

Jeb Bush
Governor

Department of Environmental Protection

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

David B. Struhs
Secretary

November 1, 2001

Ms. Farzie Shelton
City of Lakeland, Department of Electric Utilities
501 East Lemon Street
Lakeland, FL 33801-5050

Re: Lakeland Electric
McIntosh Power Plant Unit Nos. 1, 2, 3, and 5
Construction of Additional Natural Gas Lateral

Dear Ms. Shelton:

The Department acknowledges receipt of your letter dated October 15, 2001 regarding the construction of an additional natural gas lateral at the McIntosh Power Plant. The Department agrees that construction of the additional gas lateral at the existing plant, considered alone, does not require an air construction permit. In addition, such activity would not be considered a "modification" for any of the existing units that are currently equipped and authorized to fire natural gas.

This determination is based on the information provided in your letter. It is not applicable to seemingly similar circumstances at other facilities. The Department reserves the authority to make such determinations on a case-by-case basis. If you have any questions, please contact me at 850/921-9523.

Sincerely,

A. A. Linero, Administrator
New Source Review Section

cc: Mr. Ken Kosky, Golder Associates
Mr. Hamilton S. Oven, DEP Office of Siting Coordination
Mr. Gerald Kissel, SWD

Enclosures: 10/15/01 Letter

AAL/jfk

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Farzie Shelton, chE; REM
Manager of Environmental Affairs

October 15, 2001

Mr. Clair Fancy P.E.
Chief of the Bureau of Air Management
Division of Air Resources Management
Florida Department of Environmental Protection
111 S. Magnolia
Suite 4
Tallahassee, FL 32301

RECEIVED

OCT 16 2001

BUREAU OF AIR REGULATION

Re: **Lakeland Electric; McIntosh Power Plant Units No.1, 2, 3, and 5**
Addition of Natural Gas Pipeline

Dear Mr. Fancy:

Lakeland Electric (Lakeland) is proposing to provide the Gulfstream an easement for installation of a 16" natural gas supply pipeline at the McIntosh Power Plant. This gas supply is a lateral pipeline in addition to existing Natural Gas System at this facility. Currently, McIntosh Power Plant is served by the Florida Gas Transmission (FGT), however, addition of the Gulfstream pipeline to the Lakeland's system will provide Lakeland with more reliable fuel delivery and opportunity for more competitive fuel purchase.

Accordingly, Lakeland has requested Mr. Ken Kosky of Golder Associates to evaluate the applicability of Rule 62-210 F.A.C. to all its units at McIntosh Power Plant in regards to this gas pipeline. Therefore, enclosed you will find Mr. Kosky's determination stating the construction of this pipeline will not cause modification under the definitions in Rule 62-210.200.

If you should have any questions, please do not hesitate to contact me.

Sincerely

Farzie Shelton

Enc.

Cc: Mr. Hamilton S. Owen
Administrator
Office of Siting Coordination

City of Lakeland • Department of Electric Utilities

501 East Lemon Street • Lakeland, FL 33801-5050 • (863) 834-6603 • Fax (863) 834-8187 • Message System 834-6592

farzie.shelton@lakelandgov.net

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- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Ms. Farzie Shelton
 City of Lakeland, Dept. of Electric Utilities
 501 East Lemon Street
 Lakeland, FL 33801-5050

2. Article Number (Copy from service label)

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PS Form 3811, July 1999

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1. Article Addressed to:

Ms. Farzie Shelton, Manager
 Environmental Affairs
 City of Lakeland
 Department of Electric Utilities
 501 East Lemon St.
 Lakeland, FL 33801-5050

2.

P:

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Bonnie Bren *8/23/01*

C. Signature Agent Addressee

X Bonnie Bren

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 501 E. Lemon St.
 City, State, ZIP+ 4
 Lakeland, FL 33801-5050

PS Form 3800, May 2000

See Reverse for Instructions

Golder Associates Inc.

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



October 11, 2001

Ms. Farzie Shelton
Manager of Environmental Affairs
Lakeland Electric, City of Lakeland
501 East Lemon Street
Lakeland, Florida 33801-5079

0137624
RECEIVED
OCT 12 2001
Environmental Affairs

RE: C.D. McIntosh, Jr. Power Plant, Units No. 3 and No. 5
Addition of Natural Gas Pipeline Lateral

Dear Ms. Shelton:

This correspondence is being submitted to provide an evaluation of the addition of a natural gas pipeline lateral that will connect the C.D. McIntosh, Jr. Power Plant Site to the new Gulfstream Natural Gas System. Currently, the McIntosh Plant is connected to the Florida Gas Transmission (FGT) natural gas system with a pipeline lateral owned by the City of Lakeland. The current City-owned pipeline lateral is approximately 10 miles long. The evaluation is based on a review of the permitting documents for the Gulfstream Natural Gas System and discussion with the City of Lakeland staff regarding the interconnection to the Gulfstream system.

The new natural gas pipeline lateral connected to the McIntosh Plant will be owned and controlled by Gulfstream Natural Gas System. Appropriate environmental permits and authorizations have already been obtained for the onshore Florida portion of the pipeline system. A consolidated environmental resource permit (ERP) has been obtained for the complete pipeline system, which includes a small wetland area on the McIntosh Plant Site. The ERP was issued by the Department's Southwest District Office on March 6, 2001 (Permit No. 41-01666973-001).

The natural gas pipeline lateral connecting the McIntosh Plant will come from the Auburndale area east of the McIntosh Plant Site and connect to the existing natural gas metering station located to the east of Unit 3 and across East Lake Parker Road. The natural gas pipeline lateral connection to the McIntosh Plant will be about 6 miles long. The pipeline lateral will enter the eastern boundary of the McIntosh Plant Site and pass through the site to the existing natural gas metering station. Enclosed are figures and drawings showing the pipeline lateral route in the vicinity of the McIntosh Plant Site and connection to the existing natural gas metering station.

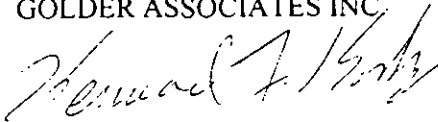
The size of the natural gas pipeline lateral will be 16 inches in diameter, which is identical in size to the existing natural gas pipeline lateral owned by the City of Lakeland and connected to the FGT natural gas system. There will be no physical changes in the natural gas facilities from the metering station to each of the emission units where natural gas is currently authorized. Natural gas is authorized for McIntosh Unit 1 (Emission Unit 001), McIntosh Unit 2 (Emission Unit 005), McIntosh Unit 3 (Emission Unit 006), McIntosh Unit 5 (Emission Unit 028), and Gas Turbine Peaking Unit 1 (Emission Unit 004). The connection with the Gulfstream Natural Gas System will allow the City of Lakeland to have two alternative sources of natural gas.

The Gulfstream pipeline lateral will be the same size as the City-owned connection to FGT and that there will no change in the connections downstream of the natural gas metering station. Moreover, the emissions with the use of natural gas will be lower than other fuels authorized for the emission units (i.e., distillate oil, residual oil, RDF, coal, and petroleum coke, as applicable). Therefore, the additional pipeline connection would not be a modification under the definitions in 62-210.200 Florida Administrative Code (F.A.C.) and the Prevention of Significant Deterioration Rules in 62-212.400 F.A.C.

Please contact me at (352) 336-5600 if you have any questions.

Sincerely,

GOLDER ASSOCIATES INC.



Kennard F. Kosky, P.E.
Principal
Professional Engineer No. 14996



KFK/nav

Enclosures

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