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## Department of Environmental Protection

Jeb Bush Governor Marjory Stoneman Douglas Building 3900 Commonwealth Boulevard Tallahassee, Florida 32399-3000

David B. Struhs Secretary

April 13, 2000

**CERTIFIED MAIL - RETURN RECEIPT REQUESTED** 

Mr. Ronald W. Tomlin Assistant Managing Director Lakeland Electric 501 E. Lemon Street Lakeland, Florida 33801-5079

Re: DEP File No. PSD-FL-166(C) and 1050003-007-AC City of Lakeland, Department of Electric Utilities Charles Larsen Memorial Power Plant - Inlet Foggers Project

Dear Mr. Tomlin:

Enclosed is one copy of the Draft Permit and Technical Evaluation and Preliminary Determination, for the referenced project in Polk County. The Department's Intent to Issue Air Construction Permit and the "PUBLIC NOTICE OF INTENT TO ISSUE AIR CONSTRUCTION PERMIT" are also included.

The "Public Notice of Intent to Issue Air Construction Permit" must be published one time only, as soon as possible, the legal advertising section of a newspaper of general circulation in the area affected, pursuant to the requirements of Chapter 50, Florida Statutes. 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.

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 questions, please call Ms. Teresa Heron at 850/921-9529.

Sincerely,

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

CHF/th

**Enclosures** 

"Protect, Conserve and Manage Florida's Environment and Natural Resources"

Printed on recycled paper.

#### PUBLIC NOTICE OF INTENT TO ISSUE AIR CONSTRUCTION PERMIT

## STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION

DEP File No. 1050003-007-AC (PSD-FL-166C)

City of Lakeland. Department of Electric Utilities Larsen Power Plant - Inlet Fogger Project Polk County

The Department of Environmental Protection (Department) gives notice of its intent to issue an air construction permit to the City of Lakeland. The permit is to install foggers at the compressor inlet of a dual fired GE General Electric PG7111EA combined cycle combustion turbine-electrical generator, identified as emission unit 008 at the Larsen Power Plant in Polk County. A Best Available Control Technology (BACT) determination was not required pursuant to Rule 62-212.400, F.A.C. The applicant's name and address are: City of Lakeland, Department of Electric Utilities 501 E. Leon Street, Lakeland, Florida 33801-5079.

The combustion turbine, nominally rated at approximately 90 megawatts (MW) at 59 degrees when firing gas. This combustion turbine (exclusive of the steam cycle) normally achieves its maximum rated output of approximately 100 MW on cold (20 degrees) days because the greater compressor inlet air density allows greater throughput in the rotor or expansion section of the combustion turbine. The maximum power output is only about 80 MW on hot (90 degrees) days because of the lower compressor inlet air density. The foggers can increase hot-day power output (under very dry conditions) by as much as 6 MW per this combustion turbine, thus almost restoring the units to their nominal rating. Under the design conditions for this Florida site (95 degrees and 50 percent humidity), an improvement of about 3 MW can be expected.

The foggers provide no benefit under humid or cold (less than approximately 50 degrees) conditions and will not be used when they occur. The maximum output of approximately 100 MW will continue to occur at low ambient temperature. The result is that maximum hourly emissions will not increase although actual annual emissions will increase within their permitted limits because more fuel will be used on hot, relatively dry days.

Although the number of days during which the foggers can economically operate limits emissions increases to levels below significance for the purposes of PSD applicability, the City calculated potential emissions based on year around operation to insure non-applicability. The City asserts and the Department accepts that the modification will not cause any meaningful change in the actual hours of operation of this combined cycle unit. The unit is allowed to operate continuously and already have a very high availability factor. The maximum increase in annual emissions caused by the project in tons per year is summarized below along with the PSD-significant levels.

<u>Pollutants</u>	Annual Emission Increase	PSD Significant Levels
PM/PM <sub>10</sub>	1.32	25/15
$SO_2$	7.43	. 40
$NO_X$	13.21	40
VOC	0.44	40
CO	5.99	100

An air quality impact analysis was not required or conducted. No significant impacts are expected to occur as a result of this project. It will not cause or contribute to a violation of any ambient air quality standard or increment.

The Department will issue the FINAL permit with the attached conditions 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 permit issuance action for a period of thirty (30) days from the date of publication of "Public Notice of Intent to Issue Air construction permit." Written comments should be provided to the Department's Bureau of Air Regulation at 2600 Blair Stone Road, Mail Station #5505, Tallahassee, FL 32399-2400. Any written comments filed shall be made available for public inspection. If

written comments received result in a significant change in the proposed agency action, the Department shall revise the proposed permit and require, if applicable, another Public Notice.

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

A person whose substantial interests are affected by the proposed permitting decision may petition for an administrative proceeding (hearing) under Sections 120.569 and 120.57 of the Florida Statutes. The petition must contain the information set forth below and must be filed (received) in the Office of General Counsel of the Department at 3900 Commonwealth Boulevard, Mail Station # 35, Tallahassee, Florida, 32399-3000. Petitions filed by the permit applicant or any of the parties listed below must be filed within fourteen (14) days of receipt of this notice of intent. Petitions filed by any persons other than those entitled to written notice under Section 120.60(3) of the Florida Statutes 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. Under Section 120.60(3), however, any person who asked the Department for notice of agency action may file a petition within fourteen (14) days of receipt of that notice, regardless of the date of publication. A petitioner shall 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 28-106.205 of the Florida Administrative Code.

A petition that disputes the material facts on which the Department's action is based must contain the following information: (a) The name and address of each agency affected and each agency's file or identification number, if known; (b) The name, address, and telephone number of the petitioner's representative, if any, which shall be the address for service purposes during the course of the proceeding; and an explanation of how the petitioner's substantial interests will be affected by the agency determination; (c) A statement of how and when petitioner received notice of the agency action or proposed action: (d) A statement of all disputed issues of material fact. If there are none, the petition must so indicate; (e) A concise statement of the ultimate facts alleged, as well as the rules and statutes which entitle the petitioner to relief; and (f) A demand for relief.

A petition that does not dispute the material facts upon which the Department's action is based shall state that no such facts are in dispute and otherwise shall contain the same information as set forth above, as required by Rule 28-106.301

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. 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 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: 850/488-0114

Fax: 850/922-6979

Department of Environmental Protection Southwest District Office 3804 Coconut Drive Tampa, Florida 33619-8218 Telephone: 813/744-6100

Fax: 813/744-6084

The complete project file includes the application, technical evaluation, Draft Permit, 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 850/488-0114, for additional information.

In the Matter of an Application for Permit by:

Mr. Ronald W. Tomlin Assistant Managing Director City of Lakeland, Electric Utilities 501 E. Lemon Street Lakeland, Florida 33801-5079 DEP File No. 1050003-007-AC (PSD-FL-166C)
Combined Cycle Combustion Turbine 008
Inlet Foggers Installation
Larsen Power Plant
Polk County

#### INTENT TO ISSUE AIR CONSTRUCTION PERMIT

The Department of Environmental Protection (Department) gives notice of its intent to issue an air construction permit (copy of DRAFT Permit attached) for the proposed project, detailed in the application specified above and the attached Technical Evaluation and Preliminary Determination, for the reasons stated below.

The applicant, City of Lakeland, Department of Electric Utilities, applied on February 25, 2000, to the Department to add inlet foggers to their combined cycle combustion turbine electrical generator, identified as Emissions Unit 008, at the Larsen Power Plant in Polk County.

The Department has permitting jurisdiction under the provisions of Chapter 403, Florida Statutes (F.S.), Florida Administrative Code (F.A.C.) Chapters 62-4, 62-210, and 62-212, and 40 CFR 52.21. The above actions are not exempt from permitting procedures. The Department has determined that an air construction permit is required to conduct the work.

The Department intends to issue this permit 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 62-110.106(7)(a)1., 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." The notice shall be published one time only 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: 850/488-0114; Fax 850/ 922-6979). The Department suggests that you publish the notice within thirty days of receipt of this letter. You must provide proof of publication within seven days of publication, pursuant to Rule 62-110.106(5), F.A.C. No permitting action for which published notice is required shall be granted until proof of publication of notice is made by furnishing a uniform affidavit in substantially the form prescribed in section 50.051, F.S. to the office of the Department issuing the permit or other authorization. Failure to publish the notice and provide proof of publication may result in the denial of the permit pursuant to Rules 62-110.106(9) & (11), F.A.C.

The Department will issue the final Permit with the attached conditions 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 permit issuance action for a period of thirty (30) days from the date of publication of "Public Notice of Intent to Issue Air Construction Permit." Written comments should be provided to the Department's Bureau of Air Regulation at 2600 Blair Stone Road, Mail Station #5505, Tallahassee, FL 32399-2400. Any written comments filed shall be made available for public inspection. If written comments received result in a significant change in the proposed agency action, the Department shall revise the proposed permit and require, if applicable, another Public Notice.

The Department will issue the permit with the attached conditions unless a timely petition for an administrative hearing is filed pursuant to sections 120.569 and 120.57 F.S., before the deadline for filing a petition. The procedures for petitioning for a hearing are set forth below.

DEP File No.1050003-007-AC (PSD-FL-166C) Page 2 of 3

A person whose substantial interests are affected by the proposed permitting decision may petition for an administrative proceeding (hearing) under sections 120.569 and 120.57 of the Florida Statutes. The petition must contain the information set forth below and must be filed (received) in the Office of General Counsel of the Department at 3900 Commonwealth Boulevard, Mail Station # 35, Tallahassee, Florida, 32399-3000. Petitions filed by the permit applicant or any of the parties listed below must be filed within fourteen days of receipt of this notice of intent. Petitions filed by any persons other than those entitled to written notice under section 120.60(3) of the Florida Statutes 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. Under section 120.60(3), however, any person who asked the Department for notice of agency action may file a petition within fourteen days of receipt of that notice, regardless of the date of publication. A petitioner shall 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 28-106.205 of the Florida Administrative Code.

A petition that disputes the material facts on which the Department's action is based must contain the following information: (a) The name and address of each agency affected and each agency's file or identification number, if known; (b) The name, address, and telephone number of the petitioner's representative, if any, which shall be the address for service purposes during the course of the proceeding; and an explanation of how the petitioner's substantial interests will be affected by the agency determination; (c) A statement of how and when petitioner received notice of the agency action or proposed action; (d) A statement of all disputed issues of material fact. If there are none, the petition must so indicate; (e) A concise statement of the ultimate facts alleged, as well as the rules and statutes which entitle the petitioner to relief; and (f) A demand for relief.

A petition that does not dispute the material facts upon which the Department's action is based shall state that no such facts are in dispute and otherwise shall contain the same information as set forth above, as required by rule 28-106.301

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. 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. Mediation is not available in this proceeding.

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 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.

DEP File No.1050003-007-AC (PSD-FL-166C) Page 3 of 3

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 (including the PUBLIC NOTICE, Technical Evaluation and Preliminary Determination, and the DRAFT Permit) was sent by certified mail (\*) and copies were mailed by U.S. Mail before the close of business on 4-13-00 to the person(s) listed:

Ronald W. Tomlin, City of Lakeland\* Farzie Shelton, City of Lakeland Ken Kosky P.E., Golder Associates Bill Thomas, DEP SW Gregg Worley, EPA

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)

John 4-13-00 (Date)

# DEPARTMENT OF ENVIRONMENTAL PROTECTION NEW SOURCE REVIEW SECTION BUREAU OF AIR REGULATION Telephone (904) 488-0114 Fax (904) 922-6979 Mail Station # 5505

#### TECHNICAL EVALUATION

#### AND

#### PRELIMINARY DETERMINATION

Charles Larsen Memorial Power Plant Lakeland, Polk County, Florida

Air Construction Permit Number: 1050003-007-AC (PSD-FL-166C)

April 13, 2000

#### 1. Applicant

City of Lakeland
Department of Electric Utilities
501 E. Lemon Street
Lakeland, Fl 33801-5079

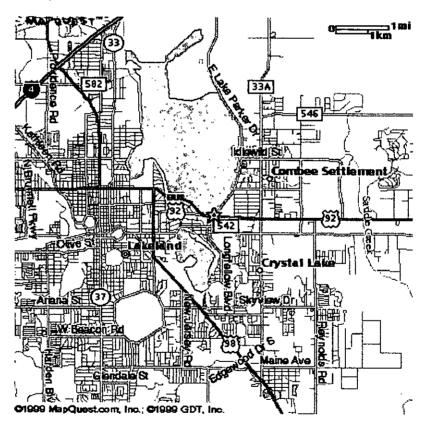
Authorized Representative: Ronald M. Tomlin, Assistant Managing Director

#### 2. Source Name and Location

City of Lakeland
Charles Larsen Memorial Power Plant
2002 East Hwy 92
Lakeland, Florida 33801

UTM Coordinates: Zone 17, 408.9 km East and 3102.5 km North

The Charles Larson Plant is located at the Southern tip of Lake Larsen as shown in the following map (from Yahoo website).



#### 3. Source Description

The Charles Larsen Memorial Power Plant facility consists of two fossil fuel-fired steam generators, one combined cycle combustion turbine and three simple cycle gas turbine peaking units. Natural gas and oil are the primary fuels.

Fossil fuel fired steam generator #6 is a nominal 25 megawatt (electric) steam generator designated as Larsen Unit #6. This emission unit is fired on No. 6 fuel oil at a maximum heat input of 372.4 MMBtu per hour, or natural gas at a maximum heat input of 386.5 MMBtu per hour. Unit #6 began commercial service in 1959.

Fossil fuel fired steam generator #7 is a nominal 50 megawatt (electric) steam generator designated as Larsen Unit #7. This emission unit is fired on No. 6 fuel oil at a maximum heat input of 728.0 MMBtu per hour, or natural gas at a maximum heat input of 763.0 MMBtu per hour. Unit #7 began commercial service in 1966.

The gas turbine peaking unit is fired with natural gas, or No. 2 fuel oil with a maximum sulfur content of 0.50 percent by weight. The maximum heat input rate for each gas turbine is 209 MMBtu per hour and each unit is rated at 11.5 megawatts (electric). Emissions from the gas turbines are uncontrolled. Turbines #1, #2 and #3 began commercial service in 1962.

The combined cycle unit, Larsen Unit #8, consists of a General Electric PG 7111EA combustion turbine-electrical generator with unfired heat recovery steam generators. This unit is capable of generating approximately 90 MW while operating in simple cycle and 120 MW when in combined cycle. While in combined cycle the heat recovery steam generator (HRSG) will power the existing Larsen Unit 5 steam turbine generator. The primary fuels are natural gas with a sulfur content of 0.2 percent. Nitrogen oxide emissions are controlled by water injection for both gas and oil operation. The emissions unit can exhaust through the HRSG or through a by-pass stack. Turbine #8 began commercial service in July, 1992.

#### 4. Current Permit and Major Regulatory Program Status

Construction of the 120 MW combined cycle combustion turbine was authorized by the Department under permits AC53-190437 and Permit PSD-FL-166 issued on July 26, 1991. Subsequent revisions to the construction permit are dated 12/22/95 (PSD-FL-166A and 1050003-001AC) and 4/17/98 (PSD-FL-166B and 1050003-005AC).

The facility operates under Title V Air Operation Permit No. 1050003-004-AV issued in June 1998. This facility is not a major source of hazardous air pollutants (HAPs) based on information submitted in the Title V application in 1996.

The combined cycle combustion turbine is subject to BACT requirements and 40 CFR 60, Subpart GG, Standards of Performance for New Stationary Gas Turbines. This combined cycle unit #8 and the fossil fuel steam generator #7 are regulated under the Title IV of the Clean Air Act, Acid Rain, Phase II.

#### 5. Permit Request

On February 25, 2000 the Department received a request from the City of Lakeland for the construction/installation of direct water spray fogging systems in the inlet duct of Combustion Turbine Unit #8 (ARMS Emissions Unit 008). The project is a performance enhancement that can improve both the turbine power output and the heat rate of the unit. The principle is based on evaporative cooling of the incoming, filtered, ambient air to lower its temperature and increase its density.

This type of combustion turbine is typically rated by General Electric at approximately 90 MW at 59 degrees when firing gas. The combustion turbine (exclusive of the steam cycle) normally achieves its maximum rated output of approximately 100 MW on cold (20 degrees) days because the greater compressor inlet air density allows greater throughput in the rotor or expansion section of the

combustion turbine. The maximum power output is only about 80 MW on hot (90 degrees) days because of the lower compressor inlet air density. The foggers can increase hot-day power output (under dry conditions) by around 6 MW, thus almost restoring the unit to its nominal rating. The foggers provide no benefit under humid or cold (less than approximately 50 degrees) conditions and will not be used when they occur. The maximum output of approximately 100 MW will continue to occur at low ambient temperature.

Inlet foggers are routinely included in new combustion turbine projects and have not affected the Department's decisions regarding Best Available Control Technology.

#### 6. Emissions Increases Due to Operation of Foggers

The foggers are physical pieces of equipment whose addition and use can increase emissions on hot or dry days. The use of the foggers can also be considered a change in method of operation of the inlet "air conditioning system" that is already used to filter incoming air.

Assuming a design condition for Florida of 95 degrees (°F) and 50 percent (%) relative humidity, evaporative cooling to the point of saturation of the incoming gas stream results in a temperature decrease of approximately 16 °F to 79 °F. This represents an increase of roughly 5% in power output or on the order of 6-7 MW for this unit. Under average annually averaged conditions, the reduction typically possible is on the order of 10 °F, with an associated power increase of about 2 MW.

The consultant for the City of Lakeland estimated that heat input to the combustion turbine will increase by approximately 2.5 mmBtu per hour per degree of temperature reduction (mmBtu/hr/°F) by evaporative cooling. If emissions rates are known in terms of pounds per mmBtu (lb/mmBtu), the increase on hourly emissions can be estimated.

City; of Lakeland assumed that this unit will be operated 5840 hours per year on gas and 2290 hours on oil with the foggers on and that the average temperature decrease will be 10 °F when the foggers system is on. Annual emissions are estimated as detailed in the following table.

TOTAL	CMICCIONIC	INCREASES	DHE TO HEE	OF INIL	ET FACCED
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Pollutant	Emission	Emission	Emission	Emission	Annual	PSD
Foliulan:	Rate	Rate	Increase	Increase	Increase	Threshold
	lb/mmBtu	<u>lb/mmBtu</u>	ton/yr	ton/yr	tons/yr	tons/yr
	(gas)	<u>(oil)</u>	(gas)	(oil)	(Oil & Gas)	
NO <sub>x</sub>	0.0995	0.1692	7.19	6.02	13.21	40
PM/PM <sub>10</sub>	0.0060	0.0250	0.43	0.89	1.32	25/15
СО	0.0550	0.0567	3.97	2.02	5.99	100
VOC	0.0018	0.0087	0.13	0.31	0.44	40
SO <sub>2</sub>	0.0028	0.2029	0.21	7.22	7.43	40

Source: Application and additional information submitted on February 25, 2000.

To insure the annual emissions increases are under the PSD level, the City of Lakeland estimated an amount of 87,600 °F-hours for determining potential emissions from firing natural gas at 58,400 °F-hours and distillate oil at 29,200 °F-hours. Since natural gas is the primary fuel, with distillate oil backup, actual emission increases, assuming mostly gas firing, would be less than shown above.

Potential emissions at 8760 hours of operation on gas are less than those estimated with both fuels. The inlet fogging system is proposed for the life of Unit #8.

The City of Lakeland proposed to limit the annual "degree-hours (°F-hr)" that the foggers operate at the actual required ambient conditions for fogging. Degrees during a given hour can be calculated by measuring the temperature difference between the ambient and cooled air, while hours are easily documented. These values can be integrated over a year to calculate annual degree hours. Actual annual °F-hr can be directly multiplied by the lb/mmBtu of each pollutant and the 2.5 mmBtu/hr/°F factor and converted to tons to calculate actual annual emissions increases.

The emissions increases calculated are the direct result from the physical change in or change in method of operation such as is the installation of the inlet foggers. These assume that the ability to achieve greater power output when the foggers are used does not result in emissions rate increases outside the turbines original power curve. The rationale is discussed below.

The emissions characteristics (GE performance curves) do not change as a result of the use of the foggers from what would normally occur throughout the entire range of temperatures and relative humidity. Rather, the foggers move the operating points along the same curve toward the power and emissions that normally occur at lower temperatures. The worst case emissions scenario will still occur during the winter months and will occur with the foggers off. According to GE (reference: Brooks, 1996), evaporative cooling is limited to ambient temperatures of 59 °F and above because of the potential for icing the compressor.

#### 7. Evaluation of PSD Applicability

As a major source, a modification or change in method of operation of CTs Unit 8 resulting in significant net emissions increases is subject to PSD review. Significant net emissions increase is defined in Rule 62-212.400, F.A.C as follows:

Significant Net Emissions Increase – A significant net emissions increase of a pollutant regulated under the Act is a net emissions increase equal to or greater than the applicable significant emission rate listed in Table 212.400-2, Regulated Air Pollutants – Significant Emission Rates.

The significant emission rates are included (see PSD Threshold) in the Table above. The meaning of a net emissions increase is given in Rule 62-212.400, F.A.C. as:

<u>Net Emissions Increase</u> - A modification to a facility results in a net emissions increase when, for a pollutant regulated under the Act, the sum of all of the contemporaneous creditable increases and decreases in the actual emissions of the facility, including the increase in emissions of the modification itself and any increases and decreases in quantifiable fugitive emissions, is greater than zero.

The definition of actual emissions is given in Rule 62-210.200, F.A.C. (definitions) as follows:

<u>Actual Emissions</u> - The actual rate of emission of a pollutant from an emissions unit as determined in accordance with the following provisions:

(a) In general, actual emissions as of a particular date shall equal the average rate, in tons per year, at which the emissions unit actually emitted the pollutant during a two year period which precedes the particular date and which is representative of the normal operation of the emissions unit. The Department may allow the use of a different time period upon a

determination that it is more representative of the normal operation of the emissions unit. Actual emissions shall be calculated using the emissions unit's actual operating hours, production rates and types of materials processed, stored, or combusted during the selected time period.

- (b) The Department may presume that unit-specific allowable emissions for an emissions unit are equivalent to the actual emissions of the emissions unit provided that, for any regulated air pollutant, such unit-specific allowable emissions limits are federally enforceable.
- (c) For any emissions unit (other than an electric utility steam-generating unit specified in subparagraph (d) of this definition) which has not begun normal operations on a particular date, actual emissions shall equal the potential emissions of the emissions unit on that date.
- (d) For an electric utility steam generating unit (other than a new unit or the replacement of an existing unit) actual emissions of the unit following a physical or operational change shall equal the representative actual annual emissions of the unit following the physical or operational change, provided the owner or operator submits to the Department on an annual basis, for a period of 5 years representative of normal post-change operations of the unit, within the period not longer than 10 years following the change, information demonstrating that the physical or operational change did not result in an emissions increase. The definition of "representative actual annual emissions" found in 40 CFR 52.21(b)(33) is adopted and incorporated by reference in Rule 62-204.800, F.A.C.

The term electric utility steam-generating unit is defined as:

Electric Utility Steam Generating Unit – Any steam electric generating unit that is constructed for the purpose of supplying more than one-third of its potential electric output capacity and more than 25 MW electrical output to any utility power distribution system for sale. Any steam supplied to a steam-electric generator that would produce electrical energy for sale is also considered in determining the electrical energy output capacity of the unit.

Based on Department records, actual hours of operation since 1992 are as follows:

		1	Annual Ope	erating Hou	rs 1992 - 19	98	
Unit/Year	<u>1992</u>	<u> 1993</u>	1994	1995	<u> 1996</u>	<u> 1997</u>	<u> 1998</u>
Unit 8	452	4201	4129	5834	4680	3167	3232

As expected, there was a rapid increase in annual hours of operation after this very efficient unit was installed in 1992. Its operation can presently be characterized as "baseload." The foggers will be allowed to operate continuously but will be limited in terms of "degree-hours." As previously mentioned, if the average temperature drop is in fact 10 °F, it can operate up to its permitted hours.

The combustion turbine has clearly begun normal operation. As modern combined cycle unit, it is very efficient in comparison with a conventional boiler-based steam-electrical unit. The combustion turbine-electrical generator produces  $\sim 90$  MW (nominal at 59 F) of electrical power excluding the power produced through the steam cycle. The steam cycle associated with the combustion turbine,

including the unfired HRSG and steam turbine-electrical generator produces about 30-40 MW (well in excess of 25 MW) so that the unit is clearly a steam electrical unit. Therefore, the correct approach to determine the magnitude of a net emissions increase is to compare actual emissions from preceding years with representative actual annual emissions as described for a steam electrical unit.

The City of Lakeland asserts and the Department accepts that use of the inlet foggers will not affect the hours of operation of the unit. As mentioned previously, it is already a baseload unit and any downtime is more likely due to maintenance than to demand. Most likely the Larsen combined cycle unit will continue its normal baseload operation within the recent historical hours per year. The emissions are directly related to the hours of operation.

The modification project can be isolated from the normal operation of the unit and its effects can be directly predicted and measured without having to make annual comparisons of actual emissions from the combined cycle unit before and after the change. The modification itself (i.e

. installation and operation of the foggers), however, has not yet begun normal operation. The future actual emissions caused by the modification are equal to the potential-to-emit, which is based on the increases in heat input associated with the use of the fogging system.

The number of days during which the foggers can economically operate will limit actual emissions increases to levels below significance for the purposes of PSD applicability as explained before. The City of Lakeland calculated potential emissions based on year around operation without triggering PSD levels. Emissions will increase under actual operating conditions for fogging by levels less than the significant emissions rates. The Department concludes, therefore, that PSD does not apply to this project.

#### 8. Conclusions

The project will not increase the maximum short-term emission rates as these are already achieved under natural conditions of low ambient temperatures without the use of the foggers.

The Department concludes that PSD is not applicable to this project since this project as presented will not result in significant net emissions increase to major facility. The changes will not cause a significant impact or cause or contribute to a violation of any ambient air quality standard or PSD increment.

The Department will re-issue the air construction permit for Larsen Unit 8 and modify it to reflect installation of the foggers.

The Department's conclusion does not set a precedent for projects implemented at any facilities other than combined cycle unit inlet fogger installations. It does not set precedents related to any physical changes within the compressors, combustors, rotors, or other key components at such units. The application and determination of the Department's rules does not constitute an interpretation of the EPA rules under 40CFR52.21, Prevention of Significant Deterioration or 40CFR60, New Source Performance Standards.

For further details regarding this review, contact:

A.A. Linero, P.E. Administrator Teresa Heron, Review Engineer New Source Review Section Bureau of Air Regulation



# Department of Environmental Protection

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

David B. Struhs Secretary

#### PERMITTEE:

City of Lakeland, Electric Utilities 501 E. Lemon Street Lakeland, Florida 33801-5079

Authorized Representative:

Ronald W. Tomlin Assistant Managing Director DEP File No. PSD-FL-166 C

Permit No. 1050003-007-AC
Project Evaporative Cooling System

SIC No. 4911

Expires: November 30, 2000

#### PROJECT AND LOCATION:

Installation of an evaporative cooling system on the existing 120 MW combined cycle General Electric PG7111EA combustion turbine-electrical generator designated as Larsen Unit 8. This permit is a re-issuance of the original air construction permit and modifications authorizing the construction of Unit 8 and incorporating the present project.

The unit is located at the City of Lakeland Larsen Power Plant, 2002 Hwy 92 East, Lakeland, Polk County.

The UTM coordinates are: Zone 17; 408.9 km E and 3102.5 km N.

#### STATEMENT OF BASIS:

This construction permit is issued under the provisions of Chapter 403 of the Florida Statutes (F.S.), and Chapters 62-4, 62-204, 62-210, 62-212, 62-296, and 62-297 of the Florida Administrative Code (F.A.C.). The above named permittee is authorized to modify the facility in accordance with the conditions of this permit and as described in the application, approved drawings, plans, and other documents on file with the Department of Environmental Protection (Department).

#### ATTACHED APPENDICES MADE A PART OF THIS PERMIT:

Appendix GC

Construction Permit General Conditions

Appendix SC

Specific Conditions (including Permits PSD-FL-166 (AC53-190437),

PSD-FL-166A (1050003-001-AC) and PSD-FL-166B (1050003-005-AC)

Howard L. Rhodes, Director Division of Air Resources Management

"More Protection, Less Process"

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#### APPENDIX SC

#### SPECIFIC CONDITIONS

- 1. This permit, PSD-FL-166C (DEP File 1050003-007-AC), supersedes PSD permit PSD-FL-166B (DEP File 1050003-005-AC) issued on April 17, 1998.
- 2. The provisions of air construction permit PSD-FL-166 (AC53-190437) issued on 7/26/91 to construct Unit 8 and subsequent revisions PSD-FL-166A (1050003-001-AC) issued on 12/22/95 and PSD-FL-166B (1050003-005-AC) issued on 4/17/98 are attached and incorporated into this air construction permit except for the change that follows in Specific Condition 3 below.
- 3. An evaporative cooling system may be installed at the compressor inlet of Larsen Unit 8. The system may be operated at any time that Unit 8 is in operation.

#### APPENDIX GC

#### GENERAL PERMIT CONDITIONS [F.A.C. 62-4.160]

- G.1 The terms, conditions, requirements, limitations, and restrictions set forth in this permit are "Permit Conditions" and are binding and enforceable pursuant to Sections 403.161, 403.727, or 403.859 through 403.861, Florida Statutes. The permittee is placed on notice that the Department will review this permit periodically and may initiate enforcement action for any violation of these conditions.
- G.2 This permit is valid only for the specific processes and operations applied for and indicated in the approved drawings or exhibits. Any unauthorized deviation from the approved drawings or exhibits, specifications, or conditions of this permit may constitute grounds for revocation and enforcement action by the Department.
- G.3 As provided in Subsections 403.087(6) and 403.722(5), Florida Statutes, the issuance of this permit does not convey and vested rights or any exclusive privileges. Neither does it authorize any injury to public or private property or any invasion of personal rights, nor any infringement of federal, state or local laws or regulations. This permit is not a waiver or approval of any other Department permit that may be required for other aspects of the total project which are not addressed in the permit.
- G.4 This permit conveys no title to land or water, does not constitute State recognition or acknowledgment of title, and does not constitute authority for the use of submerged lands unless herein provided and the necessary title or leasehold interests have been obtained from the State. Only the Trustees of the Internal Improvement Trust Fund may express State opinion as to title.
- G.5 This permit does not relieve the permittee from liability for harm or injury to human health or welfare, animal, or plant life, or property caused by the construction or operation of this permitted source, or from penalties therefore; nor does it allow the permittee to cause pollution in contravention of Florida Statutes and Department rules, unless specifically authorized by an order from the Department.
- G.6 The permittee shall properly operate and maintain the facility and systems of treatment and control (and related appurtenances) that are installed or used by the permittee to achieve compliance with the conditions of this permit, as required by Department rules. This provision includes the operation of backup or auxiliary facilities or similar systems when necessary to achieve compliance with the conditions of the permit and when required by Department rules.
- G.7 The permittee, by accepting this permit, specifically agrees to allow authorized Department personnel, upon presentation of credentials or other documents as may be required by law and at a reasonable time, access to the premises, where the permitted activity is located or conducted to:
  - a) Have access to and copy and records that must be kept under the conditions of the permit;
  - b) Inspect the facility, equipment, practices, or operations regulated or required under this permit, and,
  - c) Sample or monitor any substances or parameters at any location reasonably necessary to assure compliance with this permit or Department rules.

Reasonable time may depend on the nature of the concern being investigated.

- G.8 If, for any reason, the permittee does not comply with or will be unable to comply with any condition or limitation specified in this permit, the permittee shall immediately provide the Department with the following information:
  - a) A description of and cause of non-compliance; and
  - b) The period of noncompliance, including dates and times; or, if not corrected, the anticipated time the non-compliance is expected to continue, and steps being taken to reduce, eliminate, and prevent recurrence of the non-compliance.

#### GENERAL PERMIT CONDITIONS [F.A.C. 62-4.160]

- The permittee shall be responsible for any and all damages which may result and may be subject to enforcement action by the Department for penalties or for revocation of this permit.
- G.9 In accepting this permit, the permittee understands and agrees that all records, notes, monitoring data and other information relating to the construction or operation of this permitted source which are submitted to the Department may be used by the Department as evidence in any enforcement case involving the permitted source arising under the Florida Statutes or Department rules, except where such use is prescribed by Sections 403.73 and 403.111, Florida Statutes. Such evidence shall only be used to the extend it is consistent with the Florida Rules of Civil Procedure and appropriate evidentiary rules.
- G.10 The permittee agrees to comply with changes in Department rules and Florida Statutes after a reasonable time for compliance, provided, however, the permittee does not waive any other rights granted by Florida Statutes or Department rules.
- G.11 This permit is transferable only upon Department approval in accordance with Florida Administrative Code Rules 62-4.120 and 62-730.300, F.A.C., as applicable. The permittee shall be liable for any non-compliance of the permitted activity until the transfer is approved by the Department.
- G.12 This permit or a copy thereof shall be kept at the work site of the permitted activity.
- G.13 This re-issued permit incorporates previous determinations for:
  - a) Best Available Control Technology (X)
  - b) Prevention of Significant Deterioration (X); and
  - c) New Source Performance Standards (X).
- G.14 The permittee shall comply with the following:
  - a) Upon request, the permittee shall furnish all records and plans required under Department rules. During enforcement actions, the retention period for all records will be extended automatically unless otherwise stipulated by the Department.
  - b) The permittee shall hold at the facility or other location designated by this permit records of all monitoring information (including all calibration and maintenance records and all original strip chart recordings for continuous monitoring instrumentation) required by the permit, copies of all reports required by this permit, and records of all data used to complete the application or this permit. These materials shall be retained at least three years from the date of the sample, measurement, report, or application unless otherwise specified by Department rule.
  - c) Records of monitoring information shall include:
    - 1. The date, exact place, and time of sampling or measurements;
    - 2. The person responsible for performing the sampling or measurements;
    - 3. The dates analyses were performed;
    - 4. The person responsible for performing the analyses;
    - 5. The analytical techniques or methods used; and
    - 6. The results of such analyses.
- G.15 When requested by the Department, the permittee shall within a reasonable time furnish any information required by law which is needed to determine compliance with the permit. If the permittee becomes aware that relevant facts were not submitted or were incorrect in the permit application or in any report to the Department, such facts or information shall be corrected promptly.



# Department of Environmental Protection

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

Virginia B. Wetherell Secretary

#### PERMITTEE:

Lakeland Electric and Water 501 East Lemon Street Lakeland, Florida 33801-5050

Permit No.	AC53-190437
PSD No.	PSD-FL-166B
File No.	1050003-005-AC
Expires	December 31, 1998
Facility	Charles Larsen Memorial Plant
Unit No.	Combined Cycle Combustion
	Turbine, Unit 8

Authorized Representative: Ms. Farzie Shelton Environmental Coordinator

#### LOCATED AT:

Charles Larsen Memorial Plant Standard Industrial Classification Code (SIC): 4911

Polk County, Florida

Directions: Located on the south side of Lake Parker on US Highway 92 in Lakeland, Polk County

#### STATEMENT OF BASIS:

This construction permit is issued under the provisions of Chapter 403 of the Florida Statutes (F.S.), and the Florida Administrative Code (F.A.C.) Chapters 62-4, 62-204, 62-210, 62-212, 62-296, and 62-297. The above named permittee is authorized to modify the facility in accordance with the conditions of this permit and as described in the application, approved drawings, plans, and other documents on file with the Department of Environmental Protection (Department).

#### Attached Appendices and Tables made a part of this permit:

Original construction permit: AC53-190437 / PSD-FL-166 issued 7/25/91

Modification: Dated 12/18/95, added a custom fuel monitoring schedule, clarified ISO correction, and adjusted SO<sub>2</sub>

and H<sub>2</sub>SO<sub>4</sub> limits

Table 1: Revised Emission limits

Curves: Oil Input vs Compressor Inlet Temperature

Howard L. Rhodes, Director Division of Air Resources

Management

#### AIR CONSTRUCTION PERMIT AC53-190437 / PSD-FL-166B SPECIFIC CONDITIONS

#### SPECIFIC CONDITIONS:

- I. This permit supersedes permit AC53-190437 / PSD-FL-166 dated July 25, 1991, as changed by amendment dated December 18, 1995.
- II. The provisions of permit AC53-190437 / PSD-FL-166 are incorporated into this permit except for the following changes:

#### Specific Condition #1:

Table 1 referenced in this condition shall be replaced with the attached Table 1 (revised December 18, 1995 and April 13, 1998).

#### Specific Condition #2:

This condition is replaced with the following:

2. Emissions of mercury shall be limited by firing only natural gas or No. 2 fuel oil.

#### Specific Condition #6:

#### From:

- 6. The permitted materials and utilization rates for the combined cycle gas turbine shall not exceed the values as follows:
- Maximum No. 2 fuel oil consumption shall not exceed either of the following limitations: 9190 gal/hr;
   23,914,800 gals/yr.
- Maximum annual firing using No. 2 fuel oil shall not exceed 1/3 of the annual capacity factor.
- Maximum sulfur (S) content in the No. 2 fuel oil shall not exceed 0.20 percent by weight.
- Maximum heat input shall not exceed 1055 MMBtu/hr (gas) or 1040 MMBtu/hr No. 2 fuel (oil).

#### <u>TO:</u>

- 6. The permitted materials and utilization rates for the combined cycle gas turbine shall not exceed the values as follows:
- Maximum No. 2 fuel oil consumption shall not exceed either of the following limitations: the values in the attached Oil Input VS Compressor Inlet Temperature curve and 23,914,800 gals/yr.
- Maximum annual firing using No. 2 fuel oil shall not exceed 1/3 of the annual capacity factor.
- Maximum sulfur (S) content in the No. 2 fuel oil shall not exceed 0.20 percent by weight.
- Maximum heat input shall not exceed 1055 MMBtu/hr (gas) or 1040 MMBtu/hr No. 2 fuel (oil).

# AIR CONSTRUCTION PERMIT AC53-190437 / PSD-FL-166B SPECIFIC CONDITIONS

#### Specific Condition #7:

#### From:

7. Any change in the method of operation, equipment or operating hours shall be submitted to the DER's Bureau of Air Regulation and Southwest District Offices.

#### TO:

7. The owner or operator shall submit to the Permitting Authority(s), for review any changes in, or modifications to: the method of operation; process or pollution control equipment; increased equipment capacities; or any change which would result in an increase in potential or actual emissions. Depending on the size and scope of the modification, it may be necessary to submit an application for, and obtain, an air construction permit prior to making the desired change. Routine maintenance of equipment will not constitute a modification of this permit. [Rule 62-4.030, 62-210.300 and 62-4.070(3), F.A.C.]

#### Specific Condition #19:

#### FROM:

This source shall comply with all applicable provisions of Chapter 403, Florida Statutes and Chapters 17-2 and 17-4, Florida Administrative Code.

#### <u>TO:</u>

This source shall comply with all applicable provisions of Chapter 403, Florida Statutes, and Chapters 62-4, 62-210, 62-212, 62-213, 62-214, 62-296, and 62-297, Florida Administrative Code. During each federal fiscal year (October 1 - September 30), unless otherwise specified by rule, order, or permit, the owner or operator of each emissions unit shall have a formal compliance test conducted for:

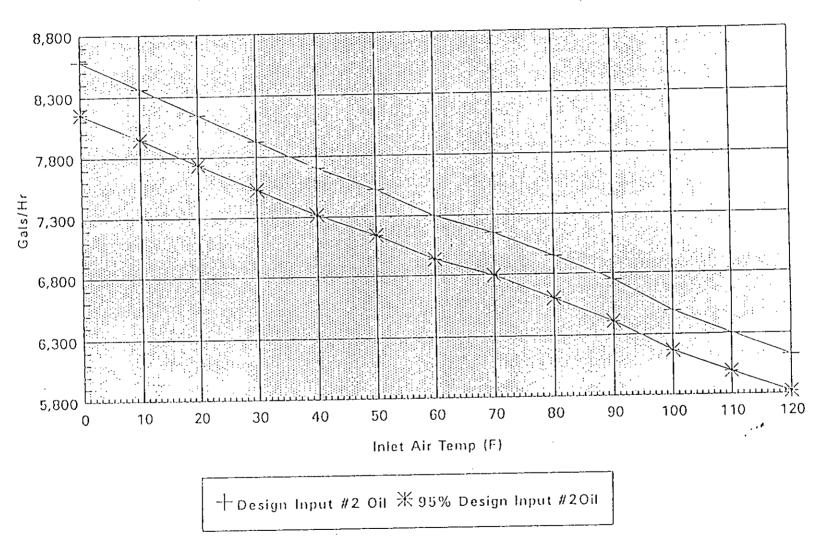
- a. Visible emissions, if there is an applicable standard;
- b. Each of the following pollutants, if there is an applicable standard, and if the emissions unit emits or has the potential to emit: 5 tons per year or more of lead or lead compounds measured as elemental lead; 30 tons per year or more of acrylonitrile; or 100 tons per year or more of any other regulated air pollutant; and
- c. Each NESHAP pollutant, if there is an applicable emission standard.

TABLE 1
ALLOWABLE EMISSION LIMITS
Combined Cycle Combustion Turbine
(Revised 12/18/95 and 4/13/98)

Gas Turbine and HRSG (\*) Standards Basis Tons Per Year No. 2 Fuel Oil Firing Gas Firing Pollutant Oil Gas **BACT** 244 425 42 ppmv at 15 percent  $NO_x$ 25 PPM at 15% oxygen oxygen on a dry basis on a dry basis **BACT** 8.6 307 0.20 percent S by weight Natural gas a fuel  $SO_2$ **BACT** 22 22 0.025 lb/MMBtu 0.006 lb/MMBtu PM/PM<sub>10</sub> 6.7 **BACT** 9 VOC **BACT** 25 ppmv at 15 percent 25 ppmv at 15 percent CO oxygen on a dry basis oxygen on a dry basis Sulfuric **BACT** Low sulfur content oil Natural gas as fuel Acid Mist

<sup>(</sup>a) Emissions rates based on 100 percent capacity factor for natural gas and 1/3 capacity factor for oil firing.

Unit 8
Oil Input vs Compressor Inlet Temperature



Peak Mode
Using LHV of #2 Oil
2/25/97



# Department of Environmental Protection

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

Virginia B. Wetherell Secretary

December 18, 1995

CERTIFIED MAIL RETURN RECEIPT REQUESTED

Ms. Farzie Shelton Environmental Coordinator Department of Electric and Water Utilities 501 East Lemon Street Lakeland, Florida 33801-5050

Dear Ms. Shelton:

Re: Charles Larson Power Plant Unit 8--Combustion Turbine PSD-FL-166/AC53-190437 Request to amend permit

The Department is in receipt of your June 27, 1995 request to amend the above referenced permit. You requested a customized fuel monitoring schedule for the sulfur and nitrogen content of the natural gas fired in the turbine. You also requested that the sulfur dioxide and sulfuric acid mist permit limits be changed. In addition, you requested clarification of the nitrogen oxides compliance testing requirements, i.e. the ISO correction, specified in the above referenced permit.

The Department acknowledges your oversight in neglecting the sulfur from mercaptans (which are added to the natural gas for safety reasons) in your estimate of annual SO<sub>2</sub> emissions. The Department also agrees that a typographical error was apparently made in the annual emission limits for sulfuric acid mist, both for natural gas and oil.

The Department hereby incorporates each of the following amendments to the above referenced permit:

#### Custom Fuel Monitoring Schedule

The proposed custom fuel monitoring schedule (attached) has been approved by EPA and is included as an attachment to the above referenced permit. This fuel monitoring schedule supersedes AC53-190437 / PSD-FL-166 condition 23 which

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Ms. Farzie Shelton December 18, 1995 page 2

require's annual reports for nitrogen content of the fuel being fired, as this condition applies to the firing of natural gas.

#### Annual Sulfur Dioxide And Sulfuric Acid Mist Limits

The annual sulfur dioxide and sulfuric acid mist limits is changed as follows:

#### TABLE 1

#### FROM:

SO<sub>2</sub>..... 2.6 (tpy on gas)

Sulfuric Acid Mist..... - (tpy on gas)... 3.3 X 10  $^{-3}$  (tpy on oil)

#### TO:

SO<sub>2</sub>..... 8.6 (tpy on gas)

Sulfuric Acid Mist..... 0.8 (tpy on gas)... 9.13 (tpy on oil)

#### Correction of NO<sub>X</sub> Emissions to ISO Conditions

Based on the recent guidance memorandum on combustion turbines the Department hereby removes the requirement to correct the test data to ISO conditions for comparison with the  $NO_X$  emission limits established pursuant to the BACT determination for gas and oil firing. To institute this change, Permit PSD-FL-166/AC53-190437 Specific Condition 13 is amended as follows:

During the initial performance tests, to determine compliance with the proposed NSPS  $NO_X$  standard, measured  $NO_X$  emission at 15 percent oxygen will be adjusted to ISO .....

A copy of this amendment letter shall be attached to and

#### CUSTOMED FUEL MONITORING SCHEDULE

1. Monitoring of natural gas nitrogen content shall not be required in accordance with page 2 of the EPA guidance memorandum, attached.

#### 2. Sulfur Monitoring

- a. Analysis for sulfur content of the natural gas shall be conducted using one of the EPA-approved ASTM reference methods for the measurement of sulfur in gaseous fuels, or an approved alternate method. The reference methods are: ASTM D1072-80; ASTM D3031-81; ASTM D3246-81; and ASTM D4084-82 as referenced in 40 CFR § 60.335(b)(2).
- b. Effective on the approval date of the customized fuel monitoring schedule, sulfur monitoring shall be conducted twice a month for six months. If this monitoring shows little variability in the sulfur content and indicates consistent compliance with 40 CFR § 60.333, then sulfur monitoring shall be conducted once per quarter for six quarters.
- c. If the sulfur content monitoring required for natural gas by 2(b) above shows little variability and the calculated sulfur dioxide emissions represent consistent compliance with the sulfur dioxide emission limits specified under 40 CFR § 60.333, sample analysis shall be conducted twice per year. This monitoring shall be conducted during the first and third quarters of each calendar year.
- d. Should any sulfur analysis as required by items 2(b) or 2(c) above indicate noncompliance with 40 CFR § 60.333, the City will notify the Department of Environmental Protection of such excess emission and the customized fuel monitoring schedule shall be reexamined. The sulfur content of the natural gas will be monitored weekly during the interim period while this monitoring schedule is being reexamined.
- 3. The City will notify the Department of Environmental Protection of any change in natural gas supply for reexamination of this monitoring schedule. A substantial change in natural gas quality (i.e., sulfur content varying greater than 10 grains/1000 cf gas) shall be considered as a change in natural gas supply. Sulfur content of the natural gas will be monitored weekly during the interim period when this monitoring schedule is being reexamined.
- 4. Records of sampling analysis and natural gas supply pertinent to this monitoring schedule shall be retained by the City for a period of three years, and shall be available for inspection by appropriate regulatory personnel.
- 5. The City will obtain the sulfur content of the natural gas from Florida Gas Transmission Company. (The data presented in Attachment B is based upon representative samples of natural gas taken by Florida Gas Transmission.)

Ms. Farzie Shelton December 18, 1995 page 3

shall become a part of Air Construction Permit PSD-FL-166 / AC53-190437.

Sincerely,

Howard L. Rhodes, Director Division of Air Resources Management

#### CERTIFICATE OF SERVICE

The undersigned duly designated deputy clerk hereby certifies that this **PERMIT AMENDMENT** and all copies were mailed by certified mail before the close of business on  $\sqrt{1-3-45}$  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.

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Copies to be furnished to:

Jerry Kissel, SWD Jewell Harper, EPA Roy Harwood, Polk Co.



### Florida Department of Environmental Regulation

Twin Towers Office Bldg. ● 2600 Blair Stone Road ● Tallahassee, Florida 32399-2400 Lawton Chiles, Governor

Carol M. Browner, Secretary

PERMITTEE: City of Lakeland 501 E. Lemon Street Lakeland, Florida 32961 Permit Number: AC 53-190437 Expiration Date: March 30, 1993

County: Polk

Latitude/Longitude: 28°02'56"N

81°55'25"W

Project: 120 MW Combined Cycle

Gas Turbine

This permit is issued under the provisions of Chapter 403, Florida Statutes, and Florida Administrative Code Chapters 17-2 and 17-4. The above named permittee is hereby authorized to perform the work or operate the facility shown on the application and approved drawings, plans, and other documents attached hereto or on file with the Department and made a part hereof and specifically described as follows:

For the construction of a 120 MW combined cycle gas turbine to be located at the City of Lakeland-Charles Larsen Power Plant in Lakeland, Florida. The turbine will fire natural gas as the primary fuel and have limited hours firing No. 2 fuel oil. The turbine is a GE PG7111 (EA) Frame 7 unit with water injection to reduce NOX emissions. Fuel flow rate for natural gas is 17,333 scfm @ ISO and 124.2 gal/min @ ISO for No. 2 fuel oil. The UTM coordinates are 409.185 km East and 3102.754 km North.

The source shall be constructed in accordance with the permit application, plans, documents, amendments and drawings, except as otherwise noted in the General and Specific Conditions.

#### Attachments are listed below:

- City of Lakeland-Charles Larsen Power Plant's letter dated April 3, 1991.
- 2. EPA Region IV letter dated April 4, 1991.
- National Park Service's letter dated May 3, 1991.
- 4. City of Lakeland's letter dated May 15, 1991.

Permit Number: AC 53-190437 Expiration Date: March 30, 1993

#### GENERAL CONDITIONS:

- 1. The terms, conditions, requirements, limitations, and restrictions set forth in this permit are "Permit Conditions" and are binding and enforceable pursuant to Sections 403.161, 403.727, or 403.859 through 403.861, Florida Statutes. The permittee is placed on notice that the Department will review this permit periodically and may initiate enforcement action for any violation of these conditions.
  - 2. This permit is valid only for the specific processes and operations applied for and indicated in the approved drawings or exhibits. Any unauthorized deviation from the approved drawings, exhibits, specifications, or conditions of this permit may constitute grounds for revocation and enforcement action by the Department.
  - 3. As provided in Subsections 403.087(6) and 403.722(5), Florida Statutes, the issuance of this permit does not convey any vested rights or any exclusive privileges. Neither does it authorize any injury to public or private property or any invasion of personal rights, nor any infringement of federal, state or local laws or regulations. This permit is not a waiver of or approval of any other Department permit that may be required for other aspects of the total project which are not addressed in the permit.
- 4. This permit conveys no title to land or water, does not constitute State recognition or acknowledgement of title, and does not constitute authority for the use of submerged lands unless herein provided and the necessary title or leasehold interests have been obtained from the State. Only the Trustees of the Internal Improvement Trust Fund may express State opinion as to title.
- 5. This permit does not relieve the permittee from liability for harm or injury to human health or welfare, animal, or plant life, or property caused by the construction or operation of this permitted source, or from penalties therefore; nor does it allow the permittee to cause pollution in contravention of Florida Statutes and Department rules, unless specifically authorized by an order from the Department.

Permit Number: AC 53-190437 Expiration Date: March 30, 1993

#### GENERAL CONDITIONS:

6. The permittee shall properly operate and maintain the facility and systems of treatment and control (and related appurtenances) that are installed or used by the permittee to achieve compliance with the conditions of this permit, as required by Department rules. This provision includes the operation of backup or auxiliary facilities or similar systems when necessary to achieve compliance with the conditions of the permit and when required by Department rules.

- 7. The permittee, by accepting this permit, specifically agrees to allow authorized Department personnel, upon presentation of credentials or other documents as may be required by law and at a reasonable time, access to the premises, where the permitted activity is located or conducted to:
  - a. Have access to and copy any records that must be kept under the conditions of the permit;
  - b. Inspect the facility, equipment, practices, or operations regulated or required under this permit; and
    - c. Sample or monitor any substances or parameters at any location reasonably necessary to assure compliance with this permit or Department rules.

Reasonable time may depend on the nature of the concern being investigated.

- 8. If, for any reason, the permittee does not comply with or will be unable to comply with any condition or limitation specified in this permit, the permittee shall immediately provide the Department with the following information:
  - a. a description of and cause of non-compliance; and
  - b. the period of noncompliance, including dates and times; or, if not corrected, the anticipated time the non-compliance is expected to continue, and steps being taken to reduce, eliminate, and prevent recurrence of the non-compliance.

Permit Number: AC 53-190437
Expiration Date: March 30, 1993

#### GENERAL CONDITIONS:

The permittee shall be responsible for any and all damages which may result and may be subject to enforcement action by the Department for penalties or for revocation of this permit.

- 9. In accepting this permit, the permittee understands and agrees that all records, notes, monitoring data and other information relating to the construction or operation of this permitted source which are submitted to the Department may be used by the Department as evidence in any enforcement case involving the permitted source arising under the Florida Statutes or Department rules, except where such use is prescribed by Sections 403.73 and 403.111, Florida Statutes. Such evidence shall only be used to the extent it is consistent with the Florida Rules of Civil Procedure and appropriate evidentiary rules.
- 10. The permittee agrees to comply with changes in Department rules and Florida Statutes after a reasonable time for compliance, provided, however, the permittee does not waive any other rights granted by Florida Statutes or Department rules.
- 11. This permit is transferable only upon Department approval in accordance with Florida Administrative Code Rules 17-4.120 and 17-30.300, F.A.C., as applicable. The permittee shall be liable for any non-compliance of the permitted activity until the transfer is approved by the Department.
- 12. This permit or a copy thereof shall be kept at the work site of the permitted activity.
- This permit also constitutes:
  - (x) Determination of Best Available Control Technology (BACT)
  - (x) Determination of Prevention of Significant Deterioration (PSD)
  - (x) Compliance with New Source Performance Standards (NSPS)
  - 14. The permittee shall comply with the following:
    - a. Upon request, the permittee shall furnish all records and plans required under Department rules. During enforcement actions, the retention period for all records will be extended automatically unless otherwise stipulated by the Department.

Permit Number: AC 53-190437 Expiration Date: March 30, 1993

#### GENERAL CONDITIONS:

b. The permittee shall hold at the facility or other location designated by this permit records of all monitoring information (including all calibration and maintenance records and all original strip chart recordings for continuous monitoring instrumentation) required by the permit, copies of all reports required by this permit, and records of all data used to complete the application for this permit. These materials shall be retained at least three years from the date of the sample, measurement, report, or application unless otherwise specified by Department rule.

- c. Records of monitoring information shall include:
  - the date, exact place, and time of sampling or measurements;
  - the person responsible for performing the sampling or measurements;
  - the dates analyses were performed;
  - the person responsible for performing the analyses;
  - the analytical techniques or methods used; and
  - the results of such analyses.

15. When requested by the Department, the permittee shall within a reasonable time furnish any information required by law which is needed to determine compliance with the permit. If the permittee becomes aware that relevant facts were not submitted or were incorrect in the permit application or in any report to the Department, such facts or information shall be corrected promptly.

#### SPECIFIC CONDITIONS:

#### Emission Limits

- 1. The maximum allowable emissions from this facility shall not exceed the emission rates listed in Table 1.
- 2. Unless the Department has determined other concentrations are required to protect public health and safety, predicted acceptable ambient air concentrations (AAC) of the following pollutants shall not be exceeded:

Permit Number: AC 53-190437 Expiration Date: March 30, 1993

#### SPECIFIC CONDITIONS:

Pollutant	Acceptabl	e Ambient Conc ug/m <sup>3</sup>	entrations
	8-hrs	24-hrs	Annual
Beryllium	0.02	0.005	0.0004
Lead	1.5	0.36	0.09
Inorganic mercury compounds, all forms of vapor, as Hg	-	<del>-</del>	0.3

3. Visible emissions shall not exceed 10% opacity.

#### Operating Rates

- 4. This source is allowed to operate continuously (8760 hours per year).
- 5. This source is allowed to use natural gas as the primary fuel and No. 2 distillate oil as the secondary fuel (limited as shown in Specific Condition 6 below).
- 6. The permitted materials and utilization rates for the combined cycle gas turbine shall not exceed the values as follows:
  - Maximum No. 2 fuel oil consumption shall not exceed either of the following limitations: 8,190 gals/hr; 23,914,800 gals/yr.
    - Maximum annual firing using No. 2 fuel oil shall not exceed 1/3 of the annual capacity factor.
  - Maximum sulfur (S) content in the No. 2 fuel oil shall not exceed 0.20 percent by weight.
  - Maximum heat input shall not exceed 1055 MMBtu/hr (gas) or 1040 MMBtu/hr No. 2 fuel (oil).
- 7. Any change in the method of operation, equipment or operating hours shall be submitted to the DER's Bureau of Air Regulation and Southwest District offices.
- 8. Any other operating parameters established during compliance testing and/or inspection that will ensure the proper operation of this facility shall be included in the operating permit.

Permit Number: AC 53-190437 Expiration Date: March 30, 1993

#### SPECIFIC CONDITIONS:

#### Compliance Determination

9. Initial (I) compliance tests shall be performed on each CT using both fuels. The stack test for each turbine shall be performed within 10 percent of the maximum heat rate input for the tested operating temperature. Annual (A) compliance tests shall be performed on each CT with the fuel(s) used for more than 400 hours in the preceding 12-month period. Tests shall be conducted using EPA reference methods in accordance with the November 2, 1989, version of 40 CFR 60 Appendix A:

- a. 5 or 17 for PM (I, A, for oil only)
- b. 10 for CO (I)
- c. 9 for VE (I, A)
- d. 20 for  $NO_X$  (I, A)
- e. Trace elements of Beryllium (Be) shall be tested (I, for oil only) using EMTIC Interim Test Method. As an alternative, Method 104 may be used; or Be may be determined from fuel sample analysis using either Method 7090 or 7091, and sample extraction using Method 3040 as described in the EPA solid waste regulations SW 846.
  - f. Mercury (Hg) shall be tested using EPA Method 101 (40 CFR 61, Appendix B) (I, for oil only) or fuel sampling analysis using methods acceptable to the Department.

Other DER approved methods may be used for compliance testing after prior Departmental approval.

- 10. Method 5 or 17 must be used to determine the initial compliance status of this unit. Thereafter, the opacity emissions test may be used unless 10% opacity is exceeded.
- 11. Compliance with the  $SO_2$  emission limit can also be determined by calculations based on fuel analysis using ASTM D2880-71 for the sulfur content of liquid.
  - 12. Compliance with the total volatile organic compound emission limits will be assumed, provided the CO allowable emission rate is achieved; specific VOC compliance testing is not required.

Permit Number: AC 53-190437 Expiration Date: March 30, 1993

#### SPECIFIC CONDITIONS:

13. During performance tests, to determine compliance with the proposed NO $_{\rm X}$  standard, measured NO $_{\rm X}$  emission at 15 percent oxygen will be adjusted to ISO ambient atmospheric conditions by the following correction factor:

$$NO_X = (NO_{X \text{ obs}}) (\frac{P_{\text{ref}}}{P_{\text{obs}}})^{0.5} e^{19(H_{\text{obs}} - 0.00633)} (\frac{288 \circ K}{T_{\text{AMB}}})^{1.53}$$

#### where:

 $NO_X$  = Emissions of  $NO_X$  at 15 percent oxygen and ISO standard ambient conditions.

 $NO_{X \text{ obs}}$  = Measured  $NO_{X}$  emission at 15 percent oxygen, ppmv.

Pref = Reference combustor inlet absolute pressure at 101.3 kilopascals (1 atmosphere) ambient pressure.

P<sub>obs</sub> = Measured combustor inlet absolute pressure at test ambient pressure.

Hobs = Specific humidity of ambient air at test.

e = Transcendental constant (2.718).

 $T_{AMB}$  = Temperature of ambient air at test.

- 14. Test results will be the average of 3 valid runs. The Southwest District office will be notified at least 30 days in advance of the compliance test. The source shall operate between 90% and 100% of permitted capacity during the compliance test. Compliance test results shall be submitted to the Southwest District office no later than 45 days after completion.
- 15. Water injection shall be utilized for NOx control. The water to fuel ratio at which compliance is achieved shall be incorporated into the permit and shall be continuously monitored. In addition, the Permittee shall install a duct module suitable for future installation of SCR equipment.
- 16. To determine compliance with the capacity factor condition for oil firing, the Permittee shall maintain daily records of fuel usage. All records shall be maintained for a minimum of three years after the date of each record and shall be made available to representatives of the Department upon request.

Permit Number: AC 53-190437 Expiration Date: March 30, 1993

#### SPECIFIC CONDITIONS:

17. Sulfur, nitrogen content and lower heating value of the fuel being fired in the gas turbine shall also be recorded per fuel oil shipment. These records shall also be kept by the company for at least three years and made available for regulatory agency's inspection.

18. Compliance with the acceptable ambient concentrations for Be, Lead, and Hg emissions shall be demonstrated based on calculations certified by a Professional Engineer registered in Florida, using actual operating conditions. Determination of the ambient concentrations for chemical compounds shall be determined by Department approved dispersion modeling. This compliance determination shall be made available upon request.

#### Rule Requirements

- 19. This source shall comply with all applicable provisions of Chapter 403, Florida Statutes and Chapters 17-2 and 17-4, Florida Administrative Code.
- 20. This source shall comply with all requirements of 40 CFR 60, Subpart GG and F.A.C. Rule 17-2.660(2)(a), Standards of Performance for Stationary Gas Turbines.
- 21. Issuance of this permit does not relieve the facility owner or operator from compliance with any applicable federal, state, or local permitting requirements and regulations (F.A.C. Rule 17-2.210(1)).
- 22. This source shall comply with F.A.C. Rule 17-2.700, Stationary Point Source Emission Test Procedures.
  - 23. Pursuant to F.A.C. Rule 17-2.210(2), Air Operating Permits, the permittee is required to submit annual reports on the actual operating rates and emissions from this facility. These reports shall include, but are not limited to the following: sulfur, nitrogen content and lower heating value of the fuel being fired, fuel usage, hours of operation, air emissions limits, etc. Annual reports shall be sent to the Department's Southwest District office.
  - 24. The permittee, for good cause, may request that this construction permit be extended. Such a request shall be submitted to the Bureau of Air Regulation prior to 60 days before the expiration of the permit (F.A.C. Rule 17-4.090).

Permit Number: AC 53-190437 Expiration Date: March 30, 1993

#### SPECIFIC CONDITIONS:

25. An application for an operation permit must be submitted to the Southwest District office at least 90 days prior to the expiration date of this construction permit or within 45 days after completion of compliance testing, whichever occurs first. To properly apply for an operation permit, the applicant shall submit the appropriate application form, fee, certification that construction was completed noting any deviations from the conditions in the construction permit, and compliance test reports as required by this permit (F.A.C. Rule 17-4.220).

Issued this 25 th day of July 1991

STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL REGULATION

Carol M. Browner, Secretary

TABLE 1
ALLOWABLE EMISSION LIMITS
Combined Cycle Combustion Turbine

	Standar	để	Gas Turbine a	ind HRSG (a)	
Pollutant	Gas Firing	No. 2 Fuel Oil Firing	Tons Pe		Basis
			Gas	oil	
NO	25 ppm at 15% oxygen on	42 ppmv at 15 percent	425	244	BACT
x	a dry basis.	oxygen on a dry basis	ş.		
so <sub>2</sub>	Natural gas as fuel	0.2 percent S by weight	2.6	307	BACT
2		y our persons a ri warging	, <del>- • •</del>		
PM/PM <sub>10</sub>	0.006 lb/MMBtu	0.025 lb/MMBtu	. 22	22	BACT
AOC 10	<del>-</del>	<b>-</b>	9	6.7	BACT
СО	-	<del>-</del>	232	79	BACT
Mercury (Hg	r) -	$3.0 \times 10^{-6}$ lbs/MMBtu $2.8 \times 10^{-5}$ lbs/MMBtu $2.5 \times 10^{-6}$ lbs/MMBtu		.003	Est. by Appl.
Lead (Pb)	<del>-</del>	$2.8 \times 10^{-5}$ lbs/MMBtu		0.03	11 11
Beryllium (	be) -	2.5 x 10 1bs/MMBtu		.003	BACT
Sulfuric Acid Mist	Natural gas as fuel	Low sulfur content oil	<u></u> :	3.2 x 1	O <sup>-3</sup> BACT

<sup>(</sup>a) Emissions rates based on 100 percent capacity factor for natural gas and 1/3 capacity factor for oil firing.

#### Best Available Control Technology (BACT) Determination City of Lakeland-Charles Larsen Power Plant Polk County

The applicant proposes to install a combustion turbine generator at their facility in Lakeland. The generator system will consist of a single nominal 80 megawatt (MW) combustion turbine, and a single heat recovery steam generator (HRSG) which will be used to repower an existing nominal 40 MW steam turbine.

The combustion turbine will be capable of both combined cycle and simple cycle operation. The applicant requested that the combustion turbine use either natural gas or distillate oil. The applicant has indicated the maximum annual tonnage of regulated air pollutants emitted from the facility based on 100 percent capacity and type of fuel fired at ISO conditions to be as follows:

Pollutant		ntial (tons/yr)	PSD Significant Emission Rate (tons/yr)
·	Natural Gas	Fuel Oil	
NOx	425	732	40
SO <sub>2</sub>	2.6	920	40
PM -	22.0	66	25
$PM_{10}$	22.0	66	`√ 15
.co**	232	. 237	100
VOC	. 9	20.0	40
H <sub>2</sub> SO <sub>4</sub>	0.8	27.4	7
Be	0.0	0.01	0.0004
Hg	0.0	0.01	0.1
Pb	0.0	0.12	0.6

Florida Administrative Code Rule 17-2.500(2)(f)(3) requires a BACT review for all regulated pollutants emitted in an amount equal to or greater than the significant emission rates listed in the previous table.

#### Date of Receipt of a BACT Application

December 17, 1990

#### BACT Determination Requested by the Applicant

<u>Pollutant</u>	<u>Determination</u>
NOX	25 ppmvd @ 15% $O_2$ (natural gas burning) 42 ppmvd @ 15% $O_2$ (diesel oil firing)
SO <sub>2</sub>	Firing of natural gas or No. 2 fuel oil with a maximum sulfur content of 0.20%
PM and PM <sub>10</sub>	Combustion control
H <sub>2</sub> SO <sub>4</sub>	Firing of No. 2 fuel oil with a maximum sulfur content of 0.20%.
Be	Firing of No. 2 fuel oil

#### BACT Determination Procedure

In accordance with Florida Administrative Code Chapter 17-2, Air Pollution, this BACT determination is based on the maximum degree of reduction of each pollutant emitted which the Department, on a case by case basis, taking into account energy, environmental and economic impacts, and other costs, determines is achievable through application of production processes and available methods, systems, and techniques. In addition, the regulations state that in making the BACT determination the Department shall give consideration to:

- (a) Any Environmental Protection Agency determination of Best Available Control Technology pursuant to Section 169, and any emission limitation contained in 40 CFR Part 60 (Standards of Performance for New Stationary Sources) or 40 CFR Part 61 (National Emission Standards for Hazardous Air Pollutants).
- other information available to the Department.
  - (c) The emission limiting standards or BACT determinations of any other state.
  - (d) The social and economic impact of the application of such technology.

The EPA currently stresses that BACT should be determined using the "top-down" approach. The first step in this approach is to determine for the emission source in question the most stringent control available for a similar or identical source or source category. If it is shown that this level of control is technically or economically infeasible for the source in question, then the next most stringent level of control is determined and similarly evaluated. This process continues until the BACT level under consideration cannot be eliminated by any substantial or unique technical, environmental, or economic objections.

The air pollutant emissions from combined cycle power plants can be grouped into categories based upon what control equipment and techniques are available to control emissions from these facilities. Using this approach, the emissions can be classified as follows:

- o Combustion Products (Particulates and Heavy Metals).
  Controlled generally by good combustion of clean fuels.
- o Products of Incomplete Combustion (CO, VOC, Toxic Organic Compounds). Control is largely achieved by proper combustion techniques.
- o Acid Gases (SOx, NOx, HCl, Fl). Controlled generally by gaseous control devices.

Grouping the pollutants in this manner facilitates the BACT analysis because it enables the equipment available to control the type or group of pollutants emitted and the corresponding energy, economic, and environmental impacts to be examined on a common basis. Although all of the pollutants addressed in the BACT analysis may be subject to a specific emission limiting standard as a result of PSD review, the control of "nonregulated" air pollutants is considered in imposing a more stringent BACT limit on a "regulated" pollutant (i.e., particulates, sulfur dioxide, fluorides, sulfuric acid mist, etc,), if a reduction in "nonregulated" air pollutants can be directly attributed to the control device selected as BACT for the abatement of the "regulated" pollutants.

# Combustion Products

The City of Lakeland's projected emissions of particulate matter, PM<sub>10</sub>, and beryllium surpass the significant emission rates given in Florida Administrative Code Rule 17-2.500, Table 500-2 for No. 2 fuel oil firing only.

A  $PM/PM_{10}$  emissions limitation of .025 lb/MMBtu for No. 2 fuel oil firing is reasonable as BACT for the Lakeland facility.

In general, the BACT/LAER Clearinghouse does not contain specific emission limits for beryllium from turbines. BACT for these heavy metals is typically represented by the level of particulate control. As this is the case, the emission factor of .025 lb/MMbtu for particulate matter  ${\rm PM}_{10}$  is judged to also represent BACT for beryllium.

#### Products of Incomplete Combustion

The emissions of carbon monoxide exceeds the significant level and therefore requires a BACT analysis.

At the proposed BACT  $NO_X$  emissions of 25/42 ppmvd (gas/oil) the turbine will be capable of maintaining CO emission rates of 25 ppmvd for either natural gas or No. 2 fuel oil. The applicant states that catalytic reduction could be installed at a levelized cost of 1.0 million/year to further reduce the CO emissions by 140 tons/year while burning natural gas (8760 hrs/yr). The incremental removal cost of using such control would be approximately \$7340/ton of CO removed. This cost exceeds that which is consistent with BACT and is not economically justifiable.

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#### Acid Gases

The emissions of sulfur dioxide, nitrogen oxides, and sulfuric acid mist, represent a significant proportion of the total emissions and need to be controlled if deemed appropriate. Sulfur dioxide emissions from combustion turbines are directly related to the sulfur content of the fuel being combusted.

The applicant has proposed the use of natural gas and No. 2 fuel oil with a maximum sulfur content of 0.20% to control sulfur dioxide emissions. A review of the latest edition (1990) of the BACT/LAER Clearinghouse indicates that sulfur dioxide emissions from combustion turbines have been controlled by limiting fuel oil sulfur content to a range of 0.1 to 0.3%, with the average for the facilities listed being approximately 0.24 percent. As this is the case, the applicant's proposal to use No. 2 fuel oil with a maximum sulfur content of 0.20% is judged to represent BACT.

The applicant has stated that BACT for nitrogen oxides will be met by using wet (water or steam) injection necessary to limit emissions to 42 ppmvd or 25 ppmvd at 15% oxygen when burning No. 2 fuel oil or natural gas, respectively.

A review of the EPA's BACT/LAER Clearinghouse indicates that the lowest NOx emission limit established to date for a combustion turbine is 4.5 ppmvd at 15% percent oxygen. This level of control was accomplished through the use of water injection and a selective catalytic reduction (SCR) system.

Selective catalytic reduction is a post-combustion method for control of NOx emissions. The SCR process combines vaporized ammonia with NOx in the presence of a catalyst to form nitrogen and water. The vaporized ammonia is injected into the exhaust gases prior to passage through the catalyst bed. The SCR process can achieve up to 90% reduction of NOx with a new catalyst. As the catalyst ages, the maximum NOx reduction will decrease to approximately 86 percent.

Given the applicant's proposed BACT level for nitrogen oxides control stated above, an evaluation can be made of the cost and associated benefit of using SCR as follows:

The applicant has indicated that the total levelized annual cost (operating plus amortized capital cost) to install SCR for natural gas firing at 100 percent capacity factor is \$2,190,000. Taking into consideration the total levelized annual cost, a cost/benefit analysis of using SCR can now be developed.

Based on the information supplied by the applicant, it is estimated that the maximum annual NOx emissions with wet injection from the Lakeland facility will be 425 tons/year. Assuming that SCR would reduce the NOx emissions by an additional 80-85%, the SCR would control at least 340 tons of NOx annually for natural gas firing. When this reduction is taken into consideration with the total levelized annual cost of \$2,190,000, the cost per ton of controlling NOx is \$6,441. This calculated cost is higher than has previously been approved as BACT.

Since SCR has been determined to be BACT for several combined cycle facilities, the EPA has clearly stated that there must be unique circumstances to consider the rejection of such control on the basis of economics.

In a recent letter from EPA Region IV to the Department regarding the permitting of a combined cycle facility (Tropicana Products, Inc.), the following statement was made:

"In order to reject a control option on the basis of economic considerations, the applicant must show why the costs associated with the control are significantly higher for this specific project than for other similar projects that have installed this control system or in general for controlling the pollutant."

A review of the combined cycle facilities in which SCR has been established as a BACT requirement indicates that the majority of these facilities are also intended to operate at high capacity factors. As this is the case, the proposed project is similar to other facilities in which SCR has been established as BACT, thereby supporting SCR as BACT for the proposed facility.

For fuel oil firing, the cost associated with controlling NOx emissions must take into account the potential operating problems that can occur with using SCR in the oil firing mode.

A concern associated with the use of SCR on combined cycle projects is the formation of ammonium bisulfate. For the SCR process, ammonium bisulfate can be formed due to the reaction of sulfur in the fuel and the ammonia injected. The ammonium bisulfate formed has a tendency to plug the tubes of the heat recovery steam generator leading to operational problems. As this is the case, SCR has been judged to be technically infeasible for oil firing in some previous BACT determinations.

The latest information available now indicates that SCR can be used for oil firing provided that adjustments are made in the ammonia to NOx injection ratio. For natural gas firing operation NOx emissions can be controlled with up to a 90 percent efficiency using a 1 to 1 or greater injection ratio. By lowering the injection ratio for oil firing, testing has indicated that NOx can be controlled with efficiencies ranging from 60 to 75 percent. When the injection ratio is lowered there is not a problem with ammonium bisulfate formation since essentially all of the ammonia is able to react with the nitrogen oxides present in the combustion gases.

Based on this strategy SCR has been both proposed and established as BACT for oil fired combined cycle facilities with NOx emission limits ranging from 11.7 to 25 ppmvd depending on the efficiency of control established.

Assuming that the lowered ammonia injection ratio strategy was used to control NOx emissions by 65%, the SCR would control 386 tons of NOx annually for oil/gas firing, assuming a maximum capacity factor of 33 percent on oil. When this reduction is taken into consideration with the total annual cost of \$2,190,000, the cost per ton of controlling NOx is \$5,674. This cost is lower than that determined for natural gas firing alone; however, it is still higher than what has been previously accepted as BACT.

#### Environmental Impact Analysis

The predominant environmental impacts associated with this proposal are related to the use of SCR for NOx control. The use of SCR results in emissions of ammonia, which may increase with increasing levels of NOx control. In addition, some catalysts may contain substances which are listed as hazardous waste, thereby creating an additional environmental burden. Although the use of SCR does have some environmental impacts, the disadvantages do not outweigh the benefit which would be provided by reducing nitrogen oxide emissions by 80 percent. The overwhelming benefit of NOx control by using SCR is substantiated by the fact that nearly one half of all BACT determinations have established SCR as the control measure for nitrogen oxides over the last five years.

In addition to the criteria pollutants, the impacts of toxic pollutants associated with the combustion of natural gas and No. 2 fuel oil have been evaluated. Beryllium for oil fired operation exceeds PSD significant levels. Other toxics are expected to be emitted in minimal amounts, with the total emissions combined to be less than 0.1 tons per year.

Although the emissions of the toxic pollutants could be controlled by particulate control devices such as a baghouse or scrubber, the amount of emission reductions would not warrant the added expense. As this is the case, the Department does not believe that the BACT determination would be affected by the emissions of the toxic pollutants associated with the firing of natural gas or No. 2 fuel oil.

#### Potentially Sensitive Concerns

With regard to controlling NOx emissions with SCR, the applicant has identified the following technical limitations:

- 1. SCR would reduce output of combustion turbines by one percent.
- 2. SCR could result in the release of unreacted quantities of ammonia to the atmosphere.
- 3. SCR would require handling of ammonia by plant operators. Since it is a hazardous material, there is a concern about safety and productivity of operators.
- 4. SCR results in contaminated catalyst from flue gas trace elements which could be considered hazardous. Safety of operators and disposal of spent catalyst is a concern.

#### BACT Determination by DER

#### NOx Control

Town V.

A review of the permitting activities for combined cycle proposals across the nation indicates that SCR has been required and most recently proposed for installations with a variety of operating conditions (i.e., natural gas, fuel oil, capacity factors ranging from low to high). However, the cost and other concerns expressed by the applicant are valid.

The information that the applicant presented and Department calculations indicates that the incremental cost of controlling NOx (\$6,441/ton) for natural gas is high compared to other BACT determinations which require SCR. However, the cost of controlling NOx emissions for oil firing (\$4,600/ton) could be considered reasonable. Based on the information presented by the applicant and the studies conducted, the Department believes that the use of SCR for NOx control is not justifiable at this time as BACT. Therefore, the Department is willing to accept low NOx combustors with the firing of natural gas as the primary fuel. However, No. 2 distillate oil firing must be limited to 1/3 of the annual capacity factor. The applicant is also expected to design the facility to accomodate SCR should additional oil usage become necessary and SCR becomes a BACT requirement in the future.

#### 502 Control

For sulfur dioxide BACT is represented by firing natural gas or No. 2 fuel oil with an average sulfur content not to exceed 0.20 percent.

#### Other Emissions Control

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The emission limitations for PM and  $PM_{10}$ , are based on previous BACT determinations for similar facilities, with the heavy metal beryllium being addressed through the particulate limitation and sulfuric acid mist being addressed through the sulfur dioxide limitation.

The emission limits for the City of Lakeland project are thereby established as follows:

Pollutant	Emission Natural Gas Firing	n Limit No. 2 Fuel Oil Firing
NOx	25 ppmvd @ 15% O <sub>2</sub>	42 ppmvd @ 15% O <sub>2</sub> *
so <sub>2</sub>	Natural gas as fuel	Sulfur content not to exceed 0.20%
СО	25 ppmvd @ 15% O <sub>2</sub>	25 ppmvd @ 15% O <sub>2</sub>
PM & PM <sub>10</sub>	0.006 lb/MMBtu	0.025 lb/MMBtu
Sulfuric Acid Mist	Emissions limited by national fuel oil firing	atural gas and No. 2
Beryllium	Emissions limited by natural fuel oil firing	atural gas and No. 2

<sup>\*</sup> No. 2 fuel oil usage limited to 1/3 of the total heat input on an annual basis.

#### Details of the Analysis May be Obtained by Contacting:

Preston Lewis, P.E., BACT Coordinator Department of Environmental Regulation Bureau of Air Regulation 2600 Blair Stone Road Tallahassee, Florida 32399-2400

Recommended by:	Approved by:
CHAmey 1	the hullwood.
C. H. Fancy, P.E., Chief	Carol M. Browner, Secretary
Bureau of Air Regulation	Dept. of Environmental Regulation
July 19 1991	<u> </u>
Date	Date (

#### Memorandum

TO:

C. H. Fancy

THRU:

Al Linero Caff 4/5
Teresa Heron T.H.

FROM:

DATE:

April 5, 2000

SUBJECT:

City of Lakeland Larsen Unit 8

DEP File No. 1050003-007-AC / PSD-FL-166C

Attached is the draft public notice package including the Intent to Issue and the Technical Evaluation and Preliminary Determination for the compressor inlet fogger project at the Larsen Power Plant. The application is to install inlet foggers ahead of the compressor inlet of their combined cycle combustion turbine identified as Unit 8. The foggers will operate on hot days and days of relatively low humidity. The evaporative cooling effected by the foggers will allow the units to operate closer to their rated capacity.

Both short-term and annual emissions will increase because the heat rate through the units will increase when the foggers are used. Maximum short-term emissions will still occur during cold days when use of the foggers is not feasible. The units already comply with 40 CFR 60, Subpart GG, so NSPS applicability is not an issue.

Lakeland demostrated that even continuous operation of the foggers will not trigger PSD. Conditions favorable for use of the foggers are naturally limited to low relative humidity and moderate to high temperatures (> 60 degrees F).

We recommend your signature and approval of the cover letter and Intent to Issue.

AAL/th

Attachments