



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

Kim
for KUA file

RECEIVED

DEC 27 1999

DIVISION OF AIR
RESOURCES MANAGEMENT

DEC 17 1999

To: CLAIR
cc: HUR
12/27

Mr. Thomas B. Tart, Esq.
General Counsel
Orlando Utilities Commission
500 South Orange Avenue
Post Office Box 3193
Orlando, Florida 32802

Dear Mr. Tart:

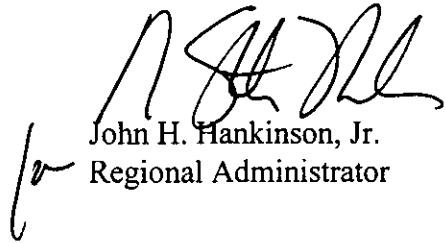
Thank you for your letter dated November 22, 1999, to me and Mr. Robert Perciasepe, Assistant Administrator for Air and Radiation, U.S. Environmental Protection Agency (EPA), concerning the permitting of a gas turbine installation at Kissimmee Utility Authority's (KUA) Cane Island Power Park.

Your letter requested that EPA reconsider a letter from EPA Region 4 to the Florida Department of Environmental Protection (FDEP) dated November 8, 1999. The letter from EPA Region 4 reaffirmed the position stated in earlier comment letters that EPA Region 4 believed that the use of selective catalytic reduction to achieve a nitrogen oxides emissions (NOx) level of 3.5 ppmvd at 15 percent oxygen constituted the best available control technology (BACT) for the proposed combined cycle turbine installation. This determination is consistent with recent determinations made elsewhere in Region 4 as well as other parts of the country for the identical turbine (GE Frame 7 FA) used in a combined cycle configuration.

Representatives from General Electric met with Assistant Administrator Perciasepe on November 23, 1999, to discuss their position on the issue of requiring add-on controls to their dry low-NOx system. At the meeting, EPA reaffirmed the position that BACT is determined on a case-by-case basis. Region 4 continues to believe that in the case of KUA, there are no unique circumstances that differentiate this source from the other similar sources that are installing add-on controls and that the cost of controls is in line with the costs borne by similar sources nationwide for the control of NOx. It is our understanding that the final permit for KUA has already been issued by FDEP and that the permit requires a NOx emission limit of 3.5 ppmvd @ 15 percent oxygen.

We appreciate your candid opinion concerning the need for additional NOx controls and will certainly take it into consideration as we cope with the exponential growth of combustion turbine permitting projects. If EPA may be of further assistance, please feel free to contact Mr. Gregg Worley at (404) 562-9141.

Sincerely,

A handwritten signature in black ink, appearing to read "John H. Hankinson, Jr.", is written over the typed name. The signature is stylized and cursive.

John H. Hankinson, Jr.
Regional Administrator

cc: Howard Rhodes, FDEP