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April 22, 1998

Al Linero, P.E.
Department of Environmental
Protection
Bureau of Air Regulation
2600 Blair Stone Road
Tallahassee, Florida 32399

Re: Osceola Power Cogeneration Facility

Dear Mr. Linero:

I am sending you this letter to confirm the information I provided to you during our discussions on April 16 and 22, 1998.

On March 25, 1998, the Florida Department of Environmental Protection ("DEP") gave notice of its intent to issue a permit modification (No. 0990331-009-AC; PSD-FL-197) for the Osceola Power Limited Partnership's ("Okeelanta Power") cogeneration facility in Palm Beach County, Florida. On behalf of Osceola Power, I am submitting the following comments concerning the Department's notice and draft permit modification.

Publication of Notice

The first page, second paragraph, of the Department's "Public Notice of Intent to Issue Air Construction Permit Modification" should be revised and clarified by replacing the current language with the following statement:

"The modification will allow an additional two years for concurrent operation of Osceola Power's cogeneration facility and the adjacent sugar mill's boilers to provide Osceola Power Limited Partnership with an opportunity to fine tune and perfect the interconnected operations between the cogeneration facility and the sugar mills."

Mr. Al Linero Page Two April 22, 1998

Modified Permit Conditions

The language in the draft permit modification should be revised and clarified in the manner shown below.

1. The first sentence in Specific Condition No. 17 should state that:

"The existing Boilers . . . may be retained for standby operation until the interconnection between the cogeneration facility and sugar mill is perfected, but no later than April 1, 2000, provided their operating permits are valid."

2. The last sentence in Specific Condition No. 17 should state that:

"These existing boilers at the sugar mill shall be shutdown and rendered incapable of operation after fine-tuning of interconnected operations has been completed, but no later than April 1, 2001."

3. The first sentence in Specific Condition No. 25 should state that:

"Stack monitoring, fuel usage, fuel analysis data, and the status of the interconnections between the sugar mill and the cogeneration facility shall be reported"

Thank you for your consideration of these comments. Please call me if you have any questions.

1.

David S. Dee

cc: Willard Hanks t

Florida Department of **Environmental Protection**

Memorandum

To:

Jeff Brown

Thru:

From:

Willard Hanks with

Subject: Okeelanta/Osceola Power L.P.

Proposed Modifications 0990331-009-AC/0990331-007-AC

David Dee requested that the construction permits for the referenced facilities be modified to allow additional time for concurrent operation of the sugar mill and cogeneration plant boilers while problems with the connections (bagasse fuel and steam) between the plants were corrected.

The Bureau issued an intent to modify these permits (see draft letters dated April xx, 1998). The Notice of Intents were published on May 1, 1998.

David Dee requested additional time to file for a hearing on the proposed modifications and submitted comments on the draft modifications in letters dated April 22, 1998 (attached).

The Bureau has reviewed these comments and made some minor revisions to the proposed draft modification letters in the attached letters dated June 5, 1998. Note that we used some of Mr. Dee's suggestions but found other suggested wording undesirable.

Please review the attached documents, discuss the June 5 modification letters with David Dee if you feel that is appropriate, and have David Dee withdraw the hearing request. Should Mr. Dee want to discuss the latest proposal with the Bureau, we request OGC set up a meeting time that is convenient with yourself, Bureau staff, and David Dee.

Attachments

Jeff- Davids proposed language implies they are so close, Hot stey only need to 'perfect 'something that works. We believe if that were the case, they would not need 2 years, but nother a few months. The plants just want their permits t no grief. David t some of the management are more concerned about flow FGL prews all this in the context of the