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BUREAU OF AIR REGULATION

21 West Church Street
Jacksonville, Florida 32202-3139

April 1, 2009

Ms. Trina L. Vielhauer, Chief
Bureau of Air Regulation
Division of Air Resource Management
Florida Department of Environmental Protection
2600 Blair Stone Road
Tallahassee, FL 32399-2400



RE: JEA Kennedy Generating Station Combustion Turbine No. 8
Request for Permit Revision, Permit No. PSD-FL-386
File # 0710047-019-AC/PSD-FL-386 B

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Dear Ms. Vielhauer:

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The Department issued the final air construction permit for the above-referenced combustion turbine project in May of 2007, and subsequently revised the permit in December of 2008. JEA respectfully requests that the Department make additional corrections and changes to the construction permit, as set forth below, and prior to the conditions being added to the Kennedy Title V air operation permit. JEA appreciates the Department's consideration of its requests and looks forward to working with you and your staff in an effort to finalize needed changes to the construction permit.

1. **Tuning.** JEA requests that Specific Condition 5 regarding "DLN Combustion" be revised to provide that the combustion turbine system shall be maintained and tuned in accordance with "industry standards or determined best practices" in addition to manufacturer's recommendations. Condition 6 allows for something similar, as does the permit recently issued by the Department for JEA's nearly identical unit at the Greenland Energy Center.
2. **NSPS.** JEA requests that Specific Condition 12 be revised to appropriately identify the New Source Performance Standards (NSPS) as the basis for the nitrogen oxides (NO_x) limits rather than "Avoid PSD." This comment was made in JEA's letter submitted July 9, 2008, and the Department's response did not include a reply regarding this particular request. This change would add clarification regarding the basis for the four-hour NO_x limit in the permit.
3. **Renewal Testing.** Footnote "a" under Specific Condition 12, applicable to carbon monoxide (CO) emissions, provides that subsequent compliance tests "shall be conducted during the year prior to renewing the Title V operating permit." The Department's rules, however, require only that a test be conducted at least once prior to each permit renewal. The testing should not necessarily be required in the year prior to renewal. JEA therefore requests that this condition be revised to reflect the requirement to test at least once prior to renewal.

4. **Testing Per Fuel.** Specific Condition 17 regarding initial compliance demonstrations does not indicate that initial compliance tests are to be conducted on each fuel, although that is presumed. JEA requests that this condition be revised to clarify that the 60/180-day time clock for conducting the initial compliance tests is separate for each fuel. The Department made a similar clarification in the final permit for the Greenland Energy Center.
5. **Fuel Oil Testing.** Specific Condition 18 regarding annual visible emissions tests does not clarify whether the annual tests can be conducted while firing only natural gas or whether additional tests while firing fuel oil would be required. Presumably the Department would prefer that separate testing be conducted while fuel oil. Because fuel oil may not be used on a routine basis, however, JEA requests that a provision be added to this condition to clarify that if the unit does not operate for more than 400 hours per year while firing fuel oil, then an annual test while firing fuel oil is not required.
6. **Definitions.** Specific Condition 20 is entitled "Definitions: Startup, shutdown, and malfunction ...". While the term "malfunction" is defined in paragraph "c," paragraphs "a" and "b" that would define startup and shutdown appear to have been inadvertently omitted from the permit. These definitions are derived from the Department's rules, so this is not a material omission, but the addition of the definitions may be appropriate.
7. **Excess Emissions.** JEA requests that the Department confirm that Common Condition 3 authorizing excess emissions under limited circumstances applies to visible emissions during malfunctions and to carbon monoxide emissions during startup, shutdown, and malfunction conditions. During the recent permitting of the Greenland Energy Center, the Department clarified this in the context of the Greenland unit, and JEA seeks that same clarification for Kennedy Unit 8. Specifically JEA posed the following to the Department: "Visible emissions from the two simple cycle CT are limited to a 10 percent opacity standard, although the emissions are subject to the excess emissions rule under Rule 62-210.700(1), Florida Administrative Code (F.A.C.), Common Condition 3 included in Section IV, Appendix C. Is our understanding correct?" The Department replied: "The Department concurs with the applicant's statement provided best operational practices to minimize excess emissions are adhered to." Common Condition 3 in both the Greenland and Kennedy permits provides for two hours of excess emissions due to startup, shutdown, and malfunction conditions. Kennedy Unit 8 should therefore be authorized for two hours of excess emissions for visible emissions during malfunction conditions, and two hours of excess emissions for carbon monoxide emissions during *startup, shutdown, and malfunction conditions*. *Visible emissions during periods of startup and shutdown conditions* are addressed under Specific Condition 22.
8. **Annual Operating Reports.** Common Condition 20 regarding annual operating reports requires that annual reports be submitted by March 1st of each year. Because the Department's rules have recently been revised to establish later dates for submittal, JEA requests that this condition be revised to simply reflect submittal as required by Rule 62-210.370(3), F.A.C.

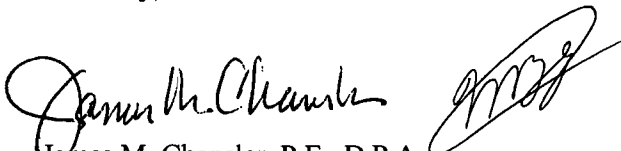
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9. **Malfunction Reporting.** While JEA requested that the Department revise paragraph "b" of Condition 29 to more closely reflect the language in Rule 62-4.130, F.A.C., the Department revised this paragraph in December of 2008 to provide that JEA must notify the agency of "each malfunction resulting in excess emissions that exceed two hours in any 24 hour period." Based on recent guidance from the U.S. Environmental Protection Agency, all emissions data, including emissions data during periods of startup, shutdown, and malfunction operations, must be included in determining the four-hour rolling averages for compliance purposes. JEA therefore believes that it would be appropriate to require a notification to the agency each time a four-hour average of NO_x emissions exceeds the applicable emission limit due to a malfunction. Specifically, JEA requests that paragraph "b" of Condition 29 be revised as follows: "For each malfunction resulting in excess emissions above the applicable four-hour emissions standard for nitrogen oxides, the permittee shall notify the Compliance Authority within one working day of: the nature, extent, and duration of the excess emissions; the cause of the excess emissions; and the actions taken to correct the problem." This same change should be made to Common Condition 5. The condition as revised would be consistent with Common Condition 1 (based on Rule 62-4.130, F.A.C.) which requires JEA to notify the agency if the unit is temporarily unable to comply with any of the conditions of the permit due to breakdown of equipment, and General Condition 8 which requires JEA to immediately notify the department if the unit does not comply with any condition or limitation specified in the permit, including a description of and cause of non-compliance, the period of non-compliance, and steps being taken to reduce, eliminate, and prevent recurrence of the non-compliance.

10. **NO_x Test Method.** JEA requests that Specific Condition 12 be revised to refer to EPA Methods 7E and 20 instead of EPA Method 19 for measuring NO_x emissions, consistent with Specific Condition 16.

JEA appreciates your consideration of these requests. If you have any questions or would like any additional information, please contact Bert Gianazza of my staff at 904-665-6247.

Sincerely,


James M. Chansler, P.E., D.P.A.
Chief Operating Officer
Responsible Official