

Memorandum

Florida Department of Environmental Protection

TO: Joseph Kahn, Division of Air Resource Management
THROUGH: Trina L. Vielhauer, Bureau of Air Regulation
Jon Holtom, Title V Section *JL*
FROM: Tom Cascio, Title V Section *Tom*
DATE: February 20, 2009
SUBJECT: Air Permit No. 1010071-005-AV
Pasco Cogen, Ltd.
Pasco Cogeneration Facility
CAIR Part Revision

The final permit for this project is attached for your approval and signature, which revises the Title V permit to include the CAIR Part form as a new section added to the existing Title V air operation permit for the above referenced facility.

The attached final determination identifies issuance of the combined draft/proposed permit, summarizes the publication process, and provides the Department's response to comments (if any) on the draft/proposed permit. There are no pending petitions for administrative hearings or extensions of time to file a petition for an administrative hearing.

I recommend your approval of the attached final permit for this project.

Attachments

NOTICE OF FINAL PERMIT

*In the Matter of an
Application for Permit by:*

Pasco Cogen, Ltd.
14850 Old State Road 23
Dade City, Florida 33523

Air Permit No. 1010071-005-AV
Pasco Cogeneration Facility
CAIR Part Revision Project
Pasco County

Authorized Representative:

Mr. Thomas A. Grace, Manager – Environmental, Health &
Safety

Enclosed is final Title V air operation permit revision No. 1010071-005-AV. This Title V air operation permit revision is being issued to incorporate the Clean Air Interstate Rule (CAIR) provisions into Title V air operation permit No. 1010071-003-AV. The existing facility is located at 14850 Old State Road 23, Dade City, Florida. This permit is issued pursuant to Chapter 403, Florida Statutes.

Any party to this order has the right to seek judicial review of it under Section 120.68 of the Florida Statutes by filing a notice of appeal under Rule 9.110 of the Florida Rules of Appellate Procedure with the clerk of the Department of Environmental Protection in the Office of General Counsel (Mail Station #35, 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 must be filed within 30 days after this order is filed with the clerk of the Department.

Executed in Tallahassee, Florida.



Trina L. Vielhauer, Chief
Bureau of Air Regulation

TLV/jkh/tbc

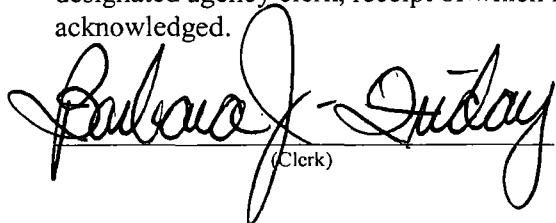
CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this Notice of Final Permit (including the Final Permit and Final Determination), or a link to these documents available electronically on a publicly accessible server, was sent by electronic mail with received receipt requested to the persons listed below:

Mr. Thomas A. Grace, Lake Cogen, Ltd.: tgrace@caithnessenergy.com
Ms. Mara Nasca, Southwest District Office: mara.nasca@dep.state.fl.us
Ms. Barbara Friday, DEP BAR: Barbara.Friday@dep.state.fl.us (for posting with U.S. EPA, Region 4)
Ms. Kathleen Forney, US EPA Region 4: forney.kathleen@epa.gov
Ms. Ana Oquendo, US EPA Region 4: oquendo.ana@epa.gov
Ms. Victoria Gibson, DEP BAR: Victoria.Gibson@dep.state.fl.us (for reading file)

Clerk Stamp

FILING AND ACKNOWLEDGMENT FILED, on this date,
pursuant to Section 120.52(7), Florida Statutes, with the
designated agency clerk, receipt of which is hereby
acknowledged.



(Clerk)

2/23/09
(Date)

FINAL DETERMINATION

PERMITTEE

Pasco Cogen, Ltd.
Pasco Cogeneration Facility
14850 Old State Road 23
Dade City, Florida 33523

PERMITTING AUTHORITY

Florida Department of Environmental Protection (Department)
Division of Air Resource Management
Bureau of Air Regulation, Title V Section
2600 Blair Stone Road, MS #5505
Tallahassee, Florida 32399-2400

PROJECT

Air Permit No. 1010071-005-AV
Pasco Cogeneration Facility

The purpose of this Title V air operation permit revision project is to incorporate the Clean Air Interstate Rule (CAIR) provisions into Title V air operation permit No. 1010071-003-AV.

NOTICE AND PUBLICATION

The Department distributed an Intent to Issue a Title V Air Operation Permit Revision package on June 11, 2008. The applicant published the Public Notice of Intent to Issue in the Tampa Tribune on June 18, 2008. The Department received the proof of publication on June 27, 2008.

COMMENTS

No comments on the draft/proposed permit were received from the public, the Department's Southwest District Office, the EPA Region 4 Office, or the applicant.

DEPARTMENT INITIATED CHANGES

Changes initiated by the Department were made in this final permit.

Statewide Format Changes

A cover page, table of contents, and placard page are added to the final permit package. The placard page was changed to reflect the new renewal application due date of November 19, 2009.

CONCLUSION

The final action of the Department is to issue the Title V air operation permit revision with no significant changes.

STATEMENT OF BASIS

PROJECT DESCRIPTION

On May 16, 2008, the applicant submitted a CAIR Part Form in order to incorporate the Clean Air Interstate Rule provisions into Title V permit 1010071-003-AV.

FACILITY DESCRIPTION

The existing facility consists of the following emissions units: Currently at the plant site are two combustion turbines (CT), each with a chiller system, duct burners (DB) and heat recovery steam generators (HRSG). Each of the combustion turbines is connected to an electric generator rated at 42 megawatts (MW), while the two heat recovery steam generators furnish steam to a citrus processing facility and service a common steam turbine which is connected to a electric generator rated at 26.5 MW. The gas turbines are fired with natural gas with No. 2 fuel oil as a backup fuel, and the duct burners are fired with natural gas only. Nitrogen oxides (NO_x) emissions from each CT are controlled by water injection.

PRIMARY REGULATORY REQUIREMENTS

The existing facility is regulated under:

Title III: The facility is not identified as a potential major source of hazardous air pollutants (HAP).

Title V: The facility is a Title V major source of air pollution in accordance with Chapter 213, Florida Administrative Code (F.A.C.).

PSD: The facility is a Prevention of Significant Deterioration (PSD)-major source of air pollution in accordance with Rule 62-212.400, F.A.C.

NSPS: The facility operates units subject to the New Source Performance Standards (NSPS) of 40 Code of Federal Regulations (CFR) 60.

CAIR: The facility is subject to the Clean Air Interstate Rule (CAIR) set forth in Rule 62-296.470, F.A.C.

APPLICABLE REGULATIONS

In addition to federal rules above, this facility is subject to the following state rules:

APPLICABLE REGULATIONS	EU ID
Rule 62-4, F.A.C. (Permitting Requirements)	001, 002
Rule 62-204, F.A.C. (Ambient Air Quality Requirements, PSD Increments, and Federal Regulations Adopted by Reference)	
Rule 62-210, F.A.C. (Permits Required, Public Notice, Reports, Stack Height Policy, Circumvention, Excess Emissions, and Forms)	
Rule 62-212, F.A.C. (Preconstruction Review, PSD Review and BACT)	
Rule 62-213, F.A.C. (Title V Air Operation Permits for Major Sources of Air Pollution)	
Rule 62-296, F.A.C. (Emission Limiting Standards)	
Rule 62-297, F.A.C. (Test Methods and Procedures, Continuous Monitoring Specifications, and Alternate Sampling Procedures)	
NSPS - 40 CFR 60, Subpart KKKK, Standards of Performance for Stationary Combustion Turbines, adopted and incorporated by reference in Rule 62-204.800	
AC51-196460 and 1010071-002-AC	

PROJECT REVIEW

The CAIR Part Form is now a part of this permit and has been incorporated as Section IV, CAIR Part Form. This section identifies the units that must comply with the standard requirements and special provisions set forth in the CAIR Part Form.

STATEMENT OF BASIS

CONCLUSION

This project revises Title V air operation permit No. 1010071-003-AV, which was issued on July 3, 2005. The placard page was changed to reflect the new renewal application due date of November 19, 2009. This Title V air operation permit revision is issued under the provisions of Chapter 403, Florida Statutes (F.S.), and Chapters 62-4, 62-210 and 62-213, F.A.C. In accordance with the terms and conditions of this permit, the above named permittee is hereby authorized to operate the facility as shown on the application and approved drawings, plans, and other documents, on file with the permitting authority.

Pasco Cogen, Ltd.
Pasco Cogeneration Facility

Facility ID No. 1010071
Pasco County

Final Permit No. 1010071-005-AV
Title V Air Operation Permit Revision
(2nd Revision of 1010071-003-AV)

Permitting Authority
State of Florida
Department of Environmental Protection
Division of Air Resource Management
Bureau of Air Regulation
Title V Section

Mail Station #5505
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

Telephone: 850/488-0114
Fax: 850/921-9533

Compliance Authority
Florida Department of Environmental Protection
Southwest District
13051 North Telecom Parkway
Temple Terrace, FL, 33637-0926
Telephone: 813/632-7600
Fax 813/632-7668

Title V Air Operation Permit Revision
Final Permit No. 1010071-005-AV
Pasco Cogen, Ltd.
Pasco Cogeneration Facility

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Florida Department of Environmental Protection

Bob Martinez Center
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

Charlie Crist
Governor

Jeff Kottkamp
Lt. Governor

Michael W. Sole
Secretary

PERMITTEE:

Pasco Cogen, Ltd.
14850 Old State Road 23
Dade City, Florida 33525

Permit No. 1010071-005-AV
Pasco Cogeneration Facility
Facility ID No. 1010071
Title V Air Operation Permit Revision

The purpose of this permit is for the revision of Title V Air Operation Permit No. 1010071-003-AV to incorporate the Clean Air Interstate Rule (CAIR) Part as an enforceable section of the permit. The Pasco Cogeneration facility is located at 14850 Old State Road 23, Dade City, Pasco County; UTM Coordinates: Zone 17, 383.5 km East and 3139.0 km North; Latitude: 28° 22' 28" North and Longitude: 82° 11' 21" West.

This Title V air operation permit revision is issued under the provisions of Chapter 403, Florida Statutes (F.S.), and Florida Administrative Code (F.A.C.) Chapters 62-4, 62-210, 62-213, 62-296 and 62-297. The above named permittee is hereby authorized to operate the facility shown on the application and approved drawing(s), plans, and other documents, attached hereto or on file with the permitting authority, in accordance with the terms and conditions of this permit.

Referenced attachments made a part of this permit:

Appendix I-1, List of Insignificant Emissions Units and/or Activities
Appendix U-1, List of Unregulated Emissions Units and/or Activities
APPENDIX TV-6, Title V Conditions (version dated 06/23/06)
Appendix 40 CFR 60 Subpart KKKK (*Standards of Performance for Stationary combustion Turbines*)
Appendix 40 CFR 60 Subpart A (*General provision for 40 CFR 60*)
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Effective Date:	07/03/2005
Revision Effective Date:	02/23/2009
Renewal Application Due Date:	11/19/2009
Expiration Date:	07/02/2010

FLORIDA DEPARTMENT OF
ENVIRONMENTAL PROTECTION

Joseph Kahn, Director
Division of Air Resource Management

JK/tlv/jkh/tbc

SECTION IV. CAIR PART FORM
CLEAN AIR INTERSTATE RULE PROVISIONS

Clean Air Interstate Rule (CAIR).

Operated by: Pasco Cogen, Ltd.
Plant: Pasco Cogeneration Facility
ORIS Code: 54424

The emissions units below are regulated under the Clean Air Interstate Rule.

EU No.	EPA Unit ID#	Brief Description
001	1	Unit No. 1 - Combustion Turbine (CT) with chiller system, SPRINT spray inter-cooling, duct burner (DB), and heat recovery steam generator (HRSG).
002	2	Unit No. 2 - CT with chiller system, SPRINT spray inter-cooling, DB, and HRSG.

1. Clean Air Interstate Rule Application. The Clean Air Interstate Rule Part Form submitted for this facility is a part of this permit. The owners and operators of these CAIR units as identified in this form must comply with the standard requirements and special provisions set forth in the CAIR Part Form (DEP Form No. 62-210.900(1)(b)) dated March 16, 2008, which is attached at the end of this section. [Chapter 62-213, F.A.C. and Rule 62-210.200, F.A.C.]

SECTION IV. CAIR PART FORM
CLEAN AIR INTERSTATE RULE PROVISIONS

Pasco Cogen, Ltd. (54424)
Plant Name (from STEP 1)

STEP 3

**Read the
standard
requirements.**

CAIR NO_x ANNUAL TRADING PROGRAM

CAIR Part Requirements.

- (1) The CAIR designated representative of each CAIR NO_x source and each CAIR NO_x unit at the source shall:
 - (i) Submit to the DEP a complete and certified CAIR Part form under 40 CFR 96.122 and Rule 62-296.470, F.A.C., in accordance with the deadlines specified in Rule 62-213.420, F.A.C.; and
 - (ii) [Reserved];
- (2) The owners and operators of each CAIR NO_x source and each CAIR NO_x unit at the source shall have a CAIR Part included in the Title V operating permit issued by the DEP under 40 CFR Part 96, Subpart CC, and operate the source and the unit in compliance with such CAIR Part.

Monitoring, Reporting, and Recordkeeping Requirements.

- (1) The owners and operators, and the CAIR designated representative, of each CAIR NO_x source and each CAIR NO_x unit at the source shall comply with the monitoring, reporting, and recordkeeping requirements of 40 CFR Part 96, Subpart HH, and Rule 62-296.470, F.A.C.
- (2) The emissions measurements recorded and reported in accordance with 40 CFR Part 96, Subpart HH, shall be used to determine compliance by each CAIR NO_x source with the following CAIR NO_x Emissions Requirements.

NO_x Emission Requirements.

- (1) As of the allowance transfer deadline for a control period, the owners and operators of each CAIR NO_x source and each CAIR NO_x unit at the source shall hold, in the source's compliance account, CAIR NO_x allowances available for compliance deductions for the control period under 40 CFR 96.154(a) in an amount not less than the tons of total NO_x emissions for the control period from all CAIR NO_x units at the source, as determined in accordance with 40 CFR Part 96, Subpart HH.
- (2) A CAIR NO_x unit shall be subject to the requirements under paragraph (1) of the NO_x Requirements starting on the later of January 1, 2009, or the deadline for meeting the unit's monitor certification requirements under 40 CFR 96.170(b)(1) or (2) and for each control period thereafter.
- (3) A CAIR NO_x allowance shall not be deducted, for compliance with the requirements under paragraph (1) of the NO_x Requirements, for a control period in a calendar year before the year for which the CAIR NO_x allowance was allocated.
- (4) CAIR NO_x allowances shall be held in, deducted from, or transferred into or among CAIR NO_x Allowance Tracking System accounts in accordance with 40 CFR Part 96, Subparts FF and GG.
- (5) A CAIR NO_x allowance is a limited authorization to emit one ton of NO_x in accordance with the CAIR NO_x Annual Trading Program. No provision of the CAIR NO_x Annual Trading Program, the CAIR Part, or an exemption under 40 CFR 96.105 and no provision of law shall be construed to limit the authority of the state or the United States to terminate or limit such authorization.
- (6) A CAIR NO_x allowance does not constitute a property right.
- (7) Upon recordation by the Administrator under 40 CFR Part 96, Subpart EE, FF, or GG, every allocation, transfer, or deduction of a CAIR NO_x allowance to or from a CAIR NO_x unit's compliance account is incorporated automatically in any CAIR Part of the source that includes the CAIR NO_x unit.

Excess Emissions Requirements.

If a CAIR NO_x source emits NO_x during any control period in excess of the CAIR NO_x emissions limitation, then:

- (1) The owners and operators of the source and each CAIR NO_x unit at the source shall surrender the CAIR NO_x allowances required for deduction under 40 CFR 96.154(d)(1) and pay any fine, penalty, or assessment or comply with any other remedy imposed, for the same violations, under the Clean Air Act or applicable state law; and
- (2) Each ton of such excess emissions and each day of such control period shall constitute a separate violation of 40 CFR Part 96, Subpart AA, the Clean Air Act, and applicable state law.

Recordkeeping and Reporting Requirements.

- (1) Unless otherwise provided, the owners and operators of the CAIR NO_x source and each CAIR NO_x unit at the source shall keep on site at the source each of the following documents for a period of 5 years from the date the document is created. This period may be extended for cause, at any time before the end of 5 years, in writing by the DEP or the Administrator.
 - (i) The certificate of representation under 40 CFR 96.113 for the CAIR designated representative for the source and each CAIR NO_x unit at the source and all documents that demonstrate the truth of the statements in the certificate of representation; provided that the certificate and documents shall be retained on site at the source beyond such 5-year period until such documents are superseded because of the submission of a new certificate of representation under 40 CFR 96.113 changing the CAIR designated representative.
 - (ii) All emissions monitoring information, in accordance with 40 CFR Part 96, Subpart HH, of this part, provided that to the extent that 40 CFR Part 96, Subpart HH, provides for a 3-year period for recordkeeping, the 3-year period shall apply.
 - (iii) Copies of all reports, compliance certifications, and other submissions and all records made or required under the CAIR NO_x Annual Trading Program.
 - (iv) Copies of all documents used to complete a CAIR Part form and any other submission under the CAIR NO_x Annual Trading Program or to demonstrate compliance with the requirements of the CAIR NO_x Annual Trading Program.
- (2) The CAIR designated representative of a CAIR NO_x source and each CAIR NO_x unit at the source shall submit the reports required under the CAIR NO_x Annual Trading Program, including those under 40 CFR Part 96, Subpart HH.

SECTION IV. CAIR PART FORM
CLEAN AIR INTERSTATE RULE PROVISIONS

**STEP 3,
Continued**

Pasco Cogen, Ltd. (54424)
Plant Name (from STEP 1)

Liability.

- (1) Each CAIR NO_x source and each CAIR NO_x unit shall meet the requirements of the CAIR NO_x Annual Trading Program.
- (2) Any provision of the CAIR NO_x Annual Trading Program that applies to a CAIR NO_x source or the CAIR designated representative of a CAIR NO_x source shall also apply to the owners and operators of such source and of the CAIR NO_x units at the source.
- (3) Any provision of the CAIR NO_x Annual Trading Program that applies to a CAIR NO_x unit or the CAIR designated representative of a CAIR NO_x unit shall also apply to the owners and operators of such unit.

Effect on Other Authorities.

No provision of the CAIR NO_x Annual Trading Program, a CAIR Part, or an exemption under 40 CFR 96.105 shall be construed as exempting or excluding the owners and operators, and the CAIR designated representative, of a CAIR NO_x source or CAIR NO_x unit from compliance with any other provision of the applicable, approved State Implementation Plan, a federally enforceable permit, or the Clean Air Act.

CAIR SO₂ TRADING PROGRAM

CAIR Part Requirements.

- (1) The CAIR designated representative of each CAIR SO₂ source and each CAIR SO₂ unit at the source shall:
 - (i) Submit to the DEP a complete and certified CAIR Part form under 40 CFR 96.222 and Rule 62-296.470, F.A.C., in accordance with the deadlines specified in Rule 62-213.420, F.A.C.; and
 - (ii) [Reserved];
- (2) The owners and operators of each CAIR SO₂ source and each CAIR SO₂ unit at the source shall have a CAIR Part included in the Title V operating permit issued by the DEP under 40 CFR Part 96, Subpart CCC, for the source and operate the source and each CAIR unit in compliance with such CAIR Part.

Monitoring, Reporting, and Recordkeeping Requirements.

- (1) The owners and operators, and the CAIR designated representative, of each CAIR SO₂ source and each SO₂ CAIR unit at the source shall comply with the monitoring, reporting, and recordkeeping requirements of 40 CFR Part 96, Subpart HHH, and Rule 62-296.470, F.A.C.
- (2) The emissions measurements recorded and reported in accordance with 40 CFR Part 96, Subpart HHH, shall be used to determine compliance by each CAIR SO₂ source with the following CAIR SO₂ Emission Requirements.

SO₂ Emission Requirements.

- (1) As of the allowance transfer deadline for a control period, the owners and operators of each CAIR SO₂ source and each CAIR SO₂ unit at the source shall hold, in the source's compliance account, a tonnage equivalent in CAIR SO₂ allowances available for compliance deductions for the control period, as determined in accordance with 40 CFR 96.254(a) and (b), not less than the tons of total sulfur dioxide emissions for the control period from all CAIR SO₂ units at the source, as determined in accordance with 40 CFR Part 96, Subpart HHH.
- (2) A CAIR SO₂ unit shall be subject to the requirements under paragraph (1) of the Sulfur Dioxide Emission Requirements starting on the later of January 1, 2010 or the deadline for meeting the unit's monitor certification requirements under 40 CFR 96.270(b)(1) or (2) and for each control period thereafter.
- (3) A CAIR SO₂ allowance shall not be deducted, for compliance with the requirements under paragraph (1) of the SO₂ Emission Requirements, for a control period in a calendar year before the year for which the CAIR SO₂ allowance was allocated.
- (4) CAIR SO₂ allowances shall be held in, deducted from, or transferred into or among CAIR SO₂ Allowance Tracking System accounts in accordance with 40 CFR Part 96, Subparts FFF and GGG.
- (5) A CAIR SO₂ allowance is a limited authorization to emit sulfur dioxide in accordance with the CAIR SO₂ Trading Program. No provision of the CAIR SO₂ Trading Program, the CAIR Part, or an exemption under 40 CFR 96.205 and no provision of law shall be construed to limit the authority of the state or the United States to terminate or limit such authorization.
- (6) A CAIR SO₂ allowance does not constitute a property right.
- (7) Upon recordation by the Administrator under 40 CFR Part 96, Subpart FFF or GGG, every allocation, transfer, or deduction of a CAIR SO₂ allowance to or from a CAIR SO₂ unit's compliance account is incorporated automatically in any CAIR Part of the source that includes the CAIR SO₂ unit.

Excess Emissions Requirements.

If a CAIR SO₂ source emits SO₂ during any control period in excess of the CAIR SO₂ emissions limitation, then:

- (1) The owners and operators of the source and each CAIR SO₂ unit at the source shall surrender the CAIR SO₂ allowances required for deduction under 40 CFR 96.254(d)(1) and pay any fine, penalty, or assessment or comply with any other remedy imposed, for the same violations, under the Clean Air Act or applicable state law; and
- (2) Each ton of such excess emissions and each day of such control period shall constitute a separate violation of 40 CFR Part 96, Subpart AAA, the Clean Air Act, and applicable state law.

SECTION IV. CAIR PART FORM
CLEAN AIR INTERSTATE RULE PROVISIONS

Pasco Cogen, Ltd. (54424)

Plant Name (from STEP 1)

**STEP 3,
Continued**

Recordkeeping and Reporting Requirements.

(1) Unless otherwise provided, the owners and operators of the CAIR SO₂ source and each CAIR SO₂ unit at the source shall keep on site at the source each of the following documents for a period of 5 years from the date the document is created. This period may be extended for cause, at any time before the end of 5 years, in writing by the Department or the Administrator.

(i) The certificate of representation under 40 CFR 96.213 for the CAIR designated representative for the source and each CAIR SO₂ unit at the source and all documents that demonstrate the truth of the statements in the certificate of representation; provided that the certificate and documents shall be retained on site at the source beyond such 5-year period until such documents are superseded because of the submission of a new certificate of representation under 40 CFR 96.213 changing the CAIR designated representative.

(ii) All emissions monitoring information, in accordance with 40 CFR Part 96, Subpart HHH, of this part, provided that to the extent that 40 CFR Part 96, Subpart HHH, provides for a 3-year period for recordkeeping, the 3-year period shall apply.

(iii) Copies of all reports, compliance certifications, and other submissions and all records made or required under the CAIR SO₂ Trading Program.

(iv) Copies of all documents used to complete a CAIR Part form and any other submission under the CAIR SO₂ Trading Program or to demonstrate compliance with the requirements of the CAIR SO₂ Trading Program.

(2) The CAIR designated representative of a CAIR SO₂ source and each CAIR SO₂ unit at the source shall submit the reports required under the CAIR SO₂ Trading Program, including those under 40 CFR Part 96, Subpart HHH.

Liability.

(1) Each CAIR SO₂ source and each CAIR SO₂ unit shall meet the requirements of the CAIR SO₂ Trading Program.

(2) Any provision of the CAIR SO₂ Trading Program that applies to a CAIR SO₂ source or the CAIR designated representative of a CAIR SO₂ source shall also apply to the owners and operators of such source and of the CAIR SO₂ units at the source.

(3) Any provision of the CAIR SO₂ Trading Program that applies to a CAIR SO₂ unit or the CAIR designated representative of a CAIR SO₂ unit shall also apply to the owners and operators of such unit.

Effect on Other Authorities.

No provision of the CAIR SO₂ Trading Program, a CAIR Part, or an exemption under 40 CFR 96.205 shall be construed as exempting or excluding the owners and operators, and the CAIR designated representative, of a CAIR SO₂ source or CAIR SO₂ unit from compliance with any other provision of the applicable, approved State Implementation Plan, a federally enforceable permit, or the Clean Air Act.

CAIR NO_x OZONE SEASON TRADING PROGRAM

CAIR Part Requirements.

(1) The CAIR designated representative of each CAIR NO_x Ozone Season source and each CAIR NO_x Ozone Season unit at the source shall:

(i) Submit to the DEP a complete and certified CAIR Part form under 40 CFR 96.322 and Rule 62-296.470, F.A.C., in accordance with the deadlines specified in Rule 62-213.420, F.A.C.; and

(ii) [Reserved];

(2) The owners and operators of each CAIR NO_x Ozone Season source required to have a Title V operating permit or air construction permit, and each CAIR NO_x Ozone Season unit required to have a Title V operating permit or air construction permit at the source shall have a CAIR Part included in the Title V operating permit or air construction permit issued by the DEP under 40 CFR Part 96, Subpart CCCC, for the source and operate the source and the unit in compliance with such CAIR Part.

Monitoring, Reporting, and Recordkeeping Requirements.

(1) The owners and operators, and the CAIR designated representative, of each CAIR NO_x Ozone Season source and each CAIR NO_x Ozone Season unit at the source shall comply with the monitoring, reporting, and recordkeeping requirements of 40 CFR Part 96, Subpart HHHH, and Rule 62-296.470, F.A.C.

(2) The emissions measurements recorded and reported in accordance with 40 CFR Part 96, Subpart HHHH, shall be used to determine compliance by each CAIR NO_x Ozone Season source with the following CAIR NO_x Ozone Season Emissions Requirements.

NO_x Ozone Season Emission Requirements.

(1) As of the allowance transfer deadline for a control period, the owners and operators of each CAIR NO_x Ozone Season source and each CAIR NO_x Ozone Season unit at the source shall hold, in the source's compliance account, CAIR NO_x Ozone Season allowances available for compliance deductions for the control period under 40 CFR 96.354(a) in an amount not less than the tons of total NO_x emissions for the control period from all CAIR NO_x Ozone Season units at the source, as determined in accordance with 40 CFR Part 96, Subpart HHHH.

(2) A CAIR NO_x Ozone Season unit shall be subject to the requirements under paragraph (1) of the NO_x Ozone Season Emission Requirements starting on the later of May 1, 2009 or the deadline for meeting the unit's monitor certification requirements under 40 CFR 96.370(b)(1)(2), or (3) and for each control period thereafter.

(3) A CAIR NO_x Ozone Season allowance shall not be deducted, for compliance with the requirements under paragraph (1) of the NO_x Ozone Season Emission Requirements, for a control period in a calendar year before the year for which the CAIR NO_x Ozone Season allowance was allocated.

(4) CAIR NO_x Ozone Season allowances shall be held in, deducted from, or transferred into or among CAIR NO_x Ozone Season Allowance Tracking System accounts in accordance with 40 CFR Part 96, Subparts FFFF and GGGG.

(5) A CAIR NO_x Ozone Season allowance is a limited authorization to emit one ton of NO_x in accordance with the CAIR NO_x Ozone Season Trading Program. No provision of the CAIR NO_x Ozone Season Trading Program, the CAIR Part, or an exemption under 40 CFR 96.305 and no provision of law shall be construed to limit the authority of the state or the United States to terminate or limit such authorization.

(6) A CAIR NO_x Ozone Season allowance does not constitute a property right.

(7) Upon recordation by the Administrator under 40 CFR Part 96, Subpart EEEE, FFFF or GGGG, every allocation, transfer, or deduction of a CAIR NO_x Ozone Season allowance to or from a CAIR NO_x Ozone Season unit's compliance account is incorporated automatically in any CAIR Part of the source that includes the CAIR NO_x Ozone Season unit.

SECTION IV. CAIR PART FORM
CLEAN AIR INTERSTATE RULE PROVISIONS

Plant Name (from STEP 1) **Pasco Cogen, Ltd. (54424)**

**STEP 3,
Continued**

Excess Emissions Requirements.

If a CAIR NO_x Ozone Season source emits NO_x during any control period in excess of the CAIR NO_x Ozone Season emissions limitation, then:
(1) The owners and operators of the source and each CAIR NO_x Ozone Season unit at the source shall surrender the CAIR NO_x Ozone Season allowances required for deduction under 40 CFR 96.354(d)(1) and pay any fine, penalty, or assessment or comply with any other remedy imposed, for the same violations, under the Clean Air Act or applicable state law; and
(2) Each ton of such excess emissions and each day of such control period shall constitute a separate violation of 40 CFR Part 96, Subpart AAAA, the Clean Air Act, and applicable state law.

Recordkeeping and Reporting Requirements.

- (1) Unless otherwise provided, the owners and operators of the CAIR NO_x Ozone Season source and each CAIR NO_x Ozone Season unit at the source shall keep on site at the source each of the following documents for a period of 5 years from the date the document is created. This period may be extended for cause, at any time before the end of 5 years, in writing by the DEP or the Administrator.
- (i) The certificate of representation under 40 CFR 96.313 for the CAIR designated representative for the source and each CAIR NO_x Ozone Season unit at the source and all documents that demonstrate the truth of the statements in the certificate of representation; provided that the certificate and documents shall be retained on site at the source beyond such 5-year period until such documents are superseded because of the submission of a new certificate of representation under 40 CFR 96.113 changing the CAIR designated representative.
- (ii) All emissions monitoring information, in accordance with 40 CFR Part 96, Subpart HHHH, of this part, provided that to the extent that 40 CFR Part 96, Subpart HHHH, provides for a 3-year period for recordkeeping, the 3-year period shall apply.
- (iii) Copies of all reports, compliance certifications, and other submissions and all records made or required under the CAIR NO_x Ozone Season Trading Program.
- (iv) Copies of all documents used to complete a CAIR Part form and any other submission under the CAIR NO_x Ozone Season Trading Program or to demonstrate compliance with the requirements of the CAIR NO_x Ozone Season Trading Program.
- (2) The CAIR designated representative of a CAIR NO_x Ozone Season source and each CAIR NO_x Ozone Season unit at the source shall submit the reports required under the CAIR NO_x Ozone Season Trading Program, including those under 40 CFR Part 96, Subpart HHHH.

Liability.

- (1) Each CAIR NO_x Ozone Season source and each CAIR NO_x Ozone Season unit shall meet the requirements of the CAIR NO_x Ozone Season Trading Program.
- (2) Any provision of the CAIR NO_x Ozone Season Trading Program that applies to a CAIR NO_x Ozone Season source or the CAIR designated representative of a CAIR NO_x Ozone Season source shall also apply to the owners and operators of such source and of the CAIR NO_x Ozone Season units at the source.
- (3) Any provision of the CAIR NO_x Ozone Season Trading Program that applies to a CAIR NO_x Ozone Season unit or the CAIR designated representative of a CAIR NO_x Ozone Season unit shall also apply to the owners and operators of such unit.

Effect on Other Authorities.

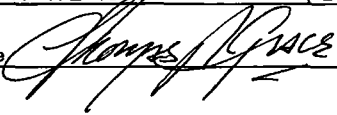
No provision of the CAIR NO_x Ozone Season Trading Program, a CAIR Part, or an exemption under 40 CFR 96.305 shall be construed as exempting or excluding the owners and operators, and the CAIR designated representative, of a CAIR NO_x Ozone Season source or CAIR NO_x Ozone Season unit from compliance with any other provision of the applicable, approved State Implementation Plan, a federally enforceable permit, or the Clean Air Act.

STEP 4

Certification (for designated representative or alternate designated representative only)

Read the certification statement; provide name, title, owner company name, phone, and e-mail address; sign, and date.

I am authorized to make this submission on behalf of the owners and operators of the CAIR source or CAIR units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment.

Name Thomas Grace	Title Mgr., E, H & S
Company Owner Name Pasco Cogen, Ltd.	
Phone 917 472-4593	E-mail Address tgrace@caithnessenergy.com
Signature 	Date 05/22/08

Friday, Barbara

To: Thomas Grace
Cc: Nasca, Mara; Forney.Kathleen@epamail.epa.gov; Ana Oquendo; Gibson, Victoria; Cascio, Tom; Holtom, Jonathan
Subject: PASCO COGEN LIMITED; 1010071-005-AV
Attachments: 1010071005AVCAIRNoticeofFinalPermit.pdf

Dear Sir/ Madam:

Attached is the official **Notice of Final Permit** for the project referenced below. Click on the link displayed below to access the permit project documents and send a "reply" message verifying receipt of the document(s) provided in the link; this may be done by selecting "Reply" on the menu bar of your e-mail software, noting that you can view the documents, and then selecting "Send". **We must receive verification that you are able to access the documents.** Your immediate reply will preclude subsequent e-mail transmissions to verify accessibility of the document(s).

Click on the following link to access the permit project documents:

http://ARM-PERMIT2K.dep.state.fl.us/adh/prod/pdf_permit_zip_files/1010071.005.AV.F_pdf.zip

Attention: Tom Cascio

Owner/Company Name: PASCO COGEN LIMITED
Facility Name: PASCO COGEN LIMITED
Project Number: 1010071-005-AV
Permit Status: FINAL
Permit Activity: PERMIT REVISION
Facility County: PASCO

The Bureau of Air Regulation is issuing electronic documents for permits, notices and other correspondence in lieu of hard copies through the United States Postal System, to provide greater service to the applicant and the engineering community. Access these documents by clicking on the link provided above, or search for other project documents using the "*Air Permit Documents Search*" website at <http://www.dep.state.fl.us/air/eproducts/apds/default.asp>.

Permit project documents addressed in this email may require immediate action within a specified time frame. Please open and review the document(s) as soon as possible, and verify that they are accessible. Please advise this office of any changes to your e-mail address or that of the Engineer-of-Record. If you have any problems opening the documents or would like further information, please contact the Florida Department of Environmental Protection, Bureau of Air Regulation at (850)488-0114.

Barbara Friday

Bureau of Air Regulation

Division of Air Resource Management (DARM)

Friday, Barbara

From: Exchange Administrator
Sent: Monday, February 23, 2009 12:59 PM
To: Friday, Barbara
Subject: Delivery Status Notification (Relay)
Attachments: ATT36805.txt; PASCO COGEN LIMITED; 1010071-005-AV

This is an automatically generated Delivery Status Notification.

Your message has been successfully relayed to the following recipients, but the requested delivery status notifications may not be generated by the destination.

tgrace@caithnessenergy.com

Friday, Barbara

From: Thomas Grace [tgrace@caithnessenergy.com]
To: undisclosed-recipients
Sent: Monday, February 23, 2009 2:25 PM
Subject: Read: PASCO COGEN LIMITED; 1010071-005-AV

Your message

To: tgrace@caithnessenergy.com
Subject:

was read on 2/23/2009 2:25 PM.

Friday, Barbara

From: Thomas Grace [tgrace@caithnessenergy.com]
Sent: Monday, February 23, 2009 2:25 PM
To: Friday, Barbara
Subject: RE: PASCO COGEN LIMITED; 1010071-005-AV

Got it. Thanks Barbara

From: Friday, Barbara [mailto:Barbara.Friday@dep.state.fl.us]
Sent: 2009-02-23 10:40
To: Thomas Grace
Cc: Nasca, Mara; Forney.Kathleen@epamail.epa.gov; Ana Oquendo; Gibson, Victoria; Cascio, Tom; Holtom, Jonathan
Subject: PASCO COGEN LIMITED; 1010071-005-AV

Dear Sir/ Madam:

Attached is the official **Notice of Final Permit** for the project referenced below. Click on the link displayed below to access the permit project documents and send a "reply" message verifying receipt of the document(s) provided in the link; this may be done by selecting "Reply" on the menu bar of your e-mail software, noting that you can view the documents, and then selecting "Send". **We must receive verification that you are able to access the documents.** Your immediate reply will preclude subsequent e-mail transmissions to verify accessibility of the document(s).

Click on the following link to access the permit project documents:

http://ARM-PERMIT2K.dep.state.fl.us/adh/prod/pdf_permit_zip_files/1010071.005.AV.F_pdf.zip

Attention: Tom Cascio

Owner/Company Name: PASCO COGEN LIMITED
Facility Name: PASCO COGEN LIMITED
Project Number: 1010071-005-AV
Permit Status: FINAL
Permit Activity: PERMIT REVISION
Facility County: PASCO

The Bureau of Air Regulation is issuing electronic documents for permits, notices and other correspondence in lieu of hard copies through the United States Postal System, to provide greater service to the applicant and the engineering community. Access these documents by clicking on the link provided above, or search for other project documents using the "*Air Permit Documents Search*" website at <http://www.dep.state.fl.us/air/eproducts/apds/default.asp>.

Permit project documents addressed in this email may require immediate action within a specified time frame. Please open and review the document(s) as soon as possible, and verify that they are accessible. Please advise this office of any changes to your e-mail address or that of the Engineer-of-Record. If you have any problems opening the documents or would like further information, please contact the Florida Department of Environmental Protection, Bureau of Air Regulation at (850)488-0114.

Barbara Friday

Bureau of Air Regulation

Division of Air Resource Management (DARM)

The Department of Environmental Protection values your feedback as a customer. DEP Secretary Michael W. Sole is committed to continuously assessing and improving the level and quality of services provided to you. Please take a few minutes to comment on the quality of service you received. Simply click on [this link to the DEP Customer Survey](#). Thank you in advance for completing the survey.

Friday, Barbara

From: System Administrator
To: Nasca, Mara
Sent: Monday, February 23, 2009 10:40 AM
Subject: Delivered: PASCO COGEN LIMITED; 1010071-005-AV

Your message

To: Thomas Grace
Cc: Nasca, Mara; Forney.Kathleen@epamail.epa.gov; Ana Oquendo; Gibson, Victoria;
Cascio, Tom; Holtom, Jonathan
Subject: PASCO COGEN LIMITED; 1010071-005-AV
Sent: 2/23/2009 10:40 AM

was delivered to the following recipient(s):

Nasca, Mara on 2/23/2009 10:40 AM

Friday, Barbara

From: Nasca, Mara
To: Friday, Barbara
Sent: Monday, February 23, 2009 2:36 PM
Subject: Read: PASCO COGEN LIMITED; 1010071-005-AV

Your message.

To: Thomas Grace
Cc: Nasca, Mara; Forney.Kathleen@epamail.epa.gov; Ana Oquendo; Gibson, Victoria;
Cascio, Tom; Holtom, Jonathan
Subject: PASCO COGEN LIMITED; 1010071-005-AV
Sent: 2/23/2009 10:40 AM

was read on 2/23/2009 2:36 PM.

Friday, Barbara

From: Mail Delivery System [MAILER-DAEMON@mseive02.rtp.epa.gov]
Sent: Monday, February 23, 2009 12:53 PM
To: Friday, Barbara
Subject: Successful Mail Delivery Report
Attachments: Delivery report; Message Headers

This is the mail system at host mseive02.rtp.epa.gov.

Your message was successfully delivered to the destination(s) listed below. If the message was delivered to mailbox you will receive no further notifications. Otherwise you may still receive notifications of mail delivery errors from other systems.

The mail system

<Forney.Kathleen@epamail.epa.gov>: delivery via 127.0.0.1[127.0.0.1]:10025: 250 OK, sent 49A2E26E_2947_60474_2 4B5F41DC01B

<Oquendo.Ana@epamail.epa.gov>: delivery via 127.0.0.1[127.0.0.1]:10025: 250 OK, sent 49A2E26E_2947_60474_2 4B5F41DC01B

Friday, Barbara

From: System Administrator
To: Gibson, Victoria; Cascio, Tom
Sent: Monday, February 23, 2009 10:40 AM
Subject: Delivered: PASCO COGEN LIMITED; 1010071-005-AV

Your message

To: Thomas Grace
Cc: Nasca, Mara; Forney.Kathleen@epamail.epa.gov; Ana Oquendo; Gibson, Victoria; Cascio, Tom; Holtom, Jonathan
Subject: PASCO COGEN LIMITED; 1010071-005-AV
Sent: 2/23/2009 10:40 AM

was delivered to the following recipient(s):

Gibson, Victoria on 2/23/2009 10:40 AM
Cascio, Tom on 2/23/2009 10:40 AM

Friday, Barbara

From: Gibson, Victoria
To: Friday, Barbara
Sent: Monday, February 23, 2009 10:43 AM
Subject: Read: PASCO COGEN LIMITED; 1010071-005-AV

Your message

To: Thomas Grace
Cc: Nasca, Mara; Forney.Kathleen@epamail.epa.gov; Ana Oquendo; Gibson, Victoria;
Cascio, Tom; Holtom, Jonathan
Subject: PASCO COGEN LIMITED; 1010071-005-AV
Sent: 2/23/2009 10:40 AM

was read on 2/23/2009 10:43 AM.

Friday, Barbara

From: Cascio, Tom
To: Friday, Barbara
Sent: Tuesday, February 24, 2009 2:29 PM
Subject: Read: PASCO COGEN LIMITED; 1010071-005-AV

Your message

To: Thomas Grace
Cc: Nasca, Mara; Forney.Kathleen@epamail.epa.gov; Ana Oquendo; Gibson, Victoria;
Cascio, Tom; Holtom, Jonathan
Subject: PASCO COGEN LIMITED; 1010071-005-AV
Sent: 2/23/2009 10:40 AM

was read on 2/24/2009 2:29 PM.

Friday, Barbara

From: System Administrator
To: Holtom, Jonathan
Sent: Monday, February 23, 2009 10:40 AM
Subject: Delivered: PASCO COGEN LIMITED; 1010071-005-AV

Your message

To: Thomas Grace
Cc: Nasca, Mara; Forney.Kathleen@epamail.epa.gov; Ana Oquendo; Gibson, Victoria;
Cascio, Tom; Holtom, Jonathan
Subject: PASCO COGEN LIMITED; 1010071-005-AV
Sent: 2/23/2009 10:40 AM

was delivered to the following recipient(s):

Holtom, Jonathan on 2/23/2009 10:40 AM

Friday, Barbara

From: Holtom, Jonathan
To: Friday, Barbara
Sent: Monday, February 23, 2009 1:04 PM
Subject: Read: PASCO COGEN LIMITED; 1010071-005-AV

Your message

To: Thomas Grace
Cc: Nasca, Mara; Forney.Kathleen@epamail.epa.gov; Ana Oquendo; Gibson, Victoria; Cascio, Tom; Holtom, Jonathan
Subject: PASCO COGEN LIMITED; 1010071-005-AV
Sent: 2/23/2009 10:40 AM

was read on 2/23/2009 1:04 PM.