

INTEROFFICE MEMORANDUM

TO: Michael Cooke

THRU: Trina Vielhauer ³✓
Jeff Koerner ^{JK}

FROM: Bruce Mitchell ^{BM}

DATE: March 1, 2006

SUBJECT: JEA - Kennedy Generating Station
Simple Cycle Combustion Turbine No. 7
Final Air Construction Permit Project No.: 0310047-013-AC
Amendments to Air Construction Permit No.: 0310047-002-AC

Attached is the Final Air Construction Permit for the purpose of: 1) removing the federally enforceable requirement to analyze the nitrogen in the fuel oil; 2) making a correction to a rule citing within a specific condition for clarity purposes; 3) clarifying when to correct for ISO conditions; and, 4) clarifying when to use data substitution related to compliance demonstration for NO_x. These changes are being made for the Simple Cycle Combustion Turbine #7 located at the JEA's Kennedy Generating Station, located at 4215 Talleyrand Avenue, Jacksonville, Duval County.

The 14-Day Public Notice period is completed on February 27. March 2 is Day 10 on the permitting clock.

NOTICE OF FINAL AIR CONSTRUCTION PERMIT

In the Matter of an
Application for Permit:

Mr. James M. Chansler, P.E., D.P.A.
V.P., Operations and Maintenance, R.O. and D.R.
JEA
21 West Church Street
Jacksonville, Florida 32202

DEP File No.: 0310047-013-AC
Amendments to Air Construction Permit No.: 0310047-002-AC
Kennedy Generating Station
Duval County

Enclosed is the Final Air Construction Permit, No. 0310047-013-AC, which amends air construction permit, No. 0310047-002-AC, for combustion turbine No. 7. The subject of the Air Construction Permit is to: 1) remove the federally enforceable requirement to analyze the nitrogen in the fuel oil (No. 2 diesel, a distillate fuel oil), since there is no permitted allowance for any fuel bound nitrogen; 2) make a correction to a rule citing within a specific condition for clarity purposes; 3) clarify when to correct for ISO conditions; and, 4) when to use data substitution related to compliance demonstration for NO_x. This permit (letter) is issued pursuant to Chapter 403, Florida Statutes (F.S.). There were no comments received during the Public Notice period.

Any party to this order (permit letter) 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

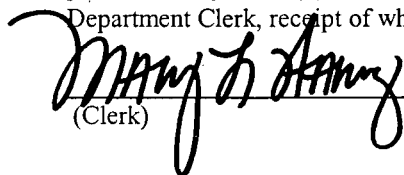
CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this NOTICE OF FINAL AIR CONSTRUCTION PERMIT (including the Final permit) was sent by certified mail (*) and copies were sent by U.S. Mail or electronically (with Received Receipt) before the close of business on 3/6/06 to the person(s) listed or as otherwise noted:

Mr. James M. Chansler, P.E., D.P.A. *, V.P., Operations and Maintenance, R.O. and D.R., JEA
Mr. N. Bert Gianazza, P.E., JEA, Application Contact
Mr. Richard Robinson, P.E., ERMD-EQD

Clerk Stamp

FILING AND ACKNOWLEDGMENT FILED, on this date, pursuant to §120.52(7), Florida Statutes, with the designated Department Clerk, receipt of which is hereby acknowledged.


(Clerk) 3/6/06
(Date)

Final Determination

JEA
Kennedy Generating Station

Air Construction Permit No.: 0310047-013-AC
Amendments to Air Construction Permit No.: 0310047-002-AC

An Intent to Issue an Air Construction Permit to JEA for the Kennedy Generating Station, located at 4215 Talleyrand Avenue, Jacksonville, Duval County, Florida, was distributed on February 3, 2006. The Public Notice of Intent to Issue an Air Construction Permit was published in The Florida Times-Union on February 13, 2006. No comments were received during the Public Notice period.

The final action of the Department will be to issue the Final Air Construction Permit, as noticed.



Department of Environmental Protection

Jeb Bush
Governor

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

Colleen M. Castille
Secretary

March 3, 2006

CERTIFIED MAIL – Return Receipt Requested

Mr. James M. Chansler, P.E.
Responsible Official and V.P. of Operations and Maintenance
JEA
Kennedy Generating Station
21 West Church Street
Jacksonville, Florida 32202-3139

Re: Kennedy Generating Station
Final Air Construction Permit Project No.: 0310047-013-AC
Amendments to Air Construction Permit No.: 0310047-002-AC
Simple Cycle Combustion Turbine No. 7

Dear Mr. Chansler:

The Department has reviewed the letters received on November 5, 2004, and August 29, 2005, and an e-mail correspondence received January 24, 2006. Based on the review of the requests and their rationale, the following are changed:

A. Letter received November 5, 2004:

1. **Section III. Specific Condition 42.: 0310047-002-AC.** Requested deletion of “and nitrogen content” in the 1st sentence. Due to a revision to the federal regulations at 40 CFR 60, Subpart GG, the Department agrees with your request regarding the removal of the fuel-bound nitrogen requirement; therefore, and pursuant to 40 CFR 60.334(i)(1), this letter modification removes the federally enforceable requirement to analyze the nitrogen in the fuel oil (No. 2 diesel, a distillate fuel oil), since there is no permitted allowance for any fuel bound nitrogen. Therefore, the following is changed:

FROM:

42. 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 or superior grade fuel oil received at the Kennedy Generating Station, 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).

[0310047-002-AC]

TO:

42. 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 or superior grade fuel oil received at the Kennedy Generating Station, an analysis which reports the sulfur 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).

[0310047-002-AC; 0310047-013-AC; and, 40 CFR 60.334(i)(1)]

“More Protection, Less Process”

Printed on recycled paper.

Mr. James M. Chansler
Kennedy Generating Station
Simple Cycle Combustion Turbine No. 7
Final Air Construction Permit Project No.: 0310047-013-AC
Amendment to Air Construction Permit No.: 0310047-002-AC
Page 2 of 4

B. Letter received August 29, 2005:

1. Section II. Specific Condition 12.: 0310047-002-AC. Correction to a rule citing. For clarity purposes and correctness, a change to a rule citing within a specific condition will be made. Therefore, the following is changed:

FROM:

12. Quarterly Reports. Quarterly excess emission reports, in accordance with 40 CFR 60.7(a)(7)(c) (1997 version), shall be submitted to the DEP's Northeast District and Jacksonville RESD's Air & Water Quality Division offices. [0310047-002-AC; and, 40 CFR 60.7]

TO:

12. Quarterly Reports. Quarterly excess emission reports, in accordance with 40 CFR 60.7(c) (1997 version), shall be submitted to the DEP's Northeast District and Jacksonville's ERMD-EQD offices. [0310047-002-AC; 0310047-013-AC; and, 40 CFR 60.7(c)(1997 version)]

2. Section II. Specific Conditions 17.: Bullets #1 and #2, 19., 20. and 21.: 0310047-002-AC. The Department finds the request acceptable to remove the "ISO correction" requirement for the pollutants CO, VOC and SO₂, because the "ISO correction" equation in 40 CFR 60, Subpart GG, is only required initially and for the pollutant NO_x. Therefore, the ISO correction requirement will be removed from the pollutants CO, VOC and SO₂. In addition, the preamble to the 2004 amendments states the ISO correction only applies to diffusion flame burners, which is used by the CT #7 when burning fuel oil. Dry low-NO_x burners are used when burning natural gas. Therefore, there should be no requirement to impose ISO correction when burning natural gas. Therefore, the following are changed:

FROM:

17. Nitrogen Oxides (NO_x) Emissions: The concentration of NO_x concentrations in the exhaust gas of this CT shall not exceed 15 ppm at 15% O₂ (on a 24-hr block average) as measured by the CEMS (maintained in accordance with 40 CFR 75) while burning natural gas. In addition, NO_x emissions calculated as NO₂ (at ISO conditions) shall exceed neither 15 ppm at 15% O₂ nor 99 lbs/hr to be demonstrated by stack test. Total annual NO_x emissions shall not exceed 200 tons on a 12-month rolling average basis (gas/oil or gas or oil). [0310047-002-AC; and, Rule 62-212.400(2)(g), F.A.C.]

NO_x Emissions. The concentration of NO_x concentrations in the exhaust gas of this CT shall not exceed 42 ppm at 15% O₂ (on a 24-hr block average) as measured by the CEMS (maintained in accordance with 40 CFR 75) while burning fuel oil. In addition, NO_x emissions calculated as NO₂ (at ISO conditions) shall exceed neither 42 ppm at 15% O₂ nor 318 lbs/hr to be demonstrated by stack test. Total annual NO_x emissions shall not exceed 200 tons on a 12-month rolling average basis (natural gas/fuel oil or natural gas or fuel oil). [0310047-002-AC; and, Rule 62-212.400(2)(g), F.A.C.]

19. Carbon Monoxide (CO) Emissions: The concentration of CO in the exhaust gas shall not exceed 15 ppmvd (natural gas) and 20 ppmvd (fuel oil) as measured by EPA Method 10. CO emissions (at ISO conditions) shall not exceed 48 lbs/hr (natural gas) and 97 lbs/hr (fuel oil) to be demonstrated by stack test. [0310047-002-AC]

20. Volatile Organic Compounds (VOC) Emissions: The concentration of VOC in the exhaust gas shall not exceed 1.4 ppmvd (natural gas) and 3.5 ppmvd (fuel oil) as determined by EPA Methods 18, 25 or 25 A. VOC emissions (at ISO conditions) shall not exceed 2.9 lbs/hr (natural gas) and 19 lbs/hr (fuel oil). [0310047-002-AC]

Mr. James M. Chansler
Kennedy Generating Station
Simple Cycle Combustion Turbine No. 7
Final Air Construction Permit Project No.: 0310047-013-AC
Amendment to Air Construction Permit No.: 0310047-002-AC
Page 3 of 4

21. Sulfur Dioxide (SO₂) Emissions: SO₂ emissions (at ISO conditions) shall not exceed 9.7 lbs/hr when firing pipeline natural gas and 98 lbs/hr when firing maximum 0.05 percent, by weight, sulfur content No. 2 or superior grade distillate fuel oil. Initial tests shall be performed by applicable compliance methods described below. Compliance with this requirement in conjunction with implementation of the Custom Fuel Monitoring Schedules in Specific Conditions 41 and 42 will demonstrate compliance with the applicable NSPS SO₂ emissions limitations. Confirmation by the Custom Fuel Monitoring Schedule that the actual sulfur content is less than 2 grains per 100 standard cubic feet (gas) and 0.05 %, by weight, sulfur content (fuel oil) will demonstrate compliance with the permit limits for SO₂. Emissions of SO₂ shall not exceed 62 tons per year.
[0310047-002-AC; and, Rule 62-212.400(2)(g), F.A.C.]

TO:

17. Nitrogen Oxides (NO_x) Emissions: The concentration of NO_x concentrations in the exhaust gas of this CT shall not exceed 15 ppm at 15% O₂ (on a 24-hr block average) as measured by the CEMS (maintained in accordance with 40 CFR 75) while burning natural gas. In addition, NO_x emissions calculated as NO₂ shall exceed neither 15 ppm at 15% O₂ nor 99 lbs/hr to be demonstrated by stack test. Total annual NO_x emissions shall not exceed 200 tons on a 12-month rolling average basis (gas/oil or gas or oil).
[0310047-002-AC; and, Rule 62-212.400(2)(g), F.A.C.]

NO_x Emissions. The concentration of NO_x concentrations in the exhaust gas of this CT shall not exceed 42 ppm at 15% O₂ (on a 24-hr block average) as measured by the CEMS (maintained in accordance with 40 CFR 75) while burning fuel oil. In addition, NO_x emissions calculated as NO₂ shall exceed neither 42 ppm at 15% O₂ nor 318 lbs/hr to be demonstrated by stack test. Total annual NO_x emissions shall not exceed 200 tons on a 12-month rolling average basis (natural gas/fuel oil or natural gas or fuel oil).
[0310047-002-AC; and, Rule 62-212.400(2)(g), F.A.C.]

19. Carbon Monoxide (CO) Emissions: The concentration of CO in the exhaust gas shall not exceed 15 ppmvd (natural gas) and 20 ppmvd (fuel oil) as measured by EPA Method 10. CO emissions shall not exceed 48 lbs/hr (natural gas) and 97 lbs/hr (fuel oil) to be demonstrated by stack test.
[0310047-002-AC]

20. Volatile Organic Compounds (VOC) Emissions: The concentration of VOC in the exhaust gas shall not exceed 1.4 ppmvd (natural gas) and 3.5 ppmvd (fuel oil) as determined by EPA Methods 18, 25 or 25 A. VOC emissions shall not exceed 2.9 lbs/hr (natural gas) and 19 lbs/hr (fuel oil).
[0310047-002-AC]

21. Sulfur Dioxide (SO₂) Emissions: SO₂ emissions shall not exceed 9.7 lbs/hr when firing pipeline natural gas and 98 lbs/hr when firing maximum 0.05 percent, by weight, sulfur content No. 2 or superior grade distillate fuel oil. Initial tests shall be performed by applicable compliance methods described below. Compliance with this requirement in conjunction with implementation of the Custom Fuel Monitoring Schedules in Specific Conditions 41 and 42 will demonstrate compliance with the applicable NSPS SO₂ emissions limitations. Confirmation by the Custom Fuel Monitoring Schedule that the actual sulfur content is less than 2 grains per 100 standard cubic feet (gas) and 0.05 %, by weight, sulfur content (fuel oil) will demonstrate compliance with the permit limits for SO₂. Emissions of SO₂ shall not exceed 62 tons per year.
[0310047-002-AC; and, Rule 62-212.400(2)(g), F.A.C.]

Mr. James M. Chansler
Kennedy Generating Station
Simple Cycle Combustion Turbine No. 7
Final Air Construction Permit Project No.: 0310047-013-AC
Amendment to Air Construction Permit No.: 0310047-002-AC
Page 4 of 4

3. Section II. Specific Condition 17.: Bullet #4: 0310047-002-AC. The Department finds the request acceptable to delete the specific condition related to compliance demonstration for NO_x for the JEA's KGS CT No. 7, specifically remove the use of missing data substitution, which is acceptable for purposes for Acid Rain allowances, to avoid the conflict when determining the compliance average with the emission limit and the associated timeframe that was established. The use of valid data is found in specific condition 27., 0310047-002-AC.

FROM:

17. When NO_x monitoring data is not available, substitution for missing data shall be handled as required by Title IV (40 CFR 75) to calculate the specified average time.

TO:

17. Reserved.

This permit (letter) is issued pursuant to Chapter 403, Florida Statutes (F.S.). Any party to this order has the right to seek judicial review of it under Section 120.68, F.S., 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.

Executed in Tallahassee, Florida.

Sincerely,



Michael G. Cooke, Director
Division of Air Resource Management

MGC/rbm

cc: Mr. Richard Robinson, ERMD-EQD
Mr. N. Bert Gianazza, P.E., JEA

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

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OFFICIAL USE

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Mr. James M. Chansler
V.P. Operations and Maintenance
JEA
St. Johns River Power Park
21 West Church Street
Jacksonville, Florida 32202

PUBLIC NOTICE OF INTENT TO ISSUE AN AIR CONSTRUCTION PERMIT AND A TITLE V AIR OPERATION PERMIT REVISION

Permitting Authority
Department of Environmental Protection
Bureau of Air Regulation

Draft Air Construction Permit Project No.: 0310047-013-AC
Amendment to Air Construction Permit No.: 0310047-002-AC
DRAFT Title V Air Operation Permit Revision No.: 0310047-014-AV

JEA
Kennedy Generating Station
Duval County

Applicant: The applicant for this project is the JEA, Kennedy Generating Station (KGS), located at 4215 Talleyrand Avenue, Jacksonville, Duval County. The applicant's Responsible Official and Authorized Representative is: Mr. James M. Chansler, P.E., RO and V.P. of Operations and Maintenance, JEA, 21 West Church Street, Jacksonville, Florida 32202-3139.

Facility Location: The applicant operates the KGS, which is an electrical utility located at 4215 Talleyrand Avenue, Jacksonville, Duval County.

Projects: The applicant, JEA, applied on November 5, 2004, to the permitting authority for an AC and a Title V Permit Revision regarding the AC language changes requested for the CT No. 7. On August 29, 2005, additional requests were received.

Air Construction Permit. Regarding CT No. 7, the AC is being issued to: 1) remove the federally enforceable requirement to analyze the nitrogen in the fuel oil (No. 2 diesel, a distillate fuel oil), since there is no permitted allowance for any fuel bound nitrogen; 2) make a correction to a rule citing within the specific condition for clarity purposes; 3) clarify when to correct for ISO conditions; and, 4) when to use data substitution related to compliance demonstration for NOx.

Title V Permit Revision. Incorporate the terms and conditions from AC permit, No. 0320047-013-AC, regarding CT No. 7. Therefore, the Title V Permit Revision is being issued to: 1) incorporate the removal of a requirement to test for fuel bound nitrogen in the No. 2 diesel fuel oil; 2) correct a rule citing within a specific condition for clarity purposes; 3) clarify when to correct for ISO conditions; and, 4) when to use data substitution related to compliance demonstration for NOx.

Permitting Authority: Applications for ACs and Title V Permits are subject to review in accordance with the provisions of Chapter 403, Florida Statutes (F.S.) and Chapters 62-4, 62-210, 62-212, 62-213 and 62-214 of the Florida Administrative Code (F.A.C.). The proposed project is not exempt from air permitting requirements and air permits are required to perform the proposed work. The Florida Department of Environmental Protection's Bureau of Air Regulations is the Permitting Authority responsible for making a permit determination for this project. The Bureau of Air Regulation's physical address is 111 South Magnolia Drive, Suite 4, Tallahassee, Florida 32301 and the mailing address is 2600 Blair Stone Road, MS #5505, Tallahassee, Florida 32399-2400. The Bureau of Air Regulation's phone number is 850-488-0114; and, the facsimile number is 850/922-6979. The contact for the project is Bruce Mitchell at 850/413-9198.

Project File: A complete project file is available for public inspection during the normal business hours of 8:00 a.m. to 5:00 p.m., Monday through Friday (except legal holidays), at the address indicated above for the Permitting Authority. The complete project file includes the Technical Evaluation and Preliminary Determination, the Draft AC, the DRAFT Title V Permit, the request/application, and the information submitted by the applicant, exclusive of confidential records under Section 403.111, F.S. Interested persons may contact the Permitting Authority's project review engineer for additional information at the address and phone number listed above. A copy of the complete project file is also available at the City of Jacksonville, Environmental Resource Management Department, Environmental Quality Division, 117 West Duval Street, Suite 225, Jacksonville, Florida 32202, (Telephone: 904/630-4900; and, Fax: 904/630-3638).

Notice of Intent to Issue Permits: The Permitting Authority gives notice of its intent to issue an AC and a Title V Permit Revision to the applicant for the project described above. The applicant has provided reasonable assurance that operation of proposed equipment will not adversely impact air quality and that the project will comply with all applicable provisions of Chapters 62-4, 62-204, 62-210, 62-212, 62-213, 62-214, 62-296, and 62-297, F.A.C.; and, the City of Jacksonville Ordinance Code, Title X, Chapter 376; and, the Jacksonville Environmental Protection Board Rule 2, Parts I thru VII and Parts IX thru XII. The permitting authority will issue the Final AC and the PROPOSED Title V Permit and subsequent FINAL Title V Permit, in accordance with the conditions of the attached Draft AC and the DRAFT Title V Permit, unless a timely petition for an administrative hearing is filed under Sections 120.569 and 120.57, F.S., or unless public comment received in accordance with this notice results in a different decision or a significant change of terms or conditions.

Comments: Draft AC: The Permitting Authority will accept written comments concerning the proposed Draft AC for a period of fourteen (14) days from the date of publication of the Public Notice. Written comments must be provided to the Permitting Authority at the above address. Any written comments filed will be made available for public inspection. If written comments received result in a significant change to the Draft AC, the Permitting Authority shall revise the Draft AC and require, if applicable, another Public Notice.

Comments: DRAFT Title V Permit: The Permitting Authority will accept written comments concerning the DRAFT Permit for a period of thirty (30) days from the date of publication of the "PUBLIC NOTICE OF INTENT TO ISSUE AN AIR CONSTRUCTION PERMIT AND A TITLE V AIR OPERATION PERMIT RENEWAL." Written comments must be post-marked and all facsimile comments must be received by the close of business (5:00 pm), on or before the end of this 30-day period, by the Permitting Authority at the above address or facsimile. As part of his or her comments, any person may also request that the Permitting Authority hold a public meeting on this permitting action. If the Permitting Authority determines there is sufficient interest for a public meeting, it will publish notice of the time, date, and location on the Department's official web site for notices at <http://tlh06a6.dep.state.fl.us/onw> and in a newspaper of general circulation in the area affected by the permitting action. For additional information, contact the Permitting Authority at the above address or phone number. If written comments or comments received at a public meeting result in a significant change to the DRAFT Permit, the Permitting Authority shall issue a Revised DRAFT Permit and require, if applicable, another Public Notice. All comments filed will be made available for public inspection.

Petitions: 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, F.S. The petition must contain the information set forth below and must be filed with (received by) the Department's Agency Clerk in the Office of General Counsel of the Department of Environmental Protection, 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000. Petitions filed by the

THE FLORIDA TIMES-UNION
Jacksonville, Fl
Affidavit of Publication

Florida Times-Union

J.E.A./ENVIRONMENTAL
ATTN: KASEY CLEGHORN
21 W CHURCH ST T-8
JACKSONVILLE FL 32202

RECEIVED

FEB 22 2006

BUREAU OF AIR REGULATION

REFERENCE: 0334984

R101196 NOTICE OF INTENT

State of Florida
County of Duval

Before the undersigned authority personally appeared Tiffany Powell who on oath says she is a Legal Advertising Representative of The Florida Times-Union, a daily newspaper published in Jacksonville in Duval County, Florida; that the attached copy of advertisement is a legal ad published in The Florida Times-Union. Affiant further says that The Florida Times-Union is a newspaper published in Jacksonville, in Duval County, Florida, and that the newspaper has heretofore been continuously published in Duval County, Florida each day, has been entered as second class mail matter at the post office in Jacksonville, in Duval County, Florida for a period of one year preceeding the first publication of the attached copy of advertisement; and affiant further says that 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 said newspaper.

PUBLISHED ON: 02/13

FILED ON: 02/13/06

Name: Tiffany Powell Title: Legal Advertising Represe
In testimony whereof, I have hereunto set my hand and affixed seal, the day and year aforesaid.

NOTARY:



TWILLA SHIPP
Notary Public, State of Florida
My comm. expires May 13, 2006
Comm. No. DD 117248

applicant or one of the parties involved. Petitions may be filed within 14 days of receipt of this Written Notice of Intent to Issue Air Permits. Petitions filed by any persons other than those entitled to written notice under Section 120.60(3), F.S., must be filed within fourteen (14) days of publication of the attached Public Notice or within fourteen (14) days of receipt of this Written Notice of Intent to Issue Air Permits, 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 (14) 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, F.A.C.

A petition that disputes 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; 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 each 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 state; (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 the 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 Written Notice of Intent to Issue Air Permits. 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 above.

In addition to the above, pursuant to 42 United States 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 Title V 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 Title V 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 7661d(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. For more information regarding the EPA review and objections, visit EPA's Region 4 web site at:

<http://www.epa.gov/region4/air/permits/Florida.htm>.

Mediation: Mediation is not available in this proceeding.

THE FLORIDA TIMES-UNION
Jacksonville, Fl
Affidavit of Publication

Florida Times-Union

J.E.A./ENVIRONMENTAL
ATTN: KASEY CLEGHORN
21 W CHURCH ST T-8
JACKSONVILLE FL 32202

RECEIVED

FEB 22 2006

BUREAU OF AIR REGULATION

REFERENCE: 0334984
R101196 NOTICE OF INTENT

State of Florida
County of Duval

Before the undersigned authority personally appeared Tiffany Powell who on oath says she is a Legal Advertising Representative of The Florida Times-Union, a daily newspaper published in Jacksonville in Duval County, Florida; that the attached copy of advertisement is a legal ad published in The Florida Times-Union. Affiant further says that The Florida Times-Union is a newspaper published in Jacksonville, in Duval County, Florida, and that the newspaper has heretofore been continuously published in Duval County, Florida each day, has been entered as second class mail matter at the post office in Jacksonville, in Duval County, Florida for a period of one year preceeding the first publication of the attached copy of advertisement; and affiant further says that 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 said newspaper.

PUBLISHED ON: 02/13

FILED ON: 02/13/06

Name: Tiffany Powell Title: Legal Advertising Represen
In testimony whereof, I have hereunto set my hand and affixed seal, the day and year aforesaid.

NOTARY:

Twillia Shipp

TWILLIA SHIPP

Notary Public, State of Florida
My comm. expires May 13, 2006
Comm. No. DD 117248



PERMIT AND A TITLE V AIR OPERATION PERMIT REVISION
Permitting Authority
Department of Environmental Protection
Bureau of Air Regulation
Draft Air Construction Permit Project No.: 0310047-013-AC
Amendment to Air Construction Permit No.: 0310047-002-AC
DRAFT Title V Air Operation Permit Revision No.: 0310047-014-AV

JEA
Kennedy Generating Station
Duval County

Applicant: The applicant for this project is the JEA, Kennedy Generating Station (KGS), located at 4215 Talleyrand Avenue, Jacksonville, Duval County. The applicant's Responsible Official and Authorized Representative is: Mr. James M. Chanler, P.E., RO and V.P. of Operations and Maintenance, JEA, 21 West Church Street, Jacksonville, Florida 32202-3139. **Facility Location:** The applicant operates the KGS, which is an electrical utility located at 4215 Talleyrand Avenue, Jacksonville, Duval County. **Projects:** The applicant, JEA, applied on November 5, 2004, to the permitting authority for an AC and a Title V Permit Revision regarding the AC language changes requested for the CT No. 7. On August 29, 2005, additional requests were received.

Air Construction Permit. Regarding CT No. 7, the AC is being issued to: 1) remove the federally enforceable requirement to analyze the nitrogen in the fuel oil (No. 2 diesel, a distillate fuel oil), since there is no permitted allowance for any fuel bound nitrogen; 2) make a correction to a rule citing within the specific condition for clarity purposes; 3) clarify when to correct for ISO conditions; and, 4) when to use data substitution related to compliance demonstration for NOx.

Title V Permit Revision. Incorporate the terms and conditions from AC permit, No. 0320047-013-AC, regarding CT No. 7. Therefore, the Title V Permit Revision is being issued to: 1) Incorporate the removal of a requirement to test for fuel bound nitrogen in the No. 2 diesel fuel oil; 2) correct a rule citing within a specific condition for clarity purposes; 3) clarify when to correct for ISO conditions; and, 4) when to use data substitution related to compliance demonstration for NOx.

Permitting Authority: Applications for ACs and Title V Permits are subject to review in accordance with the provisions of Chapter 403, Florida Statutes (F.S.) and Chapters 62-4, 62-210, 62-212, 62-213 and 62-214 of the Florida Administrative Code (F.A.C.). The proposed project is not exempt from air permitting requirements and air permits are required to perform the proposed work. The Florida Department of Environmental Protection's Bureau of Air Regulation is the Permitting Authority responsible for making a permit determination for this project. The Bureau of Air Regulation's physical address is 111 South Magnolia Drive, Suite 4, Tallahassee, Florida 32301 and the mailing address is 2600 Blair Stone Road, MS #5505, Tallahassee, Florida 32399-2400. The Bureau of Air Regulation's phone number is 850-488-0114; and, the facsimile number is 850/922-6979. The contact for the project is Bruce Mitchell at 850/413-9198.

Project File: A complete project file is available for public inspection during the normal business hours of 8:00 a.m. to 5:00 p.m., Monday through Friday (except legal holidays), at the address indicated above for the Permitting Authority. The complete project file includes the Technical Evaluation and Preliminary Determination, the Draft AC, the DRAFT Title V Permit, the request/application, and the information submitted by the applicant, exclusive of confidential records under Section 403.111, F.S. Interested persons may contact the Permitting Authority's project review engineer for additional information at the address and phone number listed above. A copy of the complete project file is also available at the City of Jacksonville, Environmental Resource Management Department, Environmental Quality Division, 117 West Duval Street, Suite 225, Jacksonville, Florida 32202, (Telephone: 904/630-4900; and, Fax: 904/630-3638).

Notice of Intent to Issue Permits: The Permitting Authority gives notice of its intent to issue an AC and a Title V Permit Revision to the applicant for the project described above. The applicant has provided reasonable assurance that operation of proposed equipment will not adversely impact air quality and that the project will comply with all applicable provisions of Chapters 62-4, 62-204, 62-210, 62-212, 62-213, 62-214, 62-296, and 62-297, F.A.C.; and, the City of Jacksonville Ordinance Code, Title X, Chapter 376; and, the Jacksonville Environmental Protection Board Rule 2, Parts I thru VII and Parts IX thru XII. The permitting authority will issue the Final AC and the PROPOSED Title V Permit and subsequent FINAL Title V Permit, in accordance with the conditions of the attached Draft AC and the DRAFT Title V Permit, unless a timely petition for an administrative hearing is filed under Sections 120.569 and 120.57, F.S., or unless public comment received in accordance with this notice results in a different decision or a significant change of terms or conditions.

Comments: Draft AC: The Permitting Authority will accept written comments concerning the proposed Draft AC for a period of fourteen (14) days from the date of publication of the Public Notice. Written comments must be provided to the Permitting Authority at the above address. Any written comments filed will be made available for public inspection. If written comments received result in a significant change to the Draft AC, the Permitting Authority shall revise the Draft AC and require, if applicable, another Public Notice.

Comments: DRAFT Title V Permit: The Permitting Authority will accept written comments concerning the DRAFT Permit for a period of thirty (30) days from the date of publication of the "PUBLIC NOTICE OF INTENT TO ISSUE AN AIR CONSTRUCTION PERMIT AND A TITLE V AIR OPERATION PERMIT RENEWAL." Written comments must be post-marked and all facsimile comments must be received by the close of business (5:00 pm), on or before the end of this 30-day period, by the Permitting Authority at the above address or facsimile. As part of his or her comments, any person may also request that the Permitting Authority hold a public meeting on this permitting action. If the Permitting Authority determines there is sufficient interest for a public meeting, it will publish notice of the time, date, and location on the Department's official web site for notices at <http://flhorag.dep.state.fl.us/onw> and in a newspaper of general circulation in the area affected by the permitting action. For additional information, contact the Permitting Authority at the above address or phone number. If written comments or comments received at a public meeting result in a significant change to the DRAFT Permit, the Permitting Authority shall issue a Revised DRAFT Permit and require, if applicable, another Public Notice. All comments filed will be made available for public inspection.

Petitions: 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, F.S. The petition must contain the information set forth below and must be filed with (received by) the Department's Agency Clerk in the Office of General Counsel of the Department of Environmental Protection, 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000. Petitions filed by the applicant or any of the parties listed below must be filed within fourteen (14) days of receipt of this Written Notice of Intent to Issue Air Permits. Petitions

another Public Notice. Comments and require, if applicable, written comments concerning the DRAFT Permit for a period of thirty (30) days from the date of publication of the "PUBLIC NOTICE OF INTENT TO ISSUE AN AIR CONSTRUCTION PERMIT AND A TITLE V AIR OPERATION PERMIT RENEWAL." Written comments must be post-marked and all facsimile comments must be received by the close of business (5:00 pm), on or before the end of this 30-day period, by the Permitting Authority at the above address or facsimile. As part of his or her comments, any person may also request that the Permitting Authority hold a public meeting on this permitting action. If the Permitting Authority determines there is sufficient interest for a public meeting, it will publish notice of the time, date, and location on the Department's official web site for notices at <http://flhraq6.dep.state.fl.us/aw> and in a newspaper of general circulation in the area affected by the permitting action. For additional information, contact the Permitting Authority at the above address or phone number. If written comments or comments received at a public meeting result in a significant change to the DRAFT Permit, the Permitting Authority shall issue a Revised DRAFT Permit and require, if applicable, another Public Notice. All comments filed will be made available for public inspection.

Petitions: 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, F.S. The petition must contain the information set forth below and must be filed with (received by) the Department's Agency Clerk in the Office of General Counsel of the Department of Environmental Protection, 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000. Petitions filed by the applicant or any of the parties listed below must be filed within fourteen (14) days of receipt of this Written Notice of Intent to Issue Air Permits. Petitions filed by any persons other than those entitled to written notice under Section 120.60(3), F.S., must be filed within fourteen (14) days of publication of the attached Public Notice or within fourteen (14) days of receipt of this Written Notice of Intent to Issue Air Permits, 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 (14) 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 28.16c-205, F.A.C.

A petition that disputes 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; 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 each 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 state; (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 the 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 Written Notice of Intent to Issue Air Permits. 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 above.

In addition to the above, pursuant to 42 United States 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 Title V 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 Title V 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 7661d(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. For more information regarding the EPA review and objections, visit EPA's Region 4 web site at: <http://www.epa.gov/region4/air/permits/Florida.htm>.

Mediation: Mediation is not available in this proceeding.

Represent
affixed

Mitchell, Bruce

From: Gianazza, N. Bert [GianNB@jea.com]
Sent: Tuesday, January 24, 2006 1:03 PM
To: Mitchell, Bruce
Subject: KGS CT 7 tuning language

Bruce,

Per our conversation, we will not be pursuing the tuning language addition to the KGS permit. Please proceed with the other revisions (nitrogen testing and CEM language changes from the (August?) 2005 submittal) as we discussed.

I really appreciate your patience and exceptionally competent assistance with all the permit revisions to the KGS and NGS permits you (actually, we) have had to endure over the last year or so.

Let me know if you need anything else.

Tx, Bert

11 West Marion Street
Tallahassee, Florida 32302-3139

BUREAU OF AIR REGULATION

AUG 29 2005

RECEIVED

August 24, 2005



Mr. Jeffrey F. Koerner, P.E.
Program Administrator
Permitting North
Bureau of Air Regulation
Division of Air Resource Management
Florida Department of Environmental Protection
2600 Blair Stone Road
Tallahassee, FL 32399-2400

RE: Kennedy Generating Station
Project No. 0310047-011-AV

Dear Mr. Koerner:

This purpose of this letter is to request a revision to the conditions related to Kennedy combustion turbine #7 (CT 7) in the above referenced permit.

The requested changes to the CEM language in the permit are summarized in the attachment to this letter.

If you have any questions, please call Bert Gianazza at (904) 665-6247.

Sincerely,

A handwritten signature in black ink that reads "James M. Chansler".

James M. Chansler, P.E., D.P.A.

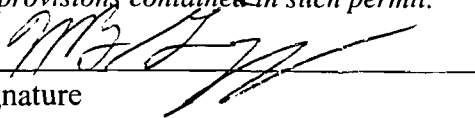
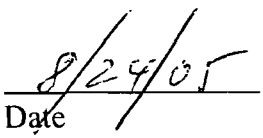
Responsible Official

Vice President, Operations and Maintenance

cc: Bruce Mitchell, FDEP
Steve Pace, P.E., RESD

APPLICATION INFORMATION

Professional Engineer Certification

1. Professional Engineer Name: N. Bert Gianazza Registration Number: 38640
2. Professional Engineer Mailing Address... Organization/Firm: JEA Street Address: 21 W. Church Street City: Jacksonville State: FL Zip Code: 32202
3. Professional Engineer Telephone Numbers... Telephone: (904) 665 - 6247 ext. Fax: (904) 665 - 7376
4. Professional Engineer Email Address: giannb@jea.com
5. Professional Engineer Statement: <i>I, the undersigned, hereby certify, except as particularly noted herein*, that:</i> <i>(1) To the best of my knowledge, there is reasonable assurance that the air pollutant emissions unit(s) and the air pollution control equipment described in this application for air permit, when properly operated and maintained, will comply with all applicable standards for control of air pollutant emissions found in the Florida Statutes and rules of the Department of Environmental Protection; and</i> <i>(2) To the best of my knowledge, any emission estimates reported or relied on in this application are true, accurate, and complete and are either based upon reasonable techniques available for calculating emissions or, for emission estimates of hazardous air pollutants not regulated for an emissions unit addressed in this application, based solely upon the materials, information and calculations submitted with this application.</i> <i>(3) If the purpose of this application is to obtain a Title V air operation permit (check here <input type="checkbox"/> , if so), I further certify that each emissions unit described in this application for air permit, when properly operated and maintained, will comply with the applicable requirements identified in this application to which the unit is subject, except those emissions units for which a compliance plan and schedule is submitted with this application.</i> <i>(4) If the purpose of this application is to obtain an air construction permit (check here <input type="checkbox"/> , if so) or concurrently process and obtain an air construction permit and a Title V air operation permit revision or renewal for one or more proposed new or modified emissions units (check here <input type="checkbox"/> , if so), I further certify that the engineering features of each such emissions unit described in this application have been designed or examined by me or individuals under my direct supervision and found to be in conformity with sound engineering principles applicable to the control of emissions of the air pollutants characterized in this application.</i> <i>(5) If the purpose of this application is to obtain an initial air operation permit or operation permit revision or renewal for one or more newly constructed or modified emissions units (check here <input type="checkbox"/> , if so), I further certify that, with the exception of any changes detailed as part of this application, each such emissions unit has been constructed or modified in substantial accordance with the information given in the corresponding application for air construction permit and with all provisions contained in such permit.</i>  Signature  Date (seal)

* Attach any exception to certification statement.

Permit 0310047-012-AV Condition B.11

From:

B.11. Nitrogen Oxides (NO_x) Emissions. The concentration of NO_x concentrations in the exhaust gas of this CT shall not exceed 15 ppm at 15% O₂ (on a 24-hr block average) as measured by the CEMS (maintained in accordance with 40 CFR 75) while burning natural gas. In addition, NO_x emissions calculated as NO₂ (at ISO conditions) shall exceed neither 15 ppm at 15% O₂ nor 99 lbs/hr to be demonstrated by stack test. Total annual NO_x emissions shall not exceed 200 tons on a 12-month rolling average basis (gas/oil or gas or oil).

To:

B.11. Nitrogen Oxides (NO_x) Emissions. The concentration of NO_x concentrations in the exhaust gas of this CT shall not exceed 15 ppm at 15% O₂ (on a 24-hr block average) as measured by the CEMS (maintained in accordance with 40 CFR 75) while burning natural gas. In addition, NO_x emissions calculated as NO₂ shall exceed neither 15 ppm at 15% O₂ nor 99 lbs/hr to be demonstrated by stack test. Total annual NO_x emissions shall not exceed 200 tons on a 12-month rolling average basis (gas/oil or gas or oil).

Justification:

The ISO condition correction equation in Subpart GG of 40 CFR Part 75 only applies to NO_x emissions from diffusion flame burners. The ISO condition correction equation in Subpart GG of 40 CFR Part 75 only applies to NO_x emissions from diffusion flame burners. It was not developed for nor does it apply to current low NO_x burner technology used when the unit fires natural gas. The specification that the emissions be expressed "at ISO conditions" should, therefore, be eliminated for the natural gas NO_x limit.

Permit 0310047-012-AV Condition B.13

From:

B.13. Carbon Monoxide (CO) Emissions. The concentration of CO in the exhaust gas shall not exceed 15 ppmvd (natural gas) and 20 ppmvd (fuel oil) as measured by EPA Method 10. CO emissions (at ISO conditions) shall not exceed 48 lbs/hr (natural gas) and 97 lbs/hr (fuel oil) to be demonstrated by stack test.

To:

B.13. Carbon Monoxide (CO) Emissions. The concentration of CO in the exhaust gas shall not exceed 15 ppmvd (natural gas) and 20 ppmvd (fuel oil) as measured by EPA Method 10. CO emissions shall not exceed 48 lbs/hr (natural gas) and 97 lbs/hr (fuel oil) to be demonstrated by stack test.

Justification:

The ISO condition correction equation in Subpart GG of 40 CFR Part 60 only applies to NO_x emissions. It was never intended to apply to CO emissions, so the “at ISO conditions” specification should, therefore, be eliminated.

Permit 0310047-012-AV Condition B.14

From:

B.14. Volatile Organic Compounds (VOC) Emissions. The concentration of VOC in the exhaust gas shall not exceed 1.4 ppmvd (natural gas) and 3.5 ppmvd (fuel oil) as determined by EPA Methods 18, 25 or 25 A. VOC emissions (at ISO conditions) shall not exceed 2.9 lbs/hr (natural gas) and 19 lbs/hr (fuel oil).

To:

B.14. Volatile Organic Compounds (VOC) Emissions. The concentration of VOC in the exhaust gas shall not exceed 1.4 ppmvd (natural gas) and 3.5 ppmvd (fuel oil) as determined by EPA Methods 18, 25 or 25 A. VOC emissions shall not exceed 2.9 lbs/hr (natural gas) and 19 lbs/hr (fuel oil).

Justification:

The ISO condition correction equation in Subpart GG of 40 CFR Part 60 only applies to NO_x emissions. It was never intended to apply to VOC emissions, so the “at ISO conditions” specification should, therefore, be eliminated.

Permit 0310047-012-AV Condition B.15

From:

B.15. Sulfur Dioxide (SO₂) Emissions. SO₂ emissions (at ISO conditions) shall not exceed 9.7 lbs/hr when firing pipeline natural gas and 98 lbs/hr when firing maximum 0.05 percent, by weight, sulfur content No. 2 or superior grade distillate fuel oil...

To:

B.15. Sulfur Dioxide (SO₂) Emissions. SO₂ emissions shall not exceed 9.7 lbs/hr when firing pipeline natural gas and 98 lbs/hr when firing maximum 0.05 percent, by weight, sulfur content No. 2 or superior grade distillate fuel oil...

Justification:

The ISO condition correction equation in Subpart GG of 40 CFR Part 60 only applies to NO_x emissions. It was never intended to apply to SO₂ emissions, so the “at ISO conditions” specification should, therefore, be eliminated.

Permit 0310047-012-AV Condition B.32

From:

B.32. When NO_x monitoring data is not available, substitution for missing data shall be handled as required by Title IV (40 CFR 75) to calculate the specified average time.

To:

B.32. [Reserved].

Justification:

This Condition should be removed because it conflicts with Condition B.20 that states that the averages should be based “valid hourly emission rates.” While missing data substitution is required under Part 75 for allowance calculation purposes, including the isolated reference in the permit where the focus is compliance with separate, non-allowance related emission limits is potentially confusing.

It would be incongruous to include Part 75 missing data substitution in the averages used to determine compliance with the permit limits. Only valid data can be used for determining compliance with an emissions standard. If data are invalid or missing, a compliance determination simply cannot be made. To suggest that substitute data should be used to calculate averages for compliance purposes is potentially tantamount to implying a violation without credible evidence. The Part 75 missing data substitution provisions represent a conservative scheme to fill in periods when data are unavailable specifically for allowance tracking purposes. The values represent “made up” numbers that inherently have no place in determining compliance with permit limits and should not be included in any block compliance average.

21 West Church Street
Jacksonville, Florida 32202-3139

RECEIVED

OCT 12 2004

BUREAU OF AIR REGULATION

October 7, 2004



Jim Pennington, P.E.
Administrator
Permitting North
Bureau of Air Regulation
Florida Department of Environmental Protection
2600 Blair Stone Road
Tallahassee, FL 32399-2400

ELECTRIC

WATER

SEWER

RE: Brandy Branch Generating Station
Simple Cycle Combustion Turbines (Units 1, 2, 3)
Kennedy Generating Station
Simple Cycle Combustion Turbine (Unit 7)

Dear Mr. Pennington:

Per Bert Gianazza's correspondences dated September 21 and 22, please issue permit revisions to remove the nitrogen testing requirements for the above referenced units in accordance with the EPA final rule published in the Federal Register dated July 8, 2004 revising the standards of performance for stationary gas turbines (40 CFR 60, subpart GG).

If you have any questions, please don't hesitate to call me at 665-4433 or Bert Gianazza at 665-6247.

Sincerely,

A handwritten signature in cursive script, appearing to read 'James M. Chansler'.

James M. Chansler, P.E., D.P.A.
Responsible Official
Vice President, Operations and Maintenance

cc: Bruce Mitchell, P.E., DEP

21 West Church Street
Jacksonville, Florida 32202-3139

September 22, 2004



Jim Pennington, P.E.
Administrator
Permitting North
Bureau of Air Regulation
Florida Department of Environmental Protection
2600 Blair Stone Road
Tallahassee, FL 32399-2400

E L E C T R I C

W A T E R

S E W E R

RE: Brandy Branch Generating Station
Simple Cycle Combustion Turbines (Units 1, 2, 3)
Title V Permit 0310485-005-AV
Air Construction Permit PSD-FL-267

Dear Mr. Pennington:

Project No.: 0310485-009-AC
-013-AC

In accordance with the EPA final rule published in the Federal Register dated July 8, 2004 revising the standards of performance for stationary gas turbines (40 CFR 60, subpart GG), we request a revision to specific condition A.24 of the above referenced Title V permit and condition 44 of the above referenced PSD permit to remove the requirement for nitrogen testing of diesel fuel. NOx CEMs are used on these units to show compliance with the NOx limits, and the allowance for fuel bound nitrogen is not claimed.

If you have any questions, please don't hesitate to call me at 665-6247.

Sincerely,

A handwritten signature in black ink, appearing to read 'N. Bert Gianazza', is written over a horizontal line.

N. Bert Gianazza, P.E.
Environmental Services

cc: Robert S. Pace, P.E., EQD

21 West Church Street
Jacksonville, Florida 32202-3139

September 21, 2004



Jim Pennington, P.E.
Administrator
Permitting North
Bureau of Air Regulation
Florida Department of Environmental Protection
2600 Blair Stone Road
Tallahassee, FL 32399-2400

ELECTRIC

WATER

RE: Kennedy Generating Station
Simple Cycle Combustion Turbine Unit 7
Title V Permit 0310047-01-AV

SEWER

Project No.: 0310047-013-AC

Dear Mr. Pennington:

In accordance with the EPA final rule published in the Federal Register dated July 8, 2004 revising the standards of performance for stationary gas turbines (40 CFR 60, subpart GG), we request a revision to specific condition D.30 of the above referenced permit to remove the requirement for nitrogen testing of diesel fuel. A NOx CEMs is used on this unit to show compliance with the NOx limits, and the allowance for fuel bound nitrogen is not claimed.

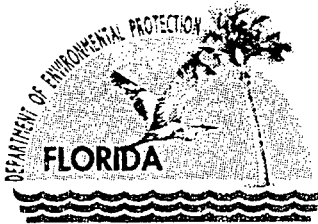
If you have any questions, please don't hesitate to call me at 665-6247.

Sincerely,

A handwritten signature in black ink, appearing to read 'N. Bert Gianazza', is written over a horizontal line.

N. Bert Gianazza, P.E.
Environmental Services

cc: Robert S. Pace, P.E., EQD



Jeb Bush
Governor

Department of Environmental Protection

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

David B. Struhs
Secretary

July 13, 2000

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. Walter P. Bussells
Jacksonville Electric Authority
21 West Church Street
Jacksonville, Florida 32202

RE: Kennedy Generating Station Combustion Turbines
Facility No. 0310047-004-AC

Dear Mr. Bussells:

The Department reviewed your request dated July 10, 2000 to modify the above mentioned construction permit. The request is acceptable and the referenced permit is hereby modified as follows:

SPECIFIC CONDITION 5

The test method for visible emissions shall be EPA Method 9 and the test method for nitrogen oxides shall be EPA Method 7 or 7E, incorporated and adopted by reference in Rule 62-204.800, F.A.C., and referenced in Chapter 62-297, F.A.C.

[Rules 62-204.800, 62-296.320(4)(b)4.a. and 62-297.401, F.A.C.; and, Part XI, Rule 2.1101, JEPB]

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.

"More Protection, Less Process"

Printed on recycled paper.

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.

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.

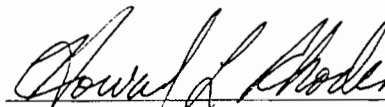
The Department will grant a variance or waiver when the petition demonstrates both that the application of the rule would create a substantial hardship or violate principles of fairness, as each of those terms is defined in Section 120.542(2) F.S., and that the purpose of the underlying statute will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

Executed in Tallahassee, Florida.



Howard L. Rhodes, Director
Division of Air Resources
Management

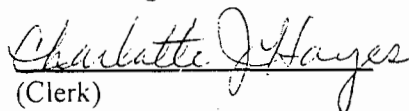
CERTIFICATE OF SERVICE

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 7/17/00 to the person(s) listed:

Mr. Walter P. Bussells, JEA*
Mr. Chris Kirts, DEP-NED
Mr. Jim Manning, RESD

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.


(Clerk)

7/17/00
(Date)

21 West Church Street
Jacksonville, Florida 32202-3139



July 10, 2000

RECEIVED

JUL 11 2000

BUREAU OF AIR REGULATION

Mr. Syed Arif, P.E.
Permit Engineer
Department of Environmental Protection
Twin Towers Office Building
2600 Blair Stone Road
Tallahassee, FL 32399-2400

RE: Northside Generating Station Combustion Turbines
Kennedy Generating Station Combustion Turbines
Fogging System Construction Permits

Dear Mr. Arif:

Please issue a permit revision to our fogging permits No. 0310045-004-AC for Northside and 0310047-004-AC for Kennedy with the following language change to Specific Condition 5 of each permit:

From: "The test method for visible emissions shall be EPA Method 9 and the test method for nitrogen oxides shall be EPA Method 7..."

To: "The test method for visible emissions shall be EPA Method 9 and the test method for nitrogen oxides shall be EPA Method 7 or 7e..."

Since we have Title V permits for each of these facilities it is my understanding that no fee payment is required.

If you have any questions with regard to this matter, please contact me at (904) 665-6247.

Sincerely,

N. Bert Gianazza, P.E.
Environmental Permitting
& Compliance Group

cc: C. Kirtz
J. Manning

Z 341 355 335

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

Sent to <i>Walter Bussells</i>	
Street & Number <i>21 W. Church St.</i>	
Post Office, State, & ZIP Code <i>Jax FL 32202</i>	
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 <i>JEA 7/17/00</i>	

PS Form 3800, April 1995

or on the front if space permits.

1. Article Addressed to:

Mr Walter P Bussells
Jacksonville Electric Authority
21 West Church St
Jacksonville FL 32202

2. Article Number (Copy from service label)

2 341 355 335

COMPLETE THIS SECTION ON DELIVERY

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

C. Signature *T. Hearney* Agent Addressee

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

JUL 18 2000

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

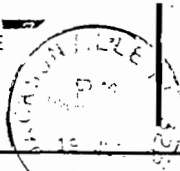
4. Restricted Delivery? (Extra Fee) Yes

PS Form 3811, July 1999

Domestic Return Receipt

102595-99-M-1789

UNITED STATES POSTAL SERVICE



First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-10

RECEIVED

JUL 20 2000
BUREAU OF AIR REGULATION

Send to: Please print your name, address, and ZIP+4 in this box.

Department of Environmental Protection
Division of Air Resources Management
Bureau of Air Regulation, NSRS
2600 Blair Stone Road, MS 5505
Tallahassee, Florida 32399-2400

2300+6542

21 West Church Street
Jacksonville, Florida 32202-3139

RECEIVED

JUL 11 2008

July 9, 2008

BUREAU OF AIR REGULATION

Via Certified Mail and E-Mail



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

ELECTRIC

WATER

SEWER

RE: JEA Kennedy Generating Station Combustion Turbine No. 8
Permit No PSD-FL-386, Project No. 0310047-015-AC

PSD-FL-386A / 0310047-018-AC

Dear Ms. Vielhauer:

The purpose of this letter is to request revisions to the above-referenced construction permit.

As JEA nears completion of the Combustion Turbine No. 8 (CT 8) construction project at the Kennedy Generating Station, there are several important issues associated with the construction permit that JEA would like to discuss with the Department of Environmental Protection (FDEP) and that should be addressed through permit revisions. Each of those issues is discussed below. After FDEP has an opportunity to review this information, JEA requests a meeting for further discussion.

BACKGROUND

Permit PSD-FL-386 authorizes the construction of a simple cycle combustion turbine generator, CT 8, with a nominal output of 172 MW at the existing Kennedy Generating Station. CT 8 is a General Electric PG7241(FA) simple cycle combustion turbine generator with a nominal output of 172 MW. CT 8 may operate for a total of 3,500 hours per year with natural gas as the primary fuel. The use of low sulfur distillate oil (0.05 % sulfur) as a restricted alternate fuel is allowed for up to 500 hours per year. The unit is being designed and constructed with dry low-NO_x burner technology for the control of NO_x emissions. The advanced burner design will also reduce incomplete combustion and minimize carbon monoxide (CO), PM₁₀, and volatile organic compound (VOC) emissions. Prevention of Significant Deterioration (PSD) review was triggered only for PM/PM₁₀. Note that this project also requires the permanent retirement of CT Nos. 3, 4, and 5 (EU-003, 004, and 005).

Permit Revision Request #1:

Currently, specific condition 29.b. reads as follows:

“Malfunction Notification: For each malfunction resulting in excess emissions, 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. In addition, the compliance Authority may request a written summary report of the incident.”

The actual rule referenced in the specific condition, 62.210.700(6), F.A.C., reads as follows:

“In case of excess emissions resulting from malfunctions, each owner or operator shall notify the Department or the appropriate Local Program in accordance with Rule 62-4.130, F.A.C. A full written report on the malfunctions shall be submitted in a quarterly report, if requested by the Department.”

Rule 62-4.130, F.A.C., cited in this rule provides that if the permittee is temporarily unable to comply with any of the conditions of the permit due to breakdown of equipment or destruction by hazard of fire, wind or by other cause, the permittee shall immediately notify the Department.

It is our belief that this change in language substantively changes the meaning and intent of the rule and causes undue confusion as to what is required under the regulations. Rule 62-4.130, F.A.C., has typically been interpreted to require the reporting of excess emissions resulting from malfunctions only if the excess emissions exceed 2 hours in 24 hours; otherwise, the emissions are allowed and the permittee remains in full compliance with the conditions of the permit. No notice is required under Rule 62-4.130, F.A.C. The Department’s rewording of Rule 62-210.700(6) and the elimination of the reference to Rule 62-4.130, F.A.C., indicates that all excess emissions resulting from a malfunction must be reported immediately, even if the emissions are allowable because the duration is for less than 2 hours in a 24-hour period.

If it is the Departments intent to change the rule, we request that the Department provide the reason and authority for the change, and an explanation of exactly what the Department is trying to accomplish by changing the rule language. If it is not the Department’s intent to change the meaning and intent of the rule, we request that the language be changed to quote the actual rule language to avoid any confusion as to the meaning and intent of the permit language.

Permit Revision Request #2:

The current expiration date of the subject construction permit is December 31, 2008. The expected commercial operation date is early 2009 which will be followed by a request for a permit revision to the Title V permit for this facility to include this new turbine. We request that the expiration date of the construction permit be revised to December 31, 2009.

Permit Revision Request #3:

Under specific condition 12, the basis of the NO_x limits should be NSPS Subpart KKKK. The lb/hour limits should be omitted because there is no regulatory basis and these additional limits were not needed to “avoid PSD.” Also, the permit should clearly state that excess emissions during startups, shutdowns and malfunctions are allowed. While emissions during startups, shutdowns, and malfunctions are to be included in determining the 30-day rolling average for excess emissions reporting purposes, emissions attributable to startups, shutdowns, and malfunctions should not be used for determining compliance with the emission limit.

In Appendix C “Common Conditions” of the permit, FDEP does include some discussion regarding excess emissions during startup, shutdown and malfunction; however, this discussion is directly pertinent to the table of emission limits in Section 3 of the permit and should be included therein – probably in Special Condition 12 or the “EXCESS EMISSION” sub-section.

In the Title 40 CFR Part 60, Subpart KKKK promulgation, the Environmental Protection Agency (EPA) clearly excludes excess emissions for the purposes of determining compliance. In the preamble of Subpart KKKK, some commenters wanted clarification on the applicability of the NO_x standards during periods of startup, shutdown and malfunction. Other commenters pointed out that while these periods of excess emissions were not considered violations, they might appear to be by a State regulatory agency or the public.

In response, EPA stated that, “We recognize that even for well-operated units with efficient NO_x emission controls, **excess emission “spikes” during unit startup and shutdown are inevitable, and malfunctions of emission controls and process equipment occasionally occur.** However, at all times, including periods of startup, shutdown, and malfunction, 40 CFR 60.11(d) requires affected units to be operated in a manner consistent with good air pollution control practice for minimizing emissions. Excess emissions data may be used to determine whether a facility’s operation and maintenance procedures are consistent with 40 CFR 60.11(d). While **continuous compliance is not required**, excess emissions during startup, shutdown, and malfunction must be reported.” EPA later states, “Regarding the negative stigma, we cannot determine how other parties interpret the final rule. It is clear that **continuous compliance is not a requirement of the final rule during periods of startup, shutdown, and malfunction.**” In essence, the excess emissions during startup, shutdown and malfunction must be reported but they are not considered compliance violations.

The permit already addresses any potential for poor maintenance scenarios in Section 3, Special Conditions 19 and 21. These conditions provide for additional testing if the excess emissions being reported indicate that there may be a problem and ensure that excess emissions resulting from poor maintenance efforts are prohibited.

To confirm how excess emissions during startup, shutdown, and malfunctions are to be treated based on EPA’s explanation in the preamble, we suggest that the following changes be made and new language included:

Pollutant	Emission Standard ^e	Averaging Time	Compliance Method	Basis
CO ^a (Gas)	9.0 ppmvd @ 15% O ₂	3-hour test avg.	EPA Method 10 Test	Avoid PSD
	32.0 lb/hour			
CO ^a (Oil)	20.0 ppmvd @ 15% O ₂	3-hour test avg.	EPA Method 10 Test	Avoid PSD
	66.0 lb/hour			
NO _x ^b (Gas)	15.0 ppmvd @ 15% O ₂	4 hour rolling average	CEMS	<u>NSPS</u> <u>Subpart</u> <u>KKKK</u> Avoid PSD
	108.3 lb/hour	3-hour test avg.	CEMS and EPA Method 19	Avoid PSD
NO _x ^b (Oil)	42 ppmvd @ 15% O ₂	4 hour rolling average	CEMS	<u>NSPS</u> <u>Subpart</u> <u>KKKK</u> Avoid PSD
	335.0 lb/hour	3-hour test avg.	CEMS and EPA Method 19	Avoid PSD
PM/PM ₁₀ ^c	10% Opacity	6-minute block	EPA Method 9 Test	BACT
	Fuel Sulfur Specifications	N/A	Record Keeping	
SO ₂ ^d (Gas)	2 grains S/100 SCF of gas	N/A	Record Keeping	Avoid PSD
SO ₂ ^d (Oil)	0.05% sulfur by weight	N/A	Record Keeping	Avoid PSD

Emission Standards: Emissions from each combustion turbine shall not exceed the following emissions standards.

- a. The permittee shall conduct an initial test to demonstrate compliance with the CO emissions limits for the unit as constructed. Subsequent compliance tests shall be conducted during the year prior to renewing the Title V operating permit.
- b. Continuous compliance ~~shall be demonstrated with~~ is not required for the 4-hour rolling average NO_x emissions limit (ppmvd @ 15% O₂) by based on data collected from the required continuous emissions monitoring system (CEMS). Excess emissions may occur due to startup, shutdown, or malfunctions, and such emissions will not cause a violation of the emission limit. If the CEMS data indicates that the 4-hour rolling average is in excess of the emission limit, excess emission reports must be filed; non-compliance does not occur if the excess emissions are attributable to emission spikes resulting from startup, shutdown, or malfunctions. Compliance with the NO_x emissions limit (lb/hr) shall be demonstrated by converting the NO_x CEMS data collected during the initial CO test by using the applicable F Factor and EPA Method 19.
- c. The fuel sulfur specifications combined with the efficient combustion design and operation of the combustion turbine represents BACT for PM/PM₁₀ emissions. No stack tests are required. Compliance with the CO and visible emissions standards shall serve as indicators of good combustion. *{Permitting Note: Maximum expected PM/PM₁₀ emissions are approximately 19 lb/hour on natural gas and 45.0 lb/hr on oil.}*
- d. The fuel sulfur specifications effectively limit the potential emissions of sulfur dioxide (SO₂) from each combustion turbine. No stack tests are required.
- e. The mass emission rate standards are based on a turbine inlet condition of 59° F and the higher heating value of each fuel. Mass emission rates may be adjusted for actual test

conditions in accordance with the performance curves and/or equations on file with the Department.
[Rule 62-212.400 (BACT), F.A.C.; Rule 62-4.070(3), F.A.C.]

In addition, under the provisions of Rule 62-210.700, F.A.C., Unit 8 should be allowed 2 hours of excess emissions of particulate matter and opacity. We therefore suggest that the following language be added:

Excess Emissions Allowed: Excess emissions resulting from startup, shutdown, and malfunctions shall be permitted, provided that operators employ the best operational practices to minimize the amount and duration of emissions during such incidents. Excess emissions of PM/PM₁₀ resulting from startup, shutdown, and malfunctions shall not exceed two hours in any 24-hour period unless specifically authorized by the Department or the local program for a longer duration.

Permit Revision Request #4:

In Section 3, Special Condition 23, the words “annual and” should be removed from the statement “The annual and required RATA tests required for the NO_x monitor shall be performed using EPA Method 20 or 7E in Appendix A of 40 CFR 60.” Depending on how often the turbine operates, the Part 75 RATA tests may not be required annually. Compliance is demonstrated using CEMS, so annual stack testing should not be required.

Permit Revision Request #5:

JEA believes that it is important to state in the permit (as is stated in all of EPA’s compliance monitoring requirements) that substituted data and bias corrected data required for purposes of 40 CFR Part 75 are not to be used for purposes of demonstrating compliance with emission limits under this permit. This request could be accomplished through the addition of a new subparagraph c. for specific condition 23: “For purposes of determining compliance with the CEMS emissions standards of the permit, missing or excluded data shall not be substituted and bias corrected data shall not be used.”

Permit Revision Request #6:

KKKK allows the use of a diluent cap when determining compliance with the NO_x emission limits in Section 3 of the permit. We request that the following language be added to clarify that use of a diluent cap is allowed:

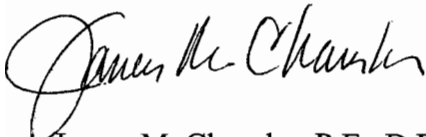
For any hour in which the hourly average O₂ concentration exceeds 19.0 percent O₂ (or the hourly average CO concentration is less than 1.0 percent CO₂), a diluent cap value of 19.0 percent O₂ or 1.0 percent CO₂ (as applicable) may be used in the emission calculations.

Permit Revision Request #7:

JEA requests that it be allowed ten (10) calendar days after the end of each calendar month to complete the monthly fuel logs required under specific condition 25. The current requirement to record and calculate the monthly operational data within five (5) calendar days is burdensome and not necessary for reasonable assurances that the unit will be operated within the limits established under specific condition 7 (3,500 hours of operation with no more than 500 hours while firing oil). Regardless of when the records are completed, JEA will be held to those operational limits and intends to operate within a reasonable margin of compliance. If the Department requests the operational information, it must be provided within three days. If there is ever a question or the Department is concerned about the operational data, then that information will be provided as required. Four routine recordkeeping, a ten-day window within which to prepare the record and calculations would be more appropriate.

JEA looks forward to an opportunity to discuss these issues with you at your earliest convenience, and we will be calling soon to schedule a meeting. Based on information and belief formed after reasonable inquiry, the statements and information in the documents are true, accurate and complete. If you have any questions regarding the issues stated above or require additional information in the meantime please feel free to contact Bert Gianazza with JEA at 904-665-6247.

Sincerely,



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



cc: Kevin Holbrooks, JEA
Bert Gianazza, JEA
Angela Morrison, HGS
Russell Berry, RMB

Walker, Elizabeth (AIR)

From: Walker, Elizabeth (AIR)
Sent: Tuesday, July 22, 2008 12:20 PM
To: 'Forney.Kathleen@epamail.epa.gov'; Felton-Smith, Rita; 'Robinson, Richard'
Cc: 'catherine_collins@fws.gov'; 'meredith_bond@fws.gov'; Arif, Syed
Subject: JEA - Kennedy Generating Station Application/PSD-FL-386A
Attachments: 0310047-018-AC.pdf

Also Sent Electronically?	YES NO
ARMS PA Project ID:	0310047-018-AC
PSD	PSD-FL-386A

Facility Name:	JEA –Kennedy Generating Station
Project Description:	Modifications to PSD-FL-386
Permit Application Processor:	Syed Arif, P.E.
Processor Phone:	850/488-0114
Processor Email Address:	Syed.Arif@dep.state.fl.us /
Received in-house:	July 11, 2008

Elizabeth Walker
Bureau of Air Regulation
Division of Air Resource Management (DARM)
(850)921-9505

Walker, Elizabeth (AIR)

From: Mail Delivery System [MAILER-DAEMON@mseive01.rtp.epa.gov]
Sent: Tuesday, July 22, 2008 12:21 PM
To: Walker, Elizabeth (AIR)
Subject: Successful Mail Delivery Report
Attachments: Delivery report; Message Headers

This is the mail system at host mseive01.rtp.epa.gov.

Your message was successfully delivered to the destination(s) listed below. If the message was delivered to mailbox you will receive no further notifications. Otherwise you may still receive notifications of mail delivery errors from other systems.

The mail system

<Forney.Kathleen@epamail.epa.gov>: delivery via 127.0.0.1[127.0.0.1]:10025: 250
OK, sent 488608CF_23409_24226_2 06F0E4438D

Walker, Elizabeth (AIR)

From: Exchange Administrator
Sent: Tuesday, July 22, 2008 12:20 PM
To: Walker, Elizabeth (AIR)
Subject: Delivery Status Notification (Relay)
Attachments: ATT990648.txt; JEA - Kennedy Generating Station Application/PSD-FL-386A

This is an automatically generated Delivery Status Notification.

Your message has been successfully relayed to the following recipients, but the requested delivery status notifications may not be generated by the destination.

catherine_collins@fws.gov
meredith_bond@fws.gov

Walker, Elizabeth (AIR)

From: Exchange Administrator
Sent: Tuesday, July 22, 2008 12:20 PM
To: Walker, Elizabeth (AIR)
Subject: Delivery Status Notification (Relay)
Attachments: ATT990625.txt; JEA - Kennedy Generating Station Application/PSD-FL-386A

This is an automatically generated Delivery Status Notification.

Your message has been successfully relayed to the following recipients, but the requested delivery status notifications may not be generated by the destination.

ROBINSON@coj.net

Walker, Elizabeth (AIR)

From: System Administrator
To: Felton-Smith, Rita; Arif, Syed
Sent: Tuesday, July 22, 2008 12:20 PM
Subject: Delivered:JEA - Kennedy Generating Station Application/PSD-FL-386A

Your message

To: 'Forney.Kathleen@epamail.epa.gov'; Felton-Smith, Rita; 'Robinson, Richard'
Cc: 'catherine_collins@fws.gov'; 'meredith_bond@fws.gov'; Arif, Syed
Subject: JEA - Kennedy Generating Station Application/PSD-FL-386A
Sent: 7/22/2008 12:20 PM

was delivered to the following recipient(s):

Felton-Smith, Rita on 7/22/2008 12:20 PM
Arif, Syed on 7/22/2008 12:20 PM

Memorandum

Florida Department of Environmental Protection

TO: Trina Vielhauer, Bureau of Air Regulation
FROM: Syed Arif, New Source Review Section SA
DATE: September 2, 2008
SUBJECT: Draft Air Permit No. 0310047-018-AC; PSD-FL-386A
JEA – Kennedy Generating Station
Combustion Turbine No. 8

This project is subject to minor source preconstruction review. Attached for your review are the following items:

- Written Notice of Intent to Issue Air Permit;
- Public Notice of Intent to Issue Air Permit;
- Technical Evaluation and Preliminary Determination; and
- Draft Modification Letter

The Draft Modification Letter authorizes revisions of several specific conditions of air construction permit PSD-FL-386 issued on May 4, 2007 for Combustion Turbine No. 8 at the existing Kennedy Generating Station. The facility is located in Duval County, Florida. The Technical Evaluation and Preliminary Determination provide a detailed description of the project and the rationale for issuance. I recommend your approval of the attached Draft Permit.

Attachments

P.E. CERTIFICATION STATEMENT

APPLICANT

JEA
21 West Church Street
Jacksonville, Florida 32202

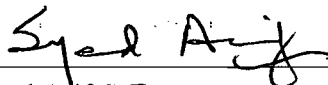
Air Permit No. PSD-FL-386A
Project No. 0310047-018-AC
Kennedy Generating Station
Simple Cycle Combustion Turbine
Duval County, Florida

PROJECT DESCRIPTION

On May 4, 2007, the Department authorized the construction of a simple cycle combustion turbine generator No. 8, with a nominal output of 172 megawatts at the existing Kennedy Generating Station. The project was reviewed under the Prevention of Significant Deterioration (PSD) rules and Best Available Control Technology determination was made for particulate matter emissions. The applicant has requested revisions to some of the specific conditions of the permit. Most of the changes are minor in nature and deals with additional explanation of the specific condition language.

An air quality impact analysis was not required. No increase in emissions and no increase in ambient impacts due to the proposed permit revisions are expected. Emissions from the facility will not significantly contribute to or cause a violation of any state or federal ambient air quality standards.

I HEREBY CERTIFY that the air pollution control engineering features described in the above referenced application and subject to the proposed permit conditions provide reasonable assurance of compliance with applicable provisions of Chapter 403, Florida Statutes, and Florida Administrative Code Chapters 62-4 and 62-204 through 62-297. However, I have not evaluated and I do not certify aspects of the proposal outside of my area of expertise (including, but not limited to, the electrical, mechanical, structural, hydrological, geological, and meteorological features).



Syed Arif, P.E.
Registration No. 51861



(Date)



Florida Department of Environmental Protection

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

Charlie Crist
Governor

Jeff Kottkamp
Lt. Governor

Michael W. Sole
Secretary

September 4, 2008

Sent by Electronic Mail – Received Receipt Requested

Mr. James M. Chansler, P.E., D.P.A.
Chief Operating Officer, JEA
21 West Church Street
Jacksonville, Florida 32202

Re: DEP File No. 0310047-018-AC; PSD-FL-386A
Kennedy Generating Station
Combustion Turbine No. 8

Dear Mr. Chansler:

On July 11, 2008, JEA submitted a letter request for revisions of several specific conditions of air construction permit PSD-FL-386 issued on May 4, 2007. Permit PSD-FL-386 authorized the construction of a simple cycle combustion turbine generator with a nominal output of 172 megawatts at the existing Kennedy Generating Station, which is located in Duval County at 4215 Talleyrand Avenue, Jacksonville, Florida. Enclosed are the following documents:

- Written Notice of Intent to Issue Air Permit;
- Public Notice of Intent to Issue Air Permit;
- Technical Evaluation and Preliminary Determination; and
- Draft Modification Letter.

The Public Notice of Intent to Issue Air Permit is the actual notice that you must have published in the legal advertisement section of a newspaper of general circulation in the area affected by this project. If you have any questions, please contact the Project Engineer, Syed Arif, at 850/921-9528.

Sincerely,

Trina Vielhauer, Chief
Bureau of Air Regulation

Enclosures

TLV/sa

WRITTEN NOTICE OF INTENT TO ISSUE AIR PERMIT

*In the Matter of an
Application for Air Permit by:*

JEA
21 West Church Street
Jacksonville, Florida 32202

Project No. 0310047-018-AC
Air Permit No. PSD-FL-386A
Kennedy Generating Station
Combustion Turbine No. 8
Duval County, Florida

Authorized Representative:
Mr. James M. Chansler, P.E., D.P.A.
Chief Operating Officer

Facility Location: JEA operates Kennedy Generating Station, which is located at 4215 Talleyrand Avenue in Duval County, Florida.

Project: The applicant proposes the following: revisions of several specific conditions of air construction permit PSD-FL-386 issued on May 4, 2007 for Combustion Turbine No. 8 at the existing Kennedy Generating Station. Details of the project are provided in the application and the enclosed Technical Evaluation and Preliminary Determination.

Permitting Authority: Applications for air construction permits are subject to review in accordance with the provisions of Chapter 403, Florida Statutes (F.S.) and Chapters 62-4, 62-210 and 62-212 of the Florida Administrative Code (F.A.C.). The proposed project is not exempt from air permitting requirements and an air permit is required to perform the proposed work. The Bureau of Air Regulation is the Permitting Authority responsible for making a permit determination for this project. The Permitting Authority's physical address is: 111 South Magnolia Drive, Suite #4, Tallahassee, Florida 32301. The Permitting Authority's mailing address is: 2600 Blair Stone Road, MS #5505, Tallahassee, Florida 32399-2400. The Permitting Authority's telephone number is 850/488-0114.

Project File: A complete project file is available for public inspection during the normal business hours of 8:00 a.m. to 5:00 p.m., Monday through Friday (except legal holidays), at address indicated above for the Permitting Authority. The complete project file includes the Draft Permit, the Technical Evaluation and Preliminary Determination, the application, and the information submitted by the applicant, exclusive of confidential records under Section 403.111, F.S. Interested persons may contact the Permitting Authority's project review engineer for additional information at the address or phone number listed above.

Notice of Intent to Issue Permit: The Permitting Authority gives notice of its intent to issue an air permit to the applicant for the project described above. The applicant has provided reasonable assurance that operation of the proposed equipment will not adversely impact air quality and that the project will comply with all appropriate provisions of Chapters 62-4, 62-204, 62-210, 62-212, 62-296 and 62-297, F.A.C. The Permitting Authority will issue a Final Permit in accordance with the conditions of the proposed Draft Permit unless a timely petition for an administrative hearing is filed under Sections 120.569 and 120.57, F.S. or unless public comment received in accordance with this notice results in a different decision or a significant change of terms or conditions.

Public Notice: Pursuant to Section 403.815, F.S. and Rules 62-110.106 and 62-210.350, F.A.C., you (the applicant) are required to publish at your own expense the enclosed Public Notice of Intent to Issue Air Permit (Public Notice). The Public Notice shall be published one time only as soon as possible in the legal advertisement section of a newspaper of general circulation in the area affected by this project. The newspaper used must meet the requirements of Sections 50.011 and 50.031, F.S. in the county where the activity is to take place. If you are uncertain that a newspaper meets these requirements, please contact the Permitting Authority at above address or phone number. Pursuant to Rule 62-110.106(5) and (9), F.A.C., the applicant shall provide proof of publication to the Permitting Authority at the above address within 7 days of publication. Failure to publish the notice and provide proof of publication may result in the denial of the permit pursuant to Rule 62-

WRITTEN NOTICE OF INTENT TO ISSUE AIR PERMIT

110.106(11), F.A.C.

Comments: The Permitting Authority will accept written comments concerning the proposed Draft Permit for a period of 14 days from the date of publication of the Public Notice. Written comments must be received by the Permitting Authority by close of business (5:00 p.m.) on or before the end of this 14-day period. If written comments received result in a significant change to the Draft Permit, the Permitting Authority shall revise the Draft Permit and require, if applicable, another Public Notice. All comments filed will be made available for public inspection.

Petitions: 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, F.S. The petition must contain the information set forth below and must be filed with (received by) the Department's Agency Clerk in the Office of General Counsel of the Department of Environmental Protection, 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000. Petitions filed by the applicant or any of the parties listed below must be filed within 14 days of receipt of this Written Notice of Intent to Issue Air Permit. Petitions filed by any persons other than those entitled to written notice under Section 120.60(3), F.S., must be filed within 14 days of publication of the attached Public Notice or within 14 days of receipt of this Written Notice of Intent to Issue Air Permit, 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 14 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 (in a proceeding initiated by another party) will be only at the approval of the presiding officer upon the filing of a motion in compliance with Rule 28-106.205, F.A.C.

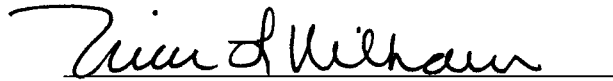
A petition that disputes the material facts on which the Permitting Authority's action is based must contain the following information: (a) The name and address of each agency affected and each agency's file or identification number, if known; (b) The name, address, and telephone number of the petitioner; 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 when and how each petitioner received notice of the agency action or proposed decision; (d) A statement of all disputed issues of material fact. If there are none, the petition must so state; (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 including an explanation of how the alleged facts relate to the specific rules or statutes; and, (g) A statement of the relief sought by the petitioner, stating precisely the action the 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 Written Notice of Intent to Issue Air Permit. 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: Mediation is not available in this proceeding.

WRITTEN NOTICE OF INTENT TO ISSUE AIR PERMIT

Executed in Tallahassee, Florida.



Trina Vielhauer, Chief
Bureau of Air Regulation

CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this Written Notice of Intent to Issue Air Permit package (including the Public Notice, the Technical Evaluation and Preliminary Determination, and the Draft Permit) was sent by electronic mail with received receipt requested before the close of business on 9/3/08 to the persons listed below.

- Mr. James M. Chansler, P.E., D.P.A., JEA (chanjm@jea.com)
- Mr. Bert Gianazza, P.E., JEA (giannb@jea.com)
- Mr. Chris Kirts, DEP-NED (christopher.kirts@dep.state.fl.us)
- Mr. Richard Robinson, P.E., EQD (robinson@coj.net)
- Ms. Kathleen Forney, EPA Region 4 (forney.kathleen@epa.gov)
- Mr. Dee Morse, NPS (dee_morse@nps.gov)

Clerk Stamp

FILING AND ACKNOWLEDGMENT FILED, on this date, pursuant to Section 120.52(7), Florida Statutes, with the designated agency clerk, receipt of which is hereby acknowledged.



(Clerk)

9/3/08

(Date)

PUBLIC NOTICE OF INTENT TO ISSUE AIR PERMIT

Florida Department of Environmental Protection
Division of Air Resource Management, Bureau of Air Regulation
Draft Air Permit No. 0310047-018-AC; PSD-FL-386A
JEA – Kennedy Generating Station
Duval County, Florida

Applicant: The applicant for this project is JEA. The applicant's authorized representative and mailing address is: Mr. James M. Chansler, Chief Operating Officer, JEA, 21 West Church Street, Jacksonville, Florida 32202.

Facility Location: JEA operates the existing Kennedy Generating Station, which is located in Duval County at 4215 Talleyrand Avenue, Jacksonville, Florida.

Project: On May 4, 2007, the Department authorized the construction of a simple cycle combustion turbine generator No. 8, with a nominal output of 172 megawatts at the existing Kennedy Generating Station. The project was reviewed under the Prevention of Significant Deterioration (PSD) rules and Best Available Control Technology determination was made for particulate matter emissions. The applicant has requested revisions to some of the specific conditions of the permit. Most of the changes are minor in nature and deal with additional explanation of the specific condition language.

An air quality impact analysis was not required. No increase in emissions and no increase in ambient impacts due to the proposed permit revisions are expected. Emissions from the facility will not significantly contribute to or cause a violation of any state or federal ambient air quality standards.

Permitting Authority: Applications for air construction permits are subject to review in accordance with the provisions of Chapter 403, Florida Statutes (F.S.) and Chapters 62-4, 62-210 and 62-212 of the Florida Administrative Code (F.A.C.). The proposed project is not exempt from air permitting requirements and an air permit is required to perform the proposed work. The Bureau of Air Regulation is the Permitting Authority responsible for making a permit determination for this project. The Permitting Authority's physical address is: 111 South Magnolia Drive, Suite #4, Tallahassee, Florida 32301. The Permitting Authority's mailing address is: 2600 Blair Stone Road, MS #5505, Tallahassee, Florida 32399-2400. The Permitting Authority's telephone number is 850/488-0114.

Project File: A complete project file is available for public inspection during the normal business hours of 8:00 a.m. to 5:00 p.m., Monday through Friday (except legal holidays), at address indicated above for the Permitting Authority. The complete project file includes the Draft Permit, the Technical Evaluation and Preliminary Determination, the application, and the information submitted by the applicant, exclusive of confidential records under Section 403.111, F.S. Interested persons may contact the Permitting Authority's project review engineer for additional information at the address and phone number listed above. In addition, electronic copies of these documents are available on the following web site:
<http://www.dep.state.fl.us/air/eproducts/apds/default.asp>.

Notice of Intent to Issue Air Permit: The Permitting Authority gives notice of its intent to issue an air permit to the applicant for the project described above. The applicant has provided reasonable assurance that operation of proposed equipment will not adversely impact air quality and that the project will comply with all appropriate provisions of Chapters 62-4, 62-204, 62-210, 62-212, 62-296 and 62-297, F.A.C. The Permitting Authority will issue a Final Permit in accordance with the conditions of the proposed Draft Permit unless a timely petition for an administrative hearing is filed under Sections 120.569 and 120.57, F.S. or unless public comment received in accordance with this notice results in a different decision or a significant change of terms or conditions.

Comments: The Permitting Authority will accept written comments concerning the proposed Draft Permit for a period of 14 days from the date of publication of the Public Notice. Written comments must be received by the Permitting Authority by close of business (5:00 p.m.) on or before the end of this 14-day period. If written

(Public Notice to be Published in the Newspaper)

PUBLIC NOTICE OF INTENT TO ISSUE AIR PERMIT

comments received result in a significant change to the Draft Permit, the Permitting Authority shall revise the Draft Permit and require, if applicable, another Public Notice. All comments filed will be made available for public inspection.

Petitions: 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, F.S. The petition must contain the information set forth below and must be filed with (received by) the Department's Agency Clerk in the Office of General Counsel of the Department of Environmental Protection at 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000. Petitions filed by any persons other than those entitled to written notice under Section 120.60(3), F.S. must be filed within 14 days of publication of this Public Notice or receipt of a written notice, 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 14 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 (in a proceeding initiated by another party) will be only at the approval of the presiding officer upon the filing of a motion in compliance with Rule 28-106.205, F.A.C.

A petition that disputes 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; 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 rights will be affected by the agency determination; (c) A statement of when and how the petitioner received notice of the agency action or proposed decision; (d) A statement of all disputed issues of material fact. If there are none, the petition must so state; (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 including an explanation of how the alleged facts relate to the specific rules or statutes; and, (g) A statement of the relief sought by the petitioner, stating precisely the action the 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 Public Notice of Intent to Issue Air Permit. 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: Mediation is not available for this proceeding.

**TECHNICAL EVALUATION
&
PRELIMINARY DETERMINATION**

PROJECT

Project No. 0310047-018-AC
Air Permit No. PSD-FL-386A
JEA – Kennedy Generating Station
ARMS Facility ID No. 0310047
Combustion Turbine No. 8

COUNTY

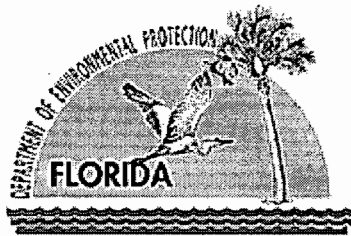
Duval County, Florida

APPLICANT

JEA
Kennedy Generating Station
21 West Church Street
Jacksonville, FL 32202

PERMITTING AUTHORITY

Florida Department of Environmental Protection
Division of Air Resource Management
Bureau of Air Regulation – New Source Review Section
2600 Blair Stone Road, MS #5505
Tallahassee, Florida 32399-2400



September 2, 2008

TECHNICAL EVALUATION AND PRELIMINARY DETERMINATION

I. GENERAL PROJECT INFORMATION

A. Facility Description and Location

The facility is an electric services facility, which is categorized under Standard Industrial Classification Code SIC No. 4911. The UTM coordinates are Zone 17, 440.67 km East, and 3359.15 km North. This site is in an area that is in attainment (or designated as unclassifiable) for all air pollutants subject to a National Ambient Air Quality Standard (NAAQS).

B. Facility Regulatory Categories

Title III: The facility is not a major source of hazardous air pollutants (HAP).

Title IV: The facility operates units subject to the acid rain provisions of the Clean Air Act.

Title V: The facility is a Title V major source of air pollution in accordance with Chapter 213, Florida Administrative Code (F.A.C.).

PSD: The facility is a Prevention of Significant Deterioration (PSD)-major source of air pollution in accordance with Rule 62-212.400, F.A.C.

C. Project Description

Air Permit No. PSD-FL-386 authorized the construction of a simple cycle combustion turbine (CT) generator, CT No. 8 (Emission Unit No. 016), with a nominal output of 172 megawatts (MW) at the existing Kennedy Generating Station. The permit was issued on May 4, 2007. The applicant has submitted this request for some minor permit revisions to the original PSD-FL-386 permit. The details of the permit revisions and Department's responses are as follows. Please note that double underlined words are additions and strikethrough words are deletions.

Permit Revision Request #1: Currently Specific Condition 29.b. reads as follows:

"Malfunction Notification: For each malfunction resulting in excess emissions, 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. In addition, the compliance Authority may request a written summary report of the incident."

The applicant would like to clarify that the reporting of excess emissions resulting from malfunction should only be reported if the excess emissions exceed 2 hours in a 24 hour period.

Department's Response for Request #1: Specific Condition 29.b. will be changed to read as follows:

Malfunction Notification: For each malfunction resulting in excess emissions that exceed two hours in any 24 hour period, 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. In addition, the Compliance Authority may request a written summary report of the incident.

Additionally, the heading of the Specific Condition 29 will be changed from NSPS Emission Reports to Emission Reports and Specific Condition 29.a. will have a sub-heading of NSPS Emissions Report.

Specific Condition 29 will be changed to read as follows:

NSPS Emissions Reports

- a. NSPS Emissions Report: Within thirty (30) days following each calendar semiannual period, the permittee shall submit a report including any applicable periods of excess emissions and monitoring systems performance as defined in 40 CFR 60, Subpart KKKK (Standards of Performance for Stationary Combustion Turbines) that occurred during the previous semiannual period to the Compliance Authority.
- b. *Malfunction Notification*: For each malfunction resulting in excess emissions that exceed two hours in any 24 hour period, the permittee shall notify the Compliance Authority within one working day of: the

TECHNICAL EVALUATION AND PRELIMINARY DETERMINATION

nature, extent, and duration of the excess emissions; the cause of the excess emissions; and the actions taken to correct the problem. In addition, the Compliance Authority may request a written summary report of the incident.

[Rules 62-4.070(3), 62-4.130, 62-204.800, 62-210.700(6) and 62-212.400(BACT), F.A.C.; and 40 CFR 60.7 and 60.4395]

Permit Revision Request #2: The current expiration date of the subject construction permit is December 31, 2008. The expected commercial operation date is early 2009 which will be followed by a request for a permit revision to the Title V permit for this facility to include the new combustion turbine. The applicant requests that the expiration date of the construction permit be revised to December 31, 2009.

Department's Response for Request #2: The Department will extend the expiration date of the construction permit to December 31, 2009.

Permit Revision Request #3: The applicant indicated that under Specific Condition 12, the basis of the NO_x limits should be new source performance standards (NSPS) Subpart KKKK which is on a concentration basis. The mass emission rate (lb/hr) limits should be omitted because there is no regulatory basis. Also, the permit should clearly state that excess emissions during startups, shutdowns and malfunctions are allowed if it doesn't exceed two hours in any 24-hour period.

Department's Response for Request #3: The applicant in consultation with the Department on this issue has agreed in conducting initial mass emission rate test for natural gas and fuel oil operation. The Department will make the necessary changes in the permit condition to reflect that the mass emission rate testing will be done initially when the unit is started up. The Department has made it clear in Permit Revision Request #1 that excess emissions during startups, shutdowns and malfunctions are allowed if it doesn't exceed two hours in any 24-hour period. The Department acknowledges that the Environmental Protection Agency (EPA) in the preamble to Subpart KKKK responded to some commenter's wanting clarification on the applicability of NO_x standards during periods of startup, shutdown and malfunction. EPA responded as follows:

"Regarding the negative stigma, we cannot determine how other parties interpret the final rule. It is clear that continuous compliance is not a requirement of the final rule *during periods of startup, shutdown and malfunction.*" (italics added by the Department)

The Department notes that the foregoing applies to Subpart KKKK.

Specific Condition 12 will be changed to read as follows:

Emission Standards: Emissions from each combustion turbine shall not exceed the following emissions standards.

Pollutant	Emission Standard ^e	Averaging Time	Compliance Method	Basis
CO ^a (Gas)	9.0 ppmvd @ 15% O ₂	3-hour test avg.	EPA Method 10 Test	Avoid PSD
	32.0 lb/hour			
CO ^a (Oil)	20.0 ppmvd @ 15% O ₂	3-hour test avg.	EPA Method 10 Test	
	66.0 lb/hour			
NO _x ^b (Gas)	15.0 ppmvd @ 15% O ₂	4 hour rolling average	CEMS	Avoid PSD
	108.3 lb/hour	3-hour test avg.	CEMS and EPA Method 19	Avoid PSD
NO _x ^b (Oil)	42 ppmvd @ 15% O ₂	4 hour rolling average	CEMS	Avoid PSD
	335.0 lb/hour	3-hour test avg.	CEMS and EPA Method 19	
PM/PM ₁₀ ^c	10% Opacity	6-minute block	EPA Method 9 Test	BACT

TECHNICAL EVALUATION AND PRELIMINARY DETERMINATION

Pollutant	Emission Standard^e	Averaging Time	Compliance Method	Basis
	Fuel sulfur specifications	N/A	Record Keeping	
SO ₂ ^d (Gas)	2 grains S/100 SCF of gas	N/A	Record Keeping	Avoid PSD
SO ₂ ^d (Oil)	0.05% sulfur by weight	N/A	Record Keeping	Avoid PSD

- a. The permittee shall conduct an initial test to demonstrate compliance with the CO emissions limits for the unit as constructed. Subsequent compliance tests shall be conducted during the year prior to renewing the Title V operating permit.
- b. Continuous compliance shall be demonstrated with the 4-hour rolling average NO_x emissions limit (ppmv @ 15% O₂) by data collected from the required continuous emissions monitoring system (CEMS). If the CEMS data indicates that the 4-hour rolling average is in excess of the emission limit, excess emission reports must be filed. Compliance with the NO_x emissions limit (lb/hr) shall be demonstrated only during the initial compliance test by converting the NO_x CEMS data collected during the initial CO test by using the applicable F-Factor and EPA Method 19.
- c. The fuel sulfur specifications combined with the efficient combustion design and operation of the combustion turbine represents BACT for PM/PM₁₀ emissions. No stack tests are required. Compliance with the CO and visible emissions standards shall serve as indicators of good combustion. *{Permitting Note: Maximum expected PM/PM₁₀ emissions are approximately 19 lb/hour on natural gas and 45.0 lb/hr on oil.}*
- d. The fuel sulfur specifications effectively limit the potential emissions of sulfur dioxide (SO₂) from each combustion turbine. No stack tests are required.
- e. The mass emission rate standards are based on a turbine inlet condition of 59° F and the higher heating value of each fuel. Mass emission rates may be adjusted for actual test conditions in accordance with the performance curves and/or equations on file with the Department.

[Rule 62-212.400 (BACT), F.A.C.; Rule 62-4.070(3), F.A.C.]

Permit Revision Request #4: The applicant requested that in Specific Condition 23, the words “annual and” should be removed from the statement “The annual and required RATA tests required for the NO_x monitor shall be performed using EPA Method 20 or 7E in Appendix A of 40 CFR 60.” Depending on how often the turbine operates, Part 75 RATA tests may not be required annually. Compliance is demonstrated using CEMS, so annual stack testing should not be required.

Department’s Response for Request #4: The Department is in agreement with the applicant on this request. Specific Condition 23 will be changed to read as follows:

CEM Systems: The permittee shall install, calibrate, maintain, and operate continuous emission monitoring systems (CEMS) to measure and record the emissions of NO_x from the combustion turbine in a manner sufficient to demonstrate continuous compliance with the CEMS emission standards of this section. All continuous monitoring systems shall be installed and functioning within the required performance specification by the time of the initial performance tests.

- a. *NO_x Monitor:* Each NO_x monitor shall be certified pursuant to the specifications of 40 CFR 75 and comply with the applicable requirements of 40 CFR 60 Subpart KKKK. Quality assurance procedures shall conform to the requirements of 40 CFR 75. The ~~annual and required~~ RATA tests required for the NO_x monitor shall be performed using EPA Method 20 or 7E in Appendix A of 40 CFR 60.
- b. *Diluent Monitor:* The oxygen (O₂) or carbon dioxide (CO₂) content of the flue gas shall be monitored at the location where NO_x is monitored to correct the measured emissions rates to 15% oxygen. If a CO₂ monitor

TECHNICAL EVALUATION AND PRELIMINARY DETERMINATION

is installed, the oxygen content of the flue gas shall be calculated using F-factors that are appropriate for the fuel fired. Each monitor shall comply with the performance and quality assurance requirements of 40 CFR 75.

[Rules 62-4.070(3), 62-210.800, 62-212.400(BACT) and 62-297.520, F.A.C.]

Permit Revision Request #5: The applicant wanted to add a new subparagraph c. for Specific Condition 23 which states that substituted data and bias corrected data required for purposes of 40 CFR Part 75 are not to be used for purposes of demonstrating compliance with CEMS emission limits under this permit. The applicant indicated that the following language in Specific Condition 23.c. should be added:

“For purposes of determining compliance with the CEMS emissions standards of the permit, missing or excluded data shall not be substituted and bias corrected data shall not be used.”

Department’s Response for Request #5: The Department concurs with the request and will add Specific Condition 23.c., which will read as follows:

CEM Systems: The permittee shall install, calibrate, maintain, and operate continuous emission monitoring systems (CEMS) to measure and record the emissions of NO_x from the combustion turbine in a manner sufficient to demonstrate continuous compliance with the CEMS emission standards of this section. All continuous monitoring systems shall be installed and functioning within the required performance specification by the time of the initial performance tests.

- a. *NO_x Monitor:* Each NO_x monitor shall be certified pursuant to the specifications of 40 CFR 75 and comply with the applicable requirements of 40 CFR 60 Subpart KKKK. Quality assurance procedures shall conform to the requirements of 40 CFR 75. The ~~annual and required~~ RATA tests required for the NO_x monitor shall be performed using EPA Method 20 or 7E in Appendix A of 40 CFR 60.
- b. *Diluent Monitor:* The oxygen (O₂) or carbon dioxide (CO₂) content of the flue gas shall be monitored at the location where NO_x is monitored to correct the measured emissions rates to 15% oxygen. If a CO₂ monitor is installed, the oxygen content of the flue gas shall be calculated using F-factors that are appropriate for the fuel fired. Each monitor shall comply with the performance and quality assurance requirements of 40 CFR 75.
- c. For purposes of determining compliance with the CEMS emissions standards of the permit, missing or excluded data shall not be substituted and bias corrected data shall not be used.

[Rules 62-4.070(3), 62-210.800, 62-212.400(BACT) and 62-297.520, F.A.C.]

Permit Revision Request #6: The applicant requested to add the following language in Specific Condition 23.b. to clarify that the use of diluent cap is allowed:

“For any hour in which the hourly average O₂ concentration exceeds 19.0 percent (or the hourly average CO₂ concentration is less than 1.0 percent CO₂), a diluent cap value of 19.0 percent O₂ or 1.0 percent CO₂ (as applicable) may be used in the emission calculations.”

Department’s Response for Request #6: 40 CFR 60.4350 (Subpart KKKK) allows the use of diluent cap. Therefore, the Department will add the language of diluent cap as requested by the applicant. Specific Condition 23.b. will read as follows:

Diluent Monitor: The oxygen (O₂) or carbon dioxide (CO₂) content of the flue gas shall be monitored at the location where NO_x is monitored to correct the measured emission rates to 15% oxygen. If a CO₂ monitor is installed, the oxygen content of the flue gas shall be calculated using F-factors that are appropriate for the fuel fired. Each monitor shall comply with the performance and quality assurance requirements of 40 CFR 75. For any hour in which the hourly average O₂ concentration exceeds 19.0 percent (or the hourly average CO₂ concentration is less than 1.0 percent CO₂), a diluent cap value of 19.0 percent O₂ or 1.0 percent CO₂ (as applicable) may be used in the emission calculations.”

[Rules 62-4.070(3), 62-210.800, 62-212.400(BACT), and 62-297.520, F.A.C. and 40 CFR 60.4350]

TECHNICAL EVALUATION AND PRELIMINARY DETERMINATION

Permit Revision Request #7: The applicant requested that it be allowed ten (10) calendar days after the end of each calendar month to complete the monthly fuel logs required under Specific Condition 25. The current requirement is to record and calculate the monthly operational data within five (5) calendar days.

Department's Response for Request #7: Based on the requirements of some of the current permits issued by the Department, the applicant will be given fifteen (15) calendar days after the end of each calendar month to record and calculate the monthly operational data. This will provide consistency between the Department permits. Therefore, Specific Condition 25 will read as follows:

Monthly Operations Summary: By the ~~fifth~~ 15th calendar day of each month, the permittee shall record the following for each fuel in a written or electronic log for the combustion turbine for the previous month of operation: hours of operation for the month and for the rolling 12-month total. Information recorded and stored as an electronic file shall be available for inspection and printing within at least three days of a request by the Department. The fuel consumption shall be monitored in accordance with the provisions of 40 CFR 75 Appendix D.

[Rules 62-4.070(3) and 62-212.400(PSD), F.A.C.]

D. Processing Schedule

07-11-08: Received the application for a minor source air pollution construction permit. Application complete.

II. APPLICABLE REGULATIONS

State Regulations

This project is subject to the applicable environmental laws specified in Section 403 of the Florida Statutes (F.S.). The Florida Statutes authorize the Department of Environmental Protection to establish rules and regulations regarding air quality as part of the Florida Administrative Code (F.A.C.). This project is subject to the applicable rules and regulations defined in the following Chapters of the Florida Administrative Code.

<u>Chapter</u>	<u>Description</u>
62-4	Permitting Requirements
62-204	Ambient Air Quality Requirements, PSD Increments, and Federal Regulations Adopted by Reference
62-210	Permits Required, Public Notice, Reports, Stack Height Policy, Circumvention, Excess Emissions, and Forms
62-212	Preconstruction Review, PSD Review and BACT, and Non-attainment Area Review and LAER
62-213	Title V Air Operation Permits for Major Sources of Air Pollution
62-296	Emission Limiting Standards
62-297	Test Methods and Procedures, Continuous Monitoring Specifications, and Alternate Sampling Procedures

Federal Regulations

The Environmental Protection Agency establishes air quality regulations in Title 40 of the Code of Federal Regulations (CFR). Part 60 identifies New Source Performance Standards (NSPS) for a variety of industrial activities. The new combustion turbine (CT No. 8) will be subject to 40 CFR 60, Subpart A: General Provisions for NSPS Sources and 40 CFR 60, Subpart KKKK: Standards of Performance for Stationary Combustion Turbines for which Construction is Commenced after February 18, 2005.

General PSD Applicability

TECHNICAL EVALUATION AND PRELIMINARY DETERMINATION

The Department regulates major air pollution sources in accordance with Florida's PSD program, as approved by the EPA in Florida's State Implementation Plan and defined in Rule 62-212.400, F.A.C. A PSD review is required in areas currently in attainment with the state and federal Ambient Air Quality Standards (AAQS) or areas designated as "unclassifiable" for a given pollutant. A new facility is considered "major" with respect to PSD if it emits or has the potential to emit:

- 250 tons per year or more of any regulated air pollutant, or
- 100 tons per year or more of any regulated air pollutant and the facility belongs to one of the 28 PSD Major Facility Categories [Rule 62-210.200(Major Stationary Source), F.A.C.], or
- 5 tons per year of lead.

For new projects at PSD-major sources, each regulated pollutant is reviewed for PSD applicability based on emissions thresholds known as the "Significant Emission Rates" listed in Rule 62-210.200, F.A.C. Pollutant emissions from the project exceeding these rates are considered "significant" and the applicant must employ the Best Available Control Technology (BACT) to minimize emissions of each such pollutant and evaluate the air quality impacts. Although a facility may be "major" with respect to PSD for only one regulated pollutant, it may be required to install BACT controls for several "significant" regulated pollutants.

PSD Applicability for Project

A PSD permit was issued in 2007 for the simple cycle CT No. 8 construction project that is nearing completion. No changes in permitted emissions, production or fuel use limitations are requested.

The key definition of "major source modification" is given at Rule 62-210.200 (192), F.A.C. as follows:

- (a) Any physical change in or change in the method of operation of a major stationary source that would result in a significant emissions increase of a PSD pollutant and a significant net emissions increase of that pollutant from the major stationary source.

For emissions units (such as CT No. 8) that have not begun normal operations, actual emissions are defined as follows per Rule 62-210.200 (11):

- (c) For any emissions unit that has not begun normal operations on a particular date, actual emissions shall equal the potential emissions of the emissions unit on that date.

JEA believes that CT No. 8 will comply with the present emission limits of the project. Because actual emissions equal the potential emissions from CT No. 8 and also equal the permitted emissions from CT No. 8, there will not be a significant net emission increase of pollutants. Therefore PSD does not apply to this project.

III. PRELIMINARY DETERMINATION

The Department makes a preliminary determination that the proposed project will comply with all applicable state and federal air pollution regulations as conditioned by the draft permit. This determination is based on a technical review of the complete application, reasonable assurances provided by the applicant, and the conditions specified in the draft permit. No air quality modeling analysis is required because the project does not result in a significant increase in emissions. Syed Arif is the project engineer responsible for reviewing the application and drafting the permit. Additional details of this analysis may be obtained by contacting the project engineer at the Department's Bureau of Air Regulation at Mail Station #5505, 2600 Blair Stone Road, Tallahassee, Florida 32399-2400.

DRAFT

Month Day, 2008

Sent by Electronic Mail – Received Receipt Requested

Mr. James M. Chansler, P.E., D.P.A.
Chief Operating Officer, JEA
21 West Church Street
Jacksonville, Florida 32202

Re: DEP File No. 0310047-018-AC; PSD-FL-386A
Kennedy Generating Station – Combustion Turbine No. 8

Dear Mr. Chansler:

The Department received your request to modify the current construction permit for Combustion Turbine (CT) No. 8 (Emission Unit No. 016) at the Kennedy Generating Station. The ongoing combustion turbine project was approved under permit PSD-FL-386 (DEP File 0310047-015-AC). CT No. 8 is a General Electric PG7241(FA) simple cycle combustion turbine generator with a nominal output of 172 megawatt.

Based on the above and as explained in the technical evaluation and preliminary determination, the Department will modify PSD-FL-386, previously issued on May 4, 2007, as follows. Please note that double underlined words are additions and strikethrough words are deletions.

I. The expiration date of the construction permit is extended from December 31, 2008 to December 31, 2009.

II. The following Section 3 Specific Conditions of the construction permit PSD-FL-386 will be modified:

12. Emission Standards: Emissions from each combustion turbine shall not exceed the following emissions standards.

Pollutant	Emission Standard ^c	Averaging Time	Compliance Method	Basis
CO ^a (Gas)	9.0 ppmvd @ 15% O ₂	3-hour test avg.	EPA Method 10 Test	Avoid PSD
	32.0 lb/hour			
CO ^a (Oil)	20.0 ppmvd @ 15% O ₂	3-hour test avg.	EPA Method 10 Test	
	66.0 lb/hour			
NO _x ^b (Gas)	15.0 ppmvd @ 15% O ₂	4 hour rolling average	CEMS	Avoid PSD
	108.3 lb/hour	3-hour test avg.	CEMS and EPA Method 19	Avoid PSD

Pollutant	Emission Standard ^e	Averaging Time	Compliance Method	Basis
NO _x ^b (Oil)	42 ppmvd @ 15% O ₂	4 hour rolling average	CEMS	Avoid PSD
	335.0 lb/hour	3-hour test avg.	CEMS and EPA Method 19	
PM/PM ₁₀ ^c	10% Opacity	6-minute block	EPA Method 9 Test	BACT
	Fuel sulfur specifications	N/A	Record Keeping	
SO ₂ ^d (Gas)	2 grains S/100 SCF of gas	N/A	Record Keeping	Avoid PSD
SO ₂ ^d (Oil)	0.05% sulfur by weight	N/A	Record Keeping	Avoid PSD

- a. The permittee shall conduct an initial test to demonstrate compliance with the CO emissions limits for the unit as constructed. Subsequent compliance tests shall be conducted during the year prior to renewing the Title V operating permit.
- b. Continuous compliance shall be demonstrated with the 4-hour rolling average NO_x emissions limit (ppmvd @ 15% O₂) by data collected from the required continuous emissions monitoring system (CEMS). If the CEMS data indicates that the 4-hour rolling average is in excess of the emission limit, excess emission reports must be filed. Compliance with the NO_x emissions limit (lb/hr) shall be demonstrated only during the initial compliance test by converting the NO_x CEMS data collected during the initial CO test by using the applicable F-Factor and EPA Method 19.
- c. The fuel sulfur specifications combined with the efficient combustion design and operation of the combustion turbine represents BACT for PM/PM₁₀ emissions. No stack tests are required. Compliance with the CO and visible emissions standards shall serve as indicators of good combustion. *{Permitting Note: Maximum expected PM/PM₁₀ emissions are approximately 19 lb/hour on natural gas and 45.0 lb/hr on oil.}*
- d. The fuel sulfur specifications effectively limit the potential emissions of sulfur dioxide (SO₂) from each combustion turbine. No stack tests are required.
- e. The mass emission rate standards are based on a turbine inlet condition of 59° F and the higher heating value of each fuel. Mass emission rates may be adjusted for actual test conditions in accordance with the performance curves and/or equations on file with the Department.

[Rule 62-212.400 (BACT), F.A.C.; Rule 62-4.070(3), F.A.C.]

23. **CEM Systems:** The permittee shall install, calibrate, maintain, and operate continuous emission monitoring systems (CEMS) to measure and record the emissions of NO_x from the combustion turbine in a manner sufficient to demonstrate continuous compliance with the CEMS emission standards of this section. All continuous monitoring systems shall be installed and functioning within the required performance specification by the time of the initial performance tests.
 - a. **NO_x Monitor:** Each NO_x monitor shall be certified pursuant to the specifications of 40 CFR 75 and comply with the applicable requirements of 40 CFR 60 Subpart KKKK. Quality assurance procedures shall conform to the requirements of 40 CFR 75. The annual

~~and required~~ RATA tests required for the NO_x monitor shall be performed using EPA Method 20 or 7E in Appendix A of 40 CFR 60.

- b. *Diluent Monitor:* The oxygen (O₂) or carbon dioxide (CO₂) content of the flue gas shall be monitored at the location where NO_x is monitored to correct the measured emissions rates to 15% oxygen. If a CO₂ monitor is installed, the oxygen content of the flue gas shall be calculated using F-factors that are appropriate for the fuel fired. Each monitor shall comply with the performance and quality assurance requirements of 40 CFR 75. For any hour in which the hourly average O₂ concentration exceeds 19.0 percent O₂ (or the hourly average CO₂ concentration is less than 1.0 percent CO₂), a diluent cap value of 19.0 percent O₂ or 1.0 percent CO₂ (as applicable) may be used in the emission calculations.
- c. For purposes of determining compliance with the CEMS emissions standards of the permit, missing or excluded data shall not be substituted and bias corrected data shall not be used.

[Rules 62-4.070(3), 62-210.800, 62-212.400(BACT), ~~and~~ 62-297.520, F.A.C. and 40 CFR 60.4350]

25. Monthly Operations Summary: By the ~~fifth~~ 15th calendar day of each month, the permittee shall record the following for each fuel in a written or electronic log for the combustion turbine for the previous month of operation: hours of operation for the month and for the rolling 12-month total. Information recorded and stored as an electronic file shall be available for inspection and printing within at least three days of a request by the Department. The fuel consumption shall be monitored in accordance with the provisions of 40 CFR 75 Appendix D.

[Rules 62-4.070(3) and 62-212.400(PSD), F.A.C.]

29. NSPS Emissions Reports

- a. NSPS Emissions Report: Within thirty (30) days following each calendar semiannual period, the permittee shall submit a report including any applicable periods of excess emissions and monitoring systems performance as defined in 40 CFR 60, Subpart KKKK (Standards of Performance for Stationary Combustion Turbines) that occurred during the previous semiannual period to the Compliance Authority.
- b. Malfunction Notification: For each malfunction resulting in excess emissions that exceed two hours in any 24 hour period, 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. In addition, the Compliance Authority may request a written summary report of the incident.

[Rules 62-4.070(3), 62-4.130, 62-204.800, 62-210.700(6) and 62-212.400(BACT), F.A.C.; and 40 CFR 60.7 and 60.4395]

A copy of this letter and attachments 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.

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.

Executed in Tallahassee, Florida.

Joseph Kahn, Director
Division of Air Resource Management

Date

CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that either this Notice of Intent to Issue Air Permit package (including the Written Notice of Intent to Issue Air Permit, the Public Notice of Intent to Issue Air Permit, the Technical Evaluation and Preliminary Determination, and the Draft Modification Letter) or a link to these documents available electronically on a publicly accessible server, was sent by electronic mail with received receipt requested before the close of business on _____ to the persons listed below.

Mr. James M. Chansler, P.E., D.P.A., JEA (chanjm@jea.com)
Mr. Bert Gianazza, P.E., JEA (giannb@jea.com)
Mr. Chris Kirts, DEP-NED (christopher.kirts@dep.state.fl.us)
Mr. Richard Robinson, P.E., EQD (robinson@coj.net)
Ms. Kathleen Forney, EPA Region 4 (forney.kathleen@epa.gov)
Mr. Dee Morse, NPS (dee_morse@nps.gov)

Clerk Stamp

FILING AND ACKNOWLEDGMENT FILED, on this date, pursuant to Section 120.52(7), Florida Statutes, with the designated agency clerk, receipt of which is hereby acknowledged.

(Clerk)

(Date)

Livingston, Sylvia

From: Chansler, James M. - Chief Operating Officer [ChanJM@jea.com]
Sent: Monday, September 08, 2008 8:50 AM
To: Livingston, Sylvia
Subject: RE: Re-Posting - JEA-Kennedy Generating Station; 0310047-018-AC (PSD-FL-386A)

Thanks. -James

James M. Chansler, P.E., D.P.A.
Chief Operating Officer
JEA
(904) 665-4433

From: Livingston, Sylvia [mailto:Sylvia.Livingston@dep.state.fl.us]
Sent: Thursday, September 04, 2008 10:58 AM
To: Chansler, James M. - Chief Operating Officer; Gianazza, N. Bert
Cc: Kirts, Christopher; robinson@coj.net; forney.kathleen@epa.gov; dee_morse@nps.gov; Arif, Syed; Walker, Elizabeth (AIR); Gibson, Victoria
Subject: Re-Posting - JEA-Kennedy Generating Station; 0310047-018-AC (PSD-FL-386A)

Dear Sir/Madam:

Click on the link to the documents displayed below and send a "reply" message verifying receipt of the document(s) provided in this email; this may be done by selecting "Reply" on the menu bar of your e-mail software, noting that you can view the documents, and then selecting "Send". We must receive verification that you are able to access the documents. Your reply will preclude subsequent e-mail transmissions to verify receipt of the document(s).

Click on the following link to access the permit project documents:

http://ARM-PERMIT2K.dep.state.fl.us/adh/prod/pdf_permit_zip_files/0310047.018.AC.D_pdf.zip (This file was reposted to the website due to inadvertently posting the incorrect documents. Please confirm receipt of the zipped documents.

This is the official notification of the **Draft Permit** and its associated documents for the following project:

Owner/Company Name: JEA

Facility Name: Kennedy Generating Station

Project Number: 0310047-018-AC (PSD-FL-386A)

Permit Status: Draft

Permit Activity: Construction/ Modifications to PSD-FL-386/0310047-015

Facility County: Duval

Processor: Syed Arif

The Bureau of Air Regulation is issuing electronic documents for permits, notices and other correspondence in lieu of hard copies through the United States Postal System, to provide greater service to the applicant and the engineering community. Access these documents by clicking on the link provided above, or search for other project documents using the "Air Permit Documents Search" website at <http://www.dep.state.fl.us/air/eproducts/apds/default.asp>.

Permit project documents addressed in this email may require immediate action within a specified time frame. Please open and review the document(s) as soon as possible, and verify that they are accessible. Please advise this

9/10/2008

Livingston, Sylvia

From: Gianazza, N. Bert [GianNB@jea.com]
To: Livingston, Sylvia
Sent: Monday, September 08, 2008 10:35 AM
Subject: Read: Re-Posting - JEA-Kennedy Generating Station; 0310047-018-AC (PSD-FL-386A)

Your message

To: GianNB@jea.com
Subject:

was read on 9/8/2008 10:35 AM.

Livingston, Sylvia

From: Kirts, Christopher
To: Livingston, Sylvia
Sent: Tuesday, September 09, 2008 2:59 PM
Subject: Read: Re-Posting - JEA-Kennedy Generating Station; 0310047-018-AC (PSD-FL-386A)

Your message

To: 'chanjm@jea.com'; 'giannb@jea.com'
Cc: Kirts, Christopher; 'Rich Robinson (robinson@coj.net)'; 'forney.kathleen@epa.gov'; 'dee_morse@nps.gov'; Arif, Syed; Walker, Elizabeth (AIR); Gibson, Victoria
Subject: Re-Posting - JEA-Kennedy Generating Station; 0310047-018-AC (PSD-FL-386A)
Sent: 9/4/2008 10:58 AM

was read on 9/9/2008 2:59 PM.

Livingston, Sylvia

From: Dee_Morse@nps.gov
Sent: Thursday, September 04, 2008 3:37 PM
To: Livingston, Sylvia
Subject: Re: Re-Posting - JEA-Kennedy Generating Station; 0310047-018-AC (PSD-FL-386A)

message received

Dee Morse
Environmental Protection Specialist
Air Resources Division
Natural Resource Program Center
National Park Service
Phone: 303 969-2817
Fax: 303 969-2822
e-mail: dee_morse@nps.gov

"Livingston,
Sylvia"
<Sylvia.Livingsto
n@dep.state.fl.us
>

09/04/2008 10:58
AM AST

To
<chanjm@jea.com>, <giannb@jea.com>
cc

"Kirts, Christopher"
<Christopher.Kirts@dep.state.fl.us>
, <robinson@coj.net>,
<forney.kathleen@epa.gov>,
<dee_morse@nps.gov>, "Arif, Syed"
<Syed.Arif@dep.state.fl.us>,
"Walker, Elizabeth \ (AIR\)"
<Elizabeth.Walker@dep.state.fl.us>,
"Gibson, Victoria"
<Victoria.Gibson@dep.state.fl.us>

Subject
Re-Posting - JEA-Kennedy Generating
Station; 0310047-018-AC
(PSD-FL-386A)

Dear Sir/Madam:

Click on the link to the documents displayed below and send a "reply" message verifying receipt of the document(s) provided in this email; this may be done by selecting "Reply" on the menu bar of your e-mail software, noting that you can view the documents, and then selecting "Send". We must receive verification that you are able to access the documents. Your reply will preclude subsequent e-mail transmissions to verify receipt of the document(s).

Click on the following link to access the permit project documents:

http://ARM-PERMIT2K.dep.state.fl.us/adh/prod/pdf_permit_zip_files/0310047.018.AC.D_pdf.zip
(This file was reposted to the website due to inadvertently posting the incorrect documents. Please confirm receipt of the zipped documents.)

Livingston, Sylvia

From: Arif, Syed
To: Livingston, Sylvia
Sent: Thursday, September 04, 2008 11:01 AM
Subject: Read: Re-Posting - JEA-Kennedy Generating Station; 0310047-018-AC (PSD-FL-386A)

Your message

To: 'chanjm@jea.com'; 'giannb@jea.com'
Cc: Kirts, Christopher; 'Rich Robinson (robinson@coj.net)'; 'fomey.kathleen@epa.gov'; 'dee_morse@nps.gov'; Arif, Syed; Walker, Elizabeth (AIR); Gibson, Victoria
Subject: Re-Posting - JEA-Kennedy Generating Station; 0310047-018-AC (PSD-FL-386A)
Sent: 9/4/2008 10:58 AM

was read on 9/4/2008 11:01 AM.

His winzip unzipped file from previously existing files & thus saved previous files to his computer. That is the reason he sees two projects.

Livingston, Sylvia

From: Robinson, Richard [ROBINSON@coj.net]
Sent: Monday, September 15, 2008 7:35 AM
To: Livingston, Sylvia
Subject: RE: Re-Posting - JEA-Kennedy Generating Station; 0310047-018-AC (PSD-FL-386A)

Sylvia

Sylvia,

The link in your 9/4 e-mail below, links me to a zip file that contains both projects.

Richard

Richard L. Robinson, P.E.
Environmental Engineering Manager
Air Quality Branch
Environmental Quality Division
Environmental and Compliance Department
City of Jacksonville, Florida
117 West Duval Street, Suite 225
Jacksonville, FL 32202

Phone: (904) 630-4900
Fax: (904) 630-3638
E-Mail: robinson@coj.net

Please note: that under Florida's very broad public records law, e-mail communications to and from City officials may be subject to public disclosure.

 Please consider the environment before printing this email.

From: Livingston, Sylvia [mailto:Sylvia.Livingston@dep.state.fl.us]
Sent: Thursday, September 11, 2008 5:21 PM
To: Robinson, Richard
Subject: RE: Re-Posting - JEA-Kennedy Generating Station; 0310047-018-AC (PSD-FL-386A)

Richard,

I check the zip file and didn't see OUC project. Could you still be looking at the previous zipped document?

Sylvia Livingston
Bureau of Air Regulation
Division of Air Resource Management (DARM)
850/921-0771 (temp)
GIC 713
sylvia.livingston@dep.state.fl.us

From: Robinson, Richard [mailto:ROBINSON@coj.net]
Sent: Thursday, September 11, 2008 7:22 AM
To: Livingston, Sylvia

9/17/2008

Subject: RE: Re-Posting - JEA-Kennedy Generating Station; 0310047-018-AC (PSD-FL-386A)

Good Morning Sylvia,

Yes, I was able to access the JEA Kennedy Generating Station; 0310047-018-AC, project. FYI, the Orlando Utilities project is part of the same zip file.

Thanks,

Richard

Richard L. Robinson, P.E.
Environmental Engineering Manager
Air Quality Branch
Environmental Quality Division
Environmental and Compliance Department
City of Jacksonville, Florida
117 West Duval Street, Suite 225
Jacksonville, FL 32202

Phone: (904) 630-4900
Fax: (904) 630-3638
E-Mail: robinson@coj.net

Please note: that under Florida's very broad public records law, e-mail communications to and from City officials may be subject to public disclosure.



Please consider the environment before printing this email.

From: Livingston, Sylvia [mailto:Sylvia.Livingston@dep.state.fl.us]
Sent: Wednesday, September 10, 2008 5:31 PM
To: Robinson, Richard
Subject: FW: Re-Posting - JEA-Kennedy Generating Station; 0310047-018-AC (PSD-FL-386A)

Rich,

I haven't received a response from you as to whether you received this document. Were you able to access the correct project?

Sylvia Livingston
Bureau of Air Regulation
Division of Air Resource Management (DARM)
850/921-0771 (temp)
GIC 713
sylvia.livingston@dep.state.fl.us

The Department of Environmental Protection values your feedback as a customer. DEP Secretary Michael W. Sole is committed to continuously assessing and improving the level and quality of services provided to you. Please take a few minutes to comment on the quality of service you received. Simply click on [this link to the DEP Customer Survey](#). Thank you in advance for completing the survey.

From: Livingston, Sylvia

9/17/2008

Sent: Thursday, September 04, 2008 10:58 AM

To: 'chanjm@jea.com'; 'giannb@jea.com'

Cc: Kirts, Christopher; 'Rich Robinson (robinson@coj.net)'; 'forney.kathleen@epa.gov'; 'dee_morse@nps.gov'; Arif, Syed; Walker, Elizabeth (AIR); Gibson, Victoria

Subject: Re-Posting - JEA-Kennedy Generating Station; 0310047-018-AC (PSD-FL-386A)

Dear Sir/Madam:

Click on the link to the documents displayed below and send a "reply" message verifying receipt of the document(s) provided in this email; this may be done by selecting "Reply" on the menu bar of your e-mail software, noting that you can view the documents, and then selecting "Send". We must receive verification that you are able to access the documents. Your reply will preclude subsequent e-mail transmissions to verify receipt of the document(s).

Click on the following link to access the permit project documents:

http://ARM-PERMIT2K.dep.state.fl.us/adh/prod/pdf_permit_zip_files/0310047.018.AC.D_pdf.zip (This file was reposted to the website due to inadvertently posting the incorrect documents. Please confirm receipt of the zipped documents.

This is the official notification of the **Draft Permit** and its associated documents for the following project:

Owner/Company Name: JEA

Facility Name: Kennedy Generating Station

Project Number: 0310047-018-AC (PSD-FL-386A)

Permit Status: Draft

Permit Activity: Construction/ Modifications to PSD-FL-386/0310047-015

Facility County: Duval

Processor: Syed Arif

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Permit project documents are addressed in this email may require immediate action within a specified time frame. Please open and review the document(s) as soon as possible, and verify that they are accessible. Please advise this office of any changes to your e-mail address or that of the Engineer-of-Record. If you have any problems opening the documents or would like further information, please contact the Florida Department of Environmental Protection, Bureau of Air Regulation at (850)488-0114.

Sylvia Livingston
Bureau of Air Regulation
Division of Air Resource Management (DARM)
850/921-0771

Memorandum

Florida Department of Environmental Protection

TO: Joe Kahn, Director, Division of Air Resource Management
THROUGH: Trina Vielhauer, Chief, Bureau of Air Regulation
THROUGH: Syed Arif, New Source Review Section SA
FROM: Bruce Mitchell, ^{SRM}New Source Review Section
DATE: December 2, 2008
SUBJECT: Final Air Construction Permit Revision No. PSD-FL-386A
Project No. 0310047-018-AC
JEA – Kennedy Generating Station
Combustion Turbine No. 8
Specific Condition Clarifications and Edits

The Final Permit for this project is attached for your approval and signature, which authorizes changes to some specific conditions, which are mainly minor in nature and the rewrites and edits are generally clarifications of these specific conditions. The changes affect the combustion turbine No. 8, which is located at the existing JEA Kennedy Generating Station in Duval County, Florida. The project results in a minor source air construction permit.

The Department distributed an Intent to Issue Permit package on September 3, 2008. The applicant published the Public Notice of Intent to Issue in The Florida Times-Union on September 16, 2008. No petitions for administrative hearings or extensions of time to petition for an administrative hearing were filed. Timely comments were received from the applicant during the Public Notice period, but were subsequently retracted.

I recommend your approval of the attached Final Permit for this project.

Attachments

FINAL DETERMINATION

PERMITTEE

JEA
21 West Church Street
Jacksonville, Florida 32202-3139

PERMITTING AUTHORITY

Florida Department of Environmental Protection
Division of Air Resource Management
Bureau of Air Regulation, New Source Review Section
2600 Blair Stone Road, MS #5505
Tallahassee, Florida 32399-2400

PROJECT

Air Permit No. PSD-FL-386A
Project No. 0310047-018-AC
Kennedy Generating Station

This project authorizes changes to some specific conditions, which are mainly minor in nature and the rewrites and edits are generally clarifications of these specific conditions. The proposed work will be conducted at the existing JEA Kennedy Generating Station, which is located in Duval County, Florida. The project results in a minor source air construction permit.

NOTICE AND PUBLICATION

The Department distributed an Intent to Issue Permit package on September 3, 2008. The applicant published the Public Notice of Intent to Issue in the The Florida Times-Union on September 16, 2008. The Department received the proof of publication on September 25, 2008. No petitions for administrative hearings or extensions of time to petition for an administrative hearing were filed.

COMMENTS

Applicant

On September 29, 2008, the Department received timely comments on the Draft Permit Revision from the applicant via an e-mail. On December 2, 2008, the Department received a retraction of the comments via an e-mail.

CONCLUSION

The final action of the Department is to issue the permit as proposed.

NOTICE OF FINAL AIR CONSTRUCTION PERMIT REVISION

In the Matter of an
Application for Permit Revision:

Mr. James M. Chansler, P.E., D.P.A.	Permit Project No.: 0310047-018-AC
	Permit Revision No. PSD-FL-386A
JEA 21 West Church Street Jacksonville, Florida 32202	Kennedy Generating Station Duval County

JEA operates the existing Kennedy Generating Station in Duval County located at 4215 Talleyrand Avenue, in Jacksonville, Florida. Air construction permit, No. PSD-FL-386 (DEP File 0310047-015-AC), authorized the construction of combustion turbine No. 8, which is a General Electric PG7241(FA) simple cycle combustion turbine generator with a nominal output of 172 megawatts. This final air construction permit revision authorizes changes to some specific conditions, which are mainly minor in nature and the rewrites and edits are generally clarifications of these specific conditions. The project results in a minor source air construction permit. This permit revision is issued pursuant to Chapter 403, Florida Statutes (F.S.). Comments were received from the applicant during the Public Notice period, but subsequently retracted.

Any party to this order has the right to seek judicial review of the permit (letter) 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

Permit Project No. 0310047-018-AC

The undersigned duly designated deputy agency clerk hereby certifies that this NOTICE OF FINAL AIR CONSTRUCTION PERMIT REVISION (including the Final Determination and the Final Permit Revision Letter) was sent by electronic mail (or a link to these documents made available electronically on a publicly accessible server) with received receipt requested before the close of business on 12/4/08 to the persons listed below:

Mr. James M. Chansler, P.E., D.P.A., JEA (chanjm@jea.com)
Mr. Bert Gianazza, P.E., JEA (giannb@jea.com)
Mr. Chris Kirts, DEP-NED (christopher.kirts@dep.state.fl.us)
Mr. Richard Robinson, P.E., Duval County Environmental Quality Division (robinson@coj.net)
Ms. Ms. Heather Abrams, U.S. EPA Region 4 (abrams.heather@epamail.epa.gov)
Ms. Kathleen Forney, U.S. EPA Region 4 (forney.kathleen@epa.gov)
Ms. Catherine Collins, Fish and Wildlife Service (catherine_collins@fws.gov)
Ms. Vickie Gibson, DEP-BAR (victoria.gibson@dep.state.fl.us) (for read file)

Clerk Stamp

FILING AND ACKNOWLEDGMENT FILED, on this date, pursuant to §120.52(7), Florida Statutes, with the designated Department Clerk, receipt of which is hereby acknowledged.



(Clerk)

12/4/08
(Date)



Florida Department of Environmental Protection

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

Charlie Crist
Governor

Jeff Kottkamp
Lt. Governor

Michael W. Sole
Secretary

December 3, 2008

Sent by Electronic Mail – Received Receipt Requested

Mr. James M. Chansler, P.E., D.P.A.
Chief Operating Officer, JEA
21 West Church Street
Jacksonville, Florida 32202

Re: DEP File No. 0310047-018-AC/PSD-FL-386A
Kennedy Generating Station – Combustion Turbine No. 8

Dear Mr. Chansler:

The Department received your request to modify the current construction permit for Combustion Turbine (CT) No. 8 (Emission Unit No. 016) at the Kennedy Generating Station. The ongoing combustion turbine project was approved under permit PSD-FL-386 (DEP File 0310047-015-AC). CT No. 8 is a General Electric PG7241(FA) simple cycle combustion turbine generator with a nominal output of 172 megawatts.

Based on the above and as explained in the technical evaluation and preliminary determination, the Department will modify PSD-FL-386, previously issued on May 4, 2007, as follows. Please note that double underlined words are additions and strikethrough words are deletions.

- I. The expiration date of the construction permit is extended from December 31, 2008 to December 31, 2009.
- II. The following Section 3 Specific Conditions of the construction permit PSD-FL-386 are modified:
 12. Emission Standards: Emissions from each combustion turbine shall not exceed the following emissions standards.

Pollutant	Emission Standard ^e	Averaging Time	Compliance Method	Basis
CO ^a (Gas)	9.0 ppmvd @ 15% O ₂	3-hour test avg.	EPA Method 10 Test	Avoid PSD
	32.0 lb/hour			
CO ^a (Oil)	20.0 ppmvd @ 15% O ₂	3-hour test avg.	EPA Method 10 Test	
	66.0 lb/hour			
NO _x ^b (Gas)	15.0 ppmvd @ 15% O ₂	4 hour rolling average	CEMS	Avoid PSD
	108.3 lb/hour	3-hour test avg.	CEMS and EPA Method 19	Avoid PSD
NO _x ^b (Oil)	42 ppmvd @ 15% O ₂	4 hour rolling average	CEMS	Avoid PSD
	335.0 lb/hour	3-hour test avg.	CEMS and EPA Method 19	
PM/PM ₁₀ ^c	10% Opacity	6-minute block	EPA Method 9 Test	BACT

Pollutant	Emission Standard ^e	Averaging Time	Compliance Method	Basis
	Fuel sulfur specifications	N/A	Record Keeping	
SO ₂ ^d (Gas)	2 grains S/100 SCF of gas	N/A	Record Keeping	Avoid PSD
SO ₂ ^d (Oil)	0.05% sulfur by weight	N/A	Record Keeping	Avoid PSD

- a. The permittee shall conduct an initial test to demonstrate compliance with the CO emissions limits for the unit as constructed. Subsequent compliance tests shall be conducted during the year prior to renewing the Title V operating permit.
- b. Continuous compliance shall be demonstrated with the 4-hour rolling average NO_x emissions limit (ppmvd @ 15% O₂) by data collected from the required continuous emissions monitoring system (CEMS). If the CEMS data indicates that the 4-hour rolling average is in excess of the emission limit, excess emission reports must be filed. Compliance with the NO_x emissions limit (lb/hr) shall be demonstrated only during the initial compliance test by converting the NO_x CEMS data collected during the initial CO test by using the applicable F-Factor and EPA Method 19.
- c. The fuel sulfur specifications combined with the efficient combustion design and operation of the combustion turbine represents BACT for PM/PM₁₀ emissions. No stack tests are required. Compliance with the CO and visible emissions standards shall serve as indicators of good combustion. *{Permitting Note: Maximum expected PM/PM₁₀ emissions are approximately 19 lb/hour on natural gas and 45.0 lb/hr on oil.}*
- d. The fuel sulfur specifications effectively limit the potential emissions of sulfur dioxide (SO₂) from each combustion turbine. No stack tests are required.
- e. The mass emission rate standards are based on a turbine inlet condition of 59° F and the higher heating value of each fuel. Mass emission rates may be adjusted for actual test conditions in accordance with the performance curves and/or equations on file with the Department.

[Rule 62-212.400 (BACT), F.A.C.; Rule 62-4.070(3), F.A.C.]

23. **CEM Systems:** The permittee shall install, calibrate, maintain, and operate continuous emission monitoring systems (CEMS) to measure and record the emissions of NO_x from the combustion turbine in a manner sufficient to demonstrate continuous compliance with the CEMS emission standards of this section. All continuous monitoring systems shall be installed and functioning within the required performance specification by the time of the initial performance tests.
 - a. **NO_x Monitor:** Each NO_x monitor shall be certified pursuant to the specifications of 40 CFR 75 and comply with the applicable requirements of 40 CFR 60 Subpart KKKK. Quality assurance procedures shall conform to the requirements of 40 CFR 75. The ~~annual and required~~ RATA tests required for the NO_x monitor shall be performed using EPA Method 20 or 7E in Appendix A of 40 CFR 60.
 - b. **Diluent Monitor:** The oxygen (O₂) or carbon dioxide (CO₂) content of the flue gas shall be monitored at the location where NO_x is monitored to correct the measured emissions rates to 15% oxygen. If a CO₂ monitor is installed, the oxygen content of the flue gas shall be calculated using F-factors that are appropriate for the fuel fired. Each monitor shall comply with the performance and quality assurance requirements of 40 CFR 75. For any hour in which the hourly average O₂ concentration exceeds 19.0 percent O₂ (or the hourly average CO₂ concentration is less than 1.0

percent CO₂), a diluent cap value of 19.0 percent O₂ or 1.0 percent CO₂ (as applicable) may be used in the emission calculations.

- c. For purposes of determining compliance with the CEMS emissions standards of the permit, missing or excluded data shall not be substituted and bias corrected data shall not be used.

[Rules 62-4.070(3), 62-210.800, 62-212.400(BACT), ~~and~~ 62-297.520, F.A.C. and 40 CFR 60.4350]

25. Monthly Operations Summary: By the ~~five~~ 15th calendar day of each month, the permittee shall record the following for each fuel in a written or electronic log for the combustion turbine for the previous month of operation: hours of operation for the month and for the rolling 12-month total. Information recorded and stored as an electronic file shall be available for inspection and printing within at least three days of a request by the Department. The fuel consumption shall be monitored in accordance with the provisions of 40 CFR 75 Appendix D. [Rules 62-4.070(3) and 62-212.400(PSD), F.A.C.]

29. NSPS Emissions Reports

- a. NSPS Emissions Report: Within thirty (30) days following each calendar semiannual period, the permittee shall submit a report including any applicable periods of excess emissions and monitoring systems performance as defined in 40 CFR 60, Subpart KKKK (Standards of Performance for Stationary Combustion Turbines) that occurred during the previous semiannual period to the Compliance Authority.
- b. Malfunction Notification: For each malfunction resulting in excess emissions that exceed two hours in any 24 hour period, 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. In addition, the Compliance Authority may request a written summary report of the incident.

[Rules 62-4.070(3), 62-4.130, 62-204.800, 62-210.700(6) and 62-212.400(BACT), F.A.C.; and 40 CFR 60.7 and 60.4395]

A copy of this letter and attachments 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.

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.

Executed in Tallahassee, Florida.



Joseph Kahn, Director
Division of Air Resource Management

12/3/08
Date

Livingston, Sylvia

From: Chansler, James M. - Chief Operating Officer [ChanJM@jea.com]
To: Livingston, Sylvia
Sent: Friday, December 05, 2008 7:56 AM
Subject: Read: JEA-Kennedy Generating Station; 0310047-018-AC (PSD-FL-386A)

Your message

To: ChanJM@jea.com
Subject:

was read on 12/5/2008 7:56 AM.

Livingston, Sylvia

From: Gianazza, N. Bert [GianNB@jea.com]
Sent: Friday, December 05, 2008 8:19 AM
To: Livingston, Sylvia
Subject: RE: JEA-Kennedy Generating Station; 0310047-018-AC (PSD-FL-386A)

My R.O. and I have received this email.

From: Livingston, Sylvia [mailto:Sylvia.Livingston@dep.state.fl.us]
Sent: Thursday, December 04, 2008 4:36 PM
To: Chansler, James M. - Chief Operating Officer; Gianazza, N. Bert
Cc: Kirts, Christopher; robinson@coj.net; forney.kathleen@epa.gov; abrams.heather@epamail.epa.gov; catherine_collins@fws.gov; Arif, Syed; Walker, Elizabeth (AIR); Gibson, Victoria; Mitchell, Bruce
Subject: JEA-Kennedy Generating Station; 0310047-018-AC (PSD-FL-386A)

Dear Sir/ Madam:

Attached is the official **Notice of Final Permit** for the project referenced below. Click on the link displayed below to access the permit project documents and send a "reply" message verifying receipt of the document(s) provided in the link; this may be done by selecting "Reply" on the menu bar of your e-mail software, noting that you can view the documents, and then selecting "Send". **We must receive verification that you are able to access the documents.** Your immediate reply will preclude subsequent e-mail transmissions to verify accessibility of the document(s).

Click on the following link to access the permit project documents:

http://ARM-PERMIT2K.dep.state.fl.us/adh/prod/pdf_permit_zip_files/0310047.018.AC.F_pdf.zip

Owner/Company Name: JEA
Facility Name: KENNEDY
Project Number: 0310047-018-AC (PSD-FL-386A)
Permit Status: FINAL
Permit Activity: CONSTRUCTION/ Modifications to PSD-FL-386/0310047-015
Facility County: DUVAL
Processor: Syed Arif

The Bureau of Air Regulation is issuing electronic documents for permits, notices and other correspondence in lieu of hard copies through the United States Postal System, to provide greater service to the applicant and the engineering community. Access these documents by clicking on the link provided above, or search for other project documents using the "*Air Permit Documents Search*" website at <http://www.dep.state.fl.us/air/eproducts/apds/default.asp>.

Permit project documents addressed in this email may require immediate action within a specified time frame. Please open and review the document(s) as soon as possible, and verify that they are accessible. Please advise this office of any changes to your e-mail address or that of the Engineer-of-Record. If you have any problems opening the documents or would like further information, please contact the Florida Department of Environmental Protection, Bureau of Air Regulation at (850)488-0114.

<<0310047-018-AC_Signatures.pdf>>

Sylvia Livingston
Bureau of Air Regulation
Division of Air Resource Management (DARM)
850/921-9506

12/5/2008

Permit Activity: CONSTRUCTION/ Modifications to PSD-FL-386/0310047-015

Facility County: DUVAL

Processor: Syed Arif

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<<0310047-018-AC_Signatures.pdf>>

Sylvia Livingston
Bureau of Air Regulation
Division of Air Resource Management (DARM)
850/921-9506
sylvia.livingston@dep.state.fl.us

Note: The attached document is in Adobe Portable Document Format (pdf). Adobe Acrobat Reader can be downloaded for free at the following internet site: <<http://www.adobe.com/products/acrobat/readstep.html>> .

The Department of Environmental Protection values your feedback as a customer. DEP Secretary Michael W. Sole is committed to continuously assessing and improving the level and quality of services provided to you. Please take a few minutes to comment on the quality of service you received. Simply click on this link to the DEP Customer Survey. Thank you in advance for completing the survey.

Livingston, Sylvia

From: Robinson, Richard [ROBINSON@coj.net]
Sent: Friday, December 05, 2008 1:33 PM
To: Livingston, Sylvia
Subject: RE: JEA-Kennedy Generating Station; 0310047-018-AC (PSD-FL-386A)

Hi Sylvia,

I was able to view the documents in the e-mail link below.

Thanks,

Richard

Richard L. Robinson, P.E.
Environmental Engineering Manager
Air Quality Branch
Environmental Quality Division
Environmental and Compliance Department
City of Jacksonville, Florida
117 West Duval Street, Suite 225
Jacksonville, FL 32202

Phone: (904) 630-4900
Fax: (904) 630-3638
E-Mail: robinson@coj.net

Please note: that under Florida's very broad public records law, e-mail communications to and from City officials may be subject to public disclosure.

 Please consider the environment before printing this email.

From: Livingston, Sylvia [mailto:Sylvia.Livingston@dep.state.fl.us]
Sent: Thursday, December 04, 2008 4:35 PM
To: chanjm@jea.com; giannb@jea.com
Cc: Kirts, Christopher; Robinson, Richard; forney.kathleen@epa.gov; abrams.heather@epamail.epa.gov; catherine_collins@fws.gov; Arif, Syed; Walker, Elizabeth (AIR); Gibson, Victoria; Mitchell, Bruce
Subject: JEA-Kennedy Generating Station; 0310047-018-AC (PSD-FL-386A)

Dear Sir/ Madam:

Attached is the official **Notice of Final Permit** for the project referenced below. Click on the link displayed below to access the permit project documents and send a "reply" message verifying receipt of the document(s) provided in the link; this may be done by selecting "Reply" on the menu bar of your e-mail software, noting that you can view the documents, and then selecting "Send". **We must receive verification that you are able to access the documents.** Your immediate reply will preclude subsequent e-mail transmissions to verify accessibility of the document(s).

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http://ARM-PERMIT2K.dep.state.fl.us/adh/prod/pdf_permit_zip_files/0310047.018.AC.F_pdf.zip

Owner/Company Name: JEA
Facility Name: KENNEDY
Project Number: 0310047-018-AC (PSD-FL-386A)
Permit Status: FINAL

12/5/2008

THE FLORIDA TIMES-UNION
Jacksonville, FL
Affidavit of Publication

Florida Times-Union

J.E.A./ENVIRONMENTAL
21 W CHURCH ST
JACKSONVILLE FL 32202

Reference: 1000250742

Ad Number: C12501106

State of Florida
County of Duval

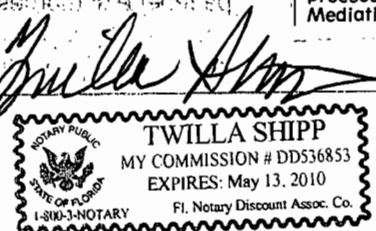
Before the undersigned authority personally appeared Sharon Walker who on oath says he/she is a Legal Advertising Representative of The Florida Times-Union, a daily newspaper published in Duval County, Florida; that the attached copy of advertisement is a legal ad published in The Florida Times-Union. Affiant further says that The Florida Times-Union is a newspaper published in Duval County, Florida; and that the newspaper has heretofore been continuously published in Duval County, Florida each day, has been entered as second class mail matter at the post office in Jacksonville, in Duval County, Florida for a period of one year preceding the first publication of the attached copy of advertisement; and affiant further says that 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 said newspaper.

PUBLISHED ON: 09/16/2008

FILED ON: 09/16/2008

Name: Sharon Walker Title: Legal Advertiser
In testimony whereof, I have hereunto set my hand
aforesaid.

NOTARY:



PUBLIC NOTICE OF INTENT TO ISSUE AIR PERMIT

Florida Department of Environmental Protection
Division of Air Resource Management, Bureau of Air Regulation,
Draft Air Permit No. 0310047-018-AC; PSD-FL-386A
JEA - Kennedy Generating Station
Duval County, Florida

Applicant: The applicant for this project is JEA. The applicant's authorized representative and mailing address is: Mr. James M. Chansler, Chief Operating Officer, JEA, 21 West Church Street, Jacksonville, Florida 32202.
Facility Location: JEA operates the existing Kennedy Generating Station, which is located in Duval County at 4215 Talleyrand Avenue, Jacksonville, Florida.

Project: On May 4, 2007, the Department authorized the construction of a simple cycle combustion turbine generator No. 8, with a nominal output of 172 megawatts at the existing Kennedy Generating Station. The project was reviewed under the Prevention of Significant Deterioration (PSD) rules and Best Available Control Technology determination was made for particulate matter emissions. The applicant has requested revisions to some of the specific conditions of the permit. Most of the changes are minor in nature and deal with additional explanation of the specific condition language.

An air quality impact analysis was not required. No increase in emissions and no increase in ambient impacts due to the proposed permit revisions are expected. Emissions from the facility will not significantly contribute to or cause a violation of any state or federal ambient air quality standards.

Permitting Authority: Applications for air construction permits are subject to review in accordance with the provisions of Chapter 403, Florida Statutes (F.S.) and Chapters 62-4, 62-210 and 62-212 of the Florida Administrative Code (F.A.C.). The proposed project is not exempt from air permitting requirements and an air permit is required to perform the proposed work. The Bureau of Air Regulation is the Permitting Authority responsible for making a permit determination for this project. The Permitting Authority's physical address is: 111 South Magnolia Drive, Suite #4, Tallahassee, Florida 32301. The Permitting Authority's mailing address is: 2600 Blair Stone Road, MS #5505, Tallahassee, Florida 32399-2400. The Permitting Authority's telephone number is 850/488-0114.

Project File: A complete project file is available for public inspection during the normal business hours of 8:00 a.m. to 5:00 p.m., Monday through Friday (except legal holidays), at address indicated above for the Permitting Authority. The complete project file includes the Draft Permit, the Technical Evaluation and Preliminary Determination, the application, and the information submitted by the applicant, exclusive of confidential records under Section 403.111, F.S. Interested persons may contact the Permitting Authority's project review engineer for additional information at the address and phone number listed above. In addition, electronic copies of these documents are available on the following web site: <http://www.dep.state.fl.us/air/e/products/apds/default.asp>.

Notice of Intent to Issue Air Permit: The Permitting Authority gives notice of its intent to issue an air permit to the applicant for the project described above. The applicant has provided reasonable assurance that operation of proposed equipment will not adversely impact air quality and that the project will comply with all appropriate provisions of Chapters 62-4, 62-204, 62-210, 62-212, 62-296 and 62-297, F.A.C. The Permitting Authority will issue a Final Permit in accordance with the conditions of the proposed Draft Permit unless a timely petition for an administrative hearing is filed under Sections 120.569 and 120.57, F.S. or unless public comment received in accordance with this notice results in a different decision or a significant change of terms or conditions.
Comments: The Permitting Authority will accept written comments concerning the proposed Draft Permit for a period of 14 days from the date of publication of the Public Notice. Written comments must be received by the

Permitting Authority by close of business (5:00 p.m.) on or before the end of this 14-day period. If written comments received result in a significant change to the Draft Permit, the Permitting Authority shall revise the Draft Permit and require, if applicable, another Public Notice. All comments filed will be made available for public inspection.

Petitions: 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, F.S. The petition must contain the information set forth below and must be filed with (received by) the Department's Agency Clerk in the Office of General Counsel of the Department of Environmental Protection at 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000. Petitions filed by any persons other than those entitled to written notice under Section 120.60(3), F.S. must be filed within 14 days of publication of this Public Notice or receipt of a written notice, 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 14 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 (in a proceeding initiated by another party) will be only at the approval of the presiding officer upon the filing of a motion in compliance with Rule 28-106.205, F.A.C.

A petition that disputes 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; 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 rights will be affected by the agency determination; (c) A statement of when and how the petitioner received notice of the agency action or proposed decision; (d) A statement of all disputed issues of material fact. If there are none, the petition must so state; (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 including an explanation of how the alleged facts relate to the specific rules or statutes; and, (g) A statement of the relief sought by the petitioner, stating precisely the action the 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 Public Notice of Intent to Issue Air Permit. 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: Mediation is not available for this proceeding.

RECEIVED

SEP 25 2008

BUREAU OF AIR REGULATION