



Department of Environmental Protection

Lawton Chiles
Governor

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

Virginia B. Wetherell
Secretary

March 25, 1998

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. Carlos Rionda
General Manager *osuda*
Okeelanta Power Limited Partnership
Post Office Box 8
South Bay, Florida 33493

Willard *!!!!!!*
≡ *(5)*

Re: DRAFT Permit Modification No. 0990332-007-AC (PSD-FL-197)
Cogeneration Facility

Dear Mr. Williams:

Enclosed is one copy of the Draft Air Construction Permit Modification for the cogeneration facility located near Pahokee in Palm Beach County. The Department's Intent to Issue Air Construction Permit Modification and the "PUBLIC NOTICE OF INTENT TO ISSUE AIR CONSTRUCTION PERMIT MODIFICATION" are also included.

The "PUBLIC NOTICE OF INTENT TO ISSUE AIR CONSTRUCTION PERMIT MODIFICATION" must be published within 30 (thirty) days of receipt of this letter. Proof of publication, i.e., newspaper affidavit, must be provided to the Department's Bureau of Air Regulation office within 7 (seven) days of publication. Failure to publish the notice and provide proof of publication within the allotted time may result in the denial of the permit modification.

Please submit any written comments you wish to have considered concerning the Department's proposed action to A. A. Linero, P.E., Administrator, New Source Review Section at the above letterhead address. If you have any other questions, please contact Mr. Willard Hanks or ~~Mr. Linero~~ at 850/488-1344.

880
at 821-9525

Sincerely,

C. H. Fancy, P.E., Chief,
Bureau of Air Regulation

CHF/wh/t

Enclosures

In the Matter of an
Application for Permit Modification by:

Osceola Power Limited Partnership
Post Office Box 606
Pahokee, Florida 33476

DRAFT Permit Modification No. 0990331-007-AC
PSD-FL-197
Osceola Cogeneration Facility
Palm Beach County

INTENT TO ISSUE AIR CONSTRUCTION PERMIT MODIFICATION

The Department of Environmental Protection (Department) gives notice of its intent to issue an air construction permit modification (copy of DRAFT Permit Modification attached) for the proposed project, as detailed in the request specified above for the reasons stated below.

The applicant, Osceola Power Limited Partnership, applied on February 27, 1998 to the Department for an air construction permit modification for its cogeneration facility located near Pahokee, Palm Beach County. The request is to allow additional time for the simultaneous operation of the facility's cogeneration boilers and the boilers at the adjacent sugar mill ~~while process problems with the cogeneration system are resolved.~~

The Department has permitting jurisdiction under the provisions of Chapter 403, Florida Statutes (F.S.), and Florida Administrative Code (F.A.C.) Chapters 62-4, 62-210, and 62-212. The above actions are not exempt from permitting procedures. The Department has determined that an air construction permit modification is required to allow additional time for the simultaneous operation of the cogeneration and sugar mill boilers.

The Department intends to issue this air construction permit modification based on the belief that reasonable assurances have been provided to indicate that operation of these emission units will not adversely impact air quality, and the emission units will comply with all appropriate provisions of Chapters 62-4, 62-204, 62-210, 62-212, 62-296, and 62-297, F.A.C.

Pursuant to Section 403.815, F.S., and Rule 62-103.150, F.A.C., you (the applicant) are required to publish at your own expense the enclosed "**PUBLIC NOTICE OF INTENT TO ISSUE AIR CONSTRUCTION PERMIT MODIFICATION**". The notice shall be published one time only within 30 (thirty) days in the legal advertisement section of a newspaper of general circulation in the area affected. For the purpose of these rules, "publication in a newspaper of general circulation in the area affected" means publication in a newspaper meeting the requirements of Sections 50.011 and 50.031, F.S., in the county where the activity is to take place. Where there is more than one newspaper of general circulation in the county, the newspaper used must be one with significant circulation in the area that may be affected by the permit. If you are uncertain that a newspaper meets these requirements, please contact the Department at the address or telephone number listed below. The applicant shall provide proof of publication to the Department's Bureau of Air Regulation, at 2600 Blair Stone Road, Mail Station #5505, Tallahassee, Florida 32399-2400 (Telephone: 850/488-1344; Fax 850/ 922-6979) within 7 (seven) days of publication. Failure to publish the notice and provide proof of publication within the allotted time may result in the denial of the permit modification pursuant to Rule 62-103.150 (6), F.A.C.

The Department will issue the FINAL Permit Modification, in accordance with the conditions of the enclosed DRAFT Permit Modification unless a response received in accordance with the following procedures results in a different decision or significant change of terms or conditions.

The Department will accept written comments concerning the proposed DRAFT Permit Modification issuance action for a period of 30 (thirty) days from the date of publication of "**PUBLIC NOTICE OF INTENT TO ISSUE AIR CONSTRUCTION PERMIT MODIFICATION**." Written comments should be provided to the Department's Bureau of Air Regulation, 2600 Blair Stone Road, Mail Station #5505, Tallahassee, Florida 32399-2400. Any written comments filed shall be made available for public inspection. If written comments received result in a significant change in this DRAFT Permit Modification, the Department shall issue a Revised DRAFT Permit Modification and require, if applicable, another Public Notice.

The Department will issue the permit modification with the attached conditions unless a timely petition for an administrative hearing is filed pursuant to Sections 120.569 and 120.57 F.S. The procedures for petitioning for a hearing are set forth below. Mediation is not available for this action.

A person whose substantial interests are affected by the Department's proposed permitting decision may petition for an administrative hearing in accordance with Sections 120.569 and 120.57 F.S. The petition must contain the information set forth below and must be filed (received) in the Office of General Counsel of the Department, 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000, telephone: 850/488-9730, fax: 850/487-4938. Petitions must be filed within fourteen days of publication of the public notice or within fourteen days of receipt of this notice of intent, whichever occurs first. A petitioner must mail a copy of the petition to the applicant at the address indicated above, at the time of filing. The failure of any person to file a petition within the appropriate time period shall constitute a waiver of that person's right to request an administrative determination (hearing) under Sections 120.569 and 120.57 F.S., or to intervene in this proceeding and participate as a party to it. Any subsequent intervention will be only at the approval of the presiding officer upon the filing of a motion in compliance with Rule 28-5.207 of the Florida Administrative Code.

A petition must contain the following information: (a) The name, address, and telephone number of each petitioner, the applicant's name and address, the Permit File Number and the county in which the project is proposed; (b) A statement of how and when each petitioner received notice of the Department's action or proposed action; (c) A statement of how each petitioner's substantial interests are affected by the Department's action or proposed action; (d) A statement of the material facts disputed by petitioner, if any; (e) A statement of the facts that the petitioner contends warrant reversal or modification of the Department's action or proposed action; (f) A statement identifying the rules or statutes that the petitioner contends require reversal or modification of the Department's action or proposed action; and (g) A statement of the relief sought by the petitioner, stating precisely the action that the petitioner wants the Department to take with respect to the action or proposed action addressed in this notice of intent.

Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means that the Department's final action may be different from the position taken by it in this notice of intent. Persons whose substantial interests will be affected by any such final decision of the Department on the application have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above.

In addition to the above, a person subject to regulation has a right to apply for a variance from or waiver of the requirements of particular rules, on certain conditions, under Section 120.542 F.S. The relief provided by this state statute applies only to state rules, not statutes, and not to any federal regulatory requirements. Applying for a variance or waiver does not substitute or extend the time for filing a petition for an administrative hearing or exercising any other right that a person may have in relation to the action proposed in this notice of intent.

The application for a variance or waiver is made by filing a petition with the Office of General Counsel of the Department, 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000. The petition must specify the following information: (a) The name, address, and telephone number of the petitioner; (b) The name, address, and telephone number of the attorney or qualified representative of the petitioner, if any; (c) Each rule or portion of a rule from which a variance or waiver is requested; (d) The citation to the statute underlying (implemented by) the rule identified in (c) above; (e) The type of action requested; (f) The specific facts that would justify a variance or waiver for the petitioner; (g) The reason why the variance or waiver would serve the purposes of the underlying statute (implemented by the rule); and (h) A statement whether the variance or waiver is permanent or temporary and, if temporary, a statement of the dates showing the duration of the variance or waiver requested.

The Department will grant a variance or waiver when the petition demonstrates both that the application of the rule would create a substantial hardship or violate principles of fairness, as each of those terms is defined in Section 120.542(2) F.S., and that the purpose of the underlying statute will be or has been achieved by other means by the petitioner.

Persons subject to regulation pursuant to any federally delegated or approved air program should be aware that Florida is specifically not authorized to issue variances or waivers from any requirements of any such federally delegated or approved program. The requirements of the program remain fully enforceable by the Administrator of the EPA and by any person under the Clean Air Act unless and until the Administrator separately approves any variance or waiver in accordance with the procedures of the federal program.

Executed in Tallahassee, Florida.

C. H. Fancy, P.E., Chief
Bureau of Air Regulation

CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this INTENT TO ISSUE AIR CONSTRUCTION PERMIT MODIFICATION (including the PUBLIC NOTICE, and DRAFT permit modification) was sent by certified mail (*) and copies were mailed by U.S. Mail before the close of business on _____ to the person(s) listed:

- Mr. Carlos ~~X~~ Rionda, Osceola Power L.P. *
- Mr. Daniel Thompson, Berger, Davis & Singerman *
- Mr. David Dee, Landers & Parsons
- Mr. David Knowles, SD
- Mr. Jim Stormer, PBCPHU
- Mr. Brian Beals, EPA
- Mr. John Bunyak, NPS

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.

(Clerk)

(Date)

PUBLIC NOTICE OF INTENT TO ISSUE AIR CONSTRUCTION PERMIT MODIFICATION

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

DRAFT Permit Modification No. 0990331-007-AC, PSD-FL-197
Osceola Power Limited Partnership
Palm Beach County

The Department of Environmental Protection (Department) gives notice of its intent to issue an air construction permit modification to Osceola Power Limited Partnership for the cogeneration plant located near Pahokee, Palm Beach County. A Best Available Control Technology (BACT) determination was not required for this modification pursuant to Rule 62-212.400, F.A.C. and 40 CFR 52.21, Prevention of Significant Deterioration (PSD). The modification will not result in an increase in allowable emissions from the cogeneration facility, and will not cause a violation of any state or federal ambient air quality standards or increments. The applicant's name and address are: Osceola Power Limited Partnership, P. O. Box 606, Pahokee, FL 33476.

The modification will allow an additional two years for concurrent operation of the Osceola Farms' existing boilers and the new cogeneration boilers while problems with the interconnections between the two plants are being resolved.

The Department will issue the FINAL Permit Modification, in accordance with the conditions of the DRAFT Permit Modification unless a response received in accordance with the following procedures results in a different decision or significant change of terms or conditions.

The Department will accept written comments concerning the proposed DRAFT Permit Modification issuance action for a period of 30 (thirty) days from the date of publication of this Notice. Any written comments should be provided to the Department's Bureau of Air Regulation, 2600 Blair Stone Road, Mail Station #5505, Tallahassee, Florida 32399-2400. Any written comments filed shall be made available for public inspection. If written comments received result in a significant change in this DRAFT Permit Modification, the Department shall issue a Revised DRAFT Permit Modification and require, if applicable, another Public Notice.

The Department will issue FINAL Permit Modification with the conditions of the DRAFT Permit Modification unless a timely petition for an administrative hearing is filed pursuant to Sections 120.569 and 120.57 F.S. or a party requests mediation as an alternative remedy under Section 120.573 before the deadline for filing a petition. Choosing mediation will not adversely affect the right to a hearing if mediation does not result in a settlement. The procedures for petitioning for a hearing are set forth below, ~~followed by the procedures for requesting mediation.~~ ← *Mediation is not*

A person whose substantial interests are affected by the Department's proposed permitting decision may petition for an administrative hearing in accordance with Sections 120.569 and 120.57 F.S. The petition must contain the information set forth below and must be filed (received) in the Office of General Counsel of the Department, 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000, telephone: 904/488-9370, fax: 904/487-4938. Petitions must be filed within fourteen days of publication of the public notice or within fourteen days of receipt of this notice of intent, whichever occurs first. A petitioner must mail a copy of the petition to the applicant at the address indicated above, at the time of filing. The failure of any person to file a petition (or a request for mediation, as discussed below) within the appropriate time period shall constitute a waiver of that person's right to request an administrative determination (hearing) under Sections 120.569 and 120.57 F.S., or to intervene in this proceeding and participate as a party to it. Any subsequent intervention will be only at the approval of the presiding officer upon the filing of a motion in compliance with Rule 28-5.207 of the Florida Administrative Code.

A petition must contain the following information: (a) The name, address, and telephone number of each petitioner, the applicant's name and address, the Permit File Number and the county in which the project is proposed; (b) A statement of how and when each petitioner received notice of the Department's action or proposed action; (c) A statement of how each petitioner's substantial interests are affected by the Department's action or proposed action; (d) A statement of the material facts disputed by petitioner, if any; (e) A statement of the facts that the petitioner contends warrant reversal or modification of the Department's action or proposed action; (f) A statement identifying the rules or statutes that the petitioner contends require reversal or modification of the Department's action or proposed action; and (g) A statement of the relief sought by the petitioner, stating precisely the action that the petitioner wants the Department to take with respect to the Department's action or proposed action addressed in this notice of intent.

Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means that the Department's final action may be different from the position taken by it in this notice of intent. Persons whose substantial interests will be affected by any such final decision of the Department on the application have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above.

A person whose substantial interests are affected by the Department's proposed permitting decision, may elect to pursue mediation by asking all parties to the proceeding to agree to such mediation and by filing with the Department a request for mediation and the written agreement of all such parties to mediate the dispute. The request and agreement must be filed in (received by) the Office of General Counsel of the Department, 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000, by the same deadline as set forth above for the filing of a petition.

A request for mediation must contain the following information: (a) The name, address, and telephone number of the person requesting mediation and that person's representative, if any; (b) A statement of the preliminary agency action; (c) A statement of the relief sought; and (d) Either an explanation of how the requester's substantial interests will be affected by the action or proposed action addressed in this notice of intent or a statement clearly identifying the petition for hearing that the requester has already filed, and incorporating it by reference.

The agreement to mediate must include the following: (a) The names, addresses, and telephone numbers of any persons who may attend the mediation; (b) The name, address, and telephone number of the mediator selected by the parties, or a provision for selecting a mediator within a specified time; (c) The agreed allocation of the costs and fees associated with the mediation; (d) The agreement of the parties on the confidentiality of discussions and documents introduced during mediation; (e) The date, time, and place of the first mediation session, or a deadline for holding the first session, if no mediator has yet been chosen; (f) The name of each party's representative who shall have authority to settle or recommend settlement; and (g) The signatures of all parties or their authorized representatives.

As provided in Section 120.573 F.S., the timely agreement of all parties to mediate will toll the time limitations imposed by Sections 120.569 and 120.57 F.S. for requesting and holding an administrative hearing. Unless otherwise agreed by the parties, the mediation must be concluded within sixty days of the execution of the agreement. If mediation results in settlement of the administrative dispute, the Department must enter a final order incorporating the agreement of the parties. Persons whose substantial interests will be affected by such modified final decision of the Department have a right to petition for a hearing only in accordance with the requirements for such petitions set forth above. If mediation terminates without settlement of the dispute, the Department shall notify all parties in writing that the administrative hearing processes under Sections 120.569 and 120.57 F.S. remain available for disposition of the dispute, and the notice will specify the deadlines that then will apply for challenging the agency action and electing remedies under those two statutes.

A complete project file is available for public inspection during normal business hours, 8:00 a.m. to 5:00 p.m., Monday through Friday, except legal holidays, at:

Department of Environmental Protection
Bureau of Air Regulation
111 S. Magnolia Drive, Suite 4
Tallahassee, Florida 32301
Telephone: 904/488-1344

Division of Environmental Science
and Engineering
Palm Beach County Health Unit
901 Evernia Street
West Palm Beach, Florida 33401
Telephone: 561/355-3070

Department of Environmental Protection
South Florida District
2295 Victoria Avenue, Suite 364
Fort Myers, Florida 33901
Telephone: 813/332-6975

Department of Environmental Protection
Southeast District
400 N. Congress Avenue
Reception 2nd Floor
West Palm Beach, Florida 33416
Telephone: 561/681-6600

The complete project file includes the Draft Permit Modification, the request, and the information submitted by the responsible official, exclusive of confidential records under Section 403.111, F.S. Interested persons may contact the Administrator, New Resource Review Section at 111 South Magnolia Drive, Suite 4, Tallahassee, Florida 32301, or call 904/488-1344, for additional information.

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DRAFT

March 25, 1998

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. Carlos Rionda, General Manager
Osceola Power Limited Partnership
Post Office Box 606
Pahokee, Florida 33476

Re: Permit Modification No. 0990331-007-AC
PSD-FL-197

Dear Mr. Rionda:

The Department has reviewed Mr. David Dee's February 27 letter requesting a modification to the referenced permit. The requested modification is to allow additional time for the simultaneous operation of Osceola Farms' existing sugar mill boilers and your new cogeneration boilers. The effected facilities are located near Pahokee, Palm Beach County, Florida. This request is acceptable, with conditions, and Specific Conditions Nos. 17, and 25 of the referenced permit are modified as follows:

MODIFIED SPECIFIC CONDITIONS FOR OSCEOLA POWER L. P. PERMIT

17. ~~During the first three years of commercial cogeneration facility operation,~~ the existing Boilers Nos. 2, 3, 4, 5, and 6 (Permit Nos. A0 50-269980, 203679, 165813, 203680, 165626, and 165814, respectively), may be retained for standby operation until the cogeneration facility is a reliable source of steam provided their operating permits are valid.

During the period from initial firing through April 1, ~~1998~~ 2000 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 boilers' steam production reduced by an equivalent amount. After April 1, ~~1998~~ 2000, the cogeneration facility's boilers may be operated only when the sugar mill's 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,~~ when the cogeneration facility is a reliable source of steam but no later than ~~January 1, 1999~~ April 1, 2001.

25. Stack monitoring, fuel usage, and fuel analysis data, and the status of the bagasse connection between the sugar mill and the cogeneration facility shall be reported to the Department's South and Southeast

Mr. Carlos Rionda
Page Two
Osceola Power, LP

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District Offices and to the Palm Beach County Health Unit on a quarterly basis commencing with the start of commercial operation in accordance with 40 CFR, Part 60, Sections 60.7 and 60.49a, and in accordance with Section 17-297.500, F.A.C.

A copy of this letter shall be filed with the referenced permit and shall become part of the permit.

Sincerely,

Howard L. Rhodes, Director
Division of Air Resources
Management

Enclosure: Landers & Parsons February 27, 1998 letter.

HLR/wh