FW: TECO Gannon & Big Bend Copy: Cindy

Sheplak, Scott

From: Koerner, Jeff
Sent: Tuesday, February 27, 2001 2:36 PM
To: Shannon Todd (E-mail); Patrick Shell (E-mail); Jerry Campbell (E-mail); Dianna Lee (E-mail); Kissel, Gerald
Cc: Linero, Alvaro; Sheplak, Scott
Subject: TECO Screening Operation and Big Bend Slag Material

To all:

On February 21st, I teleconferenced with TECO, HEPC, and the SWD Office. I summarized the issues for Al Linero (New Source Review) and Scott Sheplak (Title V). Our collective comments follow.

1. Gannon Screening Operation: TECO wants to dredge an on-site retention pond, screen the material, and sell it to Florida Crushed Stone (to be used as road base, concrete mix, sand blasting media, etc.). The material consists of fines washed from the coal piles and ESP ash. It will be dredged from the pond, dumped wet onto a 3" screen, and conveyed to a storage pile to await removal by truck. The screen is simply to separate large materials such as concrete chunks - there will be no crushing. Large materials will be hauled off to a landfill. Material will be kept wet while on site. It is estimated that there is approximately 250,000 tons of material that will take about 6 - 9 months to remove. TECO believes it has conservatively estimated that < 5 TPY of particulate matter will be emitted from this activity. HEPC and the SWD Office don't seem to have any real concerns as long as "reasonable precautions" are taken to prevent fugitive dust.

> Comments: From the information provided, we believe that this request for such a temporary operation could meet the requirements for a generic emissions unit exemption pursuant to Rule 62-210.300(3)(b), F.A.C. Based on the information provided, TECO could request an exemption by sending a letter to the Bureau of Air Regulation that: describes the activity, defines the reasonable precautions to prevent fugitive dust emissions, predicts the duration of the project, estimates emissions, and states that the activity is exempt from permitting pursuant to Rule 62-210.300(3)(b), F.A.C. If necessary, additional reasonable precautions could be worked out with the local and District offices. It would be unnecessary to reopen the existing Title V permit to include this activity, if exempt.

2. Big Bend Gasification "Slag": Big Bend Station supplies coal to the Polk Gasification Project. Apparently, the gasification process is not converting all of the carbon and is leaving a residual slag material that has a substantial heat content (3000 to 5000 BTU/lb). This material was being trucked back to the Big Bend Station and being fired in the coal boilers, approximately 210 TPD (dry). It sounded like this had been going on since 1997 until HEPC recently observed the slag material on site. It is very fine, which makes it difficult to control the fugitive emissions. TECO estimates that the fugitive particulate matter emissions are less than 3 TPY for material handling and storage. According to a report jointly published by TECO and DOE, the slag material is nonhazardous and nonleachable and is suitable for use as abrasives, roof material, industrial filler, concrete aggregate, or road base material. This report also mentions that the Polk site has the ability to store at least 2 1/2 years of accumulated material with a contingency to store an additional 2 1/2 years of material, if necessary. HEPC issued a Warning Letter requesting Big Bend to stop firing the slag material until the activity was reviewed and proper authorization obtained. TECO has been hauling away the slag to a landfill, which costs about $12,000 per day. HEPC and the District office believe that firing the material at Big Bend is a change in the method of operation and requires an air construction permit and a revision to the Title V permit.

> *Comments*: From the information provided, we also believe that firing the slag material was a change in the method of operation. Proper authorization should be requested through the permitting process. It will be necessary to compare the past actual emissions before the change to "future" actual emissions after the change in order to determine whether PSD significant emissions increase occurred. This analysis is complicated by several items: "future" actual operational data exists (and should be used); the primary purpose is to get rid of the slag material with a secondary purpose of providing heat input as a fuel; the slag material would replace a certain equivalent amount of coal; and TECO is a utility steam-electric generating facility that is allowed to predict future actual emissions increases related only to the change, exclusive of other causes such as increased demand for electricity. If the change in the method of operation resulted in PSD significant emissions increases, then a PSD permit is required from the New Source Review Section. If the change did not trigger PSD, then a minor source air construction permit is required. The minor source air construction permit could be processed independently from, or simultaneously with, the Title V revision depending on TECO's request. Currently, minor source air construction permits for utilities holding Title V permits are being processed by the Title V section. However, we request that the application be sent to the Bureau of Air Regulation so that we may expedite the request based on current work load. In the mean time, storage of the slag material on site at Big Bend could be adequately addressed in any settlement with HEPC.

Let me know if you have any questions.

Thanks!

Jeff Koerner
New Source Review Section

Late Copy

Department of Environmental Protection

Jeb Bush
Governor

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

David B. Struhs
Secretary

February 15, 2001

Mr. Jamie Hunter
Consulting Engineer, Environmental Affairs
Tampa Electric Company
P.O. Box 111
Tampa, Florida 33601-0111

Re: Recognition of Chemical Change Reagent MTT-180 as a Coal Dust Suppressant
Big Bend Station, Facility ID #: 0570039

Dear Mr. Hunter:

We have received your request to begin using Midwest Terminals MTT-180 Chemical Change Reagent on your coal as a means of suppressing fugitive dust. It is our understanding that this material will be used instead of the latex binder (Latex DL 298NA, made by DOW Chemical Company) that was previously approved on October 20, 2000, and that you have not used, and will not be using, the Latex DL 298NA. We have also received a certification from your Professional Engineer detailing the lack of detrimental environmental effects resulting from the use of this product.

It is our opinion that this particular material falls within the classification of "chemical dust suppressant" that is authorized by your Title V permit (see Appendix TV-3, condition 57.). For inspection purposes, please retain on-site a copy of the material safety data sheet (MSDS), a copy of your contract with the coal supplier specifying the material that will be applied to your coal, and a certification from the supplier accompanying each delivery that attests that this is the only material that has been applied to your coal. If TECO or the supplier desires to use a different material, you must inform the Department and receive concurrence prior to combusting the new product. It should be noted that this approval is only valid if the MTT-180 is not applied to the coal on-site. Should you wish to apply this product to your coal on-site, a construction permit application detailing the increase in VOC/HAP emissions must first be submitted for processing.

Under the provisions of Rule 62-297.310(7)(b), F.A.C., if, at any time, the Department has reason to believe that any of your emission limits are not being met (i.e. increased particulate matter, etc.), it shall require the owner or operator of the emissions unit to conduct compliance tests which identify the nature and quantity of pollutant emissions from the emissions unit and to provide a report on the results of said tests to the Department.

Should you have any questions regarding this matter, please contact Jonathan Holtom, P.E., at (850) 921-9531, or write to me at the above letter head address.

Sincerely,

C.H. Fancy, P.E.
Chief
Bureau of Air Regulation

CHF/jh

cc: Mr. Thomas W. Davis, P.E., ECT
Mr. Buck Oven, P.E., DEP
Mr. Jerry Kissel, P.E., DEP-SWD
Mr. Jerry Campbell, P.E., EPCHC

Scott -6/0-

→ ORIGINAL to CLAIR KCI 12/29

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

DEC 19 2000

4APT-ARB

Howard L. Rhodes, Director
Division of Air Resources Management
FL Department of Environmental Protection
Mail Station 5500
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

SUBJ: EPA's Objection to Proposed Title V Permit for
Tampa Electric Company - Big Bend Station
Permit Number 0570039-002-AV

Dear Mr. Rhodes:

The purpose of this letter is to acknowledge the receipt of the State of Florida's proposed changes to the Tampa Electric Company - Big Bend Station proposed title V permit, dated December 1, 2000 and December 14, 2000, which was the subject of a U.S. Environmental Protection Agency (EPA) title V objection on September 5, 2000. EPA Region 4 has completed its review of the proposed changes to the permit and believes that the State has adequately addressed each of the issues enumerated in the objection. Therefore, EPA considers the objection to be resolved. Once the state's proposed changes are incorporated into the permit, the State may proceed with permit issuance. Please note, however, that our opportunity for review and comment on this permit does not prevent EPA from taking enforcement action for issues that were not raised during permit review. After final issuance, this permit may be reopened if EPA or the permitting authority later determines that it must be revised or revoked to assure compliance with applicable requirements.

We commend the efforts of your staff for facilitating the resolution of the permit issues. If you have any questions about this letter, please contact Mr. Gregg Worley, Chief, Air Permits Section at (404) 562-9141.

Sincerely,

Winston A. Smith
Director
Air, Pesticides & Toxics
Management Division

Rec 12/26/00 DARM

TECO

TAMPA ELECTRIC

RECEIVED

NOV 13 2000

BUREAU OF AIR REGULATION

November 10, 2000

Mr. Clair Fancy
Florida Department of Environmental Protection
111 South Magnolia Drive, Suite 4
Tallahassee, Florida 32301

Via FedEx
Airbill No. 7918 9545 5106

Re: Proposed Big Bend Title V Permit EPA Objection Issues
Permit No.: 0570039-002-AV

Dear Mr. Fancy:

Thank you for providing Tampa Electric Company with the opportunity to comment on the objection issues and general comments raised by EPA with regard to the Proposed Big Bend Station Title V permit. Each individual objection issue or general comment is sited below followed by a response from Tampa Electric Company.

EPA Objection Issues

EPA Objection Issue 1
Federally Enforceable Requirements: Section II, conditions 7, 8, 12 and 13 are identified as "not Federally enforceable." Conditions 7 and 8 are Federally enforceable because they are contained in the Federally approved portion of the Florida SIP. Conditions 12 and 13 address the requirement to provide compliance notifications and notification of potential permit modifications to the Environmental Protection Commission of Hillsborough County (EPCHC) and EPA, and provide the appropriate mailing addresses. Pursuant to 40 C.F.R. §70.6(c)(5)(iv), compliance certifications shall be submitted to the Administrator as well as to the permitting authority. Therefore, these conditions are also Federally enforceable since they are part of the required elements of a title V permit.

Section III, conditions A.15, A.20, and A.31 are also identified as "not Federally enforceable." Conditions A.15 specifies that compliance testing for particulate matter and visible emissions may be conducted either with or without fly ash reinjection. A source is required to conduct compliance testing at conditions that are representative of the day to day operation to better assess the compliance status of the facility. Therefore, this requirement is Federally enforceable and must be identified as such in the permit. Condition A.20 appears to be based on the requirements of 40 C.F.R. 60.46a(g), a Federal requirement. Condition A.31 requires the submission of quarterly reports to the Department and EPCHC detailing the 30-day NO_x rolling average and all time periods of boiler operation as noted above, this requirement appears to fall within the scope of the requirements of 40 C.F.R. §70.6(c), thus making it Federally enforceable.

TEC Response
Tampa Electric Company (TEC) is not opposed to making these conditions Federally enforceable.

EPA Objection Issue 2
Appropriate Averaging Times: The emission limits for particulate matter in conditions A.7 and B.5 and for carbon monoxide in condition B.10 do not contain averaging times. Because the stringency of emission limits is a function of both magnitude and averaging time, appropriate averaging times must be added to the permit in order for the limits to be practicably enforceable. This deficiency may be addressed by including a general condition in the permit stating that the averaging times for all specified emission standards are tied to or based on the run time of the test method(s) used for determining compliance. Per special condition 2 of permit AO29-219924, the averaging time for the particulate matter emission limit in condition A.7 of the proposed title V permit for TEC-Big Bend should be two hours. Since the facility already uses this averaging time to evaluate compliance with the particulate matter limit for this unit, the Department should include the same averaging time in the title V permit.

TEC Response
Tampa Electric Company suggests striking the sentence "Per special condition 2 of permit AO29-219924, the averaging times for all specified emission standards are tied to or based on the run time of the test method(s) used for determining compliance" and addressing this concern by adding a footnote in each section. Suggested language for this footnote is as follows: "When not otherwise defined, averaging times for all specified emission standards shall be equal to the cumulative run time elapsed for all runs during the associated compliance test."

EPA Objection Issue 3
Federal Enforceability: Condition B.53 states the following:

> *"Compliance with standards in 40 C.F.R. 60, other than opacity standards, shall be determined **only** by performance tests established by 40 C.F.R. 60.8, unless specified in the applicable standard."*

The language for this condition was taken from 40 C.F.R 60.11(a), however, the words "in accordance with" were replaced with "only by". Since adding the word "only" precludes the use of credible evidence for determining compliance, this condition is not federally enforceable. Therefore, this condition must be changed so that it is consistent with 40 C.F.R. 60.11(a).

TEC Response
Tampa Electric Company suggests striking the word "only" from the above language.

EPA Objection Issue 4
Reporting Requirements: Condition C.10 specifies that reporting requirements for PM, sulfur dioxide, VOC, ect., apply if the turbines emit pollutants at the specified level. However, the permit and the statement of basis are silent regarding how the facility will evaluate its emissions from the turbines. The permit must specify how the facility will evaluate whether these reporting requirements apply.

TEC Response
Tampa Electric will evaluate emissions from the turbines through the use of AP-42 emission factors or another equivalent method such as fuel analysis.

EPA Objection Issue 5

Periodic Monitoring: As outlined below, the proposed title V permit for TEC-Big Bend does not contain adequate periodic monitoring requirements to assure compliance with all emissions and operational limits contained in the permit. All Title V permits must contain monitoring that is sufficient to assure compliance with the applicable permit requirements. In particular, 40 C.F.R. Part 70.6 (a)(3)(I)(B) requires that permits include periodic monitoring that is sufficient to yield reliable data from the relevant time period that are representative of the source's compliance with the applicable emission limits. In addition to assuring compliance, a system of periodic monitoring should also provide the source with an indication of their emission unit's performance, so that periods of excess emissions and violations of the emission limits can be minimized or avoided. Therefore, periodic monitoring requirements sufficient to assure compliance with all permit limits must be incorporated in the permit or a technical demonstration must be included in the statement of basis explaining the rationale for the approach used by the Department to address periodic monitoring requirements for these units.

a. Subsection D: Condition D.1 specifies the maximum loading rate for the fly ash silos no.1 and 2. For other units included in this permit, there is a permitting note clarifying that these conditions are not included as limits, but as a basis for determining the percent capacity of the units during source testing (see A.1, and B.1). Periodic monitoring requirements sufficient to assure compliance with the capacity limitations in condition D.1 must be included in the permit or clarifying language needs to be added to this condition.

TEC Response

TEC suggests the following permitting note:

{Permitting note: The material loading limitations have been placed in each permit to identify the capacity of each emissions unit for the purposes of confirming that emissions testing is conducted within 90 to 100 percent of the emissions unit's rated capacity (or to limit future operation to 110 percent of the test load), to establish appropriate emission limits and to aid in determining future rule applicability. A note below the permitted capacity condition clarifies this. Regular record keeping is not required for material loading. Instead the owner or operator is expected to determine material loading whenever emission testing is required, to demonstrate at what percentage of the rated capacity that the emissions unit was tested. Rule 62-297.310(5), F.A.C., included in the permit, requires measurement of process variables for emission tests. Material loading determinations may be based on best engineering evaluation of the operating requirements necessary to achieve 90 to 100 percent of the rated loading, unless such operating conditions are otherwise specified by permit condition.}

b. Subsections E and F: The permit does not contain periodic monitoring for the particulate matter and visible emissions limits contained in subsections E and F of the proposed permit which address the requirements for the Flyash Silo no. 3 and the Limestone Handling and Storage. The permit must include the appropriate monitoring that the facility will use to assure compliance with the emission limits and the frequency for testing. Also, conditions E.3 and F.4 require that the systems be operated under negative pressure and that they vent to the control system, but there are no requirements to monitor the system pressure or the frequency for assessing whether the system is operating under the specified conditions. Appropriate periodic monitoring requirements must be included in the permit or the statement of basis must explain why no testing is needed for these units.

TEC Response
TEC will perform an annual VE to satisfy the periodic monitoring requirements of these conditions.

c. Subsection G: Condition G.2 limits the hours of operation for the coal bunkers, therefore the permit must include a requirement to record hours of operation. Condition G.5 states that the facility shall determine compliance with the visible emissions limit using Method 9, however, the condition does not establish the frequency for testing. The appropriate testing frequency must be included in the permit.

TEC Response
TEC agrees to monitor the hours of operation of coal bunker loading. In addition, TEC requests a VE testing frequency of once per year.

Note: subbullet d was omitted from the original letter.

e. Subsection H: Condition H.2 of the proposed permit specifies that the facility will conduct visible emissions testing for the solid fuel yard within 90 days of completing the reconfiguration of the fuel yard. Periodic monitoring requirements sufficient to assess compliance with the VE limit for the solid fuel yard must be included in the permit.

TEC Response
This condition is actually outdated and is a product of the reconfiguration of the fuel yard to accommodate transloading operations for supplying fuel to Polk Power Station. TEC does, however, request an annual VE test to demonstrate compliance with the opacity standard established for the solid fuel yard.

f. Subsection J: Condition J.4 does not establish the frequency of testing for visible emission for the Abrasive Blast Booth and Abrasive Blast Media Storage. The appropriate testing frequency must be included in the permit. Also, since this units have baghouses, periodic monitoring requirements should be added to assess the proper operation of the control equipment.

TEC Response
TEC requests the use of an annual VE test to demonstrate compliance with the opacity standard established for the Abrasive Blast Booth and the Abrasive Blast Media Storage.

EPA Objection Issue 6
Practical Enforceability: Conditions M.2 and M.6 do not provide any criteria for determining what constitutes proper operation of the baghouse. As written, these conditions are not enforceable as a practical matter. The conditions must contain sufficient detail to ensure that the facility clearly understands what its obligations are and how compliance with these requirements will be evaluated. Also, since this unit has a baghouse, the Department should consider adding periodic monitoring requirements to assess the proper operations of the unit.

TEC Response
TEC will perform an annual VE to satisfy the periodic monitoring requirements of these conditions.

EPA Objection Issue 7
Applicable Requirements: the Department must ensure that the conditions from the Consent Decree that are effective during the life of the permit for TEC – Big Bend are appropriately addressed in the permit. Although the Consent Decree can be included as an attachment to the permit, we found at least one instance where a permit condition conflicts with a requirement contained in the Consent Decree. Paragraph 30 of the order requires the company to operate the existing scrubbers for units 1 and 2 at all times, effective September 1, 2000, however, condition A.9 of the permit allows for the intermittent operation of the scrubber to control SO_2 emissions. Please note that the terms of the Consent Decree take precedence over any existing permit terms. The permit must be revised to incorporate the appropriate scrubber operating conditions.

Further, because the permit and Consent Decree contain so many related provisions, facility personnel would benefit from having all the relevant requirements included in one document. For example, including the requirements of Paragraph 42 of the Consent Decree in the permit would clarify that the company must apply for a title V permit or an amendment to an existing title V permit to incorporate the changes to the facility resulting from the consent decree. This requirement will be triggered by the requirement in paragraph 32 to install a CEM for PM on or before March 1, 2002. Therefore, we strongly recommend that the Department include the provisions of the Consent Decree in the title V permit for TEC-Big Bend.

TEC Response
TEC understands that the provisions of the Consent Decree take precedence over those found in the Title V permit and TEC intends to comply with all provision of each document. In addition, TEC requests that Specific Conditions 29, 30 and 30.1 be added to the body of the Title V permit.

EPA Objection Issue 8
Acid Rain Requirements: The following items from Section IV, Phase II Acid Rain Part must be corrected in order to make the requirements consistent with the Acid Rain regulations applicable to this facility:

a. Phase II of the Acid Rain Program began on January 1, 2000, which is the date by which initial Phase II permits for existing phase II units are to be effective (see: 40 CFR 72.73(b)(2), "State Issuance of Phase II Permits"). However, the effective date proposed for the title V permit containing the Phase II Acid Rain Part for the Big Bend Station is January 1, 2001. The permit needs to clarify that the effective period for the Phase II Acid Rain Part is five years beginning January 1, 2000.

TEC Response
TEC agrees that Phase II of the Acid Rain Program began on January 1, 2000. In addition, it is TEC's position that regardless of the effective date of the Acid Rain Part of the Title V permit, that TEC is in compliance with and operating under the terms of the Acid Rain Program regulations and the Acid Rain Permit application and associated compliance plans.

b. Section IV, Phase II Acid Rain Part, indicates that the Acid Rain, Phase II SO_2 allowance allocations for the Big Bend units BB01, BB02, BB03, BB04 are for the years 2001 through 2005. The SO_2 requirements under the Acid Rain Program are effective beginning January 1, 2000, therefore, the permit needs to be revised to include the allowance allocations for these units for the year 2000.

TEC Response
TEC agrees that SO_2 allowance allocations for Big Bend Units 1 through 4 should be included in the Acid Rain Part of the Permit.

c. Section IV, Phase II Acid Rain Part, contains the Phase II NO_x limitations for the years 2001 through 2004 for the Big Bend units BB01, BB02, BB03, BB04. The Phase II NO_x Averaging Plan that was submitted by the source (signed December 20, 1999) indicates that the plan is to be effective for the years 2000 through 2004. The permit needs to be revised to include NO_x limits for the year 2000. In addition, since the proposed expiration date of the Title V permit is December 31, 2005, the permit will need to be revised to include Phase II NO_x emission limits for the year 2005. The permits will also need to contain a Phase II NO_x Compliance Plan submitted by the source indicating how the source plans to comply with the Phase II NO_x emission limits for the year 2005.

TEC Response
EPA objection 8.a. indicates that Acid Rain permits must be effective for a period of five years. However, this objection suggests that if the Phase II Acid Rain NOx limits are carried out until 2005, the Acid Rain permit will be effective for a period of six years.

d. The NO_x limit for units BB01, BB02, BB03, BB04 in the Phase II Acid Rain Part indicates that, in addition to the specified alternative contemporaneous emission limit, the units shall not have an annual heat input greater than a specified value (MMBTU). This language must be changed to indicate that these units shall not have a heat input "less than" a specified value (MMBTU) in order to be consistent with 40 CFR 76.11(a)(4). The requirements of 40 CFR 76.11(a)(4) require that each unit in an averaging plan whose alternative contemporaneous annual emission limitation is more stringent than that unit's applicable emission limitation under § 76.4, 76.6, or 76.7, shall have a minimum allowable annual heat input value (MMBTU).

TEC Response
The Phase II NOx Averaging Plan submitted by TEC was done so in accordance with 40 CFR 76.9 and 40 CFR 76.11. The values used in the calculation are the minimum allowable annual heat inputs. It is worth noting that F.J. Gannon Station Units 3, 4, 5 and 6 are also included in this plan. Of those units, Units 3 and 6 have maximum allowable heat input limits.

General Comments

TEC understands that the general comments are for informational purposes and are not issues that will result in an objection if left unresolved.

General Comment 1
General Comment – Please note that EPA reserves the right to enforce any noncompliance, including any noncompliance related to issues that have not been specifically raised in these comments. After final issuance, this permit shall be reopened if EPA or the permitting authority determines that it must be revised or revoked to assure compliance with applicable requirements.

TEC Response
TEC has no additional comment with respect to this issue.

General Comment 2
Section III, Subsection A, Condition A.1.b and G.6: The Department should consider deleting everything except the first sentence of these conditions since such information is also contained in condition N.4.

TEC Response
TEC has no additional comment with respect to this issue.

General Comment 3
Section III, A.18, A.26, B.12(3), B.13, B.15, B.20, B.25(1), B.26, B.29, B.33, B.34, B.35, B.38, D.5, D.11, G.5, L.6, L.8, M.5: These conditions refer to "specific condition XX", which is the terminology used in the Department's construction permits. In order to have consistency throughout the permit, the Department should replace "specific condition" with just "condition" and include the appropriate condition numbers, where applicable.

TEC Response
TEC has no additional comment with respect to this issue.

General Comment 4
Section III, Condition B.9: Please add 40 C.F.R. 60.46a(c) to the regulatory citations for this condition.

TEC Response
TEC has no additional comment with respect to this issue.

General Comment 5
Section III, Condition B.39: Since this condition specifies the submission of reports to the Department, the appropriate address where the reports should be sent should be included in Section II of the permit.

TEC Response
TEC has no additional comment with respect to this issue.

General Comment 6
Section III, Condition B.42: Please correct the reference for the "representative actual emissions" to read **40 CFR 52.21(b)(33).**

TEC Response
TEC has no additional comment with respect to this issue.

General Comment 7
Section III, Condition C.4: The Department needs to clarify whether the notification is via phone or letter.

TEC Response
TEC has no additional comment with respect to this issue.

General Comment 8
Section III, Condition H.2: The regulatory citation for this condition has the phrase "permitting note" in it. Please verify whether a permitting note should have been included in this condition.

TEC Response
TEC has no additional comment with respect to this issue.

General Comment 9
Section III, Condition I.5: This condition refers to the limits contained in condition I.4. Please verify whether this condition should reference conditions I.2 and I.6 instead. Also, please verify whether the condition referred to in condition I.6(c) is the correct one.

TEC Response
TEC agrees that Condition I.5 refers to the limits contained in Condition I.2 and I.6.

General Comment 10
Section III, Condition L.4: Please correct the note to identify 40 C.F.R. 60.672(a)(1) and (2) as basis for the limits in this condition. Also, the Department should consider streamlining condition L.8 into condition L.4.

TEC Response
TEC has no additional comment with respect to this issue.

General Comment 11
Periodic Monitoring: As you are aware, on April 14, 2000, the U.S. Court of Appeals for the D.C. Circuit issued an opinion addressing industry's challenge to the validity of portions of EPA's periodic monitoring guidance. See, Appalachian Power Co. v. EPA, No. 98-1512 (C.C. Cir., April 14, 2000). The Court found that "State permitting authorities [ ] may not, on the basis of EPA's guidance or 40 C.F.R. 70.6(a)(3)(i)(B), require in permits that the regulated source conducts more frequent monitoring of its emission s than that provided in the applicable State or Federal standard, unless that standard requires no periodic testing, specifies no frequency, or requires only a one-time test." While the permit contains testing from "time to time", as discussed in the court opinion, EPA does not consider these conditions sufficient to ensure compliance. In light of the court case, EPA is withholding formal objection regarding the adequacy of the periodic monitoring included in the permit for the following pollutants: Particulate Matter (PM), Visible Emissions (VE) and Sulfur Dioxide (SO_2). EPA's concerns are outlined below:

The permit does not contain adequate periodic monitoring for PM (conditions A.12, D.6, L.5, and M.3) and VE (conditions A.12, C.6, D.6, L.5 and M.4). Although the permit requires annual testing for these pollutants, this infrequent testing is not sufficient to provide a reasonable assurance of compliance with emission limits. All Title V permits must contain monitoring that is sufficient to assure compliance with the applicable permit requirements. In particular, 40 C.F.R. Part 70.6 (a)(3)(i)(B) requires that permits include periodic monitoring that is sufficient to yield reliable data from the relevant time period that are representative of the source's compliance with the applicable emission limits. In addition to assuring

compliance, a system of periodic monitoring will also provide the source with an indication of their emission unit's performance, so that periods of excess emissions and violations of the emission limits can be minimized or avoided. Therefore, the permit should include a periodic monitoring scheme that will provide data which is representative of the source's actual performance.

Since some of the emission units are equipped with control devices, the best approach to address the periodic monitoring requirements for these units is to utilize parametric monitoring of the control equipment. In order to do this, a correlation needs to be developed between the control equipment parameter(s) to be monitored and the pollutant emission levels. The source needs to provide an adequate demonstration (historical data, performance test, etc.) to support the approach used. In addition, an acceptable performance range for each parameter that is to be monitored should be established. The range, or the procedure used to establish the parametric ranges that are representative of proper operation of the control equipment, and the frequency for re-evaluating the range should be specified in the permit. Also, the permit should include a condition requiring a performance test to be conducted in an emission unit operates outside of the acceptable range for a specified percentage of the normal operating time. The department should set the appropriate percentage of the operating time that would serve as trigger for this testing requirement.

As an alternative to the approaches described above, a technical demonstration can be included in the statement of basis explaining why the State has chosen not to require any additional testing to assure compliance with the PM and VE emission limitations for these units. The demonstration needs to identify the rationale for basing the compliance certification on data from a short-term test performed once a year.

TEC Response
TEC has no additional comment with respect to this issue.

General Comment 11
Placard Page – Acid Rain: The "Referenced Attachments Made Part of This Permit" should include the Phase II Acid Rain Part application referred to in Section IV of the permit. EPA Region 4 requested a copy of the Phase II Acid Rain Part application for this source in order to assist us in our review of the proposed permit for the Big Bend Station. However, it is unclear whether the application that we received (signed on December 19, 1995) is the same application referenced in Section IV of the proposed permit. The application referenced in Section IV was received by FDEP on June 14, 1996. Please clarify if the application that we received by fax is indeed the application that was received by your office on June 14, 1996, and is to be considered part of the title V permit for the Big Bend Station.

TEC Response
TEC has no additional comment with respect to this issue.

If you have any further questions regarding Tampa Electric's response to any of these issues, please feel free to call Shannon Todd or me at (813) 641-5125.

Sincerely,

Stanley Martin

Stanley J. Martin
General Manager
Big Bend Station

EP\gm\SKT208

c: Mr. Clair Fancy - FDEP
Mr. Scott Sheplak - FDEP
Mr. Jerry Kissel - FDEP SW
Ms. Alice Harman – EPCHC
Mr. Sterlin Woodard - EPCHC

cc: Bruce

DEP MEDIA HOT SHEET

file w/ exh

TOPIC: The USEPA's Objections to Tampa Electric Company's Big Bend and Gannon Title V Permits

DATE: October 10, 2000, approximately 5:00 P.M.

REPORTER'S NAME: Cheri Jacobs

FROM: Tampa Tribune, (813)259-7668

PERSON INTERVIEWED: Scott M. Sheplak, Administrator, Title V Section
Division of Air Resources Management
Bureau of Air Regulation

QUESTIONS ASKED:

1. What is Title V?
2. Why is a Title V permit needed?
3. How is the USEPA involved?
4. Is it typical for the USEPA to object to permits?
5. How many objections has the Environmental Protection Agency filed?
6. In your opinion are the objections significant?
7. Please go through the specific objection issues.

SUMMARY OF CONVERSATION:

1. Title V is one of the provisions of the 1990 Clean Air Act Amendments. Owners of Title V sources are required to apply for Title V permits. Title V permits allow continued operation of a source. Title V permits are operation permits.

2. Title V permits are required under the Act. Applications were received from the existing sources in mid-1996. I informed her that it took approximately six years for the program development (i.e., federal and state rulemaking, application submittals). Florida is almost finished with all initial Title V permits, while the national average is 35%. The TECO permits are the last utility permits to be issued. Title V is a new program under the 1990 CAA. Florida has had an operating permit program for almost twenty years.

3. There are three distinct stages of a Title V permit: DRAFT, PROPOSED, and FINAL. The DRAFT permit is public noticed. After comments are addressed the permit is forwarded to the USEPA as a PROPOSED permit. The USEPA has forty-five (45) days to review the permit and object if they choose to do so.

4. and 5. The USEPA has objected to thirty-eight (38) permits in Florida; roughly ten per-cent (10%) of our permits. Florida has issued four-hundred-seventeen (417) DRAFT permits. The Department has been able to resolve all of EPA's concerns on prior objections. The USEPA has objected to permits for two reasons primarily: 1) national issues or 2) specific issue with a plant. We have a deadline to resolve the permits or the USEPA can assume authority and issue the permits. The deadline to resolve the permits (Day 90) is December 4 for Big Bend and December 6 for Gannon. TECO has forty-five (45) days to file their own comments on the USEPA's objections. {To date no comments have been received from TECO with day forty-five (45) being November 4.}

6. No, the objections appear to be resolvable.

7. I explained to her that we plan to do a detailed analysis of the comments by the end of October. She plans to call us back to find out our analysis. The USEPA categorized comments as either "Objection Issues" or "General Comments". Objection issues are "showstoppers". Comments on both plants are similar.

BIG BEND BRIEF OVERVIEW OF OBJECTION ISSUES

Issues 1., 2., 4., and 6. in my opinion are minor. Issue item 3., Excess Emissions and issue item 5., Consent Decree require further research. I informed her that we included both the federal and state settlements in each permit.

She may call back for editorial comments. She is not sure if she will be doing a story on any of this.