

Florida Department of Environmental Protection

Bob Martinez Center 2600 Blair Stone Road Tallahassee, Florida 32399-2400 Charlie Crist Governor

Jeff Kottkamp Lt. Governor

Michael W. Sole Secretary

NOTICE OF FINAL PERMIT

In the Matter of an Application for Air Permit by:

Mr. Larry Mattern, Vice President of Power Supply Kissimmee Utility Authority P.O. Box 423219 Kissimmee, Florida 34742-3219 DEP File No. 0970001-008-AC Roy B. Hansel Power Facility Allowable Fuel, CAIR Osceola County

Enclosed is the Final Permit Number 0970001-008-AC for the Roy B. Hansel Power Facility located at 102 Lakeshore Boulevard in Kissimmee, Florida. This permit authorizes the applicant to eliminate fuel oil as an allowable fuel. In addition, the applicant had requested changes to include Clean Air Interstate Rule (CAIR) monitoring provisions.

Any party to this order (permit) has the right to seek judicial review of the permit pursuant to Section 120.68, F.S., 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 Legal Office; 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 of Appeal must be filed within 30 days from the date this Notice is filed with the Clerk of the Department.

Executed in Tallahassee, Florida.

Trina L. Vielhauer, Chief Bureau of Air Regulation

Jun & Vulkaus

CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this Notice of Final Permit (including the Final Permit) and all copies were sent electronically (with Received Receipt Requested) before the close of business on 5/28/08 to the person(s) listed:

Mr. Larry Mattern, Kissimmee Utility Authority (Imattern@kua.com)

Mr. Mike Halpin, Siting Office (Mike.Halpin@dep.state.fl.us)

Mr. Alan Zahm, Central District Office (Alan.Zahm@dep.state.fl.us)

Ms. Gracy Danois, EPA Region 4 (danois.gracy@epa.gov)

Ms. Kathleen Forney, EPA Region 4 forney,kathleen@epa.gov

Ms. Barbara Friday, DEP BAR Barbara Friday@dep.state.fl.us

Clerk Stamp

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

"More Protection, Less Process"

www.dep.state.fl.us



Florida Department of Environmental Protection

Bob Martinez Center 2600 Blair Stone Road Tallahassee, Florida 32399-2400 Charlie Crist Governor

Jeff Kottkamp Lt. Governor

Michael W. Sole Secretary

FINAL PERMIT

PERMITTEE

Kissimmee Utility Authority 102 Lakeshore Boulevard Kissimmee, FL 34741

Authorized Representative:

Mr. Larry Mattern, V.P. of Power Supply

Permit No. 0970001-008-AC Roy B. Hansel Power Facility ARMS ID No. 0970001 Osceola County, Florida Expires: December 31, 2008

PROJECT AND LOCATION

Enclosed is the final air construction permit processed concurrently with Title V permit No. 0970001-009-AV to revise specific conditions in previous air construction permits. A copy of this letter shall be filed with the referenced permit and shall become part of the permit. This permit modification is issued pursuant to Chapter 403, Florida Statutes. The affected emissions units are installed at the Roy B. Hansel Power Facility (SIC No. 4911). The facility is located in Osceola County at 102 Lakeshore Boulevard, Kissimmee, Florida. The UTM map coordinates are Zone 17, 460.1 E and 3129.3 N.

STATEMENT OF BASIS

This air pollution construction permit is issued under the provisions of Chapter 403 of the Florida Statutes (F.S.), and Chapters 62-4, 62-204, 62-210, 62-212, 62-296, and 62-297 of the Florida Administrative Code (F.A.C.). The permittee is authorized to conduct the proposed work or operate the facility in accordance with the conditions of this permit and as described in the application, approved drawings, plans, and other documents on file with the Department.

CONTENTS

Section 1. General Information

Section 2. Revised Permit Conditions

Executed in Tallahassee, Florida

Joseph Kahri, Director

Division of Air Resource Management

FINAL DETERMINATION

PERMITTEE

Kissimmee Utility Authority P.O. Box 423219 Kissimmee, Florida 34742-3219

PERMITTING AUTHORITY

Florida Department of Environmental Protection (Department) Division of Air Resource Management Bureau of Air Regulation, New Source Review Section 2600 Blair Stone Road, MS #5505 Tallahassee, Florida 32399-2400

PROJECT

Air Permit No. 0970001-008-AC Roy B. Hansel Power Facility

On January 7, 2008, the applicant submitted a combined AC/AV application to revise air permit AC49-7856 and concurrently revise Title V permit 0970001-007-AV. The applicant requested that fuel oil be deleted as an authorized fuel for this facility and that related conditions be revised to reflect this change. The applicant also requested that the Clean Air Interstate Rule (CAIR) requirements be included in the permit.

I. Public Notice.

An Intent to Issue Air Construction Permit Modification to Kissimmee Utility Authority, for the Roy B. Hansel Power Facility, located at 102 Lakeshore Boulevard in Kissimmee, in Osceola County, was clerked on March 25, 2008. The Public Notice of Intent to Issue Title V Air Operation Permit Renewal/Revision was published in the Orlando Sentinel on April 10, 2008. The Draft Permit was available for public inspection at the Department of Environmental Protection's Central District Office in Orlando and the permitting authority's office in Tallahassee. Proof of publication of the Public Notice of Intent to Issue Air Construction Permit was received on April 14, 2008.

II. Public Comments.

No comments on the Draft Permit were received from the public, the Department's Central District Office or the EPA Region 4 Office.

III. Conclusion.

The final action of the Department is to issue the air construction permit with no changes.

FACILITY DESCRIPTION

Kissimmee Utility Authority operates a power generating facility in Osceola County located at 102 Lakeshore Boulevard in Kissimmee, Florida. The UTM map coordinates are Zone 17, 460.1 E, and 3129.3 N. The facility includes one 30.9 MW combined cycle combustion turbine with an unfired heat recovery steam generator and two 0.5 MW steam turbines which utilize steam produced by recovering waste heat from the combustion turbine exhaust gases. Emissions of nitrogen oxides (NO_X) are controlled by using low nitrogen content fuels and water injection.

REGULATORY CATEGORIES

The existing facility is:

- A Title V major source of air pollution in accordance with Chapter 62-213, F.A.C.;
- A major stationary source in accordance with Rule 62-212.400, F.A.C. for the Prevention of Significant Deterioration (PSD) of Air Quality;
- Not a major source of hazardous air pollutants (HAP);
- Subject to the New Source Performance Standards (NSPS) in 40 CFR 60 for: Subpart A (General Provisions) and Subpart GG (Stationary Gas Turbines) as adopted by reference in Rule 62-204.800 F.A.C.:
- Not subject to any National Emissions Standards for Hazardous Air Pollutants (NESHAP) in 40 CFR 63;
- Not subject to the Title IV Acid Rain provisions of the Clean Air Act (CAA); and
- Subject to Clean Air Interstate Rule (CAIR) in 40 CFR 96, as adopted by reference in 62-204.800, F.A.C.

RELEVANT DOCUMENTS

The permit application received on January 7, 2008 is not a part of this permit; however, the information is specifically related to this permitting action and is on file with the Department. The documents listed below are not a part of this permit, but are specifically related to this permitting action and are on file with the Department.

The Technical Evaluation and Preliminary Determination.

Application submitted on January 7, 2008.

Permit No. AC49-74856 issued on March 30, 1984.

Subsequent modifications to Permit AC49-74856 issued on May 19, 1984, and May 30, 1986.

Title V Air Operation Permit 0970001-007-AV issued on May 4, 2007.

SUMMARY OF AFFECTED EMISSIONS UNITS

| EU No. | Emissions Unit Description |
|--------|-----------------------------------|
| 001 | Combined Cycle Combustion Turbine |

This permit revises several underlying conditions in previously issued air construction permits for the Roy B. Hansel Power Facility. No further construction is authorized by this action. Deletions are shown as strikethrough and additions with <u>double underline</u>. The permits and conditions are revised as follows. All other conditions are unchanged and the affected emissions units remain subject to the applicable requirements.

Permit No. AC49-74856

Specific Condition 4 of Permit AC49-74856 is revised as follows:

4. The source shall <u>only</u> be allowed to use <u>either</u> natural gas. <u>or No. 2 fuel oil.</u> <u>Emissions standards and other specific conditions related to the use of No. 2 fuel oil shall no longer apply.</u>

[62-4.070, F.A.C.]

Specific Condition 10 of Permit AC49-74856 is revised as follows:

10. The applicant shall comply with all requirements of 40 CFR 60, Subpart GG, Standards of Performance for stationary gas turbines. Continuous monitoring systems that use the NO_x emissions measurement methodology in Appendix E of 40 CFR 75 may be used in lieu of the monitoring system for water-to-fuel ratio.

[40 CFR 60.334 (g)]

New specific conditions are added to AC49-74856 as follows:

17. Supplemental Permit: This air construction permit supplements all other existing air construction and operation permits for the emissions units identified above. Unless otherwise stated in this permit, the emissions units remain subject to the emissions standards and specific conditions of all other applicable air construction and operation permits.

[Rule 62-4.070(3), F.A.C.]

18. Loss of peaking status. If, at the end of any calendar year or ozone season, the unit's operations exceed the levels required to be a peaking unit, the owner or operator shall install and certify a NO_X – diluent monitoring system no later than December 31st of the following year. A combustion unit is defined as a peaking unit if it has an average annual capacity factor of 10.0 percent or less over the past three years and an annual capacity factor of 20.0 percent or less in each of those three years. Capacity factor is defined in §72.2 as either (1) the ratio of the unit's actual annual electrical output to the nameplate capacity times 8760, or (2) the ratio of the unit's actual annual heat input to the maximum design heat input times 8760. The ozone season capacity factor is calculated in the same basic way as the annual capacity factor, except that the ozone season heat input or electrical output is used in the calculation and 8760 is replaced with 3672.

[40 CFR 75 Appendix E]

Florida Department of **Environmental Protection**

TO:

Joe Kahn

THROUGH: Trina Vielhauer

FROM:

Russell Wider

DATE:

May 22, 2008

SUBJECT:

Final Air Permit No. 0970001-008-AC, Air Construction Permit

Kissimmee Utility Authority Roy B. Hansel Power Facility

Fuel oil, CAIR revisions

Attached for your review are the following items:

- Notice of Final Permit;
- Final Permit and
- Final Determination.

The purpose of this final permit package is to revise the fuel oil requirements of AC permit 49-74856 and to include Clean Air Interstate Rule (CAIR) requirements. The Final Determination summarizes the revisions from the proposed project. I recommend your approval of the attached final permit for this project.

Attachments

JK/tlv/raw

From:

Harvey, Mary

Sent:

Wednesday, May 28, 2008 1:45 PM

To:

'Mr. Larry Mattern, Kissimmee Utility Authority'; Halpin, Mike; Zahm, Alan; 'Ms. Gracy Danois,

EPA Region 4'; 'Ms. Kathleen Forney, EPA Region 4'; Friday, Barbara

Cc:

Wider, Russell; Walker, Elizabeth (AlR); Gibson, Victoria

Subject:

Kissimmee Utility Authority - DEP File #0970001-008-AC - FINAL

Attachments: 0970001.008.AC.F_pdf.zip

Tracking:

Recipient Delivery Read

'Mr. Larry Mattern, Kissimmee Utility Authority'

Halpin, Mike Delivered: 5/28/2008 1:49 PM Read: 5/29/2008 3:35 PM

Zahm, Alan Delivered: 5/28/2008 1:49 PM

'Ms. Gracy Danois, EPA Region 4'
'Ms. Kathleen Forney, EPA Region 4'

Friday, Barbara Delivered: 5/28/2008 1:49 PM Read: 5/28/2008 1:46 PM Wider, Russell Delivered: 5/28/2008 1:49 PM Read: 5/28/2008 2:53 PM

Walker, Elizabeth (AIR) Delivered: 5/28/2008 1:49 PM

Gibson, Victoria Delivered: 5/28/2008 1:49 PM Read: 5/28/2008 1:45 PM

Dear Sir/Madam:

Please send a "reply" message verifying receipt of the attached document(s); this may be done by selecting "Reply" on the menu bar of your e-mail software and then selecting "Send". We must receive verification of receipt and your reply will preclude subsequent e-mail transmissions to verify receipt of the document(s).

The document(s) may require immediate action within a specified time frame. Please open and review the document(s) as soon as possible.

The document is in Adobe Portable Document Format (pdf). Adobe Acrobat Reader can be downloaded for free at the following internet site: http://www.adobe.com/products/acrobat/readstep.html.

The Bureau of Air Regulation is issuing electronic documents for permits, notices and other correspondence in lieu of hard copies through the United States Postal System, to provide greater service to the applicant and the engineering community. Please advise this office of any changes to your e-mail address or that of the Engineer-of-Record.

Thank you,

DEP, Bureau of Air Regulation

From:

Harvey, Mary

Sent:

Wednesday, May 28, 2008 1:49 PM

To:

Mulkey, Cindy; 'Ms. Kathleen Forney, EPA Region 4'

Subject:

FW: Kissimmee Utility Authority - DEP File #0970001-008-AC - FINAL

Attachments: 0970001-008-AC-final Permit.PDF; Document.pdf; Final determination Hansel AC.PDF; Final

NOTICE AC.PDF

Tracking:

Recipient

Delivery

Read

Mulkey, Cindy

Delivered: 5/28/2008 1:49 PM Read: 5/28/2008 2:00 PM

'Ms. Kathleen Forney, EPA Region 4'

From: Harvey, Mary

Sent: Wednesday, May 28, 2008 1:45 PM

To: 'Mr. Larry Mattern, Kissimmee Utility Authority'; Halpin, Mike; Zahm, Alan; 'Ms. Gracy Danois, EPA Region 4';

'Ms. Kathleen Forney, EPA Region 4'; Friday, Barbara Cc: Wider, Russell; Walker, Elizabeth (AIR); Gibson, Victoria

Subject: Kissimmee Utility Authority - DEP File #0970001-008-AC - FINAL

Dear Sir/Madam:

Please send a "reply" message verifying receipt of the attached document(s); this may be done by selecting "Reply" on the menu bar of your e-mail software and then selecting "Send". We must receive verification of receipt and your reply will preclude subsequent e-mail transmissions to verify receipt of the document(s).

The document(s) may require immediate action within a specified time frame. Please open and review the document(s) as soon as possible.

The document is in Adobe Portable Document Format (pdf). Adobe Acrobat Reader can be downloaded for free at the following internet site: http://www.adobe.com/products/acrobat/readstep.html.

The Bureau of Air Regulation is issuing electronic documents for permits, notices and other correspondence in lieu of hard copies through the United States Postal System, to provide greater service to the applicant and the engineering community. Please advise this office of any changes to your e-mail address or that of the Engineer-of-Record.

Thank you,

DEP, Bureau of Air Regulation

From:

Friday, Barbara

To:

Harvey, Mary

Sent:

Wednesday, May 28, 2008 1:46 PM

Subject:

Read: Kissimmee Utility Authority - DEP File #0970001-008-AC - FINAL

Your message

To:

'Mr. Larry Mattern, Kissimmee Utility Authority'; Halpin, Mike; Zahm, Alan; 'Ms. Gracy Danois, EPA Region 4'; 'Ms. Kathleen Forney,

Cc:

Subject:

EPA Region 4'; Friday, Barbara Wider, Russell; Walker, Elizabeth (AIR); Gibson, Victoria Kissimmee Utility Authority - DEP File #0970001-008-AC - FINAL

Sent:

5/28/2008 1:45 PM

was read on 5/28/2008 1:46 PM.

From: To:

Gibson, Victoria

Harvey, Mary

Sent:

Wednesday, May 28, 2008 1:45 PM

Subject:

Read: Kissimmee Utility Authority - DEP File #0970001-008-AC - FINAL

Your message

To:

'Mr. Larry Mattern, Kissimmee Utility Authority'; Halpin, Mike; Zahm, Alan; 'Ms. Gracy Danois, EPA Region 4'; 'Ms. Kathleen Forney,

EPA Region 4'; Friday, Barbara

Cc:

Subject:

Wider, Russell; Walker, Elizabeth (AIR); Gibson, Victoria Kissimmee Utility Authority - DEP File #0970001-008-AC - FINAL

Sent:

5/28/2008 1:45 PM

was read on 5/28/2008 1:45 PM.

From:

Mulkey, Cindy

To:

Harvey, Mary

Sent:

Wednesday, May 28, 2008 2:00 PM

Subject:

Read: FW: Kissimmee Utility Authority - DEP File #0970001-008-AC - FINAL

Your message

To:

Subject:

Mulkey, Cindy; 'Ms. Kathleen Forney, EPA Region 4' FW: Kissimmee Utility Authority - DEP File #0970001-008-AC - FINAL

Sent:

5/28/2008 1:49 PM

was read on 5/28/2008 2:00 PM.

From:

Wider, Russell

To:

Harvey, Mary

Sent:

Wednesday, May 28, 2008 2:54 PM

Subject:

Read: Kissimmee Utility Authority - DEP File #0970001-008-AC - FINAL

Your message

To:

'Mr. Larry Mattern, Kissimmee Utility Authority'; Halpin, Mike; Zahm, Alan; 'Ms. Gracy Danois, EPA Region 4'; 'Ms. Kathleen Forney,

EPA Region 4'; Friday, Barbara

Cc:

Subject:

Wider, Russell; Walker, Elizabeth (AIR); Gibson, Victoria Kissimmee Utility Authority - DEP File #0970001-008-AC - FINAL

Sent:

5/28/2008 1:45 PM

was read on 5/28/2008 2:53 PM.

From:

Larry Mattern [LMATTERN@kua.com]

To:

Sent:

Subject:

undisclosed-recipients
Monday, June 02, 2008 7:21 AM
Read: Kissimmee Utility Authority - DEP File #0970001-008-AC - FINAL

Your message

To:

LMATTERN@kua.com

Subject:

was read on 6/2/2008 7:21 AM.

From:

Halpin, Mike

To:

Harvey, Mary

Sent:

Thursday, May 29, 2008 3:35 PM

Subject:

Read: Kissimmee Utility Authority - DEP File #0970001-008-AC - FINAL

Your message

To:

'Mr. Larry Mattern, Kissimmee Utility Authority'; Halpin, Mike; Zahm, Alan; 'Ms. Gracy Danois, EPA Region 4'; 'Ms. Kathleen Forney,

EPA Region 4'; Friday, Barbara

Cc:

Wider, Russell; Walker, Elizabeth (AIR); Gibson, Victoria

Subject:

Kissimmee Utility Authority - DEP File #0970001-008-AC - FINAL

Sent:

5/28/2008 1:45 PM

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