

Golder Associates Inc.

6241 NW 23rd Street, Suite 500
Gainesville, FL 32653-1500
Telephone (352) 336-5600
Fax (352) 336-6603



June 17, 2003

New Source Review Section
Division of Air Resources Management
Florida Department of Environmental Protection
Mail Station #5505
2600 Blair Stone Road
Tallahassee, FL 32399-2400

0339569
RECEIVED

JUN 27 2003

BUREAU OF AIR REGULATION

Attention: Mr. Jeffery F. Koerner, P.E.

RE: DEP FILE NO. 099-0568-001-AC/PSD-FL-266
LAKE WORTH GENERATION, L.L.C. COMBINED CYCLE PROJECT
REQUEST FOR ADDITIONAL INFORMATION

Dear Jeff:

This correspondence is submitted on behalf of Lake Worth Generation, L.L.C (LWG) to address the information requested in the Department's June 16, 2003 correspondence. The information is being provided in the same format as requested.

1. Please provide a copy of the lease agreement between LWG and the City of Lake Worth.
LWG and the City of Lake Worth originally had a lease for the combined cycle project that provided steam sales to the City. That lease will be expiring as a result of restructuring the project and is nontransferable. The new owner of the project will have to enter in a separate lease arrangement with the City of Lake Worth.
2. Will all of the electricity generated be delivered to the grid? Who will get the revenues?
The project has an interconnection to the FPL Hypoluxo substation through the City of Lake Worth's 138-kV transmission line. The Energy Services Agreement signed by LWG, the City of Lake Worth, and FPL covers the use of the transmission line and interconnection to the FPL substation. The power from the simple cycle project will be through the City of Lake Worth's transmission line to the FPL substation for transmission. All revenue from generation of the power produced by the simple cycle unit would accrue to the new owner under conditions that the new owner will dictate. The new owner would have to obtain a similar interconnection agreement as the Energy Services Agreement.
3. Who will determine when the gas turbine will startup?
Decisions to operate the project as a simple cycle unit will be the responsibility of the new owner.
4. At this point, who actually owns the gas turbine?
The unit, as it current exists at the site, is owned by Lake Worth Generation, L.L.C.
5. What is the corporate status and organizational structure of LWG? Who is the general partner?
LWG is a limited liability corporation whose assets are wholly owned by AES Lake Worth Holdings LLC, which in turn is wholly owned by AES Corporation. Mr. Brian Chatlosh is the General Manager for the project.

6. What is the corporate status and organizational structure of FMPA? Who are the members?
FMPA is a nonprofit agency formed in 1978 for the purpose of providing competitive power supplies to its members. There are currently 29 members of FMPA that are made up of the following municipalities in Florida: Alachua, Bartow, Bushnell, Chattahoochee, Clewiston, Fort Meade, Fort Pierce, Gainesville, Green Cove Springs, Havana, Homestead, Jacksonville Beach, Key West, Lake Worth, Lakeland, Leesburg, Moore Haven, Mount Dora, New Smyrna Beach, Newberry, Ocala, Orlando, Quincy, St. Cloud, Starke, Vero Beach, Wauchula, and Williston. A Board of Directors that is made up of one member from each of the 29 FMPA members governs FMPA. The voting strength of each member is dependent upon the sale of electricity from FMPA to the municipality's customers. The FMPA has four officers that are elected by the Board of Directors from the 29 members. There are also FMPA staff that include a General Manager and CEO.
7. Please provide the "memorandum of understanding" between FMPA and the City of Lake Worth.
FMPA has not made a commitment regarding the purchase of the LWG project and has not executed to our knowledge any agreement with the City of Lake Worth concerning the project. Several other entities including an investor-owned utility have expressed interest in purchasing the project.

Please note that the address of LWG is 70 Walnut Street, Wellesley Hills, MA 02481 as indicated on the amended application. Please call me if you have further questions.

Sincerely,

GOLDER ASSOCIATES INC.



Kennard F. Kosky, P.E.
Principal

KFK/blr/jkw

cc: Mr. Derald Wildharber, Lake Worth Generation, L.L.C.
Mr. Brian Chatlosh, Lake Worth Generation, L.L.C.
Mr. Tom Tittle, FDEP Southeast District
Mr. James Stormer, Palm Beach County Health Department
Mr. Richard Zwolak, Golder Tampa
Mr. Jim Little, EPA Region IV
Mr. John Bunyak, NPS

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Jeb Bush
Governor

Department of Environmental Protection

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

David B. Struhs
Secretary

June 16, 2003

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. Brian Chatlosh, Manager
Lake Worth Generation, L.L.C.
245 Winter Street, Suite 300
Waltham, MA 02451

Re: **Request for Additional Information**
Project No. 0990568-003-AC (PSD-FL-266C)
Lake Worth Generation, L.L.C. (LWG)
Change to Simple Cycle Operation Only

Dear Mr. Chatlosh:

On May 19, 2003, the Department received your application and sufficient fee for an air construction permit to modify the existing PSD air permit to reflect simple cycle operation only. On June 6, 2003, the Department emailed a request for the following information:

1. Please provide a copy of the lease agreement between LWG and the City of Lake Worth.
2. Will all of the electricity generated be delivered to the grid? Who will get the revenues?
3. Who will determine when the gas turbine will startup?
4. At this point, who actually owns the gas turbine?
5. What is the corporate status and organizational structure of LWG? Who is the general partner?
6. What is the corporate status and organizational structure of FMFA? Who are the members?
7. Please provide the "memorandum of understanding" between FMFA and the City of Lake Worth.

The application is incomplete. In order to continue processing your application, the Department will need the above requested additional information. Should your response to any of the items require new calculations, please submit the new calculations, assumptions, reference material and appropriate revised pages of the application form.

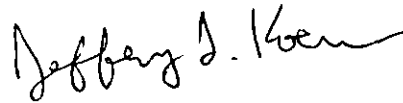
The Department will resume processing your application after receipt of the requested information. Rule 62-4.050(3), F.A.C. requires that all applications for a Department permit must be certified by a professional engineer registered in the State of Florida. This requirement also applies to responses to Department requests for additional information of an engineering nature. For any material changes to the application, please include a new certification statement by the authorized representative or responsible official. You are reminded that Rule 62-4.055(1), F.A.C. now requires applicants to respond to requests for information within 90 days or provide a written request for an additional period of time to submit the information.

"More Protection, Less Process"

Printed on recycled paper.

If you have any questions regarding this matter, please call me at 850/921-9536.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffery F. Koerner". The signature is fluid and cursive, with the first name "Jeffery" being more prominent.

Jeffery F. Koerner
New Source Review Section

cc: Mr. Ken Kosky, Golder Associates Inc.
Mr. Derald Wildharber, LWG
Mr. Tom Tittle, SED
Mr. James Stormer, PBCHD
Mr. Jim Little, EPA Region 4
Mr. John Bunyak, NPS

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Mr. Brian Chatlosh
 Manager
 Lake Worth Generation, L.L.C.
 245 Winter Street, Suite 300
 Waltham, MA 02451

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) B. Date of Delivery

C. Signature

X *Roy Chatlosh*

☐ Agent
☐ Addressee

D. Is delivery address different from item 1?
 If YES, enter delivery address below

☐ Yes
☐ No

E. Service Type

☒ Certified Mail ☐ Express Mail
☐ Registered ☐ Return Receipt for Merchandise
☐ Insured Mail ☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

2. 7001 0320 0001 3692 5771

PS Form 3811, July 1999

Domestic Return Receipt

102595-00-M-0952

U.S. Postal Service
CERTIFIED MAIL RECEIPT

(Domestic Mail Only; No Insurance Coverage Provided)

7001 0320 0001 3692 5771

Postage	\$
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	
Total Postage & Fees	\$

Postmark
 Here

Sent To

Brian Chatlosh

Street, Apt. No.,
 or P.O. Box No.

245 Winter St., Ste. 300

City, State, ZIP+4

Waltham, MA 02451

PS Form 3800, January 2001

See Reverse for Instructions