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BUREAU OF AIR REGULATION

November 18, 2008

Via Certified Mail No: 7007 3020 0000 7100 3440

Mr. Jeff Koerner, P.E. New Source Review Administrator  
Bureau of Air Regulation  
Division of Air Resource Management  
2600 Blair Stone Road, MS 5500  
Tallahassee, Florida 32399-2400

Re: Draft Permit Comments - Levy Nuclear Plant (LNP)  
PSD Permit No: PSD-FL-403  
Project ID No: 0750088-001-AC  
Levy County

Dear Mr. Koerner:

As requested in recent telephone conversations and exchange of electronic correspondence, Progress Energy Florida, Inc. (PEF) is submitting preliminary written comments regarding the draft permit issued to PEF for the Levy Nuclear Plant (LNP) facility. Specifically, the comments included below address the annual usage of No. 2 diesel fuel for the eight emergency generators and two fire pumps. Condition 3.B.3. of the draft permit issued by the Division of Air Resource Management (DARM) on July 31, 2008 limited the annual usage of fuel oil for these engines to less than 32,000 gallon/year, in an effort to "categorically exempt" these units from permitting requirements. However, based on the PSD permit application, the anticipated operation of these generators and fire pumps at the facility will result in an estimated annual usage of diesel fuel of 66,160 gallons/year during non-emergency operation (e.g. testing and maintenance) operation, which would exceed the 32,000 gallon/year limit/threshold. Therefore, Progress Energy requests that these units be subject to a higher annual fuel usage limit, as explained below, and also be subject to BACT for PM; we are not requesting that they be treated as exempt.

PEF has reviewed the NO<sub>x</sub> emission rate included in the application for the four (4) 2MW generators, four (4) ancillary generators and two (2) fire pumps; these units are the only sources of NO<sub>x</sub> emission at the proposed LNP facility. The initial PSD application indicates that NO<sub>x</sub> emissions would be 16.4 tons per year as the result of the combustion of 66,160 gallons of No. 2 diesel fuel per year. However the PSD emission threshold for NO<sub>x</sub> is 40 tons per year, and

Progress Energy Florida, Inc.  
P. O. Box 14042  
St. Petersburg, FL 33733

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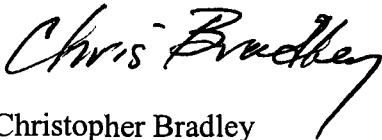
simply scaling the fuel use up to reach this threshold, the calculated fuel usage would be 161,365 gallons per year; i.e.,

$$66,160 \text{ gal/year} \times (40/16.4) = 161,365 \text{ gal/yr}$$

Accordingly, Progress Energy would like to propose a higher fuel usage limit of 145,000 gallons/year, which equates to 90 percent of the PSD threshold of 40 TPY. In addition, in its application, Progress Energy proposed that BACT for these units would be the manufacturer certification pursuant to NSPS IIII, and the use of 0.05% sulfur fuel oil. Progress Energy is now proposing the use of ultra low sulfur (ULS) fuel (0.00015% sulfur (S)) as Best Available Control Technology (BACT) for PM emissions.

If you have any questions, please contact me at 727.820.5962.

Sincerely,



Christopher Bradley  
Sr. Environmental Specialist  
Progress Energy Florida, Inc.

**CERTIFIED MAIL™**



7007 3020 0000 7100 3440



**Progress Energy**

Mr. Jeff Koerner  
FDEP North Permitting Section  
Division of Air Resource Mgmt.  
2600 Blair Stone Rd., MS 5505  
Tallahassee, FL 32399-2400



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