Chris,

This e-mail is in response to the request from the Office of Intergovernmental Programs to review and respond to the Department of Energy's Notice of Scoping for the INEOS New Planet Bioenergy facility to be built in Indian River County (DOE/EA 1773; DEP Facility ID 0610096). The request for input from the air permitting staff was originally sent to Lisa Kelly in the Central District, but the request was eventually forwarded to me in the Tallahassee office since we (Division of Air Resource Management) are issuing the permit for this facility.

GENERAL

The state clearinghouse coordination and review process cover sheet asked the following specific question: "Are there any permitting issues [or] concerns with this proposal?" At this time, we are continuing to evaluate the application for an air construction permit to build the INEOS facility in Indian River County. We have sent the applicant a request for additional information, which has stopped the permit processing time clock. We have received partial information in response to our request, and we are waiting for the remainder of the information. Based on conversations with the applicant's consultant and our review of the application and supporting materials to date, we do not anticipate any issues or concerns with processing the application.

The applicant has proposed various air pollutant emission limitations and other restrictions on operation so as to maintain emissions below major source thresholds. This greatly simplifies the permitting process, and the permit, when issued, will include conditions to reasonably assure compliance with these limitations and restrictions.

While outside the scope of our review of the permit application, the applicant has hosted at least one open house in the area in which the facility will be located to answer the questions and concerns of the public. At their open house the night of May 26, 2010, about 100 people were in attendance. The applicant's consultant spoke with about 20 people, all but one of whom were in favor of the project.

We anticipate receiving the outstanding information from our initial request soon; the deadline for submitting the information or requesting an extension is June 8. We will have 30 days after receiving this new information to review it for completeness, and assuming the information is complete, the permitting time clock will ensure that we have our intent

to issue (including the draft permit) out the door no later than the middle of August.

PERMITS/AUTHORIZATIONS

The facility will not be subject to the Prevention of Significant Deterioration (PSD) rules (62-212.400) or the Title V air operation permit program (62-213). The facility is subject to the state's minor source construction and operating permit programs (62-210 and 62-212.300). We are still determining rule applicability, but as per the application, the facility evaluated the following state and federal rules for potential applicability:

40 CFR 50 National Primary and Secondary Ambient Air Quality Standards (AAQS)

40 CFR 51 Subpart I – Prevention of Significant Deterioration (PSD) of Air Quality

40 CFR 52 Subpart K – Approval and Promulgation of Implementation Plans, Florida

40 CFR 60 Subpart A – General Provisions (contains general requirements for all units subject to 40 CFR 60, and specific requirements for flares)

Subpart AAAA – Standards of Performance for Small (<250 tpd) MSW Combustors

Subpart Dc – Standards of Performance for Small Industrial-Commercial-Institutional Steam Generating Units

Subpart Kb – Standards of Performance for Volatile Organic Liquid (VOL) Storage Vessels

Subpart IIII – Standards of Performance for Stationary Compression Ignition Internal Combustion Engines

Subpart NNN – Standards of Performance for Volatile Organic Compounds (VOC) Emissions from Synthetic Organic Chemical Manufacturing Industry (SOCMI) Distillation Operations

Subpart RRR –Standards of Performance for VOC from SOCMI Reactor Processes

Subpart VVa – Standards of Performance for Equipment Leaks of VOC in the SOCMI

Subpart WWW - Standards of Performance for MSW Landfills

40 CFR 61 and 63 - National Emissions Standards for Hazardous Air Pollutants (NESHAP)

40 CFR 98 Mandatory Reporting of Greenhouse Gases (GHGs)

14 CFR 77 Federal Aviation Administration (FAA): Objects Affecting Navigable Airspace

62-210 F.A.C. Stationary Sources - General Requirements

62-212 F.A.C. Stationary Sources - Preconstruction Review

62-296 F.A.C. Stationary Sources - Emission Standards

62-297 F.A.C. Stationary Sources - Emissions Monitoring

CONFLICTS

Nothing identified to date.

RECOMMENDATIONS

Nothing identified to date.

Please feel free to contact me with any questions or if you need any additional information. A more detailed project description and regulatory analysis will be included in the technical evaluation that will be part of the draft permit package. When it is available, it will be posted on our webpage for this permitting project: http://www.dep.state.fl.us/Air/emission/bioenergy/indian_river.htm

Thanks!

Greg DeAngelo DARM // Office of Policy Analysis and Program Management <u>Gregory.DeAngelo@dep.state.fl.us</u> (850) 921-9548 phone (850) 922-6979 fax