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Department of Environmental Protection

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

Virginia B. Wetherell Secretary

June 3, 1996

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. Timothy J. Cotner
Plant Director
Cedar Bay Generating Company, L.P.
Post Office Box 26324
9460 Eastport Road
Jacksonville, Florida 32226-6324

Dear Mr. Cotner:

RE: Request for Permit Amendment Cedar Bay Cogeneration Project PSD-FL-137(C); Duval County

The Department received your request of October 4, 1995, and November 22, 1995 to make minor amendments to the material handling systems for ash pelletization, coal unloading, dry ash loading and removal, and limestone pulverizer/conveyor for the above referenced PSD permit. The permit's specific conditions are amended as shown:

- II. B. 1. The material handling and treatment operations, including coal and limestone unloading buildings, coal and limestone reclaim hoppers, coal crusher house, limestone-dryers the Absorber Dryer System (ADS) including two absorber crusher/dryer trains, fly and bed ash silos, ash pelletizer, pellet curing silo, coal and limestone day silos, conveyors, storage areas and related equipment, may be operated continuously, i.e. 8760 hrs/yr, except that the limestone-crushers/dryers-may-be-operated for-a-maximum-of-ll-hours-per-day-(maximum-of-2920-hrs/yr)-at maximum-capacity two ADS trains may be operated in any combination for maximum of 22 train-hours per day (maximum of 8030 train-hrs/yr) at maximum capacity.
 - II. B. 4. Material handling sources shall be regulated as follows:
 - a. The material handling and treatment area sources with either fabric filter or baghouse controls are as follows:

Mr. Timothy J. Cotner Page Two June 3, 1996

> Coal Crusher Building Coal Silo Conveyor bimestone-Pulverizers(2)/Conveyors ADS Trains (2) ADS Storage Bins (2) Bed Ash Hopper Bed Ash Seperator Bed Ash Silo Vent Fly Ash Silo Vent Fly Ash Seperators (2) Bed Ash Receiver Fly Ash Receiver Pellet Vibratory System Pellet Recycle Tank Cured Pellet Screening Conveyor System Pellet Recycle Conveyor Pelletizing Rail Loadout Dry Ash Rail Car Loadout

The emissions from the above listed sources are subject to the particulate emission limitation requirement of 0.003 gr/dscf (applicant-requested limitation which is more stringent than what is allowed by Rule 62-296.711, F.A.C.). Since these sources are RACT standard type then a one-time verification test on each source shall be required for PM mass emissions to demonstrate that the baghouse control systems can achieve the 0.003 gr/dscf. The performance tests shall be conducted using EPA Method 5 or Method 17 pursuant to Rule 62-297, F.A.C., and 40 CFR 60, Appendix A (July, 1992 version). Initial performance test shall be conducted within 90 days after final DEP approval of these facilities or within 90 days after completion of construction of the source, whichever occurs last.

The dry ash loadout system and the pelletizer system shall not be operated simultaneously.

II. B. 7. The maximum emissions from each of the bimestone Pulverizers/Conveyors-(including-limestone-dryer) ADS trains shall not exceed the following:

Estimated Limitations

Pollutant	lbs/hr	TPY	T	PY	for	2	pulverizer/conveyors
							ADS trains
·							
PM/PM ₁₀	-1-26*	1.08 -1-68	2.18			3.	36 4.35*
SO ₂	0.85	1.15				2.	
CO	0.60	0.81				1.	62
$NO_{\mathbf{X}}$	2.40	3.25				6.	5
VOC	0.05	0.06				0.	12

Mr. Timothy J. Cotner Page Three June 3, 1996

The emissions for SO_2 , CO, NO_X , and VOC are based on AP-42 factor, Table 1, 3-1, Industrial Distillate, 10/86.

- * This-reflects-the-emission-limitation-for-the-limestone pulverizers/conveyors-in-Condition-II-B-4-a-and-limits-the-emission for-the-bimestone-Pulverizer/Conveyor-and-the-dryer.
- * This value is derived from the design volumetric flow rate limit of 42,100 dscfm, the emission limit in condition B.4.a of 0.003 gr./dscf, and the hours of operation limit in condition B.1 of 8030 hours per year.
- (42,100 dscf/min) * (60 min/hr) * (0.003 gr/dscf) * (1 lb/7000 gr.)* (8030 hours/yr) * (1 ton/2000 lb.) = 4.35 tons/yr.

Visible emissions from the limestone-pulverizers/conveyors ADS trains shall not exceed 5% opacity.

- II. B. 12. The maximum material feed rate to each ADS train shall not exceed 42.6 tons per hour and the volumetric flow rate shall not exceed 42,100 dry standard cubic feet per minute per ADS train.
- II. B. 13. Testing of emissions shall be conducted with the source operating at permitted capacity. Permitted capacity is defined as 90-100 percent of the maximum operating rate allowed by the permit. If it is impracticable to test at permitted capacity, then sources may be tested at less than capacity; in this case subsequent source operation is limited to 110 percent of the test load until a new test is conducted. Once the unit is so limited, then operation at higher capacities is allowed for no more than 15 consecutive days for the purposes of additional compliance testing to regain the permitted capacity in the permit.

A copy of this letter shall be attached to the above mentioned permit, No. PSD-FL-137(C), and shall become a part of the permit.

Sincerely,

Howard L. Rhodes, Director Division of Air Resources

Management

HLR/sa/t

cc: C. Kirts, NED

H. Oven, PPS

J. Bunyak, NPS

J. Manning, RESD

J. Harper, EPA

D. Roberts, HGS&S

Mr. Timothy J. Cotner Page Four June 3, 1996

CERTIFICATE OF SERVICE

The undersigned duly designated deputy clerk hereby certifies that all copies of this PERMIT AMENDMENT were mailed before the close of business on 6-4-96 to the listed persons.

Clerk Stamp

FILING AND ACKNOWLEDGMENT
FILED, on this date, pursuant
to Chapter §120.52(11), Florida
Statutes, with the designated
Department Clerk, receipt of
which is hereby acknowledged.

erk 15 ber (0-4-C

Final Determination

The permit amendment affecting the material handling systems for ash pelletization, coal unloading, dry ash loading and removal, and limestone pulverizers/conveyors for Cedar Bay Cogeneration, located in Duval County, Florida, was distributed on January 17, 1996. The Notice of Intent to Issue was published in the Florida Times Union on February 19, 1996. Copies of the amendment were available for public inspection at the Department Offices in Jacksonville and Tallahassee.

No comments were submitted by the National Park Service and the U.S. Environmental Protection Agency. Comments were submitted by the applicant relating to minor language changes and inclusion of EPA Method 17 for particulate testing in the draft permit amendment. The Department agrees with the applicant, and appropriate changes have been included.

The final action of the Department is to issue the PSD permit (PSD-FL-137C) with the changes noted above.

TO:

Howard L. Rhodes

Clair Fancy affir for C.H. Turny 6/11

FROM:

Syed Arif

DATE:

June 3, 1996

SUBJ:

Approval of Permit Amendment Cedar Bay Cogeneration Project PSD-FL-137(C); Duval County

Attached for your approval and signature is a transmittal letter to a PSD permit amendment prepared by the Bureau of Air Regulation for Cedar Bay Cogeneration Project in Jacksonville. The purpose of this amendment is to allow the facility to increase its material feed rate associated with the material handling systems. increase in emissions due to this change is less than 1 ton per year of particulate matter. The amendment was public noticed in the Florida Times Union and no comments were received from the public.

This amendment is recommended for your approval and signature.

CHF/sa/t

attachment

AL

HOPPING GREEN SAMS & SMITH

PROFESSIONAL ASSOCIATION

ATTORNEYS AND COUNSELORS

123 SOUTH CALHOUN STREET

POST OFFICE BOX 6526

TALLAHASSEE, FLORIDA 32314

(904) 222-7500

FAX (904) 224-8551

FAX (904) 425-3415

JAMES C. GOODLETT GARY K. HUNTER, JR. JONATHAN T. JOHNSON ROBERT A. MANNING ANGELA R. MORRISON GARY V. PERKO KAREN M. PETERSON MICHAEL P. PETROVICH LISA K. RUSHTON R. SCOTT RUTH JULIE R. STEINMEYER T. KENT WETHERELL, II

OF COUNSEL CARLOS ALVAREZ W. ROBERT FOKES

Writer's Direct Dial No. (904) 425-2258

May 8, 1996

RECEIVED

MAY 0.9 1996

BUREAU OF AIR REGULATION

Mr. Charles W. Bostwick, Esquire P.O. Box 12 Jacksonville, FL 32201

RE: Cedar Bay Cogeneration Project - Modification to Site Certification No. PA-88-24C; Amendment to PSD Permit No. PSD-FL-137C

Dear Mr. Bostwick:

JAMES S. ALVES

BRIAN H. BIBEAU

RALPH A. DEMEO

THOMAS M. DEROSE

FRANK E. MATTHEWS

RICHARD D. MELSON

WILLIAM D. PRESTON

CAROLYN S. RAEPPLE

DOUGLAS S. ROBERTS GARY P. SAMS

WILLIAM H. GREEN

WADE L. HOPPING

DAVID L. POWELL

ROBERT P. SMITH

CHERYL G. STUART

KATHLEEN BLIZZARD

ELIZABETH C. BOWMAN RICHARD S. BRIGHTMAN

PETER C. CUNNINGHAM

On behalf of Cedar Bay Generating Company, L.P. (CBGC), we request your assistance in executing a waiver of CBGC's administrative wait period for final issuance of requested permit changes. As you may recall from notifications sent to you in October and November of last year, CBGC requested that the Florida Department of Environmental Protection make minor changes in both the above-referenced PSD permit and the separate conditions of site certification. Those changes involved the absorber (formerly "limestone") crusher/dryer system (ADS) and the ash handling and removal system. Specifically, because of ADS malfunctions and subsequent repairs, CBGC requested that the permitted hours of operation be increased. CBGC also requested correction of an arithmetical error in the particulate matter (PM) emission rate for the ADS. CBGC also requested approval for a fabric filter baghouse for the permitted dry ash loadout system to better control fugitive PM emissions. Changes would also limit the simultaneous operation of the pelletizing system with the dry ash loadout system, thereby limiting ash PM emissions.

The Jacksonville Regulatory and Environmental Services Department (RESD) commented on CBGC's October 4, 1995 request, and the RESD's comments were incorporated in a revised request filed on November 21, 1995. A copy of this letter to the Department addressing the RESD comments is enclosed for your information. You should have previously received copies of the October 4 letter, as well as a November 22, 1995 letter explaining the addition of the dry ash loadout baghouse. As you can see from the November 21 letter, the annual PM emissions

Mr. Charles W. Bostwick, Esquire May 8, 1996 Page 2

from the ADS are being reduced from the October 4 proposed changes. The permitted increase in ADS PM emissions will be less than one ton per year. The increase would only occur should the pelletizer operate simultaneously with the ADS, otherwise there is an emissions decrease with dry ash operations.

The Department also added new, standard language to the site certification regarding changes made in corresponding permits. Specifically, the condition provides that in the future the certification will be automatically modified to conform to any subsequent changes made to any separately issued PSD permit, Title V air permit, or NPDES permit for the Cedar Bay facility. CBGC is required to notify each party to the original certification proceeding if a standard is being relaxed under one of these permits, and the Department is required to notify the parties any time a change in one of these permits effectively modifies the site certification.

The Department is preparing to issue the final PSD permit amendment and final order modifying the conditions of certification. You should be receiving copies of the notices from the Department soon if you have not already received copies. These approvals are consistent with the requests previously submitted to you in October and November 1995.

After the Department provides notice of its intent to issue, there is a 30-day administrative period prior to issuance of the permit (45 days for the certification). CBGC requests your assistance in waiving the period and respectfully requests your signature on the enclosed Waiver and Statement of No Objection. Please return the signed waiver to CBGC in the self-addressed and stamped envelope within the next two days. By signing the waiver, you will simply be stating that you have no objections to either the proposed PSD permit amendment or the proposed final order modifying the conditions of certification. The changes being made to the permit and certification are minor in nature and have already been reviewed by the Settlement Parties. The process of finalizing the amendment and order will be expedited with your execution of the enclosed Waiver and Statement of No Objection, and CBGC would very much appreciate your assistance in this effort.

Additionally, during CBGC's most recent effort to modify the conditions of certification, we noticed that you have not been included on the Department's service list and therefore may not have received copies of the final orders modifying the conditions of certification issued in 1993 and 1995. (We have requested that the Department include you as a party for any future mailings.) While you may not have received copies of the final orders, you should be aware of the changes made to the conditions of certification since you were a party to the settlement agreement in 1993 and the final order simply reflected the terms of that agreement. Also, you were sent a copy of CBGC's October 31, 1994, request that resulted in the 1995 modification. Nevertheless, to help ensure that you are fully aware of the conditions of certification as they

Mr. Charles Bostwick May 8, 1996 Page 3

currently exist, copies of the 1993 and 1995 orders are enclosed for your information. The enclosed waiver also addresses these earlier modifications.

If you have any questions regarding the substance of either the proposed PSD permit amendment or the proposed final order modifying the conditions of certification, please contact Kevin Grant at the Cedar Bay plant at (904) 751-4000, extension 22. If you have any questions regarding the amendment or modification procedural processes, please contact me at (904) 425-2258. Thank you for your continued cooperation in this matter.

Sincerely,

Angela R. Morrison

angela R. Morrese

Attorney for Cedar Bay Cogenerating

Company, L.P.

Clair H. Fancy, DEP cc:

Hamilton S. (Buck) Oven, Jr., DEP

Kevin Grant, Cedar Bay Generating Company, L.P.

Gary Sams, Hopping, Green, Sams and Smith

cc: Syed Arif, BAR NED Duval Co:

WAIVER AND STATEMENT OF NO OBJECTION

On October 4, 1995, Cedar Bay Generating Company, L.P. (CBGC), requested that the Florida Department of Environmental Protection amend the Prevention of Significant Deterioration (PSD) permit for the Cedar Bay Cogeneration Project (No. PSD-FL-137). CBGC revised that request on November 21, 1995, and on November 22, 1995. In response to CBGC's requests, the Department issued a notice of intent to issue a permit amendment on January 11, 1995. I have received and reviewed a copy of this notice of intent to issue the permit amendment and have no objection. I understand that under Rule 62-210.350, Florida Administrative Code, and Section 120.57, Florida Statutes, I have thirty (30) days within which to comment or request a hearing and fourteen (14) days within which to request a formal administrative hearing. I waive these time periods and state that I have no objection to issuance of the permit amendment.

Additionally, CBGC requested that the Department issue conforming changes to the conditions of certification for the Cedar Bay Cogeneration Project (No. PA-88-24) on October 4, 1995. That request was also revised on November 21, 1995, and on November 22, 1995. Based on these requests, the Department issued a notice of intent to issue along with a proposed final order modifying conditions of certification on May 1, 1996. I received and reviewed a copy of this notice of intent to issue and proposed final order and have no objection. I understand that under the provisions of Section 403.516(1)(b), Florida Statutes, I have forty-five (45) days within which to comment on or object to the changes being made to the conditions of certification. I waive this time period and state that I have no objection to the proposed final order modifying conditions of certification.

Two other final orders have modified the conditions of certification for the Cedar Bay Cogeneration Project, one dated May 11, 1993, and one dated October 9, 1995. I have read and reviewed these two orders and have no objections.

Dated:	<u> </u>
**	CHARLES W. BOSTWICK
	WILLIAM C. BOSTWICK
	BARNETT BANK TRUST COMPANY, N.A
•	
	BY:
	Charles W. Bostwick, Attorney
	P.O. Box 12
	Jacksonville, FL 32201

Copies to: Clair H. Fancy, DEP Hamilton S. (Buck) Oven, Jr., DEP Kevin Grant, Cedar Bay Generating Company, L.P. Gary Sams, Hopping Green Sams & Smith

76206

Cedar Bay Generating Company Limited Partnership

May 7, 1996

Mr. Earl M. Barker, Jr.
Industrial Park Development Corporation and Imeson International Industrial Park, Inc.
334 East Duval Street
Jacksonville, Florida 32202

RECEIVED
MAY 15 1996
BUREAU OF
AIR REGULATION

Subject:

Cedar Bay Cogeneration Project - Modification to Site Certification No. PA-88-24C; Amendment to PSD Permit No. PSD-FL-137C

Dear Mr. Barker, Jr.:

Cedar Bay Generating Company, L. P. (CBGC) is requesting your assistance in executing a waiver of our administrative wait period for final issuance of requested permit changes. As you may recall from notifications sent to you in October and November of last year, CBGC requested that the Florida Department of Environmental Protection make minor changes in both the above-referenced PSD permit and the separate conditions of site certification. Those changes involved the absorber (formerly "limestone") crusher/dryer system (ADS) and the ash handling and removal system. Specifically, because of ADS malfunctions and subsequent repairs, CBGC requested that the permitted hours of operation be increased. CBGC also requested correction of an arithmetical error in the particulate matter (PM) emission rate for the ADS. CBGC also requested approval for a fabric filter baghouse for the permitted the dry ash loadout system to better control fugitive PM emissions. Changes would also limit the simultaneous operation of the pelletizing system with the dry ash loadout system, thereby limiting ash PM emissions.

The Jacksonville RESD commented on CBGC's October 4, 1995 request, and the RESD's comments were incorporated in a revised request filed on November 21, 1995. A copy of this letter to the Department addressing the RESD comments is enclosed for your information. You should have previously received copies of the October 4 letter, as well as a November 22, 1995 letter explaining the addition of the dry ash loadout baghouse. As you can see from the November 21 letter, the annual PM emissions from the ADS are being reduced from the October 4 proposed changes. The permitted increase in ADS PM emissions will be less than one ton per year. The increase would only occur should the pelletizer operate simultaneously with the ADS, otherwise there is an emissions decrease with dry ash operations.









Mr. Earl M. Barker, Jr. May 7, 1996 Page 2

The Department also added a new, standard language to the site certification regarding changes made in corresponding permits. Specifically, the condition provides that in the future the certification will be automatically modified to conform to any subsequent changes made to any separately issued PSD permit, Title V air permit, or NPDES permit for the Cedar Bay facility. CBGC is required to notify each party to the original certification proceeding if a standard is being relaxed under one of these permits, and the Department is required to notify the parties any time a change in one of these permits effectively modifies the site certification.

The Department is preparing to issue the final PSD permit amendment and final order modifying the conditions of certification. You should be receiving copies of the notices from the Department soon. These approvals are consistent with the requests previously submitted to you in October and November 1995.

After the Department provides notice of its intent to issue, there is a 30 day administrative period prior to issuance of the permit (45 days for the certification). CBGC requests your assistance in waiving the period and respectfully requests your signature on the enclosed Waiver Statement. Please return the signed waiver to CBGC in the self-addressed and stamped envelope within the next two days. By signing the waiver, you will simply be stating that you have no objections to either the proposed PSD permit amendment or the proposed final order modifying the conditions of certification. The changes being made to the permit and certification are minor in nature and have already been reviewed by Settlement Parties. The process of finalizing the amendment and order will be expedited with your execution of the enclosed waiver and statement of no objection. CBGC would very much appreciate your assistance in this effort.

If you have any questions regarding the substance of either the proposed PSD permit amendment or the proposed final order modifying the conditions of certification, please contact me at the Cedar Bay plant (904) 751-4000, extension 22. If you have any questions regarding the amendment or modification procedural processes, please contact our attorney Angela Morrison at Hopping, Green, Sams and Smith (904) 425-2258. Thank you for your continued cooperation in this matter.

Sincerely,

Kevin Grant, C.E.P., Q.E.P.

hour D. Grant/ain

Clair H. Fancy, DEP Hamilton S. (Buck) Oven, Jr., DEP Kevin Grant, Cedar Bay Generating Company, L.P. Gary Sams, Hopping, Green, Sams and Smith





Cedar Bay Generating Company Limited Partnership

November 21, 1995

Mr. Syed Arif Florida Department of Environmental Protection Bureau of Air Regulation Tallahassee, FL

Re: Revisions to Proposed Changes to Cedar Bay Generating Co., LP Environmental Approvals, October 4, 1995

Dear Mr. Arif:

Cedar Bay Generating Co. (CBGC) has received comments from the Jacksonville RESD regarding the October 4, 1995 proposed changes to the facility's PSD permit and site certification (i.e., environmental approvals). The RESD has requested that the proposed changes also include conditions on the dryer/crusher stack volumetric flow rate and on the material process rates of the ADS units. We are writing to inform the Department that CBGC agrees to include these conditions proposed by the RESD. We also agree to include the Department's standard language on operating rate, referencing DARM-SS/CE-04, 'Guidance on Rate of Operation During Compliance Tests', February 11, 1994, within the ADS proposed changes, provided that this condition is not retroactive.

The manufacturer's design maximum volumetric flow rate of each ADS unit is 42,100 dscfm. The design adsorber material process output of each dryer/crusher unit is 40 dry tons product per hour with a material feed rate of 42.58 tph. These specifications have been reviewed with the RESD and we have agreed to include the volumetric flow rate of 42,100 dscfm and a material feed rate limit of 42.58 tons per hour per unit in the proposed changes of October 4.

Today's proposed change to include a volumetric flow rate limit would also effect the 'Estimated Limitations' of PM. Referencing Condition II. B.7. (Estimated Limitations) of PA 88-24B, our proposed changes of October 4 noted that the increase in ADS hours would have the result of increasing potential PM emissions from 3.36 TPY to 5.06 TPY. The 5.06 TPY limit was derived by multiplying the proposed hour limit of 8030 hours by the 1.26 pound per hour limit noted in Condition II. B. 7.. The proposed volumetric flow rate limit of 42,100 dscfm would revise the ADS units' Estimated Limitations of 'PM/PM10' from 5.06 TPY to 4.35 TPY ((42,100 dscf/min.) * (60 min./ 1 hr.) * (0.0003 gr. / dscf) * (1 lb./7000 gr.) * (8030 hr.) * (1 ton / 2000 lb.)).

Again referencing Condition II. B.7, the RESD has offered suggestions in structuring the proposed changes within the 'Estimated Limitations' Table. The RESD suggests a footnote to the estimated PM/PM10 TPY value (e.g., 4.35 tons) to show that the value is derived from the









design volumetric flow rate limit (42,100 dscfm), the emission limit in condition 'B. 4. a.' of 0.003 gr./dscf, and the hours of operation limit in condition 'B.1.' of 8030 hours. CBGC agrees to this footnote, if it is acceptable to the FDEP.

Design changes to improve ADS product output could be initiated in 1996. As would be required by the Department's proposed standard language, a re-test of PM emissions (Method 5 or other approved method) from ADS units A and B would be conducted should these improvements increase production rates. Additionally, since current production rates of ADS units may exceed the production rates observed during the initial PM compliance tests, we volunteer to re-test PM emissions at the end of 1996, should ADS improvements be substantially delayed.

Regarding future Title V requirements for enhanced monitoring (compliance assurance monitoring) and the RESD proposed limits on volumetric flow, we desire to have the proposed changes written to indicate that no continuous or intermittent enhanced monitoring would be required to demonstrate compliance with the proposed volumetric flow rate. We propose using compliance data from fuel use, material feed, and opacity permit conditions as a means to demonstrate compliance with Title V compliance assurance monitoring requirements.

I will contact you during the week of November 27 to discuss the revised changes. Should there be any questions regarding today's revisions to the October 4, 1995 proposed changes, please contact me at (904) 751-4000.

Sincerely

Kevin Grant, C.E.P.

cc: Richard Robinson, P.E., RESD
Hamilton Oven, DEP, OSC
Sandy Hartman, Esq., USGen
Don Beckham, USGen
Tim Cotner, CBGC
John Garvey, CBGC

Chart /80

CC: NED Duvat Co EPA NPS

WAIVER AND STATEMENT OF NO OBJECTION

On October 4, 1995, Cedar Bay Generating Company, L.P. (CBGC), requested that the Florida Department of Environmental Protection amend the Prevention of Significant Deterioration (PSD) permit for the Cedar Bay Cogeneration Project (No. PSD-FL-137). CBGC revised that request on November 21, 1995, and on November 22, 1995. In response to CBGC's requests, the Department issued a notice of intent to issue a permit amendment on January 11, 1995. I have received and reviewed a copy of this notice of intent to issue the permit amendment and have no objection. I understand that under Rule 62-210.350, Florida Administrative Code, and Section 120.57, Florida Statutes, I have thirty (30) days within which to comment or request a hearing, and fourteen (14) days within which to request a formal administrative hearing. I waive these time periods and state that I have no objection to issuance of the permit amendments.

Additionally, CBGC requested that the Department issue conforming changes to the conditions of certification for the Cedar Bay Cogeneration Project (No. PA-88-24) on October 4, 1995. That request was also revised on November 21, 1995, and on November 22, 1995. Based on these requests, the Department issued a notice of intent to issue along with a proposed final order modifying conditions of certification on May 1, 1996. I have received and reviewed a copy of this notice of intent to issue and proposed final order and have no objection. I understand that under the provisions of Section 403.516(1)(b), Florida Statutes, I have forty-five (45) days within which to comment on or object to the changes being made to the conditions of certification. I waive this time period and state that I have no objection to the proposed final order modifying conditions of certification.

Dated:	
	IMESON INTERNATIONAL INDUSTRIAL PARK, INC.
	BY:
	Mr. Earl M. Barker, Jr.
	Industrial Park Development Corporation and
	Imeson International Industrial Park, Inc.
	334 East Duval Street
	Jacksonville Florida 32202

HOPPING GREEN SAMS & SMITH

PROFESSIONAL ASSOCIATION

ATTORNEYS AND COUNSELORS

123 SOUTH CALHOUN STREET

POST OFFICE BOX 6526

TALLAHASSEE, FLORIDA 32314

(904) 222-7500

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KRISTIN M. CONROY CONNIE C. DURRENCE JONATHAN S. FOX JAMES C. GOODLETT GARY K. HUNTER, JR. JONATHAN T. JOHNSON ROBERT A. MANNING ANGELA R. MORRISON GARY V. PERKO KAREN M. PETERSON MICHAEL P. PETROVICH DOUGLAS S. ROBERTS LISA K. RUSHTON R. SCOTT RUTH JULIE R. STEINMEYER

OF COUNSEL CARLOS ALVAREZ W. ROBERT FOKES

APR 1 U 1996

BUREAU OF

AIR REGULATION

April 10, 1996

Mr. Clair Fancy Bureau of Air Resources Management Department of Environmental Protection Magnolia Courtyard Tallahassee, FL 32399-2400

Cedar Bay Cogeneration Project

Notice of Intent to Issue Permit Amendment PSD-FL-137(C)

Dear Clair:

JAMES S. ALVES

RALPH A. DEMEO

THOMAS M. DEROSE WILLIAM H. GREEN

FRANK E. MATTHEWS

RICHARD D. MELSON

WILLIAM D. PRESTON CAROLYN'S, RAEPPLE

WADE L. HOPPING

DAVID L. POWELL

GARY P. SAMS ROBERT P. SMITH

CHERYL G. STUART

BRIAN H. BIBEAU

KATHLEEN BLIZZARD

ELIZABETH C. BOWMAN RICHARD S. BRIGHTMAN

PETER C. CUNNINGHAM

Attached for your records is the original Proof of Publication for the Notice of Intent to Issue Permit Amendment PSD-FL-137(C) for the above referenced facility, which was published in the Jacksonville Times Union in Jacksonville, Florida on February 19, 1996.

Sincerely,

Dougľas S. Roberts

Encls.

Syed Arif, DEP cc:

Kevin Grant, Cedar Bay

Don Beckham, U.S. Generating Co.

HOPPING GREEN SAMS & SMITH

PROFESSIONAL ASSOCIATION

ATTORNEYS AND COUNSELORS

123 SOUTH CALHOUN STREET

POST OFFICE BOX 6526

TALLAHASSEE, FLORIDA 32314

(904) 222-7500

FAX (904) 224-8551

FAX (904) 425-3415

CONNIE C. DURRENCE JAMES C. GOODLETT GARY K. HUNTER, JR. JONATHAN T. JOHNSON ROBERT A. MANNING ANGELA R. MORRISON GARY V. PERKO KAREN M. PETERSON MICHAEL P. PETROVICH LISA K. RUSHTON R. SCOTT RUTH JULIE R. STEINMEYER T. KENT WETHERELL, II

OF COUNSEL CARLOS ALVAREZ W. ROBERT FOKES

MEMORANDUM

RECEIVED

APR 04 1996

BUREAU OF

AIR REGULATION

TO:

JAMES S. ALVES

BRIAN H. BIBEAU

RALPH A. DEMEO

THOMAS M. DEROSE

WILLIAM H. GREEN WADE L. HOPPING FRANK E. MATTHEWS

RICHARD D. MELSON

WILLIAM D. PRESTON CAROLYN S. RAEPPLE DOUGLAS S. ROBERTS

DAVID L. POWELL

ROBERT P. SMITH CHERYL G. STUART

GARY P. SAMS

KATHLEEN BLIZZARD

ELIZABETH C. BOWMAN RICHARD S. BRIGHTMAN

PETER C. CUNNINGHAM

Syed Arif, FDEP

FROM:

Doug Roberts

RE:

Cedar Bay Cogeneration Project;

PSD-FL-137(C);

Permit Modification

DATE:

April 3, 1996

Attached is a list of the additional agencies which should receive notice of the pending PSD permit modification for the Cedar Bay Cogeneration Project, PSD-FL-137(C). In addition to the agencies already copied on the Department's original intent to issue, these would be additional agencies to receive notice under It should be sufficient to show them as the federal PSD rules. additional "CC"s on the original transmittal letter with a separate date, such as follows:

Additional cc: (April --, 1996)

We will forward the proof of publication of the newspaper notice in the near future, when received from the paper.

Your attention to this request is appreciated. Please call should you have any questions.

DSR/mee Attachment

AGENCIES

Mr. Brian Teeple, Director North Central Florida Regional Planning Council (NCFRPC) 9143 Phillips Highway, Suite 350 Jacksonville, Fla. 32256

Honorable John A. Delaney Mayor City of Jacksonville City Hall 230 East Bay Street, 14th Floor Jacksonville, Fla. 32202

George Percy Director Division of Historical Resources Florida Department of State 500 S. Bronough Street Tallahassee, Fla. 32399-0250

Michael Bentcien
Acting Field Supervisor
Jacksonville Field Office
US Fish and Wildlife Service (USFWS)
6620 Southpoint Drive, S.
Suite 310
Jacksonville, Fla. 32216

BEST AVAILABLE COPY

FLORIDA PUBLISHING COMPANY

Publisher

JACKSONVILLE, DUVAL COUNTY, FLORIDA

STATE	OF FLORIDA	
COUNT	TY OF DUVAL	

Before the undersigned authority personally appeared	
Aretha R. Brown who on oa	th says that he is
Legal Advertising Representative The Flori	ida Times-Union,
a daily newspaper published at Jacksonville in Duval County, Fattached copy of advertisement, being alegal notice	lorida; that the
in the matter of Notice of Intent to Issue P	ermit :
in the	154
was published in THE FLORIDA TIMES-UNION in the issues of	
February 19, 1996	
<u> </u>	
Affiant further says that the said The Florida Times-Union is a newspaper published said Duval County, Florida, and that the said newspaper has heretofore been continusaid Duval County, Florida, The Florida Times-Union each day, has been entered as matter at the postoffice in Jacksonville, in said Duval County, Florida, for a period preceeding the first publication of the attached copy of advertisement; and affiant furth neither paid nor promised any person, firm or corporation any discount, rebate, committee purpose of securing this advertisement for publication in said newspaper.	ously published in second class mail. I of one year next
Sworn to and subscribed before me this	Brown
MY COMMISSION PCC 222556 EXPIRES SONDED THRU TROY FAIN INSURANCE, INC. My Commission Expires	

The retition shall contain the following informations (a) The name, address, and telephone number of each petitioners, the applicant's name and address, the Department Permit File Number and the country in which the project is proposed, (b) A statement of how and when each petitioner received noting of the Department's action or proposed action, (c) A statement of how each petitioner is substantial integral are officeted by the Department's action or proposed action, (c) A statement of the material facts disputing or the Department's action or proposed action, (d) A statement of the material facts disputing the petitioner's substantial integral of the Department's action or proposed action, and (g) A statement of the requirement of the petitioner's action or proposed action, and (g) A statement of the register of the petition is filed, the administration bearing process it designed to formulate agency action or proposed action.

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PS. Form 3800, March 1993	Postmark or Date PSD-F1-1370	(c)	
PS			

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MOLITED ALLOW	6. Signature (Agent)	Addressee's Address (Only if requested and fee is paid) OMESTIC RETURN RECEIF



Department of **Environmental Protection**

Lawton Chiles Governor

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

Virginia B. Wetherell Secretary

January 11, 1996

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. Timothy J. Cotner Plant Director Cedar Bay Generating Company, L.P. Post Office Box 26324 9460 Eastport Road Jacksonville, Florida 32226-6324

Dear Mr. Cotner:

Request for Permit Amendment Cedar Bay Cogeneration Project PSD-FL-137(C); Duval County

Enclosed is a proposed amendment letter, Intent to Issue and Public Notice of Intent to Issue Permit Amendment (for publication by Cedar Bay) for the referenced project located in Duval County, Florida. All comments during the public notice period should be addressed to Mr. A. A. Linero at the Department's Tallahassee address. If there are additional questions on the above, please call Syed Arif at (904) 488-1344.

Sincerely,

C. H. Fancy,

Chief

Bureau of Air Regulation

CHF/sa/t

ċ

cc: C. Kirts, NED

J. Manning, RESD

H. Oven, PPS

J. Harper, EPA J. Bunyak, NPS

D. Roberts, HGS&S

STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION

CERTIFIED MAIL

In the Matter of an Application for Permit by:

DEP File No. PSD-FL-137(C)
Duval County

Mr. Timothy J. Cotner Cedar Bay Generating Company, L.P. P.O. Box 26324 9460 Eastport Road Jacksonville, FL 32226-6324

INTENT TO ISSUE PERMIT AMENDMENT

The Department of Environmental Protection gives notice of its intent to issue a permit amendment (copy attached) to the applicant as detailed in the application/request specified above for the reasons stated below.

The applicant, Cedar Bay Generating Company, L.P., submitted an application on October 4, 1995, to the Department for a permit amendment to Cedar Bay Cogeneration Project's permit. The facility is located in Duval County.

The Department has permitting jurisdiction under the provisions of Chapter 403, Florida Statutes (F.S.), and Chapters 62-212 and 62-4, Florida Administrative Code (F.A.C.). The project is not exempt from permitting procedures. The Department has determined that a permit amendment is required for the proposed work.

Pursuant to Section 403.815, F.S., and Rule 62-103.150, F.A.C., you (the applicant) are required to publish at your own expense the enclosed Notice of Intent to Issue Permit Amendment. The notice shall be published one time only within 30 days in the legal ad section of a newspaper of general circulation in the area affected. For the purpose of this rule, "publication in a newspaper of general circulation in the area affected" means publication in a newspaper meeting the requirements of Sections 50.011 and 50.031, F.S., in the county where the activity is to take place. The applicant shall provide proof of publication to the Department's Bureau of Air Regulation, 2600 Blair Stone Road, Tallahassee, Florida 32399-2400, within seven days of publication. Failure to publish the notice and provide proof of publication within the allotted time may result in the denial of the permit amendment.

The Department will issue the permit amendment with the attached conditions unless a petition for an administrative proceeding (hearing) is filed pursuant to the provisions of Section 120.57, F.S.

A person whose substantial interests are affected by the Department's proposed permitting decision may petition for an administrative proceeding (hearing) in accordance with Section 120.57, F.S. The petition must contain the information set forth below and must be filed (received) in the Office of General Counsel of the Department at 2600 Blair Stone Road, Tallahassee, Florida 32399-2400. Petitions filed by the permit applicant and the parties listed below must be filed within 14 days of receipt of this intent. Petitions filed by other persons must be filed within 14 days of publication of the public notice or within 14 days of their receipt of this intent, whichever first occurs. Petitioner shall mail a copy of the petition to the applicant at the address indicated above at the time of filing. Failure to file a petition within this time period shall constitute a waiver of any right such person may have to request an administrative determination (hearing) under Section 120.57, F.S.

The Petition shall contain the following information;

(a) The name, address, and telephone number of each petitioner, the applicant's name and address, the Department Permit File Number and the county in which the project is proposed;

(b) A statement of how and when each petitioner received notice

of the Department's action or proposed action;

(c) A statement of how each petitioner's substantial interests are affected by the Department's action or proposed action;

(d) A statement of the material facts disputed by Petitioner,

if any;

- (e) A statement of facts which petitioner contends warrant reversal or modification of the Department's action or proposed action;
- (f) A statement of which rules or statutes petitioner contends require reversal or modification of the Department's action or proposed action; and,
- (g) A statement of the relief sought by petitioner, stating precisely the action petitioner wants the Department to take with respect to the Department's action or proposed action.

If a petition is filed, the administrative hearing process is designed to formulate agency action. Accordingly, the Department's final action may be different from the position taken by it in this intent. Persons whose substantial interests will be affected by any decision of the Department with regard to the application/ request have the right to petition to become a party to the proceeding. The petition must conform to the requirements specified above and be filed (received) within 14 days of receipt of this intent in the Office of General Counsel at the above

address of the Department. Failure to petition within the allowed time frame constitutes a waiver of any right such person has to request a hearing under Section 120.57, F.S., and to participate as a party to this proceeding. Any subsequent intervention will only be at the approval of the presiding officer upon motion filed pursuant to Rule 28-5.207, F.A.C.

Executed in Tallahassee, Florida.

STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION

C. H. Fancy, P.E., Chief Bureau of Air Regulation 2600 Blair Stone Road Tallahassee, Florida 32399 904-488-1344

CERTIFICATE OF SERVICE

The undersigned duly designated deputy clerk hereby certifies that this **INTENT TO ISSUE PERMIT AMENDMENT** all copies were mailed by certified mail before the close of business on 1-17-96 to the listed persons.

Clerk Stamp

FILING AND ACKNOWLEDGMENT FILED, on this date, pursuant to §120.52(11), Florida Statutes, with the designated Department Clerk, receipt of which is hereby acknowledged.

Clerk

Date

Copies furnished to:

- C. Kirts, NED
- H. Oven, PPS
- J. Manning, RESD
- J. Harper, EPA
- J. Bunyak, NPS
- D. Roberts, HGS&S

STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION

NOTICE OF INTENT TO ISSUE PERMIT AMENDMENT

PSD-FL-137(C)

The Department of Environmental Protection gives notice of its intent to issue a permit amendment to Cedar Bay Generating Company, L.P., 9460 Eastport Road, Jacksonville, Florida 32226. This facility consists of three circulating fluidized bed coal-fired boilers, associated coal, ash, and other material handling equipment, a cooling tower, and two limestone dryers. The facility is located in Jacksonville, Duval County, Florida. The amendments include the changes to the specific conditions for particulate matter and material feed rates associated with the material handling systems for ash pelletization, coal unloading, dry ash loading and removal, and limestone pulverization/conveyance from the site. The increase in emission due to the amendment is less than 1 ton per year of particulate matter.

A person whose substantial interests are affected by the Department's proposed permitting decision may petition for an administrative proceeding (hearing) in accordance with Section 120.57, Florida Statutes (F.S.). The petition must contain the information set forth below and must be filed (received) in the Office of General Counsel of the Department at 2600 Blair Stone Road, Tallahassee, Florida 32399-2400, within 14 days of publication of this notice. Petitioner shall mail a copy of the petition to the applicant at the address indicated above at the time of filing. Failure to file a petition within this time period shall constitute a waiver of any right such person may have to request an administrative determination (hearing) under Section 120.57, F.S.

The Petition shall contain the following information; (a) The name, address, and telephone number of each petitioner, the applicant's name and address, the Department Permit File Number and the county in which the project is proposed; (b) A statement of how and when each petitioner received notice of the Department's action or proposed action; (c) A statement of how each petitioner's substantial interests are affected by the Department's action or proposed action; (d) A statement of the material facts disputed by Petitioner, if any; (e) A statement of facts which petitioner contends warrant reversal or modification of the Department's action or proposed action; (f) A statement of which rules or statutes petitioner contends require reversal or modification of the Department's action or proposed action; and, (g) A statement of the relief sought by petitioner, stating precisely the action petitioner wants the Department to take with respect to the Department's action or proposed action.

If a petition is filed, the administrative hearing process is designed to formulate agency action. Accordingly, 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 decision of the Department with regard to the application/request have the right to petition to become a party to the proceeding. The petition must conform to the requirements specified above and be filed (received) within 14 days of publication of this notice in the Office of General Counsel at the above address of the Department. Failure to petition within the allowed time frame constitutes a waiver of any right such person has to request a hearing under Section 120.57, F.S., and to participate as a party to this proceeding. Any subsequent intervention will only be at the approval of the presiding officer upon motion filed pursuant to Rule 28-5.207, Florida Administrative Code.

The application/request is available for public inspection during normal business hours, 8:00 a.m. to 5:00 p.m., Monday through Friday, except legal holidays, at:

Department of Environmental Protection Bureau of Air Regulation 111 S. Magnolia Drive, Suite 4 Tallahassee, Florida 32301

Department of Environmental Protection Northeast District Suite 200B 7825 Baymeadows Way Jacksonville, Florida 32256-7577

Any person may send written comments on the proposed action to Administrator, New Source Review Section at the Department of Environmental Protection, Bureau of Air Regulation, Mail Station 5505, 2600 Blair Stone Road, Tallahassee, Florida 32399-2400. All comments received within 14 days of the publication of this notice will be considered in the Department's final determination.



February xx, 1996

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. Timothy J. Cotner
Plant Director
Cedar Bay Generating Company, L.P.
Post Office Box 26324
9460 Eastport Road
Jacksonville, Florida 32226-6324

Dear Mr. Cotner:

RE: Request for Permit Amendment Cedar Bay Cogeneration Project PSD-FL-137(C); Duval County

The Department received your request of October 4, 1995, and November 22, 1995 to make minor amendments to the material handling systems for ash pelletization, coal unloading, dry ash loading and removal, and limestone pulverizer/conveyor for the above referenced PSD permit. The permit's specific conditions are amended as shown:

- II. B. 1. The material handling and treatment operations, including coal and limestone unloading buildings, coal and limestone reclaim hoppers, coal crusher house, limestone-dryers the Absorber Dryer System (ADS) including two absorber crusher/dryer trains, fly and bed ash silos, ash pelletizer, pellet curing silo, coal and limestone day silos, conveyors, storage areas and related equipment, may be operated continuously, i.e. 8760 hrs/yr, except that the limestone-crushers/dryers-may-be-operated for-a-maximum-of-ll-hours-per-day-(maximum-of-2920-hrs/yr)-at maximum-eapacity two ADS trains may be operated in any combination for maximum of 22 train-hours per day (maximum of 8030 train-hrs/yr) at maximum capacity.
- II. B. 4. Material handling sources shall be regulated as follows:
 - a. The material handling and treatment area sources with either fabric filter or baghouse controls are as follows:

Mr. Timothy J. Cotner Page Two February xx, 1996



Coal Crusher Building Coal Silo Conveyor bimestone-Pulverizers(2)/Conveyors ADS Trains (2) Limestone Storage Bins (2) Bed Ash Hopper Bed Ash Seperator Bed Ash Silo Vent Fly Ash Silo Vent Fly Ash Seperators (2) Bed Ash Receiver Fly Ash Receiver Pellet Vibratory System Pellet Recycle Tank Cured Pellet Screening Conveyor System Pellet Recycle Conveyor Pelletizing Rail Loadout Dry Ash Rail Car Loadout

The emissions from the above listed sources are subject to the particulate emission limitation requirement of 0.003 gr/dscf (applicant-requested limitation which is more stringent than what is allowed by Rule 62-296.711, F.A.C.). Since these sources are RACT standard type then a one-time verification test on each source shall be required for PM mass emissions to demonstrate that the baghouse control systems can achieve the 0.003 gr/dscf. The performance tests shall be conducted using EPA Method 5 pursuant to Rule 62-297, F.A.C., and 40 CFR 60, Appendix A (July, 1992 version). Initial performance test shall be conducted within 90 days after final DEP approval of these facilities or within 90 days after completion of construction of the source, whichever occurs last.

The dry ash loadout system and the pelletizer system shall not be operated simultaneously.

II. B. 7. The maximum emissions from each of the Limestone Pulverizers/Conveyors-(including-limestone-dryer) ADS trains shall not exceed the following:

Estimated Limitations

Pollutant	lbs/hr	TPY	TPY	for	2 1	oulverizer/conveyors
				•	<u> 7</u>	DS trains
PM/PM ₁₀	- 1-26* <u>1.0</u>	8 -1-68 2.18			3 -8	6 4.35*
so ₂	0.85	1.15			2.3	3
co	0.60	0.81			1.6	52
$NO_{\mathbf{X}}$	2.40	3.25			6.5	5
VOC	0.05	0.06			0.1	_2

Mr. Timothy J. Cotner Page Three February xx, 1996



The emissions for SO2, CO, NO $_{\rm X}$, and VOC are based on AP-42 factor, Table 1, 3-1, Industrial Distillate, 10/86.

- * This-reflects-the-emission-limitation-for-the-limestone pulverizers/conveyors-in-Condition-II-B-4-a-and-limits-the-emission for-the-Limestone-Pulverizer/Conveyor-and-the-dryer.
- * This value is derived from the design volumetric flow rate limit of 42,100 dscfm, the emission limit in condition B.4.a of 0.003 gr./dscf, and the hours of operation limit in condition B.1 of 8030 hours per year.
- (42,100 dscf/min) * (60 min/hr) * (0.003 gr/dscf) * (1 lb/7000 gr.) * (8030 hours/yr) * (1 ton/2000 lb.) = 4.35 tons/yr.

Visible emissions from the limestone-pulverizers/conveyors ADS trains shall not exceed 5% opacity.

- II. B. 12. The maximum material feed rate to each ADS train shall not exceed 42.6 tons per hour and the volumetric flow rate shall not exceed 42,100 dry standard cubic feet per minute per ADS train.
- II. B. 13. Testing of emissions shall be conducted with the source operating at permitted capacity. Permitted capacity is defined as 90-100 percent of the maximum operating rate allowed by the permit. If it is impracticable to test at permitted capacity, then sources may be tested at less than capacity; in this case subsequent source operation is limited to 110 percent of the test load until a new test is conducted. Once the unit is so limited, then operation at higher capacities is allowed for no more than 15 consecutive days for the purposes of additional compliance testing to regain the permitted capacity in the permit.

A copy of this letter shall be attached to the above mentioned permit, No. PSD-FL-137(C), and shall become a part of the permit.

Sincerely,

Howard L. Rhodes, Director Division of Air Resources Management

HLR/sa/t

cc: C. Kirts, NED

H. Oven, PPS

J. Bunyak, NPS

J. Manning, RESD

J. Harper, EPA

D. Roberts, HGS&S

TO:

Clair Fancy

A. A. Linero og ilia

FROM:

Syed Arif &

DATE:

January 11, 1996

SUBJ:

Approval of Permit Amendment Cedar Bay Cogeneration Project PSD-FL-137(C); Duval County

Attached for your approval and signature is a transmittal letter and draft amendment to a PSD permit prepared by the Bureau of Air Regulation for Cedar Bay Cogeneration Project in Jacksonville. The purpose of this amendment is to allow the facility to increase its material feed rate associated with the material handling systems. The increase in emission due to this change is less than 1 ton per year of particulate matter.

This modification is recommended for your approval and signature.

CHF/sa/t

attachment

Cedar Bay Generating Company Limited Partnership

November 21, 1995

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3. M. L. (1) 图 21 (1) 20 (2) (2) Mr. Syed Arif Florida Department of Environmental Protection Bureau of Air Regulation Tallahassee, FL

BUREAU OF AIR REGULATION

Re: Revisions to Proposed Changes to Cedar Bay Generating Co., LP Environmental Approvals, October 4, 1995

Dear Mr. Arif:

Cedar Bay Generating Co. (CBGC) has received comments from the Jacksonville RESD regarding the October 4, 1995 proposed changes to the facility's PSD permit and site certification (i.e., environmental approvals). The RESD has requested that the proposed changes also include conditions on the dryer/crusher stack volumetric flow rate and on the material process rates of the ADS units. We are writing to inform the Department that CBGC agrees to include these conditions proposed by the RESD. We also agree to include the Department's standard language on operating rate, referencing DARM-SS/CE-04, 'Guidance on Rate of Operation During Compliance Tests', February 11, 1994, within the ADS proposed changes, provided that this condition is not retroactive.

The manufacturer's design maximum volumetric flow rate of each ADS unit is 42,100 dscfm. The design adsorber material process output of each dryer/crusher unit is 40 dry tons product per hour with a material feed rate of 42.58 tph. These specifications have been reviewed with the RESD and we have agreed to include the volumetric flow rate of 42,100 dscfm and a material feed rate limit of 42.58 tons per hour per unit in the proposed changes of October 4.

Today's proposed change to include a volumetric flow rate limit would also effect the 'Estimated Limitations' of PM. Referencing Condition II. B.7. (Estimated Limitations) of PA 88-24B, our proposed changes of October 4 noted that the increase in ADS hours would have the result of increasing potential PM emissions from 3.36 TPY to 5.06 TPY. The 5.06 TPY limit was derived by multiplying the proposed hour limit of 8030 hours by the 1.26 pound per hour limit noted in Condition II. B. 7.. The proposed volumetric flow rate limit of 42,100 dscfm would revise the ADS units' Estimated Limitations of 'PM/PM10' from 5.06 TPY to 4.35 TPY ((42,100 dscf/min.) * (60 min./ 1 hr.) * (0.0003 gr. / dscf) * (1 lb./7000 gr.) * (8030 hr.) * (1 ton / 2000 lb.)).

Again referencing Condition II. B.7, the RESD has offered suggestions in structuring the proposed changes within the 'Estimated Limitations' Table. The RESD suggests a footnote to the estimated PM/PM10 TPY value (e.g., 4.35 tons) to show that the value is derived from the









design volumetric flow rate limit (42,100 dscfm), the emission limit in condition 'B. 4. a.' of 0.003 gr./dscf, and the hours of operation limit in condition 'B.1.' of 8030 hours. CBGC agrees to this footnote, if it is acceptable to the FDEP.

Design changes to improve ADS product output could be initiated in 1996. As would be required by the Department's proposed standard language, a re-test of PM emissions (Method 5 or other approved method) from ADS units A and B would be conducted should these improvements increase production rates. Additionally, since current production rates of ADS units may exceed the production rates observed during the initial PM compliance tests, we volunteer to re-test PM emissions at the end of 1996, should ADS improvements be substantially delayed.

Regarding future Title V requirements for enhanced monitoring (compliance assurance monitoring) and the RESD proposed limits on volumetric flow, we desire to have the proposed changes written to indicate that no continuous or intermittent enhanced monitoring would be required to demonstrate compliance with the proposed volumetric flow rate. We propose using compliance data from fuel use, material feed, and opacity permit conditions as a means to demonstrate compliance with Title V compliance assurance monitoring requirements.

I will contact you during the week of November 27 to discuss the revised changes. Should there be any questions regarding today's revisions to the October 4, 1995 proposed changes, please contact me at (904) 751-4000.

Sincerely

Kevin Grant, C.E.P.

cc: Richard Robinson, P.E., RESD Hamilton Oven, DEP, OSC Sandy Hartman, Esq., USGen Don Beckham, USGen Tim Cotner, CBGC John Garvey, CBGC

Jant/80









Cedar Bay Generating Company Limited Partnership

RECEIVED

November 22, 1995

NOV 28 1995

BUREAU OF AIR REGULATION

Mr. Clair Fancy, Chief Bureau of Environmental Regulation Department of Environmental Protection 2600 Blair Stone Road Tallahassee, FL 32399-2400 Mr. Hamilton S. Oven
Office of Siting Coordination
Department of Environmental Protection
2600 Blair Stone Road
Tallahassee, FL 32399-2400

Subject:

Cedar Bay Cogeneration Inc. (Site Certification No. PA 88-24)

Cedar Bay Cogeneration Inc. (Permit No. PSD-FL-137)

Dear Mr. Fancy and Mr. Oven:

Cedar Bay Cogeneration Inc. ("Cedar Bay") plans to complete the previously approved dry ash rail loadout system at the Cedar Bay Generating Facility (the "Facility") by installing and operating a fabric filter (baghouse) to control particulate matter emissions from dry ash loading activities at the Cedar Bay Generating Facility (the "Facility"). Baghouse operation is expected to begin as early as December 18, 1995. By this letter Cedar Bay respectfully requests the Florida Department of Environmental Protection (DEP) to (i) concur that installation of the fabric filter is not subject to PSD or minor source preconstruction permitting requirements, (ii) issue a minor modification to Condition II.B.4.a of the captioned Site Certification to reflect use of the baghouse; and (iii) issue a minor correction to Condition II.B.4.a of the captioned PSD Permit to reflect use of the baghouse.

During the Fall of 1995, DEP modified the Site Certification and PSD permit (respectively) to include conditions for a "dry ash rail car loadout" system that could be used in lieu of the approved ash pelletizing system.¹ The pelletizer has been placed in an indefinite maintenance lay-up condition shut down and the dry ash loadout system is currently being used exclusively to remove ash. Although the pelletizer remains permitted and may be brought back into service, there are no plans to operate both systems simultaneously.

¹ The captioned Site Certification was issued on February 11, 1991 (Site Certification No. PA 88-24). It was modified on May 11, 1993 (Site Certification No. PA 88-24A) and on September 29, 1995 (Site Certification No. PA 88-24B). The September 29, 1995 modification addressed the use of dry ash rail car loadout. The captioned PSD Permit was issued on March 29, 1991 (PSD-FL-137). It was amended on November 16, 1993 (PSD-FL-137A) and on August 8, 1995 (PSD-FL-137B). The August 8, 1995 amendment addressed the use of dry ash rail car loadout.









Mr. Clair Fancy and Mr. Hamilton S. Oven November 22, 1995 Page 2

The control device to be installed is a fabric filter (baghouse) manufactured by Johnson March Systems, Inc. The baghouse is a standard design, model PT-12-1220. Flow through the baghouse will be a maximum of 17,540 dry standard cubic feet per minute. Potential emissions from the new fabric filter are estimated at 0.45 lb./hour and 1.84 tons per year (reference attached calculations). To be conservative, Cedar Bay has assumed that all particulate emissions are less than 10 microns (PM-10). Based on this assumption, and on Cedar Bay's commitment not to operate both the dry ash loadout system and the pelletizer simultaneously, use of the dry ash loadout system instead of the pelletizer will result in a decrease in permitted emissions of up to .64 tons per year (reference attached calculations).

Cedar Bay believes that installation and operation of the fabric filter is not subject to preconstruction review under the Department's rules for several reasons. First, the addition of the fabric filter is being made in conjunction with the previously approved dry ash loadout system. Recognition of the fabric filter as the pollution control device for the dry ash loadout system is being made for clarification of the Department's records. No increase in emissions will occur as result of dry ash loadout system operation. In fact, as noted above, total facility emissions are reduced when the dry ash loadout system is used in lieu of the pelletizer. Since no net emissions increase will occur, the definition of modification is not triggered and a construction permit is not required.

Moreover, a determination that the addition of the fabric filter does not trigger construction permit requirements is consistent with the Department's June 8, 1995 guidance regarding the addition of air pollution control equipment. See Division of Air Resources Management "Guidance on the Replacement or Addition of Air Pollution Control Equipment on Existing Sources" (copy attached). The fabric filter is "off the shelf" pollution control equipment (i.e., the fabric filter has not been custom designed for the Facility) and the dry ash car loadout area has uncontrolled particulate emissions of less than 100 tons per year.

Finally, installation and operation of the fabric filter should not be subject to PSD permitting because it does not result in a "significant net emissions increase" under Rule 62-212.400(1)(d)4.a., F.A.C. The total potential particulate matter emission from the dry ash loadout system and the fabric filter are 1.84 tons per year, which falls substantially short of the 15-ton-per-year significant emissions rate threshold for particulate matter. See Table 212.400-2 F.A.C. Moreover, as a pollution control device being added to an existing electric utility steam generating unit, installation of the fabric filter is exempt from PSD permitting under Rule 62-212.400(2)(a).2. F.A.C.









Mr. Clair Fancy and Mr. Hamilton S. Oven November 22, 1995 Page 3

Accordingly, Cedar Bay requests the Department to (i) concur that installation of the fabric filter is not subject to PSD or minor source preconstruction permitting requirements; (ii) issue a minor modification to Condition II.B.4.a. of the captioned Site Certification to reflect use of the baghouse; and (iii) issue a minor correction to Condition II.B.a of the captioned PSD Permit to reflect the use of the baghouse. With respect to the minor modification to Condition II.B.4.a., Cedar Bay currently has a pending request for modification of the captioned Site Certification regarding the outstanding issue of the extension of time for the short-fiber-reject test burn. Cedar Bay proposes that this change be processed under that pending modification request.

We look forward to your response. Should you or your staff have any questions on this matter, please do not hesitate to contact Kevin Grant at (904)751-4000.

Sincerely

Timothy J. Cotner

Plant Director

Enclosures

cc: Richard Robinson, City of Jacksonville RESD

Syed Arif, DEP BAR

Charles T. Collette, DEP Office of General Counsel

Settlement Parties









EMISSION CALCULATIONS FOR DRY ASH LOADOUT CONTROL DEVICE

FLOW THROUGH THE FABRIC FILTER

Fan ascfm = 20,000stack temperature = 140° F percent moisture = 2%dcfm = 19,600dscfm = 17,540

GRAIN LOADING AT FABRIC FILTER OUTLET

loading = 0.003 gr/dscf*

* Current design is for a fabric filter with emission loading of 0.001 gr/dscf. 0.003 is assumed for conservatism and to maintain design flexibility.

EMISSIONS CALCULATIONS

lb/hr = 0.003 gr/dscf * 17540 dscf * 60 min * 1 lb./ 7000 gr = 0.45 lb./hr.

TPY = 0.45 lb/hr. * 24 hr/day * 365 day/yr * .93(cf) = 3675 lb = 1.84 tpy

EMISSIONS AS MODELED FOR ASH PELLETIZER

2.48 Tons Per Year

Source: <u>Cedar Bay Cogeneration Project Air Quality Analysis</u>, February 1993 (as Supplemented in April 1993)

REDUCTION IN EMISSIONS

2.48 TPY - 1.84 TPY = .64 TPY

CALCULATION OF "UNCONTROLLED EMISSIONS" FROM DRY ASH SYSTEM WITHOUT ADDED FABRIC FILTER

In Compilation of Air Pollutant Emission Factors, Volume I: Stationary Point and Area Sources, AP-42, Fifth Edition, January 1995, the US EPA states, "The fly ash handling operations in most modern utility and industrial combustion sources consist of pneumatic systems or enclosed and hooded systems which are vented through small fabric filters or other dust control devices. The fugitive PM emissions from these systems are therefore minimal. Fugitive particulate emissions can sometimes occur during ash transfer operations from silos to trucks or rail cars." (page 1.1-33.) At Cedar Bay, all ash handling is through enclosed systems that exhaust through fabric filters. the actual ash load out into rail cars is controlled by covering the cars with a rigid hood and exhausting the vacant space above the ash through a fabric filter. Uncontrolled emissions in the existing system are therefore minimal. If we assume that there is no exhaust system, the hood and water spray suppression system of the existing system would still be in place and operable. Therefore, uncontrolled emissions would still be minimal.

To calculate an uncontrolled emission rate using the control efficiencies in <u>Control of Open Fugitive Dust Sources</u>, EPA-450/3-88-008, we would have to assume that the ash unloading was partially open and assume an appropriate wind speed. We could then apply the efficiencies for enclosures (stated to be greater than 80% in the EPA guide) and 70 % for wet suppression. It is obvious that under any reasonable assumptions, the total "uncontrolled emissions" would be less than 100 tons per year.

Memorandum

Florida Department of Environmental Protection

DARM-PER/GEN-25

TO:

District Air Program Administrators County Air Program Administrators Bureau of Air Regulation Engineers

FROM:

Howard L. Rhodes, Director Office

Division of Air Resources Management

DATE:

June 8, 1995

SUBJECT: Guidance on the Replacement or Addition of Air Pollution

Control Equipment on Existing Sources

This memo is to provide guidance to district, local program, and headquarters staff on the permitting action required when a source owner replaces or adds an air pollution control device to an existing source.

If the pollution control equipment is for a unit with uncontrolled emissions of less than 100 tons per year, and the equipment is "off the shelf", then no permitting action is required.

If the pollution control equipment is custom designed for any source, or is "off the shelf" to control a unit with uncontrolled emissions greater than or equal to 100 tons per year, the source owner will need to apply for an amendment to the permit. The request would need to be signed and sealed by a P.E. The Department or local program, if it finds the replacement air pollution equipment to be satisfactory, shall issue a letter amendment to the operation permit. operation permit. No public notice shall be required for such an action.

HLR/chf/cd



00T 5 1995

Bureau of Air Regulation

Cedar Bay Generating Company Limited Partnership

October 4, 1995

Clair Fancy, Chief Bureau of Environmental Regulations Department of Environmental Protection 2600 Blair Stone Road Tallahassee, FL 32399-2400

Hamilton S. Oven
Office of Siting Coordination
Department of Environmental Protection
2600 Blair Stone Road
Tallahassee, FL 32399-2400

Re: Proposed Changes to
Cedar Bay Generating Company, LP's
PSD-FL-137B-Duval County and
Site Certificate Number PA-88-24A

Dear Mr. Fancy and Mr. Oven:

The Cedar Bay Generating Company (CBGC) is petitioning the Department for minor amendment to specific conditions II.B.1 and 7 and minor modifications to the conditions II.B.1 and 7 of the above-captioned PSD permit and site certification, respectively, [hereinafter Environmental Approvals] as they pertain to the absorber dryer system (ADS) at the Cedar Bay Cogeneration Project (CBCP). These requested changes to the Environmental Approvals are needed because the original permit conditions were based on assumptions that have been overtaken by events and because the current conditions reflect an arithmetic error.

The current version of the terms of the Environmental Approvals provide that all systems in the material handling and treatment area are permitted for full-year operation "except that . . . [each train of the ADS] may be operated for a maximum of 11 hours per day (maximum of 2920 hrs/yr) at maximum capacity" (Environmental Approvals @ § II.B.1 and my 9/8/95 letter to both of you) and that the annual emissions of PM from both trains of









Clair Fancy, Chief Hamilton S. Oven October 4, 1995 Page 2

the ADS are limited to 3.36 TPY (Environmental Approvals @ § II.B.7). These terms were based on (A) the projection that the ADS would run at maximum capacity whenever it ran, (B) the projection that running at maximum capacity for 2920 hours in a year would enable the ADS to produce all of the crushed absorbent needed to extract SO2 from the CBCP's three circulating fluidized boilers so that the emission limits at their stack could be met, and (C) an arithmetical error in estimating the annual emissions of PM at the ADS.

Since the Environmental Approvals were issued, a malfunction of the ADS has developed. This malfunction is so severe that (1) the ADS has never exceeded approximately half of the maximum capacity for which the CBGC had contracted (as measured in absorbent throughput) and (2) the ADS has produced crushed absorbent at the average rate of about one third of this maximum capacity in 1995. This malfunction at the ADS, along with other malfunctions at the CBCP (including those associated with the ash pelletizing system previously brought to your attention) have prompted the CBGC to terminate the construction contractor for the CBCP and acquire a cash settlement from it to fund the necessary repairs, including repairs to the ADS. The ADS repairs are expected to be completed by March 31, 1996.

In the meantime, the CBCP is confronted with a mode of operation that is very different from the one underlying the This difference original terms of the Environmental Approvals. necessitates the proposed changes to the Environmental Approvals if CBCP is to continue to operate in compliance with its permit. As to hours of operation, the CBGC proposes that I.B.1 of the Environmental Approvals read as follows: "except that the sum of the total hours of operation of dryer trains A and B of the ADS shall be limited to 22 hours per day and 8030 hours per year." These limitations will provide enough time for the ADS to limp along at partial capacity, as repairs are being made to the ADS. We note too that the CBCP includes in the estimation of hours of operation only those hours when the ADS's burner is on and it is processing absorbent, but not that time of start-up when the burner is heating the ADS while not processing absorbent.







Clair Fancy, Chief Hamilton S. Oven October 4, 1995 Page 3

As to emissions, two adjustments to the Environmental Approvals are needed. The first adjustment involves correcting the arithmetical error built into the Environmental Approvals issued on 8/1/95. With the hourly emission limitation of 1.26 lbs/hr correctly included in the Environmental Approvals, the annual limits for PM from the ADS should have been set to 1.84 TPY for one dryer train (2920 hrs per year x 1.26 lbs/hr / 2000 lbs/ton) rather than the 1.68 TPY now in those Environmental Approvals. Similarly, for two dryer trains, the total limit should have been 3.68 TPY (2 x 1.84 TPY).

Second, the emission limitations need to be increased slightly to reflect the fact that the emissions of the ADS are more related to the time that it is processing absorbent than the amount of absorbent that is crushed and dried. In other words the emissions for the year will increase in proportion to the increase in hours of operation. Thus, the CBGC proposes a change to the estimated emissions for PM/PM-10 in I.B.1 of the Environmental Approvals as follows:

	Estimated 1	limitations	
Pollutant	lbs/hr.	TPY	TPY for 2
dryers			
PM/PM-10	1.26	1.68	3.36 5.06

This increase of 1.38 TPY is insignificant under EPA's guidelines as expressed in 40 CFR 52.21(b)(23). Moreover, this slight increase in allowable emissions is associated with an insignificant increase in the CBCP's ambient impacts of 0.7 ug/m3 (Appendix S of 40 CFR Part 51) and is not associated with an exceedance of the ambient standards or PSD increments.

These changes to the Environmental Approvals, if adopted, would permit the CBCP to produce the crushed and dried absorbent needed to keep SO2 emissions from the CBCP's main boilers in line with their emission limitations. As a result, there is no need to change the allowable amount of absorbent actually processed by





Clair Fancy, Chief Hamilton S. Oven October 4, 1995 Page 4

the ADS. Because the amount of fuel used by the ADS is proportional to the amount of absorbent processed, the CBCP does not need any change in the amount of fuel burned by the ADS.

In closing, the CBGC requests the Department to issue the changes to the Environmental Approvals addressed herein pursuant to the Department's PSD program and Power Plant Siting Act, 403.516(1)(b), FS. Should you or your staff have any questions or require additional information on this matter, please do not hesitate to contact me or Kevin Grant at (904) 751-4000.

Sincerely,

Timothy J./Cotner Plant Director

cc: Steve Pace, Regulatory and Environmental Services Bruce Mitchell, DEP BAR Al Linero, DEP BAR Charles T. Collette, DEP Office of General Counsel Morton Benjamin, DEP, Jacksonville Doug Roberts, Hopping, Boyd, Green and Sams Nancy Barnard, St. Johns River Water Management District Gregory K. Radlinski, City of Jacksonville Brigette Ffolkes, Department of Community Affairs James Antista, Florida Games & Fresh Water Fish Commission Rob Vandiver, Florida Public Service Commission Terry Cole, Oertel, Hoffman, Fernandez & Cole, P.A. Scott Shirley, Oertel, Hoffman, Fernandez & Cole, P.A. James A. Heard William C. Bostwick C. Rufus Pennington, Margol & Pennington Lisa B. Cooper, Margol & Pennington Lawrence N. Curtin, Holland & Knight Earl M. Barker, Slott & Barker Stafford Campbell

Cedar Bay Generating Company Limited Partnership

RECEIVED

September 8, 1995

File No.: 6.3.1.6

Bureau of Air Regulation

Clair Fancy, Chief

Bureau of Environmental Regulation

Department of Environmental Protection

2600 Blair Stone Road

Tallahassee, FL 32399-2400

Hamilton S. Oven

Office of Siting Coordination

Department of Environmental Protection

2600 Blair Stone Road

Tallahassee, FL 32399-2400

Re:

Cedar Bay Generating Company, LP

Cedar Bay Cogeneration Project PSD-FL137B - Duval County

Dear Mr. Fancy:

On behalf of the Cedar Bay Generating Company (CBGC), I write to request that the Department of Environmental Protection (DEP) confirm its interpretation of the conditions of site certification and the separate PSD permit for the Cedar Bay Cogeneration Project (CBCP) to clarify the intent of those two documents regarding one issue. The Site Certificate was originally issued on February 11, 1991, and modified on May 11, 1993. The PSD Permit was originally issued on March 29, 1991, and subsequently amended on November 23, 1993 (PSD-FL-137A.) and on August 8, 1995 (PSD-FL-137B) This letter addresses the allowed operation of the Absorber Dryer System.

Based on the design and modeling and the intended construction and operation of the limestone pulverizer/conveyers system (generally referred to as the absorber dryer system (ADS)) at the CBCP, the ADS has two parallel trains of absorber crushers and dryers. Both trains draw aragonite (a calcium rich material similar in composition to limestone) from a common storage pile and discharge into hoppers. To ensure compliance with applicable requirements, the operation of the two trains in the ADS were limited to running at maximum capacity for a total of [8 hours times 2 trains] per day on annual average and of [11 hours times 2 trains] per day at peak operation. Thus, a total of 16 and 22 train-hours daily of maximum capacity operation in the ADS on average and peak, respectively, was authorized under the certification and the PSD permit. Moreover, the permitting of the ADS did not distinguish as to whether one ADS train ran for 100% of the allowable train-hours in a day or that the two trains ran in any combination totaling together 100% of the allowable train-hours in a year or day. Accordingly, the Material Handling and Treatment section of the certification (specific condition II.B.1) and the PSD permit (specific condition II.B.1) provided that:









"The material handling and treatment operations including coal and limestone unloading buildings, coal and limestone reclaim hoppers, coal crusher house, limestone dryer, fly and bed ash silos, ash pelletizer, pellet curing silo, coal and limestone day silos, conveyors, storage areas and related equipment, may be operated continually, i.e. 8760 hrs/yr except that the limestone crushers/dryers may be operated for a maximum of 11 hours per day (maximum of 2920 hrs/yr) at maximum capacity."

In addition, the condition II.B.7 provided that the emissions of SO2, for example, from one train in the ADS was to be 1.15 TPY for SO2 and 2.3 TPY for both trains.

The purpose of this letter is to confirm the Department's interpretation of this provision of the site certification and the PSD permit to remove any ambiguity that might be read into this language. Specifically, we understood that the Department interprets this provision as follows:

"The material handling and treatment operations including coal and limestone unloading buildings, coal and limestone reclaim hoppers, coal crusher house, limestone dryerthe Absorber Dryer System including two absorber crusher/dryer trains, fly and bed ash silos, ash pelletizer, pellet curing silo, coal and limestone day silos, conveyors, storage areas and related equipment, may be operated continuously, i.e. 7860 hrs/yr-except that the limestone crushers/dryers may be operated for a maximum of 11 hours per day (maximum of 2920, except that the two absorber crusher dryer trains may be operated in any combination for maximum of 22 train-hours per day (maximum of 5840 train-hrs/yr) at maximum capacity."

This interpretation does not refer to or allow any change in the operation of the ADS. It better describes allowable operations. As a result, there is no change in emissions or ambient impacts.

CBGC beilives that this accurately reflects the discussions we have had with you and your staff on this interpretation of the approvals. If you disagree with this interpretation, please advise me promptly. CBGC will proceed to act in reliance on this interpretation until otherwise advised. Your attention to this matter is appreciated. Should you or your staff have any questions on this matter, please do not hesitate to contact me or Kevin Grant at (904) 751-4000.

Sincerely,

Tim Cotner Plant Director

DB/mm

cc: Hamilton S, Oven, DEP Office of Siting Coordination

Steve Pace, City of Jacksonville RESD

Bruce Mitchell, DEP BAR

Charles T. Collette, DEP Office of General Counsel

cc: NED

EPA

NPS D.Roberts, HG545 S. Arif, BAR A. Linero, BAR

Cedar Bour

Kent L. Fickett

Vice President Environmental, Health, Safety & Regulatory Affairs

September 1, 1995

Mr. Preston Lewis
Bureau of Air Regulations
Florida Department of Environmental Protection
2600 Blair Stone Road
Tallahassee, Florida 32399

U.S. Generating Company



Air Regulation

Dear Mr. Lewis:

We would like to notify you of a change in the contact person and address for communications from your office regarding Cedar Bay Generating Company, and our environmental permitting and regulatory responsibilities for the Cedar Bay Generating Project. Beginning immediately, please address correspondence pertaining to permitting, regulatory or enforcement issues to:

Mr. Timothy J. Cotner Plant Director Cedar Bay Generating Plant P.O. Box 26324 Jacksonville, Florida 32226 (904) 751-4000

If possible, please send a copy of all correspondence to Mr. Kevin Grant, Manager, Environmental Health and Safety, at the same address above, and a copy to:

Mr. Don Beckham Manager, Environmental Compliance 7500 Old Georgetown Road 13th Floor Bethesda, Maryland 20814-6161 (301) 718-6757

If you have any questions, please feel free to contact Mr. Beckham.

Sincerely,

Kent Fickett

0: Syed Arif
Al Linero
Pattiz adams
Barbara Bowwell



HOPPING GREEN SAMS & SMITH

PROFESSIONAL ASSOCIATION

ATTORNEYS AND COUNSELORS

123 SOUTH CALHOUN STREET

POST OFFICE BOX 6526

TALLAHASSEE, FLORIDA 32314

(904) 222-7500

FAX (904) 224-8551

FAX (904) 425-3415

KRISTIN M. CONROY
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JONATHAN T. JOHNSON
ROBERT A. MANNING
ANGELA R. MORRISON
GARY V. PERKO
KAREN M. PETERSON
MICHAEL P. PETROVICH
DOUGLAS S. ROBERTS
LISA K. RUSHTON
R. SCOTT RUTH

OF COUNSEL CARLOS ALVAREZ W. ROBERT FOKES

JULIE R. STEINMEYER

MEMORANDUM

TO:

JAMES S. ALVES

BRIAN H. BIBEAU

RALPH A. DEMEO

THOMAS M. DEROSE

RICHARD D. MELSON DAVID L. POWELL WILLIAM D. PRESTON

CAROLYN S. RAEPPLE

GARY P. SAMS ROBERT P. SMITH

CHERYL G. STUART

WILLIAM H. GREEN WADE L. HOPPING FRANK E. MATTHEWS

KATHLEEN BLIZZARD

ELIZABETH C. BOWMAN RICHARD S. BRIGHTMAN

PETER C. CUNNINGHAM

Syed Arif

FROM:

Doug Roberts

RE:

Cedar Bay Cogeneration Project Final Order Modifying Site

Certification

DATE:

August 2, 1995

Attached is a copy of the final signed order modifying the site certification for the Cedar Bay Cogeneration Project. You indicated that upon your receipt of this order, the Bureau would proceed to issue the separate PSD permit amendment for the Project to address these issues.

Your attention to this matter is appreciated. I would ask you to call me when the final permit amendment is issued. In the interim, should you have any questions, please do not hesitate to contact me.

Attachment

cc:

Mark Carney, US Gen. Co.

Steve Herman, US Gen. Co.

_STATE OF FLCRIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION

IN RE: SITE CERTIFICATION)	
CEDAR BAY COGENERATION PROJECT)	OGC NO. 88-1089
CEDAR BAY COGENERATION, INC.)	CERTIFICATION NO. PA 88-24B
U.S. GENERATING COMPANY)	
•)	

FINAL ORDER MODIFYING CONDITIONS OF CERTIFICATION

On February 18, 1991, the Governor and Cabinet, acting as the Siting Board, issued a final order approving certification of the Cedar Bay Cogeneration Project. That certification order approved the construction and operation of a fluidized bed, coal fired cogeneration power plant and associated facilities to be located in Duval County, Florida. The facility is operated by Cedar Bay Cogeneration, Inc. (CBC) a subsidiary of U.S. Generating Company.

On October 31, 1994, CBC filed a request to modify the conditions of certification pursuant to section 403.516(l)(b), Florida Statutes (F.S.). CBC requested relief from conditions controlling emissions from the material handling system and the storage, handling, shipping disposal and reuse of solid wastes produced by the combustion of coal.

Copies of CBC's request were distributed to all parties to the certification proceeding and made available for public review. On March 24, 1995, the Department published a Notice of Intent to Issue the Proposed Modification in the Florida Administrative Weekly. Copies of the intent to issue were sent to all parties to the original proceeding. As of March 23, 1995, all of the parties to the original proceeding had received copies of the intent to issue. The notice specified that a hearing would be held if a party to the original certification hearing objects within 45 days from receipt of the proposed modification or if a person whose substantial interests will be affected by the proposed modification objects in writing within 30 days after issuance of the public notice. No timely objection to the proposed modifications that are set forth below was received by the Department. The other matters that were addressed in the original modification request and in the Department's proposed order of modification, but that are not further addressed herein, will be addressed in separate orders at a later date.

Accordingly, in the absence of any timely objection, IT IS ORDERED:

The proposed modifications to the Conditions of Certification relating to material handling emissions sources and solid waste disposal at the Cedar Bay Cogeneration Facility are hereby APPROVED. Pursuant to section 403.516(1)(b), F.S., the Department hereby modifies the conditions of certification for the Cedar Bay Cogeneration Project as follows:

II. B. 4. Material handling sources shall be regulated as follows:

a. The material handling and treatment area sources with either fabric filter or baghouse controls are as follows:

Coal Crusher Building

Coal Silo Conveyor

Limestone Pulverizers(2)/Conveyors

Limestone Storage Bins (2)

Bed Ash Hopper

Bed Ash Separator

Bed Ash Silo Vent

Fly Ash Silo Vent

Fly Ash Separators (2)

Bed Ash Receiver Bin

Fly Ash Receiver Bin

Pellet Vibratory Screen-System

Pelletizing Ash-Recycle Tank

Pelletizing Recycle Hopper

Cured Pellet Screening Recycle-Conveyor System

Pellet Recycle Conveyor

Pelletizing Rail Loadout

The emissions from the above listed sources are subject to the particulate emission

limitation requirement of 0.003 gr/dscf (applicant-requested limitation which is more stringent than what is allowed by Rule 62 17-296.711, F.A.C.). Since these sources are RACT standard type then a one-time verification test on each source shall be required for PM mass emissions to demonstrate that the baghouse control systems can achieve the 0.003 gr/dscf. The performance tests shall be conducted using EPA Methoù 5 pursuant to Rule 62 17-297, F.A.C., and 40 CFR 60, Appendix A (July, 19921 version).

b. The PM emissions from the following process, equipment, and/or facility in the material handling and treatment area sources shall be controlled using wet suppression/removal techniques as follows:

Coal Car Unloading

Ash Pellet Hydrator:

Scrubber

Ash Pellet Curing Silos:

Scrubber

Ash Pelletizing Pan:

Scrubber

The above listed sources are subject to a visible emission (VE) and a particulate matter (PM) emission limitation requirement of 5 percent opacity and 0.01 gr/dscf (applicant-requested limitation, which is more stringent than what is allowed by rule), respectively, in accordance with Rule 62 17-296.711, F.A.C. Initial and subsequent compliance tests shall be conducted for VE and PM using EPA Methods 9 and 5, respectively, in accordance with Rule 62 17-297, F.A.C., and 40 CFR 60, Appendix A (July, 19921 version).

c. Fugitive emissions from the following material handling and transport sources shall be controlled as follows:

Coal Car Unloading:

Wet Suppression using continuous watersprays

during unloading.

Dry Ash Rail Car Loadout:

Using closed or covered containers under negative air pressure during ash loadout; and using water sprays prior to removal of rail car loadout cap when loading open rail cars.

The above listed sources are subject to a visible emissions (VE) limitation requirement of five percent (5%) opacity in accordance with Rule 62-296.711, F.A.C. Initial and subsequent compliance tests shall be conducted for VE using EPA Method 9 or other FDEP approved methods in accordance with Rule 62-297, F.A.C., and 40 CFR 60, Appendix A (July, 1992 version). Initial visible emission testing shall be conducted within 90 days after final DEP approval of these facilities or within 90 days after completion of construction of the source, whichever occurs last. Ash shipped in open rail cars will either be pelletized or be sprayed with water to create a crust on the top layer of non-pelletized ash. Removal of bottom and fly ash from the Project site by any means other than by rail shall require the prior approval of DEP and RESD of the method(s) of fugitive emissions control.

7. The maximum emissions from each of the <u>Limestone Pulverizers/Converyors</u> (including limestone dryer) limestone dryers shall not exceed the following: while using oil shall not exceed the following (based on AP 42 factor, Table 1, 3-1, Industrial Distillate, 10/86)

Estimated Limitations

<u>Pollutant</u>	<u>lbs/hr.</u>	TPY TPY for 2 pulverizers/conveyors dryers	
PM/PM10	1.26* 0.24	<u>1.68</u>	<u>3.36</u> 0.64 ,
SO2	0.85	1.15	2.3
CO	0.60	0.81	1.62
NOx	2.40	3.25	6.5
VOC	0.05	0.06	0.12

The emissions for SO2, CO, NOx, and VOC are based on AP-42 factors, Table 1, 3-1, Industrial Distillate, 10/86).

<u>* This reflects the emission limitation for the limestone pulverizers/conveyors in Condition</u>

II.B.4.a. and limits the emission for the Limestone Pulverizers/Conveyors and the dryer.

Visible emissions from the <u>limestone pulverizers/conveyors dryers</u> shall not exceed 5% opacity.

IX. SOLID WASTE STORAGE AND DISPOSAL

CBCP shall be responsible for arranging for the proper storage, handling, disposal, or reuse of any solid waste generated by the CBCP facility. Solid waste produced by the operation of the CBCP facility shall be removed from the site and disposed of in a permitted disposal facility, with the exception of bottom ash and fly ash. Bottom ash and fly ash may will be pelletized, or made into aggregate form, and shall be either-shipped by rail back to the mine, or to a permitted disposal area outside Duval County. utilizing the trains to deliver the coal, or sold as an additive to concrete, or utilized by Ash may be shipped offsite to companies specializing in the marketing and utilization of combustion by-products. Fugitive emissions from storage and handling of ash materials will be controlled in accordance with these conditions and Department

There shall be no outside storage of CFB ash prior to pelletization or loa lout of ash to sealed rail cars for removal from the site. The bottom ash and fly ash shall not be disposed of in a landfill within Duval County. If the CBCP decides to dispose of the bottom ash or fly ash by other than returning it to the mine site or a permitted disposal site outside Duval county, they shall notify RESD and DEP. Subsequent changes to the ash pelletization system which result in new or modified emissions sources or discharges shall require submittal of a request for modification of this certification, in accordance with section 403.516,F.S.

The remainder of Condition IX remains the same.

Any party to this Order has the right to seek judicial review of the Order pursuant to section 120.68, Florida Statutes, by the filing of Notice of Appeal pursuant to Rule 9.110, Florida Rules of Appellate Procedure, with the clerk of the Department of Environmental Protection in the Office of General Counsel, 3900 Commonwealth Blvd., 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 of Appeal must be filed within 30 days from the date that the Final Order is filed with the Department of Environmental Protection.

DONE AND ENTERED this day of Que, 1995 in Tallahassee, Florida.

FILING AND ACKNOWLEDGEMENT FILED, on this date, pursuant to \$120.52 Florida Statutes, with the designated Department Clerk, receipt of which

te hereby acknowledged.

8-1-95 Date STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION

VIRGINIA B. WETHERELL

Secretary

Marjory Stoneman Douglas Bldg. 3900 Commonwealth Boulevard Tallahassee, FL 32399-3000

(904) 488-4805

CERTIFICATE OF SERVICE

I DO HEREBY CERTIFY that a true and correct copy of the foregoing document has been sent by U.S. Mail to the following listed persons:

Doug Roberts, Esq.
Hopping Green Sams & Smith
P O Box 6526
Tallahassee FL 32314

Terry Cole, Esq.
Scott Shirley, Esq.
Oertel Hoffman Fernandez & Cole
P O Box 6507
Tallahassee FL 32314-6507

Jim Antista, General Counsel Florida Game & Fresh Water Fish Commission 620 S Meridian Rd Tallahassee FL 32399-1600

David Russ, Esq.
Department of Community Affairs
2740 Centerview Dr
Tallahassee FL 32399-2100

Earl M. Barker, Esq. Slott & Barker 334 East Duval St Jacksonville, FL 32302

Lawrence N. Curtin, Esq. Holland & Knight P O Drawer 810 Tallahassee FL 32302

this ____ day of August, 1995.

Gregory K. Radlinski, Esq. City of Jacksonville 600 City Hall 220 E Bay St Jacksonville FL 32202

Nancy B. Barnard, Esq. St. Johns River Water Management District P.O. Box 1429 Palatka, FL 32178-1429

Rob Vandiver, General Counsel Mike Palecki, Esquire Bureau of Electric & Gas Florida Public Service Comm. 101 E Gaines St Tallahassee FL 32399-0850

James A. Heard, Esq. 4741 Atlantic Blvd., Ste. C Jacksonville FL 32207

Lisa B. Cooper, Esq.
Margol & Pennington
76 Laura St
Jacksonville FL 32202

STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION

CHARLES T. "CHIP" COLLETTE Assistant General Counsel

Twin Towers Office Bldg. 2600 Blair Stone Rd. Tallahassee FL 32399-2400 904/488-9730

HOPPING GREEN SAMS & SMITH

PROFESSIONAL ASSOCIATION

ATTORNEYS AND COUNSELORS

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July 18, 1995

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DOUGLAS S. ROBERTS
LISA K. RUSHTON
R. SCOTT RUTH
JULIE R. STEINMEYER

OF Counsel CARLOS ALVAREZ W. ROBERT FOKES

Mr. A.A. Linero
Bureau of Air Regulation
Department of Environmental Protection
Magnolia Plaza
Tallahassee, FL 32399

Re:

JAMES S. ALVES

BRIAN H. BIBEAU

RALPH A. DEMEO THOMAS M. DEROSE

WILLIAM H. GREEN

WADE L. HOPPING

DAVID L. POWELL

GARY P. SAMS ROBERT P. SMITH

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CAROLYN S. RAEPPLE

CHERYL G. STUART

KATHLEEN BLIZZARD

ELIZABETH C. BOWMAN

RICHARD S. BRIGHTMAN

PETER C. CUNNINGHAM

Cedar Bay Cogeneration Project; PSD-FL-137(B)

Comments on Proposed PSD Permit Amendment

RECEIVED

Bureau of Air Regulation

Dear Mr. Linero:

On behalf of Cedar Bay Generating Co. (CBGC), I wish to offer the following comments on the proposed amended permit issued on June 30, 1995, for the Cedar Bay Cogeneration Project. Most of the comments are shown as hand-written additions or changes to the attached copy of the draft permit amendment.

Consistent with CBGC's permit amendment request, the words "fly-ash receiver bin" should be added to the list of sources in Condition II.B.4.a. This source appears to have been omitted as an oversight in the preparation of this document. We have also indicated using the plural form of "pulverizer" at several places in the permit, specifically Condition II.B.4.a. and Condition 7. This does not represent any change in the Project since submittal of the permit amendment request but instead clarifies that there are multiple pulverizers already at the site. It does not cause any increase in emissions or other changes to the project.

We appreciate the opportunity to provide these comments. Should you or your staff have any questions concerning these items, please do not hesitate to contact either Mark Carney at the U.S. Generating Co. (301-718-6899) or me.

Sincerely,

Douglas S. Roberts

cc: Syed Arif, DEP BAR
Hamilton S. Oven, DEP OSC
Chip Collette, DEP OGC
Mark Carney, U.S. Generating Co.
Sandy Hartman, U.S. Generating Co.
Frank Stallwood, Cedar Bay Plant
Tim Cotner, Cedar Bay Plant



Department of Environmental Protection

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

Virginia B. Wetherell Secretary

July XX, 1995

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. Kent L. Fickett Cedar Bay Generating Company, L.P. 7500 Old Georgetown Road /3TH FLOOR Bethesda, Maryland 20814

Dear Mr. Fickett:

RE: Request for Permit Amendment Cedar Bay Cogeneration Project PSD-FL-137(B); Duval County

The Department received your request of May 12, 1995, to make minor amendments to the material handling systems for ash pelletization, coal unloading, dry ash loading and removal, and limestone pulverizer/conveyor for the above referenced PSD permit. The permit's specific conditions are amended as shown:

- II. B. 4. Material handling sources shall be regulated as follows:
 - a. The material handling and treatment area sources with either fabric filter or baghouse controls are as follows:

Coal Crusher Building Coal Silo Conveyor (2) Limestone Pulverizer/Conveyors Limestone Storage Bins (2) Bed Ash Hopper Bed Ash Separator Bed Ash Silo Vent Fly Ash Silo Vent Fly Ash Separators (2) Fly Ash Receiver Bed Ash Receiver Bin Pellet Vibratory Sereen System Pelletizing-Ash Recycle Tank Pelletizing-Recycle-Hopper STRIKE THRU Cured Pellet Screening Recycle Conveyor System Pellet Recycle Conveyor Pelletizing Rail Loadout



Mr. Kent Fickett July XX, 1995 Page Two

The emissions from the above listed sources are subject to the particulate emission limitation requirement of 0.003 gr/dscf (applicant-requested limitation which is more stringent than what is allowed by Rule 62 17-296.711, F.A.C.). Since these sources are RACT standard type then a one-time verification test on each source shall be required for PM mass emissions to demonstrate that the baghouse control systems can achieve the 0.003 gr/dscf. The performance tests shall be conducted using EPA Method 5 pursuant to Rule 62 ±7-297, F.A.C., and 40 CFR 60, Appendix A (July, 1992 version).

The PM emissions from the following process equipment, and/or facility equipment, in the material handling and treatment area sources shall be controlled using-wet suppression/removal-techniques as follows:

Coal-Car-Unloading

Ash Pellet Hydrator: Scrubber Ash Pellet Curing Silos: Scrubber Ash Pelletizing Pan: Scrubber

The above listed sources are subject to a visible emissions (VE) and a particulate matter (PM) emissions limitation requirement of 5 percent % opacity and 0.01 gr/dscf (applicant requested limitation, which is more stringent than what is allowed by rule), respectively, in accordance with Rule 62 ±7-296.711, F.A.C. Initial and subsequent compliance tests shall be conducted for VE and PM emissions using EPA Methods 9 and 5, respectively, in accordance with Rule 62 17-297, F.A.C., and 40 CFR 60, Appendix A (July, 1992 version).

Fugitive emissions from the following material handling and transport sources shall be controlled as follows:

Coal Car Unloading: Wet Suppression using continuous water sprays during unloading.

Dry Ash Rail Car Loadout: Using closed or covered containers under negative air pressures during ash loadout; and using water sprays prior to removal of rail car loadout cap when loading open rail cars.

Mr. Kent Fickett July XX, 1995 Page Three

The above listed sources are subject to a visible emission (VE) limitation requirement of five percent (5%) opacity in accordance with Rule 62-296.711, F.A.C. Initial and subsequent compliance tests shall be conducted for VE using EPA Method 9 or other FDEP approved methods in accordance with Rule 62-297, F.A.C., and 40 CFR 60, Appendix A (July, 1992 version). Initial visible emission testing shall be conducted within 90 days after final DEP approval of these facilities or within 90 days after completion of construction of the source, whichever occurs last. Ash shipped in open rail cars will either be pelletized or be sprayed with water to create a crust on the top layer of non-pelletized ash. Removal of bottom and fly ash from the Project site by any means other than by rail shall require the prior approval of DEP and RESD of the method(s) of fugitive emissions control.

7. The maximum emissions from each of the <u>Limestone</u>

<u>Pulverizer/Conveyors (including limestone dryer)</u> limestone-dryers

<u>shall not exceed the following:</u> while-using-oil-shall-not-exceed

the-following-(based-on-AP-42-factor,-Table-1,-3-1,-Industrial

Bistillate,-10/86)

Estimated Limitations

<u>Pollutant</u>	lbs/hr	TPY	TPY for 2 Pulverizer Conveyors
			<u> Bryers</u>
PM/PM ₁₀	1.26* 0 .2 4	1.68 0 .32	3.36 0 .64
50 ₂	0.85	1.15	2.3
co	0.60	0.81	1.62
$NO_{\mathbf{X}}$	2.40	3.25	6.5
VOC	0.05	0.06	0.12

The emissions for SO_2 , CO, NO_X , and VOC are based on AP-42 factor, Table 1, 3-1, Industrial Distillate, 10/86.

* This reflects the emission limitation for the limestone pulverizer/conveyor in Condition II.B. 4.a. and limits the emission for the Limestone Pulverizer/Conveyor and the dryer.

Visible emissions from the <u>limestone pulverizer/conveyors</u> dryers shall not exceed 5% opacity.



Mr. Kent Fickett July XX, 1995 Page Four

A copy of this letter shall be attached to the above mentioned permit, No. PSD-FL-137(B), and shall become a part of the permit.

Sincerely,

Howard L. Rhodes, Director Division of Air Resources Management

HLR/sa/t

cc: C. Kirts, NED

S. Pace, RESD

H. Oven, PPS

J. Harper, EPA
J. Bunyak, NPS
D. Roberts, HGS&S

REGULATORY & ENVIRONMENTAL SERVICES DEPARTMENT

Air Quality Division

June 5, 1995

Mr. Hamilton S. Oven, P.E., Administrator Office of Siting Coordination Department of Environmental Protection. 3900 Commonwealth Boulevard, Room 953 Tallahassee, Florida 32399-3000

RE: Cedar Bay Cogeneration Project

Request for Modification of Site Certification, PA 88-24B Request for Amendment of PSD Permit, PSD-FL-137A

Dear Mr. Oven:

The Air Quality Division (AQD) has reviewed the subject modification and amendment requests.

The proposed modified site certification conditions submitted by Mr. Douglas S. Roberts, Esquire, of Hopping, Green, Sams & Smith, dated May 26, 1995, have addressed the concerns of the AQD. However, in order to provide a consistent source name throughout Condition II.B.7., AQD suggests the sentence "Visible emissions from the dryers shall not exceed 5% opacity." be changed to "Visible emissions from the limestone pulverizer/conveyors shall not exceed 5% opacity."

RECE JUN Bureau of

By copy of this letter to Mr. Syed Arif, DEP/BAR, AQD has no objections to the use of these proposed conditions in amending the PSD permit with the exception noted above and Condition IX. Solid Waste Storage and Disposal - not required in the PSD permit. Also, AQD would appreciate DEP establishing APIS point numbers for the bed ash receiver, fly ash receiver, pelletizing rail loadout and the dry ash rail car loadout.

We appreciate the opportunity to participate in this review. If there are any questions, please contact me.

Very truly yours,

Robert S. Pace, P.E.

Division Chief

RSP/RLR/sa

c: Mrs. Barbara Broward

Mr. Chris Kirts, P.E., FDEP/N.E. District

LMr. Syed Arif, DEP/BAR

Mr. Kevin Grant, CBGC

Mr. Mark Carney, U.S. Generating Company

Mr. John Keith, Earth Tech

Mr. Douglas Roberts, Esquire, Hopping, Green, Sams & Smith

AQD File 1065 A



DRAFT

STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION

IN RE: SITE CERTIFICATION,	J	
CEDAR BAY COGENERATION PROJEC	CT,)	•
CEDAR BAY COGENERATION, INC.)	CERTIFICATION NO. PA88-24B
U.S. GENERATING COMPANY)	OGC NO. 88-1089
	1	

FINAL ORDER MODIFYING CONDITIONS OF CERTIFICATION

On February 18, 1991, the Governor and Cabinet, acting as the Siting Board, issued a final order approving certification of the Cedar Bay Cogeneration Project (CBCP). That certification order approved the construction and operation of a fluidized bed, coal fired cogeneration power plant and associated facilities to be located in Duval County, Florida. The facility is operated by Cedar Bay Cogeneration, Inc. (CBC) a subsidiary of U.S. Generating Company.

On October 31, 1994, CBC filed a request to modify the conditions of certification pursuant to section 403.516(I)(b), F.S. CBC requested relief from conditions controlling the storage, handling, disposal and reuse of solid wastes produced by the combustion of coal. On January 20, 1995, CBC requested an extension of time to complete a test burn of short fiber recycle rejects.

Copies of CBC's request were distributed to all parties to the certification proceeding and made available for public review. On March 24, 1995, the Department published a Notice of Intent to Issue the Proposed Modification in the Florida Administrative Weekly. Copies of the intent to issue were sent to all parties to the original proceeding. As of March , 1995, all of the parties to the original proceeding had received copies of the intent to issue. The notice specified that a hearing would be held if a party to the original certification hearing objects within 45 days from receipt of the proposed modification or if a person whose substantial interests will be affected by the proposed modification objects in writing within 30 days after issuance of the public notice. No written objection to the proposed modifications was received by the Department.

Accordingly, in the absence of any timely objection,

DRAFT

IT IS ORDERED:

The proposed modifications to the Conditions of Certification relating to short fiber rejects and solid waste handling, storage, reuse, and disposal at the Cedar Bay Cogeneration Facility are hereby APPROVED. Pursuant to section 403.5l6(1)(b), F.S., the Department hereby MODIFIES the conditions of certification for the CBCP as follows:

II.A.1.h. To the extent that it is consistent with Condition II.A.1.b. and the following, CBCP shall burn all the short fiber rejects generated by Seminole Kraft in processing recycled paper. No less than ninety (90) days prior to completion of construction, CBCP shall submit a plan for conducting a 30-day test burn_-within one year after within one year after initial compliance testing. The short fiber rejects test burn shall not be conducted until the test burn plan is approved by DEP and until such time as all other environmental requirements for the test burn can be met, including final approval of the ash disposal site. That test burn shall be -----.

II.B.4. Material handling sources shall be regulated as follows:

a. The material handling and treatment area sources with either fabric filter or baghouse controls are as follows:

Coal Crusher Building
Coal Silo Conveyor
Limestone Pulverizer/Conveyor
Limestone Storage Bin
Bed Ash Hopper
Bed Ash Silo
Fly Ash Silo
Bed Ash Bin
Fly Ash Bin
Pellet Vibratory Screen
Pelletizing Ash Recycle Tank

Polletizing Recycle-Hopper

DRAFT

Cured Pellet Recycle Conveyor

Pellet Recycle Conveyor

Pelletizing Curing Silo Outlet Conveyor

Pelletizing Fly Ash Receiver

Pelletizing Bed Ash Receiver

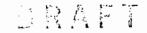
The emissions from the above listed sources are subject to the particulate emission limitation requirement of 0.003 gr/dscf (applicant-requested limitation which is more stringent than what is allowed by Rule 62 17-296.711, F.A.C.). Since these sources are RACT standard type then a one-time verification test on each source shall be required for PM mass emissions to demonstrate that the baghouse control systems can achieve the 0.003 gr/dscf. The performance tests shall be conducted using EPA Method 5 pursuant to Rule 62 17-297, F.A.C., and 40 CFR 60, Appendix A (July, 1991 version).

b. The PM emissions from the following process, equipment, and/or facility in the material handling and treatment area sources shall be controlled using wet suppression/removal techniques as follows:

Coal-Car-Unloading
Ash Pellet Hydrator
Ash Pellet Curing Silo
Ash Pelletizing Pan

The above listed sources are subject to a visible emission (VE) and a particulate matter (PM) emission limitation requirement of 5 percent opacity and 0.01 gr/dscf (applicant-requested limitation, which is more stringent than what is allowed by rule), respectively, in accordance with Rule 62 17-296.711, F.A.C. Initial and subsequent compliance tests shall be conducted for VE and PM using EPA Methods 9 and 5, respectively, in accordance with Rule 62 17-297, F.A.C., and 40 CFR 60, Appendix A (July, 1991 version).

7. The maximum emissions from each of the <u>Limestone Pulverizer/Conveyors limestone dryers</u> while using oil shall not exceed the following (based on AP-42 factors, Table 1, 2-1, Industrial Distillate, 10/86) shall not exceed the following:



Estimated Limitations

Pollutant	lbs/hr.	TPY	TYP for 2 dryers
pulverizer/conveyors PM/PM ₁₀	1.40 0.24	2.09 0.32	<u>4.18</u> 0.64
SO ₂	0.85	1.15	2.3
со	0.60	0.81	1.62
NO _x	2.40	3.25	6.5
VOC	0.05	0.06	0.12

IX. SOLID WASTE STORAGE AND DISPOSAL

CBCP shall be responsible for arranging for the proper storage, handling, disposal, or reuse of any solid waste generated by the CBCP facility. Solid waste produced by the operation of the CBCP shall be removed from the site and disposed of in a permitted disposal facility, with the exception of bottom ash and fly ash. Bottom ash and fly ash will be pelletized, or made into aggregate form, and either shipped back to the mine-utilizing the trains to deliver the coal-or sold as an additive to concrete, or utilized by companies specializing in the marketing and utilization of combustion by-products. The bottom ash and fly ash shall not be disposed of in a landfill within Duval County. If the CBCP decides to dispose of the bollom ash or fly ash by other than returning it to the mine site, they shall notify RESD and DEP. ----.

DRAL

Any party to this Order has the right to seek judicial review of the Order pursuant to section 120.68, Florida Statutes, by the filing of Notice of Appeal pursuant to Rule 9.110, Florida Rules of Appellate Procedure, with the clerk of the Department of Environmental Protection in the Office of General Counsel, 2600 Blair Stone Road, Tallahassee, Florida 32399-2400; 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 days from the date that the Final Order is filed with the Department of Environmental <u>Protection Regulation</u>.

DONE AND ENTERED this day of, 1995 in Tallat
--

STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION

VIRGINIA B. WETHERELL Secretary

Marjory Stoneman Douglas B1dg. 3900 Commonwealth Boulevard Tallahassee, FL 32399-3000 (904) 488-4805

HOPPING GREEN SAMS & SMITH

PROFESSIONAL ASSOCIATION

ATTORNEYS AND COUNSELORS

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RECEIVE GARY V. PERKO
KARYN M. PETERSON
MCJAEL P. PETROVICH
DOUGLAS S. ROBERTS
LISA K. RUSHTON
R. SCOTT RUTH

MAY 1 1995

April 28, 1995

Bureau of Air Regulation

KRISTIN M. CONROY
CONNIE C. DURRENCE
JONATHAN S. FOX
JAMES C. GOODLETT
GARY K. HUNTER, JR.
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LISA K. RUSHTON
R. SCOTT RUTH
JULIE R. STEINMEYER

OF COUNSEL CARLOS ALVAREZ W. ROBERT FOKES

Hamilton S. Oven
Office of Siting Coordination
Department of Environmental Protection
3900 Commonwealth Blvd., Suite 953
Tallahassee, FL 32399

RE: Cedar Bay Cogeneration Project,

Request for Modification of Site Certification, PA 88-24B

Dear Mr. Oven:

JAMES S. AĹVES

BRIAN H. BIBEAU

RALPH A. DEMEO

THOMAS M. DEROSE

WILLIAM H. GREEN

WADE L. HOPPING

FRANK E. MATTHEWS RICHARD D. MELSON DAVID L. POWELL

WILLIAM D. PRESTON

CHERYL G. STUART

CAROLYN S. RAEPPLE GARY P. SAMS ROBERT P. SMITH

KATHLEEN BLIZZARD

ELIZABETH C. BOWMAN

RICHARD S. BRIGHTMAN

PETER C. CUNNINGHAM

Cedar Bay Generating Co. submits the enclosed revised, modified conditions of certification for the pending request for modification for the Cedar Bay Cogeneration Project. The revised or additional conditions are shown in <u>double-underscored text</u> and deletions are shown in struck-through text (in addition to the deletions already contained in your modified conditions), to set off the revisions from the conditions contained in the Department's March 17, 1995, proposed order granting the requested modification. For convenience, a copy of your proposed order is enclosed as well.

These revised conditions reflect recent discussions with various reviewing agencies and other parties to this proceeding. The revised conditions provide more specificity for certain matters in the proposed modification, such as the list of permitted emission sources, or impose more stringent conditions on the Project than are contained in CBGC's original request, such as for control of fugitive emissions. These changes also reflect the use of open rail cars for the transport of dry ash with the minimization of any increases in fugitive emissions by the methods specified in the conditions. The revised condition for the test burn of short fiber rejects is not included due to the recent deferral of that matter.

CBGC will accept these revised conditions as part of any final order issued by the Department granting the modification. In order to allow adequate review of these revised

conditions by other parties and agencies, CBGC requests an extension until May 22, 1995 for the filing of any comments or objections to these revised conditions by any party.

Should you or any agency staff have any questions concerning this matter, please contact either Mark Carney at US Generating Co. (301/718-6899) or me.

Sincerely

Douglas S. Roberts

Encls.

cc: Charles T. Collette, DEP OGC
Counsel for all Parties
Al Linero, DEP BAR
Bruce Mitchell, DEP BAR
Mort Benjamin, DEP NE Dist.
Steve Pace, RESD
Richard Robinson, RESD
Stafford Campbell
Barbara Broward

PROPOSED MODIFIED CONDITIONS OF CERTIFICATION (COCs)

II. Air

- B. CBCP Material Handling and Treatment
- 4. Material handling sources shall be regulated as follows:
 - a. The material handling and treatment area sources with either fabric filter or baghouse controls are as follows:

Coal Crusher Building

Coal Silo Conveyor

Limestone Pulverizer/Conveyor

Limestone Storage Bin

Bed Ash Hopper

Bed Ash Separator

Bed Ash Silo Vent

Fly Ash Silo Vent

Fly Ash Separators (2)

Bed Ash Bin Receiver

Fly Ash Bin Receiver

Pellet Vibratory Screen System

Pelletizing Ash Recycle Tank

Pelletizing-Recycle-Hopper

Cured Pellet Recycle Screening Conveyor System

Pellet Recycle Conveyor

Pelletizing Curing-Silo Outlet-Conveyor

Pelletizing Fly-Ash Receiver

Pelletizing Bed-Ash-Receiver-

Pelletizing Rail Loadout

The emissions from the above listed sources are subject to the particulate emission limitation requirement of 0.003 gr/dscf (applicant-requested limitation which is more stringent than what is allowed by Rule 17-296.711, F.A.C.). Since these sources are RACT standard type then a one-time verification test on each source shall be required for PM mass emissions to demonstrate that the baghouse control systems can achieve the 0.003 gr/dscf. The performance tests

shall be conducted using EPA Method 5 pursuant to Rule 62 17-297, F.A.C., and 40 CFR 60, Appendix A (July, 1991 version).

The PM emissions from the following process, equipment, and/or facility in the material handling and treatment area sources shall be controlled using-wet suppression/removal techniques as follows:

Coal-Car-Unloading-

Ash Pellet Hydrator:

Scrubber

Ash Pellet Curing Silo:

Scrubber

Ash Pelletizing Pan:

Scrubber

The above listed sources are subject to a visible emission (VE) and a particulate matter (PM) emission limitation requirement of 5 percent opacity and 0.01 gr/dscf (applicant-requested limitation, which is more stringent than what is allowed by rule), respectively, in accordance with Rule 62 17-296.711, F.A.C. Initial and subsequent compliance tests shall be conducted for VE and PM using EPA Methods 9 and 5, respectively, in accordance with Rule 62 17-297, F.A.C., and 40 CFR 60, Appendix A (July, 1991 version).

Fugitive emissions from the following material handling and transport <u>c.</u> sources shall be controlled as follows:

Coal Car Unloading:

Wet Suppression using continuous water

sprays during unloading.

Dry Ash Rail Car Loadout: Using closed or covered containers under negative air pressure during ash loadout; and using water sprays prior to removal of rail car loadout cap when loading open rail cars.

Dry Ash Transport:

Ash shipped in open rail cars will have a crust formed on the top layer of ash to control fugitive emissions during transport.

The above listed sources are subject to a visible emissions (VE) limitation requirement of five percent (5%) opacity in accordance with Rule 62-296.711, F.A.C. Initial and subsequent compliance tests shall be conducted for VE using EPA Method 9 or other FDEP approved methods in accordance with Rule 62-297, F.A.C., and 40 CFR 60, Appendix A (July, 1991 version). Removal of bottom and fly ash from the Project site by any means other than by rail shall require the prior approval of DEP and RESD of the method(s) of fugitive emissions control.

* * *

7. The maximum emissions from each of the limestone-dryers <u>Limestone</u> <u>Pulverizer/Conveyors</u> (including limestone dryer) while using-oil shall-not-exceed the following (based-on-AP-42-factors,-Table-1,-2-1,-Industrial-Distillate,-10/86) shall not exceed the following:

Estimated Limitations

Pollutant	lbs/hr.	TPY	for 2 dryers pulverizer/conveyors
PM/PM_{10}	0.24 <u>1.26*</u>	0.32	<u>1.68</u> 0.64 <u>3.36</u>
SO_2	0.85	1.15	2.3
CO	0.60	0.81	1.62
NO_x	2.40	3.25	6.5
VOC	0.05	0.06	0.12

<u>The emissions for SO2, CO, Nox and VOC are based on AP-42 factors, Table 1, 2-1, Industrial Distillate, 10/86).</u>

IX. SOLID WASTE STORAGE AND DISPOSAL

CBCP shall be responsible for arranging for the proper storage, handling, disposal, or reuse of any solid waste generated by the CBCP facility. Solid waste produced by the operation of the CBCP shall be removed from the site and disposed of in a permitted disposal facility, with the exception of bottom ash and fly ash. Bottom ash and fly ash will may be pelletized, or made into aggregate form, and either shall be shipped by rail back to the mine utilizing the trains-to deliver-the-coal or to a permitted disposal site outside Duval County.; or sold as an additive to concrete, or utilized by Ash may be shipped offsite to companies specializing in the marketing and utilization of combustion by-products. Fugitive emissions from storage and handling of ash materials will be controlled in accordance with these conditions and Department rules. Open rail cars used to ship dry ash will be sealed to prevent leaks of ash during transport. There shall be no outside storage of CFB ash prior to pelletization or loadout of ash to sealed rail cars for removal from the site. The bottom ash and fly ash shall not be disposed of in a landfill within Duval County. If the CBCP decides to dispose of the bottom ash or fly ash by other than returning it to the mine site or a permitted disposal site outside Duval County, they shall notify RESD and DEP. Subsequent changes to the ash pelletization system which result in new or modified emissions sources or discharges shall require submittal of a request for modification of this certification, in accordance with section 403.516, F.S.

[REMAINDER OF CONDITION IX REMAINS UNCHANGED.]

^{*} This reflects the emission limitation for the limestone pulverizer/conveyor in Condition II.B.4.a.

Environmental Protection

RECEIVED

APR 18 1995

Bureau of Air Regulation RECTIVED

Bureau of

Air Regulation

TO:

Power Plant Siting Review Committee

FROM:

Buck Oven 9450

DATE:

April 17, 1995

SUBJECT:

Cedar Bay Cogeneration Project, PA 88-24

Module 8031

Please review the material submitted in response to questions raised by the Department and other parties concerning a modification request by Cedar Bay Cogeneration Project. Please return your comments on the repsonse by May 18, 1995.

If you have any questions, I can be reached at 487-0472/ SC 277-0472.

cc: Clair Fancy

Chris Kirts

Al Rushanan Steve Pace

Chip Collette

Cedar Bay Generating Company, Limited Partnership

April 11, 1995

DEPARTMENT OF ENVIRONMENTAL PROTECTION

APR 1 3 1995

SITING COORDINATION

Mr. Hamilton Oven
Administrator
Office of Siting Coordination
Department of Environmental Protection
3300 Commonwealth Boulevard
Tallahassee, Florida 32399

RE: Response to Comments on CBGC Modification Request

Dear Mr. Oven:

Enclosed for your review is a comment response document for comments received regarding the request for modification to the site certification (PA 88-24) issued by Florida Department of Environmental Protection. These comments were received via your January 10, 1995 letter to Mr. Barret Parker of U.S. Generating Company. We issued a letter to all interested parties establishing that we would respond to comments on April 7, 1995. We apologize for the brief delay.

We have provided complete responses to all comments except for the Florida Department of Transportation (FDOT) comment regarding potential impacts from estimated increased train traffic resulting from the proposed modification. We are continuing to pursue resolution of this issue by working directly with the FDOT.

As indicated copies of this letter and the response document have been distributed to all commenting agencies. Please call with any questions or comments.

Sincerely,

Mark V. Carney

Director, Environmental Affairs

MVC/tmk





Caru





cc: R. Pace (RESD)

C. Kirts (FDEP, NED)

N. Barnard (SJRWMD)

絲

F. Stallwood

K. Grant

J. Hopkins

D. Beckham

D. Roberts

WIP

Response Document For Comments Regarding The October 31, 1994 Request for Modification To Site Certification (PA 88-24) Cedar Bay Cogeneration Facility Cedar Bay, Florida

The Cedar Bay Generating Company, Limited Partnership (CBGC) has submitted a request to modify certain conditions of the site certificate (PA 88-24) to the Florida Department of Environmental Protection (FDEP) in October 1994. The Office of Siting Coordination (OSC) of the FDEP has received comments regarding the site certification modification from;

- the City of Jacksonville's Regulatory and Environmental Services Department (RESD), (letter to OSC dated December 1, 1994),
- the St. Johns River Water Management District (letter to OSC dated January 4, 1995),
- other FDEP offices (internal memoranda dated November 22, 28, and 29 and December 1 1995), and
- the Florida Department of Transportation (letter to OSC dated January 13, 1995).

These comments were forwarded to CBGC on January 10, 1995 by OSC for CBGC response. CBGC is pleased to provide the following responses to these comments. Additionally, CBGC is responding to comments received through discussion with other interested parties. The comments and associated responses are organized per commenting agency with each response being preceded by a short summary of the comment. Copies of all original comments are provided in Attachment A.

City of Jacksonville, RESD

Comment 1. The Air Quality Division (AQD) has no objection to deleting the Pelletizing Recycle Hopper as a permitted source, but AQD expressed concern that this source could become a source of fugitive particulate violations.

Response 1. CBGC's request involves removing the Pelletizing Recycle Hopper from the list of sources contained in Condition II.B.4.a, not deleting the Pelletizing Recycle Hopper as a permitted source. CBGC believes that the removal from the list is warranted because all other sources on the list meet the definition of source: have at least one point at which an air pollutant first enters the atmosphere, (per 62-210, F.A.C.). The Pelletizing Recycle Hopper will continue to be operated with a baghouse, thereby reducing the potential for fugitive particulate emissions. However, in order to alleviate concern over the potential for the Pelletizing Recycle Hopper to become a source of fugitive particulate emissions, CBGC proposes to perform a one-time verification test on the exhaust from the Pelletizing Recycle Hopper control device to verify that

the emission limitation, (0.003 gr/dscf) for the sources listed in Condition II.B.4.a is being maintained. This will require the installation of a temporary exhaust duct for the Pelletizing Recycle Hopper control device within the enclosure building. Upon verification of the emission limitation, the temporary exhaust duct will be removed.

Comment 2. AQD does not oppose adding the Pelletizing Curing Silo Outlet Conveyor, Pelletizing Fly Ash Receiver, and Pelletizing Bed Ash Receiver to the list of material handling sources. AQD notes that emissions tests (both stack tests and visible emissions tests) for each of these facilities resulted in emissions below the limitation of 0.003 gr/dscf and visible emissions less than five percent opacity. AQD presumes that annual visible emissions tests would be the only additional requirement for these sources.

Response 2. CBGC's request involves revising the list contained in Condition II.B.4.a. to include three sources whose emissions were identified and evaluated during the original certification and subsequent modification proceeding. These sources would be subject to the requirements given in Condition II.B.4.a.: more specifically, to a particulate emission limitation requirement of 0.003 gr/dscf and to a one-time emissions test using Method 5. CBGC believes that subsequent visible emissions for these sources would be required only upon request by RESD or DEP, rather than annually.

Comment 3. AQD does not oppose removing the requirement for conducting particulate matter emissions testing for the Coal Car Unloading source and suggests that this source was constructed at variance to its design. AQD notes that the installed wet suppression control system appears to work well, suggests that this system be kept in operation, and proposes that a new Condition II.B.4.c. be added that would include the wet suppression control but delete the particulate matter test requirement.

Response 3. CBGC's coal unloading system was constructed as specified in the design submitted and approved by the Florida Department of Environmental Protection (FDEP) Siting Coordination Office in the original site certification approval and subsequent modification proceeding. This design has always relied on enclosed transfer points with water sprays, a wet suppression technique, to control emissions. No baghouses or scrubbers were ever envisioned for the Coal Car Unloading sources. The three other sources contained in the list in Condition II.B.4.b use wet scrubbers, a wet removal technique, to control emissions. Because the scrubbers have stacks, they can be tested for particulate matter emissions, but because the enclosed transfer points do not have stacks, they cannot be tested for particulate matter emissions.

CBGC did not intend to exempt or circumvent the requirements to use wet spray suppression controls or to meet a 5% opacity limit. CBGC agrees with RESD's counterproposal, and requests that a new condition, Condition II.B.4.c, with the following language be added to the site certificate:

"c. The PM emissions from coal car unloading shall be controlled using wet suppression methods. Coal car unloading sources are subject to a visible emission (VE) limitation

requirement of 5 percent opacity. Initial and subsequent compliance tests shall be conducted for VE using EPA Method 9 in accordance with Rule 17-297, F.A.C., and 40 CFR 60, Appendix A (July, 1991 version)."

Comment 4. AQD notes that summing the allowables of the Dryer/Pulverizers is in accordance with F.A.C. 62-296.700(4)(b)2, but identifies a math error and suggests that actual, not design, dry flow rates be used to determine the overall limit.

Response 4. CBGC requests that the particulate matter emission limitation for the limestone pulverizer/dryer be corrected to 1.50 pounds per hour, and CBGC requests that the emission rate continues to be derived from the design flow rates. CBGC contends that design flow rates are appropriately used in establishing the emissions limitation. The testing was performed appropriately with the material throughput rates maintained at 90% or greater of design maximum throughput rates during the emission test. Some of the operating parameters of the limestone pulverizer/dryer (e.g., limestone moisture content, specific fuel heating value, humidity and temperature of excess air, etc...) are quite variable. With this variability, the use of actual flow data (from a single emissions test) to establish an hourly emission limit results in a potentially restrictive condition. The design flow rates reflect reasonable maximum flows and, therefore, the hourly emission limit of 1.50 lb/hr is appropriate. In addition, CBGC believes that hourly emission limit derived from the maximum design dry flow rate at a standard reference temperature prevents potential controversy that could arise due to volume changes associated with temperature differences.

Comment 5. AQD offers no objection to load out and shipment of ash in non-pelletized form, but AQD requests wet suppression control, a 5 percent opacity requirement, and annual VE testing on bulk ash load out. AQD questions how trucks are sealed during loading and transport.

Response 5. CBGC accepts AQD's comments, and requests that a new condition, Condition II.4.d., with the following language be added to the Site Certificate:

"d. The PM emissions from non-pelletized ash removal shall be controlled using one or more wet suppression methods. Non-pelletized ash removal sources are subject to a visible emission (VE) limitation requirement of 5 percent opacity. Initial and subsequent compliance tests shall be conducted for VE using EPA Method 9 in accordance with Rule 17-297, F.A.C., and 40 CFR 60, Appendix A (July, 1991 version)."

Since CBGC's subsequent review has shown that non-pelletized ash removal via trucks is not feasible and will not be implemented, CBGC believes that AQD's question concerning truck sealing during loading and transport is moot.

Comment 6. AQD requests clarification regarding material handling and treatment area sources and their control devices.

- **Response 6.** CBGC provided such clarification in a memorandum dated June 15, 1994 from Kevin Grant to Wayne Tutt of RESD. A listing of sources, identification numbers, equipment tag numbers and control device description is provided in Attachment B.
- **Comment 7.** AQD suggests that CBGC modify its PSD permit.
- **Response 7.** CBGC will seek modification to its PSD permit as soon as possible.
- **Comment 8.** AQD states that impacts on air quality can not be assessed until Florida Department of Transportation (FDOT) has completed its review of the proposed modification.
- **Response 8.** CBGC is not aware of an air quality issue raised by FDOT or by the FDOT review comments. Also, please see comment and response No.13, below.
- Comment 9. The Water Quality Division (WQD) commented that the reverse osmosis (RO) pretreatment (proposed to alleviate the total dissolved solids (TDS) operational problem with the demineralizer system) should result in increased demineralizer water output by 150 gallons per minute (gpm). The WQD asks why there would be a need for an additional 17.7% facilities' service water.
- **Response 9.** CBGC acknowledges WQD's concerns, however the flow analysis performed by WQD may not account for differences in minimum SK condensate return flow and maximum demand flow for demineralized water. The additional facility service water represents a worse case scenario where the return flow of condensate(from SK) is minimized and plant demand for demineralized water is maximized. It is important to note that this maximum service water flow (obtained from well water) is still within the groundwater limits established in the site certification.
- **Comment 10.** WQD comments that the flow rates of Seminole Kraft (SK) condensate return through the proposed heat exchanger are not consistent; that is, the existing SK flow rate of 400 gpm is 240 gpm greater than the proposed flow through the heat exchanger.
- Response 10. CBGC acknowledges WQD's concerns regarding the flow of SK condensate. Again, the WQD question may arise from not accounting for minimum and maximum flows of two independent systems. The maximum design flow of SK condensate is 600 gpm. The average design flow of the condensate return is 400 gpm. The minimum flow of SK condensate is 180 gpm. When the SK condensate return is at a minimum, the balance of the required demineralizer make-up water must come from the service water system. As the volume of SK condensate return increases over its minimum (normally at 400 gpm), there is a corresponding reduction in the facility service water. As discussed above (comment & response No. 9), the maximum flow of well water is within permitted limits.
- **Comment 11.** WQD requests further information on the waste hauler for the zero discharge system.

Response 11. Two different primary waste haulers are employed by CBGC to haul the zero discharge system waste for disposal. These two waste haulers occasionally use additional (i.e., subcontracted) waste haulers. The information for the prime waste haulers is listed below. The information for the subcontrator waste haulers is provided in Attachment D.

Industrial Water Services
P.O. Box 43369
Jacksonville, FL 32203
904 -354 - 0372
CONTACT: Richard Grant

Russ Carter

EPA ID Number: FLD981928484

Waste Management of Jacksonville P.O. Box 6987
Jacksonville, FL 32236
904 - 388 - 8561

CONTACT: Mike Whygard

EPA ID Number: FLD053109203

St. Johns River Water Management District

Comment 12. The St. John River Water Management District requested that a demonstration be provided that the proposed modifications will not adversely impact the design (both runoff quantity and quality) of the stormwater management system.

Response 12. CBGC acknowledges that the proposed modifications include addition to the demineralized water building and increased use of the bulk ash load out system. The addition to the demineralized water building will result in increased stormwater flow to the lined runoff containment basin from the roof of the building. This addition will have no impact to the stormwater system (please refer to Attachment C). The increased use of the bulk ash load out system will not change the currently approved stormwater management system either in quantity or quality of runoff from the bulk ash load out area. Existing operating procedures, including the upgraded design for permanent rail car cover system used during loading, are adequate for proper stormwater management.

Florida Department of Transportation

Comment 13. The Florida Department of Transportation (FDOT) raised comments regarding train and truck traffic increases resulting from the proposed modifications.

Response 13. Regarding the truck shipment of dry ash, since the submittal for the request for modification to the site certification, CBGC has identified that truck shipment of dry ash is not feasible, and, therefore, CBGC withdraws truck shipment of ash from the request for modification. CBGC is currently pursuing resolution to the FDOT comment on increased train traffic. As this issue comes to resolution an addendum to this response document will be sent to all commenting agencies.

Florida Department of Environmental Protection

Comment 14. The Florida Department of Environmental Protection (DEP) suggests that a PSD permit modification be requested.

Response 14. Please see comment and response No. 7, above.

Comment 15. The DEP raised issue with the modification to the site certification to clarify the terms and conditions for the limestone/pulverizer emission unit.

Response 15. Please see comment and response No. 4, above.

Comment 16. The DEP raised issue with the deletion of coal car unloading as a source. The DEP feels that coal car unloading is still a source of fugitive emissions under the proposed modifications to the site certification. The DEP suggested including provisions for wet suppression spray and VE standards for the site certification.

Response 16. Please see comment and response No. 3, above.

Comment 17. The DEP requested additional data regarding emissions control during dry ash load out to trucks.

Response 17. Please see comment and response No. 5, above.

Comment 18. The DEP comments that they have no objection to the bulk dry ash load out as proposed, and that this tacit agreement with the proposed modification does not constitute final authority of use of ash as an additive to either concrete or soil.

Response 18. CBGC acknowledges the DEP's statement on the final use of ash. Also, please see comment and response No. 5, above. CBGC notes that, although there are no immediate

plans for using ash as a concrete additive, use of bottom ash and/or fly ash as concrete additive is expressly permitted in Section IX of the existing site certification.

Comment 19. The DEP commented that the rule references in Sections I, III, III.A.7.e, IV.B, IV.G, IV.H.1, and IV.H.2 require updating.

Response 19. CBGC acknowledges the required updates.

Comment 20. The DEP commented that it had no objections to the proposed modifications identifying that there were no proposed changes to the Conditions of Certification involving wastewater. They acknowledged that they were aware of the comments on stormwater management raised by St. Johns River Water Management District and commented that the volume of Seminole Kraft (SK) wastewater recycled by the zero discharge system and the volume of treated wastewater reused by SK as make-up water will remain approximately the same.

Response 20. CBGC acknowledges the comments. Also, please refer to comment and response No. 10, above.

Comment 21. The DEP had no objections to the proposed modifications as they relate to Industrial Wastewater, surface water, and the Conditions of Certification.

Response 21. CBGC acknowledges the comment.

Other Interested Parties' Miscellaneous Comments

Comment 22. Comment was raised regarding testing coal car unloading.

Response 22. Please see comment and response No. 3, above.

Comment 23. Comment was raised requesting retaining specific requirements for wet spray dust suppression for coal car unloading.

Response 23. Please see comment and response No. 3, above.

Comment 24. Comment was raised regarding the total amount of sludge generated by the Zero Discharge System for disposal.

Response 24. The maximum amount of sludge generated by the Zero Discharge System for disposal is estimated to be 70 tons/day. The previous estimate was 54 tons/day.

ATTACHMENT A-1

Comments 1-11

Best Available Copy

REGULATORY & ENVIRONMENTAL SERVICES DEPARTMENT Air Quality Division

200



December 1, 1994

Mr. Hamilton S. Oven, P.E., Administrator Office of Siting Coordination Department of Environmental Protection 3300 Commonwealth Boulevard, Room 953 Tallahassee, Florida 32399

RE: Cedar Bay Cogeneration Request for Modification PA 88-24

Buch

Dear Mr. Øven:

The Air Quality Division (AQD) and the Water Quality Division (WQD) have reviewed the subject modification. Attached are our comments and questions.

· We appreciate the opportunity to participate in this review.

If there are any questions, please contact me.

Very truly yours,

Robert S. Pace, P.E.

Division Chief

RSP/sa

Attachment

Mrs. Barbara Broward
 Mr. Chris Kirts, P.E., FDEP/N.E. District
 Mr. Kevin Grant, CBGC
 Mr. Barrett Parker, U.S. Generating Co.
 AQD File 1065A



421 West Church Street - Suite 412 Jacksonville, Florida 32202-4111

Area Code 904/630-3484

AQD/WQD REVIEW OF CEDAR BAY PROPOSED MODIFICATION - PA 88-24

Air Quality

1. Deleting the Pelletizing Recycle Hopper as a permitted source:

This source vents inside a sheet metal building with vinyl curtains covering the windows. AQD has no objection to deleting it as a permitted source. However, the potential exists that this may become a source of fugitive particulate violations.

2. Adding the Pelletizing Curing Silo Outlet Conveyor, Pelletizing Fly Ash Receiver, and the Pelletizing Bed Ash Receiver as permitted sources:

These three sources were tested for PM and VE emissions on March 9, 1994 and all three were less than 0.003 gr/DSCF and 5% opacity. Presumably, annual VE tests would be the only requirement for these three sources if added as new permitted sources.

3. Deleting the PM testing requirement for Coal Car Unloading:

This source cannot currently be tested for PM emissions due to a lack of a collection system and no ductwork suitable for PM testing. AQD does not like the manner in which this modification has come about. It sets a bad precedent to issue a license requiring specific testing, allow a facility to construct the source in such a way that it cannot be tested, and to then delete the testing requirement. Nevertheless, the wet suppression system installed appears to work well with little visible emissions from the coal unloading structure. There appears to be no technical basis for requiring PM testing on this source.

As drafted by CBGC in its proposal, coal car unloading is deleted entirely from the list of material handling sources in Section II B. 4. b. Such a proposal would not only delete the PM test requirement, but would apparently delete the wet suppression control requirement, the 5% opacity limit and the Method 9 VE test requirement. This may not be CBGC's intent. To correct this problem, a new paragraph II B. 4. c. should be added to address the coal car unloading, requiring wet suppression control, a 5% opacity limit and annual VE testing using EPA Method 9. It should be noted that this source has already passed an initial Method 9 test.

AQD/WQD Review Proposed Modification-Cedar Bay Page 2

4. Deleting the Limestone Dryers as permitted PM sources and consolidating the Dryers and Pulverizers emission limits into one lbs/hour-based PM emission limit:

CBGC's proposal to sum the allowables of the Dryers/Pulverizers, as per FAC 62-296.700(4)(b)2, to produce an allowable of 1.40 lbs/hour appears to be technically correct (Math error? 1.26 + 0.24 = 1.50). However, CBGC is using the design flow rate of 49,000 DSCFM in its calculations. Actual data from the January 26 and March 11, 1994 PM tests reveal flow rates of 40,273 and 40,572 DSCFM for Dryers #1 and #2, and emission rates of 0.0031 and 0.0022 gr/DSCF, respectively. Using these values, the "new" calculated emission rates would be 1.28 lbs/hour for both Dryers/Pulverizers.

(0.003) (40,273; 40,572) (60) / 7,000 = 1.04, + 0.24 = 1.28 #/hour.

It is noted that both sources have demonstrated compliance with the 1.28 #/hour limit and would presumably be subject to annual VE tests only, unless the opacity should increase to greater than 5%.

5. Solid Waste Storage and Disposal:

AQD offers no objection to modifications to allow the load out and shipment of ash in a non-consolidated form. However, the certification should clearly require wet suppression control, a 5% opacity requirement and annual VE testing on bulk ash load out.

AQD would question how the trucks are sealed during loading and transport.

- 6. AQD requests clarification of paragraph 4.1.1, page 4-1, as the designations given the sources do not correspond to the designations given to the control devices for these sources.
- 7. Cedar Bay should request modification to their PSD permit also.
- 8. The impacts on roadway level of service created by more trains causing congestion at railroad crossings has not been verified at this time by the Florida Department of Transportation (FDOT). Information was requested by FDOT, but FDOT has not received the data from Cedar Bay at this time. Impacts on air quality can not be made until FDOT completes their review.

AQD/WQD Review Proposed Modification-Cedar Bay Page 3

Water Quality

1. Demineralizer System:

The two operational problems cited in the proposal are:

- a. Total Dissolved Solids (TDS) in the facility's service water is higher than expected which resulted in lower demineralized water output. (figure 3.2, page 3-4).
- b. Seminole Kraft (SK) condensate return has higher temperature and TDS than expected.

The proposed installation of a pretreatment reverse osmonis (RO) should (1) reduce the regeneration waste significantly and (2) increase the demineralized water output by at least 150 gpm (based on figure 3.3). Why would there be a need for additional facilities' service water (17.7% increase)?

Existing SK condensate return flow rate is 400 gpm. The proposed heat exchanger is for 160 gpm of SK condensate return. What is the actual condensate return temperature versus expected value? Why is there such a significant reduction in flow? What happens to the other 240 gpm of SK condensate return?

2. Zero Discharge System:

The applicant needs to provide further information on the waste hauler, which should include:

- a. Certification and/or permit numbers.
- b. Address and telephone number.
- c. Point of contact person.
- d. Update RESD and DEP of all changes as soon as possible.

ATTACHMENT A-2

Comment 12



January 4, 1995

POST OFFICE BOX 1429

PALATKA, FLORIDA 32178-1429

TELEPHONE 904/329-4500 SUNCIDEA 904/860-4500 TDD 904/329-4450

> - FIELD STATION -PERMITTING:

TDD SUNCOM 860-4450

(PERMITTING) 329-4315 (ADMINISTRATION/FINANCE) 329-4508 FAX (CXECUTIVE/LEGAL) 329-4125

618 E. South Street

Orlando, Florida 32801 407/B07~4300 10D 407/897-5960

7775 Baymeadows Way Sune 102 Jacksonville, Florida 32256 Molbourne, Florida 32904 904/730-6270 JDD 204/730-7900

305 East Drive 407/984-4940 100 40/7/22-5366

OPERATIONS: 2133 N. Wickham Road Malbouth4, Florida 32935-8105 407/254 1762 100 407 /253 - 1203

DEPARTMENT OF ENVIRONMENTAL PROTECTION

JAN U 9 1995

SITING COORDINATION

Hamilton S. Oven Administrator, Office of Siting Coordination Department of Environmental Protection 3300 Commonwealth Blvd., Room 953 Tallahassee, Fl 32399

Re:

Dear Mr. Oven:

The St. Johns River Water Management District has reviewed the application for Modification to the Cedar Bay Cogeneration Project Certification received November 2, 1994. The modification requests an increase in groundwater use of 100 gpm. See section 3.1.5. Upon review of data for January through June, the actual use is approximately 0.81 mgd. The additional 100 gpm or 0.144 mgd will not cause the use to exceed the 1.45 mgd allocation.

Cedar Bay Cogeneration Project PA 88-24; Request for Modification

The District also reviewed the application for modification for stormwater impacts. We found that this issue was not specifically addressed so we cannot provide an opinion at this time. The District has the following request for additional information:

> Please demonstrate that the proposed modifications will not adversely impact the design (both runoff quantity and quality) of the stormwater management system.

I have contacted Barrett Parker about this matter and understood that another submittal would be forthcoming. If you have any questions, please do not hesitate to contact me at (904) 329-4153 or Suncom 860-4153.

Sincercly,

Man & Barrard Nancy B. Barnard

Assistant General Counsel

cc:

David Miracle

Caroline Silvers

Richard Donelan - DEP

Ed Cordova - DEP

Doug Roberts

Jim Heard Barrett Parker

Patricia T. Harden, CHAIRMAN SANFORO

Lenore N. McCullagh, vice charaman ÜHANGE PARK

Jesse J. Parrish, III, TREASURER TITUSVILLE

William Segal, SECRETARY MAITLAND

Roid Hughes DAYTONA BEACH

Dan Roach FERNANDINA BEACH Denise M. Prescod JACKSONVILLE

Joe E. Hill LEESBURG

James H. Williams OCALA

ATTACHMENT A-3

Comment 13



DEPARTMENT OF TRANSPORTATION

605 Suwannee Street, Tallahassee, Florida 32509-0450

EN G. WATIS SECKLIAKY

January 13, 1995

Hamilton S. Oven, Administrator Office of Siting Coordination Florida Department of Environmental Protection Douglas Building, Room 953 3900 Commonwealth Boulevard M.S. 48 Tallahassee, Florida 32399-3000

Re: Cedar Bay Cogeneration Plant Modification, No. PA 88-24.

Dear Mr. Oven:

Included herewith you will find the Department of Transportation's Agency Report on the Cedar Bay Cogeneration Plant Modification. This outline of the Department's position was prepared by Sandra Whitmire of the Department's Office of the State Transportation Planner, with input from the Department's District II Office of Planning and Programming, which has analyzed the application. As you can see, the proposed modification will have a traffic impact, and the Department believes the applicant should pay its share of mitigation costs after negotiation with the Department and applicable local governments.

Assistant General Counsel Thomas H. Duffy has been assigned this case. Please contact Mr. Duffy with any questions or comments.

Sincerely,

Thornton J. Williams

General Counsel

cc: Douglas S. Roberts
Hopping Boyd Green & Sams
P.O. Box 6526
Tallahassee, FL 32314

Sandra Whitmire, State Transportation Planner, DOT Thomas H. Duffy, Assistant General Counsel

TJW/td

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JAN 1 7 1995

Hopping, Boyd, Green & Same,



DEPARTMENT OF TRANSPORTATION

505 Suwannes Street, Talishaasee, Florida 32399-0450

NEN G. WATTS SECRETARY

FLORIDA DEPARTMENT OF TRANSPORTATION AGENCY REPORT ON CEDAR BAY COGENERATION PLANT MODIFICATION JANUARY 1995

SECTION I. ISSUES

LAWYON CHILES

GOVERNOR

A review of the Cedar Bay Plant modification application and the Kimley-Horn transportation study (April 1993) provided by the applicant has raised the following concerns:

- 1. An additional train a day is proposed as a result of the modification. This train is in addition to Cedar Bay adding a train in 1993 to the 6 trains daily prior to 1993.
- 2. An increase of auto traffic delay of 12.5 percent is expected as a result of the modification. This delay is in addition to already lengthy delays at rail crossings in U.S. 17. These delays result in emergency vehicles not having access to heavily populated areas during the crossings.
- 3. While the applicant states that the mileage traveled by its truck will decrease, the number of trips will increase by 44 trips daily. The result is to concentrate a large number of trips to a smaller area.
- 4. The impacts of the Cedar Bay modification are in addition to other impacts of heavy-industrial land use growth and planned development in the same area.

SECTION II. RECOMMENDATION FOR CERTIFICATION

The Department of Transportation has no objection to the modification of the certification of the Cedar Bay Plant. However, this recommendation is not free of conditions. The modification places a burden on a transportation system which is already stressed. If Cedar Bay contributes to the strain, then it is recommended that a pro-rata share of the mitigation be assigned to Cedar Bay.

1 of 2

SECTION III. PROPOSED CONDITIONS OF CERTIFICATION

To be negotiated by the applicant, local government officials and the Florida Department of Transportation, a pro-rata share of the mitigation equal to the impact of the applicant's actions as outlined in Section I will be assigned to Cedar Bay. This contribution may range from a share of the construction of an rail overpass on U.S. 17, to a share of placing and maintaining an emergency rescue unit at Fire Station # 37, to contributing to a study to examine alternative solutions.

2 of 2

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ATTACHMENT A-4

Comments 14-22

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Department of **Environmental Protection**

Lawton Chiles Governor

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

Virginia B. Wetherell Secretary

January 10, 1995

Mr. Barrett Parker U.S. Generating Company 7500 Old Georgetown Road Bethesda, Maryland 20814-1616

Cedar Bay Cogeneration Project, PA 88-24

Modification Request

Dear Mr. Parker:

The Department of Environmental Protection and other agencies have reviewed the October 31, 1994, request to modify the conditions of certification for the Cedar Bay Facility. Attached please find a copy of the comments received by this office concerning your request. Where appropriate, please provide a copy of your responses to the comments to this office.

Sincerely,

Hamilton S. Oven, P.E. Administrator, Siting Coordination Office

Attach:

cc: Richard Donelan. Esq. Doug Roberts, Esq. Robert S. Pace, P.E., RESD

Nancy Barnard, Esq.

RECEIVED

Horoles F. C. C. - A Cente

"Protect, Conserve and Manage Flanda's Environment and National Resources"

Printed on recycled paper.

TO: Buck Oven, PPS

FROM: Bruce Mitchell

DATE: December 1, 1994

SUBJ: Modification of the Cedar Bay Cogeneration Project's

Conditions of Certification: PA 88-24

The following issues are raised regarding the above request:

- 1. A request should be submitted for a modification/amendment to the PSD permit, No. PSD-FL-137A.
- 2. Do the gases from the limestone dryer exit directly to the pulverizer or are the gases from each process mixed in a common manifold prior to entering the control device? If the gases from each process are not in series, then combining the allowable emissions from each emission unit is a bubble and not acceptable to the Department as a means for demonstrating compliance for a process involving multiple emission units.
- 3. The coal car unloading activity is considered as a potential source of air pollution. Therefore, deleting the emission activity from air permitting is not acceptable. As a practical matter, a minimum condition regarding the activity should impose the "wet suppression spray" and probably a "no visible emission" standard. Please comment.

DEPARTMENT OF ENVIRONMENT	TAL PROTECTION	TO:
INTERDEPARTMENT MEMORAND	MUC	TO:
		TO:

NORTHEAST DISTRICT - JACKSONVILLE

TO:

Buck Oven

FROM:

Mary Nogas, P.E.

Julia Boesch

DATE:

November 28, 1994

SUBJECT: Review Memorandum

Cedar Bay Cogeneration Project, PA 88-24

<u> Duval County - Solid Waste</u>

- 1. The solid waste section has reviewed the submittal received November 2, 1994 and has no objection to ash being left in the dry form and not pelletized as proposed therein.
- 2. In the subject submittal it appears that a mechanism for controlling particultate emmissions during removal and loading activites has not yet been decided; there was discussion on constructing either a shroud or a cap. Therefore, as a construction certification condition to the permit, please have them provide a copy of the final design of the control mechanism once constructed for our files.
- 3. Please note, that this district is not authorizing the final use of ash as either an additive to concrete or to soil.

If you have any comments concerning this matter, we can be reached at SC 880-4320 or by E-Mail.

TO: Al Rushanan

THROUGH: Vincent Seibold, P.E.

FROM: Ed Cordova

DATE: November 22, 1994

SUBJECT: Cedar Bay Cogeneration Project PA 88-24

Request for Modification

The NED has reviewed the subject request for modification and has the following comments:

- 1. Please update the rule references in sections I, III, III.A.7.e., IV.B., IV.G., IV.H.1, and IV.H.2. Chapter 17.21.02(5)[section IV.B.] should be changed to 62-532.440. Chapters 17-301,-302,-660,-25,-522,-532 and -520 should be updated to chapter 62.
- 2. The modification's wastewater changes do not involve any proposed changes to the facility's COC language and would not result in any discharges from the facility's zero discharge system, therefor the NED IW section does not have any objections or comments regarding the proposed modification. The volume of Seminole Kraft wastewater recycled by the zero discharge system and the volume of treated wastewater reused by Seminole Kraft as cooling tower make-up will remain approximately the same.

Note: I understand from Buck Oven that the St. Johns River Water Management District (SJRWMD) has received a copy of the proposed modification which would increase the use of service water from aquifer wells.

Please contact me at S.C. 880-4330 ext. 311 if you require any additional information regarding this matter.

EDC/edc

BEST AVAILABLE COPY

Richard Drew, Chief

Bureau of Water Facilities Planning and Regulation

ROUGH: Phil Coram, P.E., Administrator

OM: Craig Diltz, P.E., Engineer

Industrial Wastewater Section

TE: November 29, 1994

BJECT: Cedar Bay Cogeneration Project, PA 88-24

a Industrial Wastewater Section and Wastewater Facilities Section ve reviewed the proposed operational modifications for Cedar Bay. a modifications described for the process water and wastewater eatment systems should not affect the current Conditions of rtification as they relate to surface water discharges. We erefore have no objection to the proposal.

you have any questions please contact Craig Diltz at 904/488-4522.

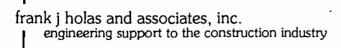
/cd

ATTACHMENT B

ATTACHMENT B LIST OF SOURCES INCLUDED IN CONDITION II B.4.a AND b

D raksylan			
PotraTD	Source Description	Tag Number	Control Device Description
C ¹ 1	Coal Crusher Building	1BMC-DCO-1	Dust Collector/Baghouse
C2	Coal Silo Conveyor	1CHF-DCO-2	Dust Collector/Baghouse
LA1	Limestone Dryer/Pulverizer	1SGH-FLT-1A1	Dust Collector/Baghouse
LB1	Limestone Dryer/Pulverizer	1SGH-FLT-1B1	Dust Collector/Baghouse
LA2	Limestone Storage Bin	1ASF-FLT-1	Vent Filter
LB2	Limestone Storage Bin	1ASF-FLT-2	Vent Filter
A1	Bed Ash Hopper	1ASA-FLT-1	Vent Filter
, A3	Bed Ash Silo	1ASA-CO-2	Bagfilter
A6	Fly Ash Silo	1ASA-FLT-2	Vent Filter
A7 · ·	Pelletizing Bed Ash Receiver	1ASF-FLT-2	Baghouse
A8	Pelletizing Fly Ash Receiver	1ASF-FLT-1	Baghouse
A9	Pelletizing Ash Recycle Tank	1ASF-DCO-2	Baghouse
A10	Ash Pellet Hydrator	1ASF-SCB-1	Venturi Scrubber
A11	Ash Pelletizing Pan	1ASF-SCB-2	Impinjet Scrubber
A12	Ash Pellet Curing Silo	1ASF-SCB-3	Scrubber
A13	Pelletizing Curing Silo Outlet Conveyor	1ASF-DCO-4	Baghouse
A14	Cured Pellet Recycle Conveyor	1ASF-DCO-3	Baghouse
A15	Pellet Recycle Conveyor	1ASF-DCO-5	Baghouse
A16	Pellet Vibratory Screen	1ASF-DCO-1	Baghouse





April 6, 1995

Ronald D. Roberts W. W. Gay Mechanical Contractor, Inc. 524 Stockton Street Jacksonville, Florida 32204

Re:

U.S. Generating Company

Demineralized Water Building Addition

Gentlemen:

The addition to the Demineralized Water building will not impact the storm water runoff in either quality or quantity. The runoffs from the roofed areas is captured in gutters and discharged by gutters to sumps. From these sumps the water is transferred to the existing water treatment facility. Thus, there is no impact or increase to the storm water from the addition of this building.

If I may be of any further assistance in this matter, please give me a call.

Sincerely,

Frank J. Holas, P. E.

President

ATTACHMENT D



The Complete Industrial Waste Water

BARNETT TRANSPORTATION P.O. BOX 031605 TUSCALOOSA, AL 35403	900-553-8462	EPA ALD983186412
ENVIRONMENTAL REMEDIATION SERVICE 465 TRESCA ROAD JACKSONVILLE, FL 32225	904-721-7225	EPA FLD984257089
ENVIRONMENTAL TRANSPORTATION SERVICE P.O. BOX 850020 OKLAHOMA CITY, OK 73185-0020	800-677-1772	EPA OKD981605363
GULF SOUTH TANK SERVICE 8803 ENTERPRISE COVE TAMPA, FL 33617	800-372-2857	EPA LAD034190215
INDUSTRIAL WATER SERVICES, INC. P.O. BOX 43369 JACKSONVILLE, FL 32203	904-350-1300	EPA FLD981928484
INLAND WATERS 8955 PALM RIVER ROAD TAMPA, FL 33619	813-878-1083	EPA MID982606287
JAX POLLUTION CONTROL P.O. BOX 3005 JACKSONVILLE, FL 32206	904-355-4164	EPA FLD984257089
MARINE INDUSTRIAL SERVICES P.O. BOX 43175 JACKSONVILLE, FL 32203	904~350~1062	EPA FL0000908376
MATLACK P.O. BOX 8789 1 ROLLING PLAZA WILMINGTON, DE 19899	302-426 - 2700	EFA DED981110166
MCKENZIE TANK LINES F.O. BOX 1200 TALLAHASSEE, FL 32302-1200	904-576-1221	EPA FLD087331369
RUST INDUSTRIAL CLEANING 345 THORPE ROAD ORLANDO, FL 32824	407-851-0040	EPA FLD063484372
UNITED DSI TRANSPORT P.O. BOX 297724 HOUSTON, TX 77297-7724	713-985-0000	EPA TXD078446820

Subcontracting Waste Haulers for Waste Managment of Jacksonville

Crawford Trucking, Inc. 12516 NW County Rd. 231 Gainsville, FL 32609

904 - 485 - 1352

No EPA ID Number. This firm does not haul hazardous waste.

HOPPING GREEN SAMS & SMITH

PROFESSIONAL ASSOCIATION

ATTORNEYS AND COUNSELORS

123 SOUTH CALHOUN STREET

POST OFFICE BOX 6526

TALLAHASSEE, FLORIDA 32314

(904) 222-7500

FAX (904) 224-8551

FAX (904) 425-3415

May 12, 1995

KRISTIN M. CONROY
CONNIE C. DURRENCE
JONATHAN S. FOX
JAMES C. GOODLETT
GARY K. HUNTER, JR.
JONATHAN T. JOHNSON
ROBERT A. MANNING
ANGELA R. MORRISON
GARY V. PERKO
KAREN M. PETERSON
MICHAEL P. PETROVICH
DOUGLAS S. ROBERTS
LISA K. RUSHTON
R. SCOTT RUTH
JULIE R. STEINMEYER

OF COUNSEL CARLOS ALVAREZ W. ROBERT FOKES

VIA HAND DELIVERY

JAMES S. ALVES

BRIAN H. BIBEAU KATHLEEN BLIZZARD

ELIZABETH C. BOWMAN

RICHARD S. BRIGHTMAN

PETER C. CUNNINGHAM RALPH A. DEMEO

THOMAS M. DEROSE

FRANK E. MATTHEWS

RICHARD D. MELSON

CAROLYN S. RAEPPLE

WILLIAM H. GREEN

WADE L. HOPPING

DAVID L. POWELL WILLIAM D. PRESTON

ROBERT P. SMITH

CHERYL G. STUART

GARY P. SAMS

Clair Fancy, Chief Bureau of Air Regulation Department of Environmental Protection 2600 Blair Stone Road Tallahassee, FL 32399-2400

Re:

Cedar Bay Generating Company, LP Cedar Bay Cogeneration Project PSD-FL-137 - Duval County

Τ.

Dear Mr. Fancy:

PECEIVE [
MAY 12 1995

Bureau of Air Regulation

On behalf of Cedar Bay Generating Company (CBGC), I wish to request that the Department of Environmental Protection (DEP) make certain minor amendments to the above-referenced PSD Permit for the Cedar Bay Cogeneration Project (CBCP). This permit was originally issued on March 29, 1991, and subsequently amended on November 23, 1993 (PSD-FL-137A, attached). This letter discusses the particulate matter (PM) and fugitive emissions associated with the material handling systems for ash pelletization, coal unloading, dry ash loading and removal, and limestone pulverizer/conveyor from the site.

In addition to this request to amend the PSD permit, CBGC has recently submitted to DEP a request to modify the separate Power Plant Site Certification for the project, addressing the issues below, as well as other matters concerning the project. The Department's Office of Siting Coordination has issued a proposed order to grant the requested modification of site certification. CBGC has proposed that the amended conditions below be included in the Department's final PPSA modification order. These changes have been discussed recently with your staff as part of the PPSA modification. Inclusion of these amended conditions in the PSD permit will assure consistency between the two approvals. The appropriate PPSA modification fee for the requested certification modification has been submitted to the Department's Siting Coordination Office.

The first proposed amendment to the existing PSD permit conditions addresses the list of material handling sources in Specific Conditions B.4.a. and b. During the original permitting and modification proceedings, CBGC identified and evaluated emissions from control devices for all material handling and treatment sources. Specific Conditions B.4.a. and b. contain lists of material handling and treatment area point sources, but specific control devices for these sources were not identified in the permit. Therefore, the sources listed in those Conditions may not directly correspond to the designations given to the individual control devices for those sources in the tables prepared during the original permitting summarizing the air emissions analysis for those sources.

The revised lists of sources in Conditions B.4.a. and b. are presented below. First, the Pelletizing Recycle Hopper should <u>not</u> be included in this list since it is not a source which vents directly to the atmosphere. Rather, this hopper vents into a partially enclosed room within the pelletizing structure. Since the Hopper's emissions are not released to the ambient atmosphere, CBGC proposes removing the Pelletizing Recycle Hopper from the list of sources in Specific Condition B.4.a.

In addition, four separate sources (a Bed Ash Separator, two Fly Ash Separators and Pelletizing Rail Loadout) whose emissions were previously identified, evaluated and permitted during the original PSD permitting and subsequent modification proceedings were not included expressly in the source list in Specific Condition B.4.a. To make the PSD permit comprehensive, CBGC recommends inclusion of these four sources in Specific Condition B.4.a. CBGC also proposes several indicated clarifications of the identification of the listed sources in Condition B.4.a.

Under Condition B.4.b., coal car unloading was included in the list in the Condition as a source of PM emissions. While the control devices for coal unloading use wet suppression techniques as provided in the Condition, none of the devices on the coal car unloading facility has a stack to vent the emissions to the atmosphere. Without a stack, emissions tests using the referenced EPA Methods 5 and 9 cannot be performed. Because the facility does not have stacks and since stacks are required to perform the listed emission tests, CBGC proposes to remove coal car unloading from the list of sources in Condition B.4.b. and insert it in the new Condition B.4.c. discussed separately below. Additionally, Condition 4.B.b. should be revised to identify the use of scrubbers to control PM emissions from the three other sources listed in the current Specific Condition B.4.b as using wet suppression controls. All of these changes to the permit are for clarification and are not associated with changes in PM emissions.

Specific Condition B.4.a. and b. are proposed to be revised as follows:

- II. Air
- B. CBCP Material Handling and Treatment
- 4. Material handling sources shall be regulated as follows:
 - a. The material handling and treatment area sources with either fabric filter or baghouse controls are as follows:

Coal Crusher Building Coal Silo Conveyor Limestone Pulverizer/Conveyor Limestone Storage Bins (2) Bed Ash Hopper Bed Ash Separator Bed Ash Silo Vent Fly Ash Silo Vent Fly Ash Separators (2) Bed Ash Bin Receiver Fly Ash Bin Receiver Pellet Vibratory System Pellet Recycle Tank Pelletizing-Recycle-Hopper Cured Pellet Recycle Screening Conveyor System Pellet Recycle Conveyor Pelletizing Rail Loadout

The emissions from the above listed sources are subject to the particulate emission limitation requirement of 0.003 gr/dscf (applicant-requested limitation which is more stringent than what is allowed by Rule 62 17-296.711, F.A.C.). Since these sources are RACT standard type then a one-time verification test on each source shall be required for PM mass emissions to demonstrate that the baghouse control systems can achieve the 0.003 gr/dscf. The performance tests shall be conducted using EPA Method 5 pursuant to Rule 62 17-297, F.A.C., and 40 CFR 60, Appendix A (July, 1991 version).

b. The PM emissions from the following process, equipment, and/or facility in the material handling and treatment area sources shall be controlled using-wet suppression/removal-techniques-as follows:

Coal-Car-Unloading-

Ash Pellet Hydrator: Scrubber
Ash Pellet Curing Silos: Scrubber
Ash Pelletizing Pan: Scrubber

The above listed sources are subject to a visible emission (VE) and a particulate matter (PM) emission limitation requirement of 5 percent opacity and 0.01 gr/dscf (applicant-requested limitation, which is more stringent than what is allowed by rule), respectively, in accordance with Rule 62 17-296.711, F.A.C. Initial and subsequent compliance tests shall be conducted for VE and PM using EPA Methods 9 and 5, respectively, in accordance with Rule 62 17-297, F.A.C., and 40 CFR 60, Appendix A (July, 1991 version).

The second proposed amendment relates to the express inclusion of an alternate method for removal of ash from the project site. Originally, the primary method for removal of ash from the circulating fluidized bed boilers was pelletization in an on-site pelletizer for subsequent removal from the site by way of open rail cars. However, the pelletizer has not been able to process all of the ash on a reliable basis. CBGC plans to use as needed the alternate system for ash removal designed into the ash handling system: loadout of ash in a dry, non-pelletized form from the ash silos using telescoping discharge chutes with a removeable rail car cap and subsequent removal from the site by way of open rail cars. (The pelletizer will likely continue to be used to process a portion or all of the ash before removal from the site.) PM emissions during dry ash loadout into rail cars will be controlled with a removeable rail car cap and by maintaining a negative air pressure under the cap during transfer of ash. Because the captured PM will be recirculated back into the ash silos and because the control device serving the silo can continue to operate consistent with current permitted emission levels, operation of the dry ash loadout system will not affect emissions directly. Because dry ash loadout will reduce the throughput to the pelletizer, there will be an indirect effect on total PM emissions: they will not change or will decline. Fugitive emissions are further controlled after dry ash loadout with an internal water spray header underneath the removeable rail car cap. The surface layer of ash will also be sprayed to create a crust before the cap is removed.

The revised Condition B.4.c. below reflects the control of particulate matter from coal car unloading as a fugitive emission as explained above. In addition, the proposed new Condition identifies control of emissions from dry ash loadout. Consistent with CBGC's proposed modified conditions for the PPSA certification, CBGC proposes that the following Specific Condition B.4.c. be added to the PSD permit as follows:

- II. Air
- B. CBCP Material Handling and Treatment
- 4. Material handling sources shall be regulated as follows:
 - c. Fugitive emissions from the following material handling sources shall be controlled as follows:

<u>Coal Car Unloading:</u> <u>Wet Suppression using continuous water</u>

sprays during unloading.

Dry Ash Rail Car Loadout: Using closed or covered containers under

negative air pressure during ash loadout; and using water sprays prior to removal of rail car loadout cap when loading open rail cars.

The above listed sources are subject to a visible emissions (VE) limitation requirement of five percent (5%) opacity in accordance with Rule 62-296.711, F.A.C. Initial and subsequent compliance tests shall be conducted for VE using EPA Method 9 or other FDEP approved methods in accordance with Rule 62-297, F.A.C., and 40 CFR 60, Appendix A (July, 1991 version). Ash shipped in open rail cars will either be pelletized or be sprayed with water to create a crust on the top layer of non-pelletized ash. Removal of bottom and fly ash from the Project site by any means other than by rail shall require the prior approval of DEP and RESD of the method(s) of fugitive emissions control.

The third proposed permit amendment involves clarifying the expression of the limitation on PM emissions from the limestone preparation system which includes the Limestone Pulverizer/Conveyor and Limestone Dryer sources. This system consists of two identical units that each pulverize, dry and convey limestone as a single continuous process to storage bins for distribution to the boilers. By its function and design, these units combine the heated air from oil combustion in the dryer with the pulverized limestone to remove moisture from the limestone prior to being conveyed to the storage bins. Thus, the system's exhaust gas contains PM from both fuel oil combustion and the material handling in the pulverizer/dryer and passes through a common control device before entering the atmosphere. Separate PM emissions testing for fuel oil combustion in the dryer cannot be performed since there is no location upstream of the point at which the heated air mixes with pulverized limestone that meets the minimum emissions testing site requirements. Samples obtained from an appropriate PM emissions sampling point, located downstream of the emissions control device, will always contain PM from both limestone pulverization and fuel oil combustion.

Thus, the permit should be revised to reflect that the PM limit in Specific Condition B.4.a for the fabric filter serving the limestone pulverizer/conveyor applies not only to the emissions from the pulverizer/conveyor but to the sum of the PM emissions from the pulverizer/conveyor and the dryer. The current emission rate for these sources is 0.003 grains per dry standard cubic foot of exhaust gas. Using the design pulverizer/conveyor flow rate of 49,000 actual cubic feet per minute yields an emission rate of 1.26 pounds of particulate matter per hour for the combined streams. Thus, contrary to the impression of the current permit language, the total emissions from these two sources is limited to 1.26 lb/hr, and not 1.5 lb/hr (the sum of 1.26 and the 0.24 limit from Specific Condition 7 for the dryer, alone). Based on the allowable hours of operation of the system, the annual PM emission limitation for each limestone pulverizer/conveyors including limestone dryer, would be 1.68 tons per year. The total annual PM emissions limitation for both pulverizer/dryer units would be 3.36 tons per year. This change clarifying the role of the two previously permitted emissions for these two aspects of this material handling system does not represent any change in PM emissions from the limestone pulverizer/conveyor/dryer.

These changes are reflected in the proposed revised Condition B.7. as follows:

7. The maximum emissions from each of the limestone-dryers <u>Limestone</u> <u>Pulverizer/Conveyors (including limestone dryer)</u> while-using-oil-shall-not-exceed the following (based-on-AP-42-factors,-Table-1,-2-1,-Industrial-Distillate,-10/86) shall not exceed the following:

Estimated Limitations

Pollutant	lbs/hr.	TPY	for 2 dryers pulverizer/conveyors
PM/PM ₁₀	0.24 1.26*	0.32	<u>1.68</u>
SO_2	0.85	1.15	2.3
SO ₂ CO	0.60	0.81	1.62
NO_x	2.40	3.25	6.5
NO _x VOC	0.05	0.06	0.12

The emissions for SO2, CO, Nox and VOC are based on AP-42 factors, Table 1, 2-1, Industrial Distillate, 10/86).

Additionally, construction of the ash pelletizer is ongoing to achieve its intended performance. The pelletizer design will include a bucket elevator to recirculate pellets within the ash pelletizing process to mitigate problems with pellet adherence in that process. PM emissions from the pellet recirculation system will be handled by the emission control system

^{*} This reflects the emission limitation in Condition II.B.4.a. and limits the emissions for the limestone pulverizer/conveyor and the dryer.

currently serving the pellet curing silos and will be consistent with the permitted limits for this system. Thus, there is no need for any changes to the existing PSD permit.

Your attention to this request is appreciated. Should you or your staff have any questions on this matter, please do not hesitate to contact either Mark Carney at U.S. Generating Company, telephone number 301/718-6899, or me.

Sincerely.

Douglas S. Roberts

cc: Hamilton S. Oven, DEP Office of Siting Coordination

Charles T. "Chip" Collette, OGC

Steve Pace, City of Jacksonville RESD

Bruce Mitchell, DEP BAR

C. Kinto, NE Dist,

O. Hauper, EPA

O. Burnyor, WPS

C. Holladay

bcc: Mark Carney, U.S. Generating Company

Sandy Hartman, U.S. Generating Company

Frank Stallwood, Cedar Bay Cogeneration Project

John Keith, Earth Tech

Kevin Grant, Cedar Bay Cogeneration Project

Mike Teague, Hunton & Williams

Environmental Protection

TO:

Power Plant Siting Review Committee

FROM:

Buck Oven H

DATE:

October 1, 1994

SUBJECT:

Cedar Bay Cogeneration Project, PA 88-24

Module 8031

Please review the materials submitted in support of the requested modifications to the conditions of certification for the Cedar Bay Cogeneration Project. Please return your comments as to completeness/sufficiency of the supporting materials by November 30, 1994. Cedar Bay has sent three copies of the modification materials directly to the NE District Office for review by the Air and Water Facility programs. Copies will be distributed in Tallahassee today. We can use this opportunity to update any rule references that have been changed.

If you have any questions, I can be reached at 487-0472/SC 277-0472.

cc: Al Rushanan
Clair Fancy
Craig Diltz
Ernie Frey
Chris Kirts
David Bolam
Richard Donelan

RECEIVED

NOV 2 1994

Bureau of Air Regulation



Department of Environmental Protection

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

Virginia B. Wetherell Secretary

November 15, 1994

Mr. John Bunyak, Chief Policy, Planning and Permit Review Branch National Park Service-Air Quality Division P. O. Box 25287 Denver, CO 80225

Dear Mr. Bunyak:

RE: Ceder Bay Cogeneration Duval County, PSD-FL-137A

The Department has received the above referenced PSD modification. Please review this package and forward your comments to the Bureau of Air Regulation by November 28, 1994. The Bureau's FAX number is (904)922-6979.

If you have any questions, please contact Bruce Mitchell at (904)488-1344 or write to me at the above address.

Sincerely,

Urc. H. Fancy, P.E.

Chief

Bureau of Air Regulation

CHF/pa

Enclosures

cc: Bruce Mitchell



Department of Environmental Protection

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

Virginia B. Wetherell Secretary

November 15, 1994

Ms. Jewell A. Harper, Chief Air Enforcement Branch U.S. EPA, Region IV 345 Courtland Street, N.E. Atlanta, Georgia 30308

Dear Ms. Harper:

RE: Cedar Bay Cogeneration Duval County, PSD-FL-137A

The Department has received the above referenced PSD modification. Please review this package and forward your comments to the Bureau of Air Regulation by November 28, 1994. The Bureau's FAX number is (904)922-6979.

If you have any questions, please contact Bruce Mitchell at (904)488-1344 or write to me at the above address.

Patricia G. Adams

uC. H. Fancy, P.E.

Chief

Bureau of Air Regulation

CHF/pa

Enclosures

cc: Bruce Mitchell