

Orlando Sentinel

Lake Cogen, Ltd
39001 GOLDEN GEM DR.
ATTN: JIM MILLER
UMATILLA, FL 32784

Before the undersigned authority personally appeared Ann Carpenter/Tamela Vargas/Deborah M. Toney, who on oath says that s/he is the Legal Advertising Representative of Orlando Sentinel, a daily newspaper published in Lake County, Florida; that the attached copy of advertisement, being a Legal Notices in the matter of Project No. 0694801-012-AC in the Lake County _ Court, was published in said newspaper in the issue(s); of

05/14/10

Affiant further says that the said Orlando Sentinel is a newspaper published in said Lake County, Florida, and that the said newspaper has heretofore been continuously published in said Lake County, Florida, each week day and has been entered as second-class mail matter at the post office in said Lake County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says that s/he has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

The foregoing instrument was acknowledged before me this 14 day of May, 2010, Ann Carpenter/Tamela Vargas/Deborah M. Toney, who is personally known to me and who did take an oath.

Tamela Vargas
Deborah M. Toney

(Seal) DEBORAH M. TONEY
NOTARY PUBLIC
STATE OF FLORIDA
Comm# DD0038621
Expires 11/10/2013

1068295

PUBLIC NOTICE OF INTENT TO ISSUE AIR PERMIT

Florida Department of Environmental Protection
Division of Air Resource Management
Bureau of Air Regulation
Draft Air Construction Permit
Project No. 0694801-012-AC
Lake Cogenation Facility
Lake County, Florida

Applicant: The applicant for this project is Lake Cogenation Ltd. The applicant's authorized representative and mailing address is: Mr. James Miller, Plant Manager, Lake Cogenation Ltd., Lake Cogenation Facility, 39001 Golden Gem Drive, Umatilla, Florida 32784.

Facility Location: Lake Cogenation Ltd. operates the existing Lake Cogenation Facility, which is located in Lake County at 39001 Golden Gem Drive in Umatilla, Florida.

Project: The Lake Cogenation Facility consists of two General Electric (GE) LM-6000 combustion turbine units. Each unit is equipped with an inlet chiller and a supplementary-fired duct burner that exhausts through a Heat Recovery Steam Generator (HRSG) stack. Natural gas is the primary fuel fired in the combustion turbines, with distillate oil used as a restricted alternate fuel. The combustion turbines recently underwent a Spray Intercooling (SPRINT) upgrade for enhanced efficiency. The proposed project is for the installation of an oxidation catalyst and associated control system in the HRSG associated with each of the two combustion turbine units.

Each oxidation catalyst system is used to reduce carbon monoxide and volatile organic compound emissions. The catalyst (stainless steel foil coated with calcined alumina with platinum metal) enhances the chemical reaction between oxygen and carbon monoxide and forms carbon dioxide. This project generally provides for carbon monoxide emission control in the range of 50 to 70%. In addition, emissions of volatile organic compounds will be reduced by the project.

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 of the Florida Administrative Code (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 Permitting Authority responsible for making a permit decision for this project is the Bureau of Air Regulation in the Department of Environmental Protection's Division of Air Resource Management. The Permitting Authority's physical address is: 11 South Magnolia Drive, Suite #4, Tallahassee, Florida. The Permitting Authority's mailing address is: 2600 Blair Stone Road, MS #5505, Tallahassee, Florida 32399-2400. The Permitting Authority's telephone number is 850/488-0114.

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 physical address indicated above for the Permitting Authority. The complete project file includes the Draft Permit, the Technical Evaluation and Preliminary Determination, the application and information submitted by the applicant (exclusive of confidential records under Section 403.111, F.S.). Interested persons may contact the Permitting Authority's project engineer for additional information at the address and phone number listed above. In addition, electronic copies of these documents are available on the following web site: <http://www.dep.state.fl.us/air/emission/apds/default.asp>.

Notice of Intent to Issue Air Permit: The Permitting Authority gives notice of its intent to issue an air construction permit to the applicant for the project described above. The applicant has provided reasonable assurance that operation of proposed equipment will not adversely impact air quality and that the project will comply with all appropriate 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 for a period of 14 days from the date of publication of this 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 the 14-day period. If written comments received result in a significant change to

LAKE COGEN, LTD.

39001 Golden Gem Dr. • Umatilla, FL 32784
Tel (352) 669-3288 • Fax (352) 669-3188

May 24, 2010

Mr. Jeff Koerner
Florida Department of Environmental Protection
Bureau of Air Resources
2600 Blairstone Road
Tallahassee, Florida 32399-2400
(850) 921-9510

RECEIVED

MAY 26 2010

**BUREAU OF
AIR REGULATION**

RE: Lake Cogeneration Facility; Draft Air Permit No. 0694801-012-AC;
Installation of Oxidation Catalyst System

Dear Mr. Koerner:

The purpose for this letter is to provide the Department with several minor comments we observed in reviewing the referenced draft construction permit. As you are aware, the Department's Notice of Intent to issue the construction permit was published in the May 14, 2010 edition of the Orlando Sentinel for public review.

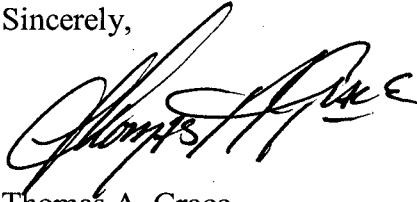
We have the following minor comments/observations:

- Page 2 of 4 within the Technical Evaluation and Preliminary Determination section, under the facility Description and Location section, change Lake Investment, Ltd. to Lake Cogeneration, Ltd.
- Page 2 of 5 within the Draft Permit, under the Existing Facility Description, change Lake Investment, Ltd. to Lake Cogeneration, Ltd.
- Page 4 of 5, within the Draft Permit, under the Capacity description in Section A., change the "approximately 39.5 MW" to "approximately 45 MW".
- General comment. It is our understanding that the proposed draft construction permit will not affect either the concentration or mass limits of CO from the facility, as noted on page 4 of 5 under the emissions limits and performance standards section of the draft permit.
- Pursuant to an earlier telephone between us, it is also understood that while requested in the permit application, the Department will not, at this time, allow for an adjusted CO monitoring program that is based upon a correction factor of 15% O₂.

We certainly appreciate the Department's effort in getting this construction permit out for the project and allowing use to proceed with the installation of the CO catalyst. If there are any questions concerning the comments provided above, please feel free to either call or e-mail me. My telephone number is 917 472-4593 and my e-mail address is tgrace@caithnessenergy.com.

For Lake Cogeneration, Ltd.

Sincerely,

A handwritten signature in black ink, appearing to read 'Thomas A. Grace', written in a cursive style.

Thomas A. Grace

Director – Environmental, Health & Safety

Cc: J. Miller
K. Collins
S. Osbourn