

# Department of Environmental Protection

Lawton Chiles  
Governor

Twin Towers Office Building  
2600 Blair Stone Road  
Tallahassee, Florida 32399-2400  
Notice of Permit Amendment

Virginia B. Wetherell  
Secretary

In the Matter of an  
Application for Permit Amendment

DEP File No. AC 50-269980  
PSD-FL-197A  
County: Palm Beach

Mr. S. Don Schaberg  
General Manager  
Osceola Power Limited Partnership  
Post Office Box 679  
Pahokee, Florida 33476

Enclosed is a letter that amends Permit Number AC 50-269980/PSD-FL-197A. The amendment authorizes additional time for simultaneous operation of the existing bagasse boilers at the adjacent sugar mill and the new biomass cogeneration boilers while technical problems with the new boilers and bagasse feed systems are being corrected. This permit amendment is issued pursuant to Section 403, Florida Statutes.

Any party to this Order (permit) has the right to seek judicial review of the permit pursuant to Section 120.68, Florida Statutes, by 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, 3900 Commonwealth Boulevard, Tallahassee, Florida 32399-3000, 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 14 days from the date this Notice is filed with the Clerk of the Department.

Executed in Tallahassee, Florida.

STATE OF FLORIDA DEPARTMENT  
OF ENVIRONMENTAL PROTECTION

*C. H. Fancy, P.E.*  
C. H. Fancy, P.E., Chief  
Bureau of Air Regulation  
2600 Blair Stone Road  
Tallahassee, Florida 32399-2400  
904-488-1344

## CERTIFICATE OF SERVICE

The undersigned duly designated deputy clerk hereby certifies that this NOTICE OF PERMIT AMENDMENT and all copies were mailed before the close of business on 6-14-96 to the listed persons.

Clerk Stamp

## FILING AND ACKNOWLEDGMENT

FILED, on this date, pursuant to §120.52(11), Florida Statutes, with the designated Department Clerk, receipt of which is hereby acknowledged.

*Kuni Jober*  
Clerk

6-14-96  
Date

Copies furnished to:

David Knowles, SD  
James Stormer, PBCHU  
John Bunyak, NPS  
David Dee, Landers & Parsons

Isidore Goldman, SED  
Jewell Harper, EPA  
David Buff, KBN

P 339 251 107

US Postal Service

# Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to <i>S. Don Schaberg</i>	
Street & Number <i>Osceola Power</i>	
Post Office, State, & ZIP Code <i>Pahokee, FL</i>	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date <i>ACSO-269980 6-15-96</i> <i>P30-FI-197A 14</i> <i>Palm Bch</i>	

PS Form 3800, April 1995

Is your RETURN ADDRESS completed on the reverse side?

## SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, and 4a & b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

I also wish to receive the following services (for an extra fee):

- ☐ Addressee's Address
- ☐ Restricted Delivery

Consult postmaster for fee.

## 3. Article Addressed to:

*Mr. S. Don Schaberg, G.M.*  
*Osceola Power, LP*  
*P.O. Box 679*  
*Pahokee, FL 33476*

## 4a. Article Number

*P 339 251 107*

## 4b. Service Type

- |   |   |
|---|---|
| <input type="checkbox"/> Registered           | <input type="checkbox"/> Insured                        |
| <input checked="" type="checkbox"/> Certified | <input type="checkbox"/> COD                            |
| <input type="checkbox"/> Express Mail         | <input type="checkbox"/> Return Receipt for Merchandise |

## 7. Date of Delivery

*6-18-96*

## 5. Signature (Addressee)

## 6. Signature (Agent)

*William Briscoe*

## 8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1991

U.S. GPO: 1993-352-714

DOMESTIC RETURN RECEIPT

Thank you for using Return Receipt Service.

## FINAL DETERMINATION

Osceola & Okeelanta power L.P.  
AC 50-269980/PSD-FL-197A  
AC 50-219413/PSD-FL-196

The Intent to Issue construction permit amendments to Osceola & Okeelanta Power L.P. for their cogeneration facilities constructed adjacent to sugar mills in Palm Beach County was distributed on May 8, 1996. The Notice of Intent to Issue Permit was published in the Palm Beach Post on May 20, 1996. Copies of the evaluation were available for public inspection at the Department offices in West Palm Beach, Ft. Myers, and Tallahassee and at the Palm Beach County Health Unit in West Palm Beach.

Comments on the Department's Intent were submitted by the applicant. The applicant requested that the permit amendments be issued to the General Managers of each facility instead of the Vice President for both facilities. This request is acceptable to the Department.

The final action of the Department will be to issue letters amending the referenced construction permits as proposed except for the change noted above.



# Department of Environmental Protection

Lawton Chiles  
Governor

Twin Towers Office Building  
2600 Blair Stone Road  
Tallahassee, Florida 32399-2400

Virginia B. Wetherell  
Secretary

June 12, 1996

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. S. Don Schaberg, General Manager  
Osceola Power Limited Partnership  
Post Office Box 679  
Pahokee, Florida 33476

Dear Mr. Schaberg:

Re: Amendment of Permit  
AC 50-269980/PSD-FL-197A

The Department has reviewed KBN's April 16 letter requesting that the referenced permit be amended to allow additional time for the simultaneous operation of Osceola Farm's existing sugar mill bagasse boilers and the new cogeneration boilers at the facilities located near Pahokee, Palm Beach County, Florida. This request is acceptable and the referenced permit is amended as follows:

FROM:

17. During the first three years of commercial cogeneration facility operation, the existing Boilers Nos. 2, 3, 4, 5, and 6 (Permit Nos. AC 50-203679, 165813, 203680, 165626, and 165814, respectively) may be retained for standby operation provided their operating permits are valid.

During the period from initial firing to commercial operation, both cogeneration boilers can be operated simultaneously with the existing boilers. Only biomass and No. 2 fuel oil may be used in the cogeneration boilers during this period. If more than 570,000 lb/hr steam, (24-hour average) is generated in the cogeneration boilers, steam in excess of 570,000 lb/hr (24-hour average) must be sent to the Osceola sugar mill, and the existing boiler's steam production reduced by an equivalent amount. This period shall not exceed a total duration of 12 months. During this 12-month period, simultaneous operation of the existing boilers and the cogeneration boilers shall not occur on more than a total of 120 calendar days.

Mr. S. Don Schaberg  
Page Two  
June 12, 1996

After the first year of cogeneration facility operation, the existing boilers may be operated only when both new cogeneration boilers are shutdown. During operation, the existing boilers must meet all requirements in the most recent construction and operation permits for the boilers. The existing boilers shall be shutdown and rendered incapable of operation within three (3) years of commercial startup of the cogeneration facility, but no later than January 1, 1999.

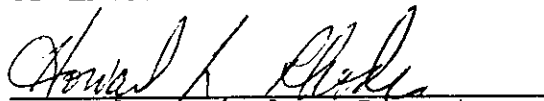
TO:

17. During the first three years of commercial cogeneration facility operation, the existing Boilers Nos. 2, 3, 4, 5, and 6 (Permit Nos. AC 50-203679, 165813, 203680, 165626, and 165814, respectively) may be retained for standby operation provided their operating permits are valid.

During the period from initial firing through April 1, 1997, both cogeneration boilers can be operated simultaneously with the existing boilers. Only biomass and No. 2 fuel oil may be used in the cogeneration boilers during this period. If more than 570,000 lb/hr steam, (24-hour average) is generated in the cogeneration boilers, steam in excess of 570,000 lb/hr (24-hour average) must be sent to the Osceola sugar mill, and the existing boiler's steam production reduced by an equivalent amount. After April 1, 1997, the existing boilers may be operated only when both new cogeneration boilers are shutdown or in the process of immediately shutting down. During operation, the existing sugar mill boilers must meet all requirements in the most recent construction and operation permits for the boilers. The existing sugar mill boilers shall be shutdown and rendered incapable of operation within three (3) years of commercial startup of the cogeneration facility, but no later than January 1, 1999.

A copy of this letter shall be attached to the referenced permit and shall become a condition of that permit.

STATE OF FLORIDA DEPARTMENT  
OF ENVIRONMENTAL PROTECTION

  
Howard L. Rhodes, Director  
Division of Air Resources  
Management

Mr. S. Don Schaberg  
Page Three  
June 12, 1996

**CERTIFICATE OF SERVICE**

The undersigned duly designated deputy clerk hereby certifies that all copies of this INTENT TO ISSUE PERMIT AMENDMENT all copies were mailed by certified mail before the close of business on 6-14-96 to the listed persons.

Clerk Stamp

**FILING AND ACKNOWLEDGMENT**

**FILED**, on this date, pursuant to §120.52(11), Florida Statutes, with the designated Department Clerk, receipt of which is hereby acknowledged.

Lyni J. Ober      6-14-96  
Clerk                                  Date

HLR/wh/t

Attachment: KBN's April 16, 1996 letter

Copies furnished to:

David Knowles, SD  
Isidore Goldman, SED  
James Stormer, PBCHD  
Jewell Harper, EPA  
John Bunyak, NPS  
David Buff, KBN  
David Dee, Landers & Parsons



099033 /  
Fogel 002

**RECEIVED**

APR 17 1996

BUREAU OF  
AIR REGULATION

April 16, 1996

Mr. Clair Fancy, P.E.  
Chief, Bureau of Air Regulation  
Florida Department of Environmental Protection  
2600 Blair Stone Road  
Tallahassee, FL 32399-2400

Re: Osceola Power Limited Partnership Cogeneration Facility

Dear Mr. Fancy:

Osceola Power Limited Partnership was permitted to construct a 60 megawatt (MW) cogeneration facility in 1993 under air construction permit AC50-219795; PSD-FL-197. Construction of the facility began a short time later. The air construction permit was subsequently revised in September 1995 to incorporate certain changes in the facility design, including increasing the electrical generation capacity to 74 MW (AC50-269980; PSD-FL-197A). The facility began debugging tests in October 1995.

On behalf of Osceola Power, the purpose of this letter is to request an amendment of the construction permit as described below.

The Construction Permit

Specific Condition 17 of the amended PSD permit addresses simultaneous operation of the cogeneration facility boilers and the existing Osceola Farms sugar mill boilers. This condition allows the existing sugar mill boilers (Boiler Nos. 2, 3, 4, 5 and 6) to be retained for standby operation during the first three years of commercial operation of the cogeneration facility. During this three year period, the following conditions apply:

I. Simultaneous Operation of Cogen and Sugar Mill Boilers

- A. This period is limited to the time from initial firing to commercial operation of the cogeneration boilers, but shall not exceed a total duration of 12 months.
- B. Both cogeneration boilers can be operated simultaneously with the existing mill boilers.
- C. Only biomass or No. 2 fuel oil can be fired in the cogeneration boilers during such periods.
- D. Simultaneous operation is limited to 120 calendar days.

16102A/1

6241 Northwest 23rd Street  
Suite 500  
Gainesville, Florida 32603-1500  
352-336-5600 FAX 352-336-6603

5405 West Cypress Street  
Suite 215  
Tampa, Florida 33607  
813-257-1717 FAX 813-257-1716

1801 Clint Moore Road  
Suite 105  
Boca Raton, Florida 33487  
407-992-0910 FAX 407-992-4393

7755 Baymeadows Way  
Suite 105  
Jacksonville, Florida 32256  
904-739-5600 FAX 904-739-7777

1610 P Street NW  
Suite 350  
Washington, DC 20036  
202-462-1100 FAX 202-462-2270



## 2. Standby Operation of the Existing Sugar Mill Boilers

- A. After the first year of cogeneration facility operations, the existing sugar mill boilers may only be operated when both cogeneration boilers are shutdown.
- B. The existing mill boilers must be permanently shutdown within three years of commercial startup of the cogeneration facility, but no later than January 1, 1999.

### Conditions During Initial Tests

The cogeneration facility first fired fuel in the two boilers in November 1995. From this time through early February 1996, the cogen facility was isolated from the sugar mill, while debugging and testing of the cogen facility was being conducted. Beginning in mid-February 1996 and continuing through March, connections were attempted between the cogen facility and sugar mill. However, these connection attempts were not successful. The sugar mill ended its crop season on March 21, 1996, and no further connections can be attempted until the next crop season which will begin around October 16, 1996.

Due to the technical problems in the startup of the cogen facility, and the unsuccessful attempts at connecting to the sugar mill during the 1995-1996 crop season, Osceola Power needs an extension in the length of time allowed in the construction permit for simultaneous operation of the cogen boilers and existing boilers.

During the 1995-1996 crop season, technical problems in the cogeneration plant, unrelated to connections with the sugar mill, hindered the performance of the cogeneration plant. Because of these problems, there was not enough time for connections with the sugar mill to be debugged. . The impact and difficulty of using many fuel combinations in the cogeneration facility (i.e., wood chips, clean wood from C&D debris, bagasse, etc.) were underestimated. Osceola Power currently is trying to determine whether improvements or changes are needed in certain plant components. The use of bagasse fuel also has presented unanticipated problems with the new boilers and associated fuel feed systems.

The bagasse conveying and feeder system, and boiler performance when burning bagasse, can only be debugged during the crop season, when bagasse is available and the mill is consuming steam under actual operating conditions.

### Request for Extension of Time

Osceola Power has a significant incentive to successfully connect to the sugar mill in the shortest possible time. Operation of the existing sugar mill boilers, with associated manpower and operating costs, results in a significant economic penalty to the sugar mill. Continued technical difficulties in connecting with the sugar mill also result in economic penalties to the cogeneration facility. Therefore, Osceola Power will make every effort to limit the time needed for simultaneous operation of the cogen and sugar mill boilers.

However, Osceola Power cannot predict how quickly all of these technical problems can be resolved. It is estimated that during the next crop season, 25 to 30 connection trials may be needed to debug and





increase the reliability of the complete cogen-sugar mill system that will replace the existing sugar mill boiler operation. Osceola Power hopes to start and conclude these tests as expeditiously as possible, but cannot predict when these tests will be conducted during the Osceola crop season or how long they will take.

In the light of the problems it experienced this crop year, and to maintain flexibility for testing next crop year, Osceola Power is requesting that the time for simultaneous operation be extended through the next crop season (October 16, 1996 through April 1, 1997). During simultaneous operation, Osceola Power will continue to fire only biomass or No. 2 fuel oil. The cogen facility will continue to comply with all other provisions of the current construction permit. The sugar mill will comply with all of the applicable permit limits for its boilers.

Ambient and Other Impacts

The air quality impacts associated with simultaneous operation of the Osceola Power cogeneration boilers and the Osceola Farms sugar mill boilers were addressed in the previous air construction permit applications and permitting process. The impacts associated with simultaneous operation remain the same as previously presented. As previously noted, the simultaneous operation of the cogen facility and sugar mill will not cause or contribute to a violation of any ambient air quality standard or PSD increment. The current request only extends the time during which such impacts may occur.

Your prompt consideration of this request for a permit amendment is greatly appreciated. Enclosed is a check no. 19707, in the amount of \$250 to cover the Department's processing fee for this permit amendment. Please call me if you have any question concerning this request.

Sincerely,

David A. Buff, P.E.  
Principal Engineer

cc: Carlos Rionda  
Jorge Cabrera  
Bill Tarr  
Don Schaberg  
David Dee  
James Stormer  
Willard Hanks

DB/mlb

Memorandum

Florida Department of  
Environmental Protection



To: Howard L. Rhodes  
Thru: Clair Fancy *copy for LHT*  
A. A. Linero *A. A. Linero*  
From: Willard Hanks  
Date: June 12, 1996  
Subject: Amendment of Permit  
Osceola & Okeelanta Power L.P.

Attached for your approval and signature are letters that will amend the construction permits for Osceola and Okeelanta Power L.P. cogeneration facilities which are located at sugar mills in Palm Beach County. The amendment will allow additional time, until April 1, 1997, for operation of the existing sugar mill boilers while the technical problems with the new boilers and bagasse feed systems are corrected. The facilities shall comply with all other provisions of the construction permits.

The only comments submitted in response to the Notice of Intent were from the applicants. They requested that the permit amendment letters be issued to the General Manager of each facility instead of the Vice President of the facilities. The Department accepts this request.

I recommend your approval and signature for the attached two letters amending the construction permits for these facilities.

WH/t

Attachment