न्या का ज्ञान
Ambient Conditions		£ 72 5 15	F - Carlot	the outside	Marine Control
Barometric Pressure	In. Hg	29.80	29.80	29.80	29.80
Ambient Temperature	°F	91	92	87	90.0
Wet Bulb Temperature	°F	82	80	78	80.0
Absolute Humidity	lb water/lb dry air	0.02166	0.01945	0.01869	0.01993
Turbine Operating Conditions					
Turbine Exhaust Temperature, TTXM	°F	1121.9	1117.5	1110.7	1116.7
Fuel Flow, FQLM1	lb/sec	25.47	25.76	26.28	25.84
Compressor Inlet Temperature, CTIM	°F	85.7	80.9	73.5	80.0
Specific Humidity, CMHUM	lb/lb	0.01796	0.01785	0.01695	0.01758
Inlet Guide Vane Angle, CSGV	degrees	88.0	88.0	88.0	88.0
Generator Output, DWATT	MW	171.8	175.4	179.9	175.7
Compressor Discharge Pressure, CPD	psig	212.7	215.2	218.9	215.6
Water Injection Flow, WQ	lb/sec	31.4	31.8	32.6	31.9
Ratio, Act. NOx Water to Fuel, WXJ		1.23	1.23	1.24	1.23
Ratio, Req. NOx Water to Fuel, WXC	·	1.21	1.20	1.21	1.21
7			** 723.00		建 20-46年。
Volumetric Flow, M-19, F _d	dscfm	692,590	698,910	712,120	701.210
Volumetric Flow, M-19, F _c	dscfm	684,890	691,680	703,350	693.310
Moisture	%V	10.2	12.3	12.3	11.6
O ₂	%	12.6	12.6	12.6	12.6
CO ₂	%	6.2	6.3	6.3	6.3
F _o Factor	••	1.332	1.333	1.333	1.332
NO _x	ppmvd	50.2	51.6	51.6	51.1
Exhaust Emissions	7000000	The State of the Control of the Control			
Sulfur Dioxide	% by Vol, dry @15%O1	0.0007	0.0007	0.0007	0.0007
VOC	ppmvw	0.8	0.5	0.1	0.5
	lb/hr	0.03	0.02	0.003	0.02
CO	ppmvd	0.3	0.6	0.8	0.6
	lb/hr	1.0	2.0	2.6	1.9
NO.	ppmvd @ 15% O ₂	35.6	36.5	36.5	36.2
	lb/hr	248.8	258.1	263.1	258.4

FP&L Martin Station Power Plant
Air Emissions Permit Test Report – Units 8A and 8B

Page 16

January # _____





Department of **Environmental Protection**

You Cascio

ARAFE AUE 1.02

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

David B. Struhs Secretary

March 22, 2002

Mr. Joel Y. Kamya President and Responsible Official DeSoto County Generating Company, LLC P.O. Box 1551 – Mail Code 333-4 410 S. Wilmington Street Raleigh, NC 27602-1551

Re:

cc:

Title V Air Operation Permit Application

DeSoto County Energy Park; Facility ID 0270016

Project No. 0270016-003-AV

Dear Mr. Kamya:

Thank you for your recent submission of the Title V Air Operation Permit Application for the subject facility. We have reviewed the document and deem your application to be timely and complete.

Sincerely,

Scott M. Sheplak, P.E.

Administrator Title V Section

Mr. Robert Manning, Esq., Hopping Green Sams & Smith

DeSoto County Generating Company, LLC:

PO Box 1551 – Mail Code 333-4 410 S. Wilmington Street Raleigh, NC 27602-1551

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MAR 1 5 2002

March 14, 2002

BUREAU OF AIR REGULATION

Florida Department of Environmental Protection Bureau of Air Regulation, Title V Section Magnolia Courtyard Tallahassee, Florida

Attention:

Mr. Scott Sheplak, P.E.

Re:

Submittal of Title V Permit Application

DeSoto County Generating Company, LLC

Dear Mr. Sheplak:

We greatly appreciate the Department's responsiveness thus far in the licensing of the DeSoto County Energy Park. Enclosed for your review and processing is an original and three copies of the Title V application for this project. We understand that Tom Casio will be the Department representative processing this application, and we look forward to working with him. As previously discussed, we are requesting the Department's assistance in obtaining a written "completeness" determination regarding the Title V permit application by no later than April 1, 2002.

If you or Tom have any questions regarding any of the information contained in this application, please do not hesitate to contact Mike Kennedy at (727) 826-4334, Ken Kosky (Golder Associates) at (352) 336-5600, or Robert Manning (Hopping Green & Sams) at (850) 222-7500.

Sincerely,

Joel Y. Kamya

President and Responsible Official

Joel Y Kan y 9

DeSoto County Generating Company, LLC

JYK/nksr(02-27ltr.doc)

Telephone: 919 546-7428 Fax: 919 546-6334

December 4, 2000

Mr. J. Bradley Williams
Manager, DeSoto County Generating Company, LLC
Entergy Power Group
Parkwood Two Building
10055 Grogan's Mill Road
Suite 150
The Woodlands, Texas 77380

Re: Acid Rain Phase II Permit Application

DeSoto County Energy Park; ORIS Code: 55422

Dear Mr. Williams:

Thank you for your recent submission of the Acid Rain Phase II Permit Application and Certificate of Representation for the subject facility. We have reviewed the documents and deem your application complete.

Sincerely,

Scott M. Sheplak, P.E. Administrator Title V Section

cc: Jenny Jachim, EPA Region 4



Department of Environmental Protection

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

David B. Struhs Secretary

June 28, 2002

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. Joel Y. Kamya President and General Manager DeSoto County Generating Company, LLC 5625 Dillard Drive, Suite 201 Mail Code: XRDS-2 Cary, North Carolina 27511-9227

Re: Request For Extension in Permit Expiration Date
DeSoto County Generating Station Combustion Turbines Units 1 through 3
DEP File No. PSD-FL-284A (0270016-002-AC)

Dear Mr. Kamya:

The Department reviewed your request dated June 13, 2002 to extend the expiration date of the subject air construction permit to December 31, 2004.

Two of three permitted simple cycle units have already been constructed and are in service. According to your letter, the operational date of Unit 3 is delayed unit late in 2004 due to changes in the electrical supply forecasts for the Florida market. Progress Energy (the parent company) inquired about submitting a new application for the unconstructed unit. Instead we agreed it could be handled as an extension with the Department updating conditions on the third unit consistent with more recent permits for similar facilities.

The three units were initially permitted to fire an average of 1000 hours per year per unit. We will reduce the number of hours during which fuel oil may be fired to an average of 833 hours per year per unit upon construction of the third unit. In other words, the new unit will add 500 hours of fuel oil firing at the facility to the 2000 hours of fuel oil firing already allowed for the aggregate of the first two units. This will result in a reduction in the potential to emit because emissions during fuel oil firing are greater than during natural gas firing.

Based on recent testing, we have found that new simple cycle units are consistently achieving lower nitrogen oxides (NO_X) emissions than 42 ppmvd at 15 percent O₂ while burning fuel oil. We received a letter from General Electric dated May 21, 2002 (prepared for a different applicant) that is adequate to support keeping the present nitrogen oxides limitation while firing fuel oil for this specific permitted project. We have incorporated the information from GE in such a manner to encourage operating the third unit such that NO_X emissions are minimized while burning fuel oil.

"More Protection, Less Process"

DEP File No. PSD-FL-284A (0270016-002-AC) June 28, 2002 Page 2 of 5

Refer to attached graph. We have only "relative" water-to-fuel (WTF) ratios in terms of percent of full load WTF ratios rather than "physical" ratios in terms of pounds of water per pound of fuel for different loads. We used as a target, the water-to-fuel ratio of 1.2 for the 100 percent base load case. The value was derived from successful testing conducted by GE/EER on FPL Martin simple cycle Unit 8A in mid-2001. At that value and at 100 percent of base load, Martin Unit 8A attained approximately 36 ppmvd NO_X @15% O₂.

The Department hereby determines that the request to extend the permit expiration date is acceptable. The relevant permit specific conditions are hereby modified as follows:

PAGE 1, EXPIRATION DATE

Expires: July 1, 2002, December 31, 2004

SECTION III - CONDITION 13

Maximum allowable hours: The three stationary gas turbines shall operate no more than an average of 3,390 hours per unit during any calendar year. The first two stationary gas turbines shall operate no more than an average of 1000 hours per unit on fuel oil during any calendar year. After construction of the third unit, The three stationary gas turbines shall operate no more than an average of 833 hours per unit on fuel oil during any calendar year. No single combustion turbine shall operate more than 5,000 hours in a single year. [Applicant Request, Rule 62-210.200, F.A.C. (Definitions - Potential Emissions), Rule 62-212.400, F.A.C. (BACT)]

SECTION III - CONDITION 16

A water injection (WI) system shall be installed for use when firing No. 2 or superior grade distillate fuel oil for control of NO_X emissions. The WI system on the third unit shall be operated to minimize NO_X emissions within the terms of General Electric's present gas turbine warranty for the project. The Water to Fuel Ratio for the third unit shall equal at least 1.2 pounds of water per pound of fuel at 100 percent of base load. The permittee shall justify any deviations from this requirement to the Department in conjunction with submittal of initial testing required by 40 CFR 60, Subpart GG.

[Design, Rules 62-4.070 and 62-212.400, F.A.C. (BACT), GE letter dated May 21, 2002]

SECTION III - CONDITION 22

Sulfur Dioxide (SO₂) and Sulfuric Acid Mist (SAM) Emissions: SO₂ and SAM emissions shall be limited by firing pipeline natural gas (sulfur content less than 2 grains per 100 standard cubic foot) or No. 2 distillate fuel oil with a maximum 0.05 percent sulfur for 1000 hours per year per unit if two units are built and 833 hours per year per unit if three units are built. Emissions of SO₂ shall exceed neither 11 lb/hr (natural gas) nor 104 lb/hr (fuel oil). Emissions of sulfuric acid mist shall exceed neither 2 lb/hr (natural gas) nor 16 lb/hr (fuel oil). These emissions shall be measured by applicable compliance methods described below.

[40CFR60 Subpart GG and Rules 62-4.070, 62-212.400, and 62-204.800(7), F.A.C]

DEP File No. PSD-FL-284A (0270016-002-AC) June 28, 2002 Page 3 of 5

A copy of this letter shall be filed with the referenced permit and shall become part of the permit. This permitting decision is issued pursuant to Chapter 403, Florida Statutes.

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. Mediation is not available in this proceeding.

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In addition to the above, a person subject to regulation has a right to apply for a variance from or waiver of the requirements of particular rules, on certain conditions, under Section 120.542 F.S. The relief provided by this state statute applies only to state rules, not statutes, and not to any federal regulatory requirements. Applying for a variance or waiver does not substitute or extend the time for filing a petition for an administrative hearing or exercising any other right that a person may have in relation to the action proposed in this notice of intent.

The application for a variance or waiver is made by filing a petition with the Office of General Counsel of the Department, 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000. The petition must specify the following information: (a) The name, address, and telephone number of the petitioner; (b) The name, address, and telephone number of the attorney or qualified representative of the petitioner, if any; (c) Each rule or portion of a rule from which a variance or waiver is requested; (d) The citation to the statute underlying (implemented by) the rule identified in (c) above; (e) The type of action requested; (f) The specific facts that would justify a variance or waiver for the petitioner; (g) The reason why the variance or waiver would serve the purposes of the underlying statute (implemented by the rule); and (h) A statement whether the variance or waiver is permanent or temporary and, if temporary, a statement of the dates showing the duration of the variance or waiver requested.

The Department will grant a variance or waiver when the petition demonstrates both that the application of the rule would create a substantial hardship or violate principles of fairness, as each of those terms is defined in Section 120.542(2) F.S., and that the purpose of the underlying statute will be or has been achieved by other means by the petitioner.

Persons subject to regulation pursuant to any federally delegated or approved air program should be aware that Florida is specifically not authorized to issue variances or waivers from any requirements of any such federally delegated or approved program. The requirements of the program remain fully enforceable by the Administrator of the EPA and by any person under the Clean Air Act unless and until the Administrator separately approves any variance or waiver in accordance with the procedures of the federal program.

This permitting decision is final and effective on the date filed with the clerk of the Department unless a petition is filed in accordance with the above paragraphs or unless a request for extension of time in which to file a petition is filed within the time specified for filing a petition pursuant to Rule 62-110.106, F.A.C., and the petition conforms to the content requirements of Rules 28-106.201 and 28-106.301, F.A.C. Upon timely filing of a petition or a request for extension of time, this order will not be effective until further order of the Department.

Any party to this permitting decision (order) has the right to seek judicial review of it under section 120.68 of the Florida Statutes, by filing a notice of appeal under Rule 9.110 of the Florida Rules of Appellate Procedure with the clerk of the Department of Environmental Protection in the Office of General Counsel, Mail Station #35, 3900 Commonwealth Boulevard, Tallahassee, Florida, 32399-3000, and by filing a copy of the notice of appeal accompanied by the applicable filing fees with the appropriate District Court of Appeal. The notice must be filed within thirty days after this order is filed with the clerk of the Department.

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Executed in Tallahassee, Florida

Howard L. Rhodes, Director Division of Air Resources

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Management

CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this PERMIT MODIFICATION was sent, by certified mail (*) and copies were mailed by U.S. Mail before the close of business on 1/02 to the person(s) listed:

Joel Y. Kamya* J. Michael Kennedy, Progress Energy Jerry Kissel, SWD-DEP Chair, DeSoto County BCC Mayor, Arcadia

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.

Yebson July 1, 2002