

PUBLIC NOTICE OF INTENT TO ISSUE AIR PERMIT

Florida Department of Environmental Protection
(Department)

Division of Air Resource Management, Office of
Permitting and Compliance

DEP File No. 0550063-001-AC (PSD-FL-416)

Highlands EnviroFuels, LLC
Highlands County, Florida

Applicant: The applicant for this project is
Highlands EnviroFuels (HEF), LLC. The applicant's
authorized representative and mailing address
are: Bradley Krohn, President and Managing
Member, 10027 Water Works Lane, Riverview,
Florida 33578.

Facility Location: The HEF facility will be located
approximately 0.5 mile south-southwest of the
intersection of U.S. Highway 27 and State Road 70,
south of Lake Placid, in Highlands County, Florida.

Project: The project involves the construction of a
36 million gallons per year Sugarcane/Sweet
Sorghum-to-Ethanol Advanced Biorefinery and
Cogeneration Plant utilizing cane and sorghum
grown on adjacent farmland. The cane and
sorghum juice will be squeezed from the stalks,
fermented, distilled and blended to make a range
of ethanol/gasoline products. The leftover stalk
fiber (sugarcane and sweet sorghum bagasse)
along with supplemental biomass consisting of
fuel crops, wood chips and vegetative debris will
be used as fuel in a biomass boiler to make
process steam and up to 30 megawatts (MW,
gross) of electricity with 20 MW for sale to the
grid. Natural gas will be used for boiler startup,
flame stabilization and shutdown and also in the
event of a disruption in the biomass supply. The
project is subject to the preconstruction review
requirements of Rule 62-212.400, Florida
Administrative Code (F.A.C.) for the Prevention of
Significant Deterioration (PSD) of Air Quality
requiring a best available control technology
(BACT) determination.

The project will result in emissions increases of
559.8 tons per year (TPY) of carbon monoxide
(CO); 194.2 TPY of nitrogen oxides (NOX); 36.9 TPY
of particulate matter (PM); 30.6 TPY of PM with a
mean diameter of 10 micrometers (µm) or less
(PM10); 19.5 TPY of PM with a mean diameter of
2.5 µm or less (PM2.5); 6.8 TPY of sulfuric acid mist
(SAM); 109.3 TPY of sulfur dioxide (SO2); 136.6 TPY
of volatile organic compounds (VOC); 0.2 TPY of
lead (Pb); 1.1 TPY of fluoride (F); 9.0 TPY of
hydrogen chloride (HCl); and less than 25 TPY of
hazardous air pollutants (HAP).

The project will result in PSD-significant emissions
increases for: NOX, CO, SO2, VOC, PM and PM10.
The controls to meet the BACT determinations for
these pollutants consist of an electrostatic
precipitator (ESP) on the boiler to control
PM/PM10/PM2.5; good combustion practices
(GCP) in a stoker (grate) boiler to control NOX, CO
and VOC; a dry sorbent injection system (DSIS) on
the boiler to control SO2, SAM and acid gas HAP
such as HCl and hydrogen fluoride (HF); a non-
selective catalytic reduction (SNCR) system on the
boiler to control NOX; an oxidation catalyst (Ox-
cat) on the boiler to control CO, VOC and organic
HAP; and liquid scrubbers on the ethanol
production process, good storage tank design, and
process equipment leak detection to control VOC
and HAP. Emission control measures for NOX, SO2
and VOC will also minimize the formation of
PM2.5. Clean fuels (natural gas and ultra low
sulfur distillate fuel oil) and GCP will be used in
emergency equipment to control NOX, CO, VOC,
PM and SO2 emissions.

Reasonable precautions and best management
practices will be implemented to minimize fugitive
dust and to ensure the biomass used at the HEF
facility conforms to the allowable types defined
for the project.

Continuous emissions monitoring systems will be
required for SO2, NOX, CO and HCl. A continuous
opacity monitoring system will be required for
visible emissions.

According to the application, the HEF project will
emit less than 10 TPY of any single HAP and less
than 25 TPY of all HAP combined and thus is an
area source of HAP. The boiler is therefore
subject to 40 Code of Federal regulations (CFR) 63,
Subpart JJJJJ - National Emission Standards for
Hazardous Air Pollutants (NESHAP) for Area
Sources: Industrial, Commercial and Institutional
Boilers. Conditions were included in the permit to
give the Department reasonable assurance that
the HEF facility will be an area source of HAP.

According to the applicant, maximum predicted
air quality impacts due to emissions from the
proposed HEF project are greater than the
modeling significant impact levels applicable to
areas in the vicinity of the project (i.e. PSD Class II
Areas) for the pollutants SO2 (1-hour and 24-hour
averages), nitrogen dioxide (NO2) (1-hour
average) and PM10 (24-hour and annual
averages). Therefore, multi-source PSD increment
consumption modeling was required for SO2 (24-
hour average) and PM10 (24-hour and annual
averages), but not for SO2 or NO2 1-hour because
no increments exist for those averaging periods.
The nearest PSD-Class I area is the Everglades
National Park (ENP) that straddles Monroe, Collier
and Miami-Dade Counties. The nearest boundary
point in the ENP is located 147 km south of the
proposed HEF site and is the only Class I area that
is located within 200 kilometers of the proposed
project. The maximum predicted project impacts
in the Class I ENP are less than the applicable
modeling significant impact levels for all
pollutants. Because of the distance, low
emissions and minimal effect by the project alone,
a more detailed PSD-Class I multisource air quality
analysis was not required. The results of the Class
II multi-source increment consumption modeling
are shown in the table below.

Highlands Today and The Tampa Tribune

Published Daily

Sebring, Highlands County, Florida

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AUG 23 2011

**DIVISION OF AIR
RESOURCE MANAGEMENT**

State of Florida }
County of Highlands } SS.

Before the undersigned authority personally appeared C. Pugh, who on oath says that
she is the Advertising Billing Analyst of Highlands Today & The Tampa Tribune, daily
newspapers published at Sebring in Highlands County, Florida, that the attached copy of
advertisement being a

Legal Ads IN THE Highlands Today

In the matter of Legal Notices

was published in said newspaper in the issues of

08/17/2011

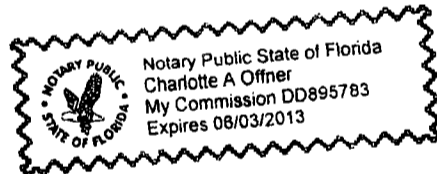
Affiant further says that the said Highlands Today & The Tampa Tribune are
newspapers published at Sebring in said Highlands County, Florida, and that the said
newspapers have heretofore been continuously published in said Highlands County,
Florida, each day and have been entered as second class mail matter at the post office
in Sebring, in said Highlands County, Florida for a period of one year next preceding the
first publication of the attached copy of advertisement; and affiant further says that she
has neither paid nor promised any person, this advertisement for publication in the said
newspaper.

C. Pugh

Sworn to and subscribed by me, this 17 day
of Aug, A.D. 2011

Personally Known or Produced Identification
Type of Identification Produced _____

Charlotte A. Offner



1354617 -- HIGHLANDS ENVIROFUELS, LLC

Pollutant Averaging Time	Class II PSD Increment Consumed ($\mu\text{g}/\text{m}^3$)
SO ₂ , 24-hour	27.9
PM ₁₀ , 24-hour	9.6
PM ₁₀ , Annual	2.4

Allowable Increment ($\mu\text{g}/\text{m}^3$)	Percent Increment Consumed (%)
91	31
30	32
17	14

Based on the required analyses, the Department has reasonable assurance that the proposed project will not cause or significantly contribute to a violation of any ambient air quality standard or PSD increment.

The details of the Department's BACT determination and the air quality analysis are provided in the Technical Evaluation and Preliminary Determination document available at the following web link:

www.dep.state.fl.us/air/emission/bioenergy/highlands_envirofuels_llc.htm

Permitting Authority: Applications for air construction permits are subject to review in accordance with the provisions of Chapter 403, Florida Statutes (F.S.) and Chapters 62-4, 62-210 and 62-212, F.A.C. The proposed project is not exempt from air permitting requirements and an air permit is required to perform the proposed work. The Florida Department of Environmental Protection's Office of Permitting and Compliance is the Permitting Authority responsible for making a permit determination for this project. The Office of Permitting and Compliance physical address is 111 South Magnolia Drive, Suite 4, Tallahassee, Florida 32301 and the mailing address is 2600 Blair Stone Road, MS #5505, Tallahassee, Florida 32399-2400. The Office of Permitting and Compliance phone number is 850/717-9000.

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

Notice of Intent to Issue Air Permit: The Permitting Authority gives notice of its intent to issue an air permit to the applicant for the project described above. The applicant has provided reasonable assurance that operation of the proposed equipment will not adversely impact air quality and that the project will comply with all applicable provisions of Chapters 62-4, 62-204, 62-210, 62-212, 62-296 and 62-297, F.A.C.

The Permitting Authority will issue a Final Permit in accordance with the conditions of the proposed Draft Permit unless a timely petition for an administrative hearing is filed under Sections 120.569 and 120.57, F.S., or unless public comment received in accordance with this notice results in a different decision or a significant change of terms or conditions.

Comments: The Permitting Authority will accept written comments concerning the proposed Draft Permit and requests for a public meeting for a period of 30 days from the date of publication of the Public Notice. Written comments must be received by the Permitting Authority by close of business (5:00 p.m.) on or before the end of this 30-day period. In addition, if a public meeting is requested within the 30-day comment period and conducted by the Permitting Authority, any oral and written comments received during the public meeting will also be considered by the Permitting Authority. If timely received comments result in a significant change to the Draft Permit, the Permitting Authority shall revise the Draft Permit and require, if applicable, another Public Notice. All comments filed will be made available for public inspection.

Petitions: A person whose substantial interests are affected by the proposed permitting decision may petition for an administrative hearing in accordance with Sections 120.569 and 120.57, F.S. The petition must contain the information set forth below and must be filed with (received by) the Department's Agency Clerk in the Office of General Counsel of the Department of Environmental Protection, 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000 (Fax: 850/245-2303). Petitions filed by any persons other than those entitled to written notice under Section 120.60(3), F.S., must be filed within 14 days of publication of this Public Notice or receipt of a written notice, whichever occurs first. Under Section 120.60(3), F.S., however, any person who asked the Permitting Authority for notice of agency action may file a petition within 14 days of receipt of that notice, regardless of the date of publication. A petitioner shall mail a copy of the petition to the applicant at the address indicated above, at the time of filing. The failure of any person to file a petition within the appropriate time period shall constitute a waiver of that person's right to request an administrative determination (hearing) under Sections 120.569 and 120.57, F.S., or to intervene in this proceeding and participate as a party to it. Any subsequent intervention (in a proceeding initiated by another party) will be only at the approval of the presiding officer upon the filing of a motion in compliance with Rule 28-106.205, F.A.C.

A petition that disputes the material facts on which the Permitting Authority's action is based must contain the following information: (a) The name and address of each agency affected and each agency's file or identification number, if known; (b) The name, address, and telephone number of the petitioner; the name, address and telephone number of the petitioner's representative, if any, which shall be the address for service purposes during the course of the proceeding; and an explanation of how the petitioner's substantial interests will be affected by the agency determination; (c) A statement of when and how each petitioner received notice of the agency action or proposed decision; (d) A statement of all disputed issues of material fact; (e) A concise statement of the ultimate facts alleged, including the specific facts the petitioner contends warrant reversal or modification of the agency's proposed action; (f) A statement of the specific rules or statutes the petitioner contends require reversal or modification of the agency's proposed action including an explanation of how the alleged facts relate to the specific rules or statutes; and (g) A statement of the relief sought by the petitioner, stating precisely the action the petitioner wishes the agency to take with respect to the agency's proposed action. A petition that does not dispute the material facts upon which the Permitting Authority's action is based shall state that no such facts are in dispute and otherwise shall contain the same information as set forth above, as required by Rule 28-106.301, F.A.C.

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

Mediation: Mediation is not available in this proceeding.

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8/17/11