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ORLANDO UTILITIES COMMISSION

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March 18, 1991

Jewell A. Harper, Chief
Air Enforcement Branch
U. S. Environmental Protection Agency
Region IV
345 Courtland Street, N.E.
Atlanta, GA 30365

RE: PSD-FL-084

Modification of PSD Permit for Orlando Utilities Commission,
Stanton Energy Center
and Determination of Best Available Control Technology
for Stanton Energy Center Unit 2

Dear Mr. Harper:

Orlando Utilities Commission (OUC) is hereby requesting a modification of its Prevention of Significant Deterioration (PSD) permit (PSD-FL-084) issued by the EPA on June 10, 1982. This permit was for two coal-fired power plants at the Stanton Energy Center in Orange County, Florida. Construction on Unit 1 was commenced within 18 months of issuance of the permit and began operation in 1987. The permit currently has a scheduled commence construction date for Unit 2 of July 1, 1990 under the phased PSD permit approach. Therefore, the permit as it now exists would expire for Unit 2 if construction is not commenced on that Unit 2 by January 1, 1992. Additionally, a new BACT review is required prior to commencement of construction of the phased Unit 2.

When the PSD permit was obtained in 1982, OUC decided to invest large sums in a site and site facilities suitable for multiple units. Many of the facilities installed at the Stanton Energy Center were sized and constructed for two units. To protect this investment, OUC sought and received the phased construction PSD permit which protects these investments from increment consumption encroachment of other sources. OUC's best estimate in 1982 was that Stanton 2 would begin construction sometime during the 1989-1991 time frame. Thus, a July 1, 1990, date was selected as the scheduled commence construction date. OUC's estimate was good, but not perfect. OUC has installed and is installing some new simple cycle peaking units to meet its load growth needs of the early 1990s. Consequently, Stanton 2 has been scheduled for operation in 1997, making an 18-month modification in the scheduled commence construction date advisable. Therefore, OUC is requesting modification to the scheduled commence construction date for Unit 2 to December 31, 1991. This would allow OUC to commence construction of Unit 2 up

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until July 1, 1993; and, thus, allow OUC to fully utilize its prior investments.

As part of the permit modification request, OUC is also proposing a minor modification to the maximum heat input rate for Unit 2. OUC is also requesting at this time for EPA to conduct the new BACT analysis required for Unit 2 prior to its commencement of construction. As part of this new BACT, OUC is proposing major reductions in the Unit 2 permitted emission rates for SO₂, NO_x, and TSP.

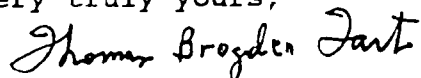
With regard to this modification request, we would direct your attention to EPA's letter of March 3, 1989, from Bruce P. Miller, Chief, Air Programs Branch, to Mr. James S. Crall, OUC. Your letter presented three separate options available to OUC. OUC is pursuing the third option outlined in that letter. We have enclosed a copy of your letter for reference.

With regard to the processing of the PSD modification request, we understand from EPA's letter of January 28, 1991, from you to Mr. James S. Crall, that EPA views the Stanton 2 PSD modification process to be separate from Florida's Site Certification Process. Since this permit was issued by EPA, the preliminary determination, the final determination, and the modification would all be issued by EPA after analysis and recommendation by FDER. We are anxious for this modification request to be processed separately from the Florida process and look forward to an early resolution of all BACT and modification issues.

Under separate cover from Black & Veatch, you will receive three copies of Volume 2 of the Supplemental Site Certification Application (SSCA). The entire SSCA was filed Friday, March 15, 1991, with the FDER. Volume 2 contains all of the SSCA except for the Need for Power chapter. It contains the revised BACT analysis and the results of the new modeling which was conducted. The modeling exceeds that required in your letter of January 28, 1991, for PSD permit modification solely to provide impact assessments for the Florida Site Certification Process.

We look forward to working with you on this important modification request and BACT review. We will be calling you shortly to schedule a meeting with you at your earliest convenience to further discuss these matters.

Very truly yours,



Thomas Brogden Tart
General Counsel

cc: Gregg Worley, Environmental Protection Agency
Hamilton S. Oven, Department of Environmental Regulation
Clair Fancy, Department of Environmental Regulation

bc:

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