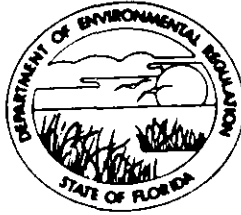


STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL REGULATION

SOUTH FLORIDA DISTRICT
2269 BAY STREET
FORT MYERS, FLORIDA 33901-2896
(813)332-2667



BOB MARTINEZ
GOVERNOR
DALE TWACHTMANN
SECRETARY
PHILIP R. EDWARDS
DISTRICT MANAGER

PERMITTEE: Robert R. Padron, Gen. Mgr.
Utility Board of the City
of Key West
City Electric System
P. O. Box 6100
Key West, FL 33041-6100

I.D.No: 52/44/0002/06
Permit/Certification
Number: A044-147179
Date of Issue: 04-04-88
Expiration Date: 04-04-93
County: Monroe

Latitude: 24° 33' 40" N
Longitude: 81° 47' 51" W
Section/Town/Range: 31/67S/25E
Project: Utility Board of the
City of Key West
City Electric System
Gas Turbine
Trumbo Road - Key West

*Tied to .02 mi
or 90 feet*

*Stock Island is
24° 33' 49" N
81° 44' 03" E or 4 mi away*

This permit is issued under the provisions of Chapter 403, Florida Statutes, and Florida Administrative Code Rule(s) 17-2 and 17-4. The above named permittee is hereby authorized to perform the work or operate the facility shown on the application and approved drawing(s), plans, and other documents, attached hereto or on file with the department and made a part hereof and specifically described as follows:

Operate a gas turbine power plant with a rated output of 23.45 MW at ISO conditions fired with No. 2 distillate fuel oil having a maximum heat input of 321.1 MMBTU/HR. Emissions from this source are controlled by a water-injection system.

Plant is located on Trumbo Road, Key West, Florida.

DER FORM 17-1.205(5)
Effective November 30, 1982

Page 1 of 6

PERMITTEE: Utility Board of the
City of Key West

I.D. Number: 52/44/0002/06
Permit/Certification No. AO44-147179
Date of Issue: 04-04-88
Expiration Date: 04-04-93

GENERAL CONDITIONS:

1. The terms, conditions, requirements, limitations, and restrictions set forth herein are "Permit Conditions" and as such are binding upon the permittee and enforceable pursuant to the authority of Section 403.161, 403.727, or 403.859 through 403.861, Florida Statutes. The permittee is hereby placed on notice that the department will review this permit periodically and may initiate enforcement action for any violation of the "Permit Conditions" by the permittee, its agents, employees, servants or representatives.
2. This permit is valid only for the specific processes and operations applied for and indicated in the approved drawings or exhibits. Any unauthorized deviation from the approved drawings, exhibits, specifications, or conditions of this permit may constitute grounds for revocation and enforcement action by the department.
3. As provided in Subsections 403.087(6) and 403.722(5), Florida Statutes, the issuance of this permit does not convey any vested rights or any exclusive privileges. Nor does it authorize any injury to public or private property or any invasion of personal rights, nor any infringement of federal, state or local laws or regulations. This permit does not constitute a waiver of or approval of any other department permit that may be required for other aspects of the total project which are not addressed in the permit.
4. This permit conveys no title to land or water, does not constitute state recognition or acknowledgement of title, and does not constitute authority for the use of submerged lands unless herein provided and the necessary title or leasehold interests have been obtained from the state. Only the Trustees of the Internal Improvement Trust Fund may express state opinion as to title.
5. This permit does not relieve the permittee from liability for harm or injury to human health or welfare, animal, plant or aquatic life or property and penalties therefor caused by the construction or operation of this permitted source, nor does it allow the permittee to cause pollution in contravention of Florida Statutes and department rules, unless specifically authorized by an order from the department.
6. The permittee shall at all times properly operate and maintain the facility and systems of treatment and control (and related appurtenances) that are installed or used by the permittee to achieve compliance with the conditions of this permit, as required by department rules. This provision includes the operation of backup or auxiliary facilities or similar systems when necessary to achieve compliance with the conditions of the permit and when required by department rules.

PERMITTEE: Utility Board of the
City of Key West

I.D. Number: 52/44/0002/06
Permit/Certification No. AO44-147179
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GENERAL CONDITIONS:

7. The permittee, by accepting this permit, specifically agrees to allow authorized department personnel, upon presentation of credentials or other documents as may be required by law, access to the premises, at reasonable times, where the permitted activity is located or conducted for the purpose of:

- a. Having access to and copying any records that must be kept under the conditions of the permit;
- b. Inspecting the facility, equipment, practices, or operations regulated or required under this permit; and
- c. Sampling or monitoring any substances or parameters at any location reasonably necessary to assure compliance with this permit or department rules.

Reasonable time may depend on the nature of the concern being investigated.

8. If, for any reason, the permittee does not comply with or will be unable to comply with any condition or limitation specified in this permit, the permittee shall immediately notify and provide the department with the following information:

- a. a description of and cause of non-compliance; and
- b. the period of noncompliance, including exact dates and times; or, if not corrected, the anticipated time the non-compliance is expected to continue, and steps being taken to reduce, eliminate, and prevent recurrence of the non-compliance.

The permittee shall be responsible for any and all damages which may result and may be subject to enforcement action by the department for penalties or revocation of this permit.

9. In accepting this permit, the permittee understands and agrees that all records, notes, monitoring data and other information relating to the construction or operation of this permitted source, which are submitted to the department, may be used by the department as evidence in any enforcement case arising under the Florida Statutes or department rules, except where such use is proscribed by Sections 403.73 and 403.111, Florida Statutes.

10. The permittee agrees to comply with changes in department rules and Florida Statutes after a reasonable time for compliance, provided however, the permittee does not waive any other rights granted by Florida Statutes or department rules.

11. This permit is transferable only upon department approval in accordance with Florida Administrative Code Rules 17-4.12 and 17-30.30, as applicable. The permittee shall be liable for any non-compliance of the permitted activity until the transfer is approved by the department.

PERMITTEE: Utility Board of the
City of Key West

I.D. Number: 52/44/0002/06
Permit/Certification No. AO44-147179
Date of Issue: 04-04-88
Expiration Date: 04-04-93

GENERAL CONDITIONS:

12. This permit is required to be kept at the work site of the permitted activity during the entire period of construction or operation.

13. This permit also constitutes:

- () Determination of Best Available Control Technology (BACT)
- () Determination of Prevention of Significant Deterioration (PSD)
- () Certification of Compliance with State Water Quality Standards (Section 401, PL 92-500)
- () Compliance with New Source Performance Standards

14. The permittee shall comply with the following monitoring and record keeping requirements:

a. Upon Request, the permittee shall furnish all records and plans required under department rules. The retention period for all records will be extended automatically, unless otherwise stipulated by the department, during the course of any unresolved enforcement action.

b. The permittee shall retain at the facility or other location designated by this permit records of all monitoring information (including all calibration and maintenance records and all original strip chart recordings for continuous monitoring instrumentation), copies of all reports required by this permit, and records of all data used to complete the application for this permit. The time period of retention shall be at least three years from the date of the sample, measurement, report or application unless otherwise specified by department rule.

c. Records of monitoring information shall include:

- the date, exact place, and time of sampling or measurements;
- the person responsible for performing the sampling or measurements;
- the date(s) analyses were performed;
- the person responsible for performing the analyses;
- the analytical techniques or methods used; and
- the results of such analyses.

15. When requested by the department, the permittee shall within a reasonable time furnish any information required by law which is needed to determine compliance with the permit. If the permittee becomes aware that relevant facts were not submitted or were incorrect in the permit application or in any report to the department, such facts or information shall be submitted or corrected promptly.

PERMITTEE: Utility Board of the
City of Key West

I.D. Number: 52/44/0002/06
Permit/Certification No. AO44-147179
Date of Issue: 04-04-88
Expiration Date: 04-04-93

SPECIFIC CONDITIONS:

1. The circular 24-hour strip chart to monitor the actual ratio of the water flow (GPM)/fuel oil flow (GPM) and the electrical output in MW shall be properly maintained and calibrated so as to be functional at all times.
2. Nitrogen oxides (NO_x) emissions shall not exceed 75 ppm by volume at 15 percent oxygen on a dry basis in accordance with the requirements of U. S. EPA "Standards of performance for stationary gas turbines", Part 60, Subpart GG.
3. Nitrogen oxides test is required to show continuing compliance with the standards of the Department. The test results must provide reasonable assurance that the unit is capable of compliance at the permitted maximum operating rate. Test shall be conducted in accordance with EPA Method 20 published in 40 CFR-60, Appendix A. Such test shall be conducted prior to the renewal of this permit. Results shall be submitted to the Department within 45 days after testing. The Department shall be notified at least 15 days prior to testing to allow witnessing. Annual tests may be required if the Department inspections show a need for such tests.
4. Compliance with Sulfur Dioxide emissions will be assumed if the fuel oil analysis report indicates a sulfur content of 0.5% by weight or less.
5. Visible emissions shall be less than 20% opacity.
6. Visible emission tests are required to show continuing compliance with the standards of the Department. The test results must provide reasonable assurance that the unit is capable of compliance at the permitted maximum operating rate. Test shall be conducted in accordance with EPA Method Nine as published in 40 CFR-60, Appendix A, or State approved equivalent method. Such tests shall be conducted once per year commencing April 1989. Results shall be submitted to the Department within 45 days after testing. The Department shall be notified at least 15 days prior to testing to allow witnessing.
7. Submit a fuel oil analysis report indicating sulfur content and heat value on a monthly basis or each new shipment received.
8. Operating period for this gas turbine shall not exceed 2,885.5 hours per year.

PERMITTEE: Utility Board of the
City of Key West

I.D. Number: 52/44/0002/06
Permit/Certification No. AO44-147179
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Expiration Date: 04-04-93

SPECIFIC CONDITIONS:

9. An annual operation report (DER Form 17-1.202(6) attached) shall be submitted by March 1st each year. The attached form shall be reproduced by the permittee and used for future annual submittals.
10. Stack sampling facilities provided by the owner shall be in accordance with the requirements of Chapter 17-2.700(4), Florida Administrative Code.
11. All fugitive dust generated at this site shall be adequately controlled.
12. This facility shall be operated in such a fashion so as to preclude objectionable odors.
13. Notification and reporting requirements of this permit shall also be sent to the Department of Environmental Regulation, South Florida District Branch Office, 11400 Overseas Highway, Suites 219-224, Marathon, Florida 33050.

Issued this 4th day of April, 1988.

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL REGULATION



Philip R. Edwards
District Manager

PRE/OO/1s
____ Pages Attached

DER Form 17-1.201(5)
Effective November 30, 1982

Page 6 of 6

4

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL REGULATION

April 4, 1988

RECEIVED

APR 14 1988

Robert R. Padron, General Manager
Utility Board of the City of Key West
City Electric System
Post Office Box 6100
Key West, Florida 33041-6100

APR 15 1988

MANAGER'S OFF

RE: Monroe County - AP
Utility Board of the City of Key West
City Electric System, Gas Turbine
Trumbo Road - Key West

Dear Mr. Padron:

Enclosed is Permit Number AO44-147179 to operate the subject gas turbine issued pursuant to Section(s) 403.087, Florida Statutes.

Persons whose substantial interests are affected by this action have a right, pursuant to Section 120.57, Florida Statutes (FS) to petition for an administrative determination (hearing) on it. The petition must conform to the requirements of Chapters 17-103 and 28-5.201, FAC, and must be filed (received) in the Department's Office of General Counsel, 2600 Blair Stone Road, Tallahassee, Florida 32399-2400, within fourteen (14) days of receipt of this notice. Failure to file a petition within the fourteen (14) days constitutes a waiver of any right such person has to an administrative determination (hearing) pursuant to Section 120.57, FS. This action is final and effective on the date filed with the Clerk of the Department unless a petition is filed in accordance with this paragraph or unless a request for extension of time in which to file a petition is filed within the time specified for filing a petition and conforms to Rule 17-103.070, FAC. Upon timely filing of a petition or a request for an extension of time this action will not be effective until further Order of the Department.

When the Order (Action) is final, any party to the Order has the right to seek judicial review of the Order pursuant to Section 120.68, FS, by the filing of a Notice of Appeal pursuant to Rule 9.110, Florida Rules of Appellate Procedure, with the Clerk of the Department in the Office of General Counsel, 2600 Blair Stone, Tallahassee, Florida 32399-2400; and by filing a copy of the Notice of Appeal accompanied by the applicable filing fees with the appropriate District Court of Appeal. The Notice

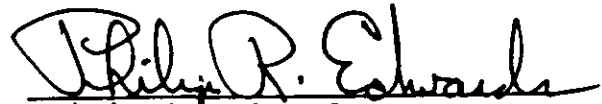
9-14-80

cc C.T. Curry
Robert Padron

of Appeal must be filed within thirty (30) days from the date the Final Order is filed with the Clerk of the Department.

Executed in Ft. Myers, Florida.

STATE OF FLORIDA DEPARTMENT
OF ENVIRONMENTAL REGULATION



Philip R. Edwards
District Manager
South Florida District Office
2269 Bay Street
Fort Myers, FL 33901-2896

PRE/OO/lc
Copies furnished to:

DER-Marathon Office

CERTIFICATE OF SERVICE

This is to certify that this PERMIT and all copies were mailed before the close of business on *April 12, 1988*, to the listed persons.

CLERK STAMP

FILING AND ACKNOWLEDGMENT
FILED, on this date, pursuant to S 120.52
Florida Statutes, with the designated Department Clerk, receipt of which is hereby acknowledged.



CLERK

4-12-88

DATE