

LAKE COGEN, LTD.

NCP LAKE POWER, INC., GENERAL PARTNER

One Upper Pond Road • Parsippany, NJ 07054
Tel (973) 263-6950 • Fax (973) 263-6977

April 4, 2001

Mr. Al Linero, P.E.
Administrator -- New Source Review Section
Florida Department of Environmental Protection
Marjory Douglas Building
3900 Commonwealth Boulevard
Tallahassee, FL 32399-3000

RECEIVED

APR 10 2001

BUREAU OF AIR REGULATION

RE: Lake Cogeneration; DEP File No. 0694801-004-AC (PSD-FL-176A);
Modification of CO Emission Limitation – Request for additional information

Dear Mr. Linero:

This is in response to your recent inquiry concerning the status of the referenced application. The project has decided not to proceed further with this modification request at the present time. Based upon the facts that the additional information requested by the Department was not forwarded and that the project has not taken further action to promote the modification request, we also understand that the Department will deny the initial application for the modification request that was filed April 21, 2000. Therefore, the project will continue to maintain the CO emission limits as currently addressed within its Title V Operating Permit.

I do not know if the information has cycled down into your section yet, but in December 2000, GPU International sold its partnership share of the Lake Cogen project to Aquila. Aquila has taken over as the Managing Partner for the project. With the transfer, I also went with the project to join the Aquila team and continue to work with the project. We provided notice to the Department of the change in early January 2001.

Thank-you for the help provided in trying to get this modification through. Please convey our thanks to Mr. Halprin also.

Sincerely,



Thomas A. Grace, CHMM
Director – Environmental Services

Cc: J. LaBauve
L. Rajter
C. Crowder
J. Miller

File: 273-2010.4

L01031lake



Jeb Bush
Governor

Department of Environmental Protection

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

David B. Struhs
Secretary

February 23, 2001

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. Thomas A. Grace
Director - Environmental Health and Safety
c/o GPU International, Inc.
One Upper Pond Road
Parsippany, New Jersey 07054

Re: Final Request for Additional Information
DEP File No. 0694801-004-AC (PSD-FL-176A)
Modification of CO Emission Limitation for Lake Cogeneration Limited

Dear Mr. Grace:

On April 21, 2000 the Department received your application for a modification to the air construction permit for Lake Cogeneration Limited. The application was incomplete. On April 26, 2000, the Department requested you to submit additional information that would allow continued processing of your application. To date, we have not received the requested additional information. Rule 62-4.055(1) of the Florida Administrative Code requires the following:

"The applicant shall have ninety days after the Department mails a timely request for additional information to submit that information to the Department. If an applicant requires more than ninety days in which to respond to a request for additional information, the applicant may notify the Department in writing of the circumstances, at which time the application shall be held in active status for one additional period of up to ninety days. Additional extensions shall be granted for good cause shown by the applicant. A showing that the applicant is making a diligent effort to obtain the requested additional information shall constitute good cause. Failure of an applicant to provide the timely requested information by the applicable deadline shall result in denial of the application."

It has been more than ninety (90) days since our initial request for additional information. The nature of the requested information is such that a diligent effort would have yielded it by now and would certainly yield it within the next thirty (30) days. We are providing you an additional thirty (30) days from the day this letter is received to provide the requested additional information (copy attached). If you fail to respond to this request before this deadline, the Department will deny your application.

If you have any questions regarding this matter, please call me at 850/921-9523 or Michael P. Halpin at 850-921-9519.

Sincerely,

A. A. Linero, P.E. Administrator
New Source Review Section

AAL/mph

cc: K. F. Kosky, Golder Associates
Len Kozlov, DEP CD
Mr. Gregg Worley, EPA Region 4
Mr. John Bunyak, NPS

"More Protection, Less Process"

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April 26, 2000

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. Thomas A. Grace
Director - Environmental Health and Safety
c/o GPU International, Inc.
One Upper Pond Road
Parsippany, New Jersey 07054

Re: Request for Additional Information
DEP File No. 0694801-004-AC (PSD-FL-176A)
Modification of CO Emission Limitation for Lake Cogeneration Limited

Dear Mr. Grace:

On April 21, 2000 the Department received your application for a modification to the air construction permit for Lake Cogeneration Limited. This request is to change the CO limit (from what is represented in the table below) to a facility-wide limit of 42 ppmvd (at 15% O₂) with an annual CO emissions cap of 350 TPY. The application is incomplete. In order to continue processing your application, the Department will need the additional information requested below. Should your response to any of the below items require new calculations, please submit the new calculations, assumptions, reference material and appropriate revised pages of the application form.

Lbs / Hr @ 59°F	Lbs / Hr @ 51°F	Basis	Operating Mode
54.6	56.0	28 ppmvd	CT firing Natural Gas
33.0	34.5	18 ppmvd	CT firing #2 Fuel Oil
36.0	36.0	0.2 lb/MMBtu	DB firing Natural Gas
90.6	92.0		CT + DB firing Natural Gas
TPY = 350.3			

1. Please update the 1991 evaluation of a CO catalyst installation for each unit. That evaluation resulted in a removal cost of \$2700 per ton, which seems high, based upon a recent EPA memorandum dated December 30, 1999.
2. Without the following, the Department is unwilling to accept the statistical analysis provided with the application. The following questions arise as a result of the statistical data and analysis provided:
 - A. 17 data points appear to be represented as the total population for each chart, apparently representing tests from 4 or more sites. The number of data points appears inadequate to draw conclusions, or to ensure that the data is even normally distributed. Please consider using at least 30 (recent) data points and performing a test to ensure that the data is normally distributed at a 98% confidence level. Data should be quality checked (i.e. the test method as well as other controllable factors should be as similar as practical) and data which has special or assignable causes, as well as statistical outliers should be eliminated.
 - B. Unless it can be statistically proven at a high confidence level that the data sets at each site are from the same population (and therefore can be intermingled), all data should be from only the Lake Cogen. site. This is necessary to eliminate any site-to-site variability, which may be the result of differences in permit limits, operation/maintenance practices, fuel type usage, combustor tuning, etc. In the event that the data sets can be statistically proven to represent the same population, please provide that analysis.

3. Please provide the most recent two years worth of historical CO emissions. If this data is not considered to be representative, provide CO emissions for every year of post-construction operation, indicating which years are deemed to be representative as well as the accompanying rationale. The Department intends to review past actual operation with proposed future operation as part of this action.
4. Please indicate whether any other (additional) means are available to obtain real offsetting reductions in CO emissions from the facility as a whole.
5. The Department will likely require a CO CEMS unless the permittee can adequately show that it is impractical for this installation.

The Department will resume processing your application after receipt of the requested information. Rule 62-4.050(3), F.A.C. requires that all applications for a Department permit must be certified by a professional engineer registered in the State of Florida. This requirement also applies to responses to Department requests for additional information of an engineering nature. Material changes to the application should also be accompanied by a new certification statement by the authorized representative or responsible official. Permit applicants are advised that Rule 62-4.055(1), F.A.C. now requires applicants to respond to requests for information within 90 days. If there are any questions, please call Mike Halpin at 850/921-9530.

Sincerely,

A. A. Linero, P.E. Administrator
New Source Review Section

AAL/jk

cc: Gregg Worley, EPA
John Bunyak, NPS
Len Kozlov, DEP CD
Ken Kosky, Golder Associates, Inc.