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BUREAU OF
AIR REGULATION

July 3, 1998

Mr. Scott Sheplak, P.E., Administrator
Title V Program
Bureau of Air Regulation
Florida Department of Environmental Protection
2600 Blair Stone Road
Tallahassee, FL 32399

Dear Mr. Sheplak:

Re: Resubmittal of Phase II Acid Rain Permit Applications

Florida Power Corporation (FPC) resubmits the enclosed acid rain permit applications (one original and three copies) for its Hines, Intercession City, and Tiger Bay facilities. The previous applications were submitted on EPA, rather than DEP forms.

I apologize for the length of time that this resubmittal has taken. Please contact me at (813) 866-4344 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Michael Kennedy".

J. Michael Kennedy, Q.E.P.
Manager, Air Programs

Enclosure

Phase II Permit Application

For more information, see instructions and refer to 40 CFR 72.30 and 72.31 and Chapter 62-214, F.A.C.

This submission is: New Revised

STEP 1

Identify the source by plant name, State, and ORIS code from NADB

Hines Facility Plant Name	FL State	7302 ORIS Code
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STEP 2 Enter the boiler ID# from NADB for each affected unit and indicate whether a repowering plan is being submitted for the unit by entering "yes" or "no" at column c. For new units, enter the requested information in columns d and e.

a	Compliance Plan	d	e
Boiler ID#		New Units	New Units
	Unit will hold allowances in accordance with 40 CFR 72.9(c)(1)	Repowering Plan	Commence Operation Date
			Monitor Certification Deadline

Boiler ID#	Unit will hold allowances in accordance with 40 CFR 72.9(c)(1)	Repowering Plan	Commence Operation Date	Monitor Certification Deadline
1A	Yes	No	7/1/98	10/1/98
1B	Yes	No	7/1/98	10/1/98
	Yes			
	Yes			
	Yes			
	Yes			
	Yes			
	Yes			
	Yes			
	Yes			
	Yes			
	Yes			

STEP 3

Check the box if the response in column c of Step 2 is "Yes for any unit

For each unit that will be repowered, the Repowering Extension Plan form is included and the Repowering Technology Petition form has been submitted or will be submitted by June 1, 1997.

Plant Name (from Step 1)

STEP 4

Read the standard requirements and certification, enter the name of the designated representative, and sign and date

Standard RequirementsPermit Requirements.

- (1) The designated representative of each Acid Rain source and each Acid Rain unit at the source shall:
 - (i) Submit a complete Acid Rain part application (including a compliance plan) under 40 CFR part 72, Rules 62-214.320 and 330, F.A.C. in accordance with the deadlines specified in Rule 62-214.320, F.A.C.; and
 - (ii) Submit in a timely manner any supplemental information that the permitting authority determines is necessary in order to review an Acid Rain part application and issue or deny an Acid Rain permit;
- (2) The owners and operators of each Acid Rain source and each Acid Rain unit at the source shall:
 - (i) Operate the unit in compliance with a complete Acid Rain part application or a superseding Acid Rain part issued by the permitting authority; and
 - (ii) Have an Acid Rain Part.

Monitoring Requirements.

- (1) The owners and operators and, to the extent applicable, designated representative of each Acid Rain source and each Acid Rain unit at the source shall comply with the monitoring requirements as provided in 40 CFR part 75, and Rule 62-214.420, F.A.C.
- (2) The emissions measurements recorded and reported in accordance with 40 CFR part 75 shall be used to determine compliance by the unit with the Acid Rain emissions limitations and emissions reduction requirements for sulfur dioxide and nitrogen oxides under the Acid Rain Program.
- (3) The requirements of 40 CFR part 75 shall not affect the responsibility of the owners and operators to monitor emissions of other pollutants or other emissions characteristics at the unit under other applicable requirements of the Act and other provisions of the operating permit for the source.

Sulfur Dioxide Requirements.

- (1) The owners and operators of each source and each Acid Rain unit at the source shall:
 - (i) Hold allowances, as of the allowance transfer deadline, in the unit's compliance subaccount (after deductions under 40 CFR 73.34(c)) not less than the total annual emissions of sulfur dioxide for the previous calendar year from the unit; and
 - (ii) Comply with the applicable Acid Rain emissions limitations for sulfur dioxide.
- (2) Each ton of sulfur dioxide emitted in excess of the Acid Rain emissions limitations for sulfur dioxide shall constitute a separate violation of the Act.
- (3) An Acid Rain unit shall be subject to the requirements under paragraph (1) of the sulfur dioxide requirements as follows:
 - (i) Starting January 1, 2000, an Acid Rain unit under 40 CFR 72.6(a)(2); or
 - (ii) Starting on the later of January 1, 2000 or the deadline for monitor certification under 40 CFR part 75, an Acid Rain unit under 40 CFR 72.6(a)(3).
- (4) Allowances shall be held in, deducted from, or transferred among Allowance Tracking System accounts in accordance with the Acid Rain Program.
- (5) An allowance shall not be deducted in order to comply with the requirements under paragraph (1)(i) of the sulfur dioxide requirements prior to the calendar year for which the allowance was allocated.
- (6) An allowance allocated by the Administrator under the Acid Rain Program is a limited authorization to emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, the Acid Rain permit application, the Acid Rain permit, or the written exemption under 40 CFR 72.7 and 72.8 and no provision of law shall be construed to limit the authority of the United States to terminate or limit such authorization.
- (7) An allowance allocated by the Administrator under the Acid Rain Program does not constitute a property right.

Nitrogen Oxides Requirements. The owners and operators of the source and each Acid Rain unit at the source shall comply with the applicable Acid Rain emissions limitation for nitrogen oxides.

Excess Emissions Requirements.

- (1) The designated representative of an Acid Rain unit that has excess emissions in any calendar year shall submit a proposed offset plan, as required under 40 CFR part 77.
- (2) The owners and operators of an Acid Rain unit that has excess emissions in any calendar year shall:
 - (i) Pay without demand the penalty required, and pay upon demand the interest on that penalty, as required by 40 CFR part 77; and
 - (ii) Comply with the terms of an approved offset plan, as required by 40 CFR part 77.

Recordkeeping and Reporting Requirements.

- (1) Unless otherwise provided, the owners and operators of the source and each Acid Rain unit at the source shall keep on site at the source each of the following documents for a period of 5 years from the date the document is created. This period may be extended for cause, at any time prior to the end of 5 years, in writing by the Administrator or permitting authority:
 - (i) The certificate of representation for the designated representative for the source and each Acid Rain unit at the source and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with Rule 62-214.350, F.A.C.; provided that the certificate and documents shall be retained on site at the source beyond such 5-year period until such documents are superseded because of the submission of a new certificate of representation changing

Hines Facility
Plant Name (from Step 1)

Recordkeeping and Reporting Requirements (cont)

the designated representative;

(ii) All emissions monitoring information, in accordance with 40 CFR part 75;

(iii) Copies of all reports, compliance certifications, and other submissions and all records made or required under the Acid Rain Program; and,

(iv) Copies of all documents used to complete an Acid Rain part application and any other submission under the Acid Rain Program or to demonstrate compliance with the requirements of the Acid Rain Program.

(2) The designated representative of an Acid Rain source and each Acid Rain unit at the source shall submit the reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR part 72 subpart I and 40 CFR part 75.

Liability.

(1) Any person who knowingly violates any requirement or prohibition of the Acid Rain Program, a complete Acid Rain part application, an Acid Rain part, or a written exemption under 40 CFR 72.7 or 72.8, including any requirement for the payment of any penalty owed to the United States, shall be subject to enforcement pursuant to section 113(c) of the Act.

(2) Any person who knowingly makes a false, material statement in any record, submission, or report under the Acid Rain Program shall be subject to criminal enforcement pursuant to section 113(c) of the Act and 18 U.S.C. 1001.

(3) No permit revision shall excuse any violation of the requirements of the Acid Rain Program that occurs prior to the date that the revision takes effect.

(4) Each Acid Rain source and each Acid Rain unit shall meet the requirements of the Acid Rain Program.

(5) Any provision of the Acid Rain Program that applies to an Acid Rain source (including a provision applicable to the designated representative of an Acid Rain source) shall also apply to the owners and operators of such source and of the Acid Rain units at the source.

(6) Any provision of the Acid Rain Program that applies to an Acid Rain unit (including a provision applicable to the designated representative of an Acid Rain unit) shall also apply to the owners and operators of such unit. Except as provided under 40 CFR 72.44 (Phase II repowering extension plans), and except with regard to the requirements applicable to units with a common stack under 40 CFR part 75 (including 40 CFR 75.16, 75.17, and 75.18), the owners and operators and the designated representative of one Acid Rain unit shall not be liable for any violation by any other Acid Rain unit of which they are not owners or operators or the designated representative and that is located at a source of which they are not owners or operators or the designated representative.

(7) Each violation of a provision of 40 CFR parts 72, 73, 75, 77, and 78 by an Acid Rain source or Acid Rain unit, or by an owner or operator or designated representative of such source or unit, shall be a separate violation of the Act.

Effect on Other Authorities. No provision of the Acid Rain Program, an Acid Rain part application, an Acid Rain part, or a written exemption under 40 CFR 72.7 or 72.8 shall be construed as:

(1) Except as expressly provided in title IV of the Act, exempting or excluding the owners and operators and, to the extent applicable, the designated representative of an Acid Rain source or Acid Rain unit from compliance with any other provision of the Act, including the provisions of title I of the Act relating to applicable National Ambient Air Quality Standards or State Implementation Plans;

(2) Limiting the number of allowances a unit can hold; *provided*, that the number of allowances held by the unit shall not affect the source's obligation to comply with any other provisions of the Act;

(3) Requiring a change of any kind in any State law regulating electric utility rates and charges, affecting any State law regarding such State regulation, or limiting such State regulation, including any prudence review requirements under such State law;

(4) Modifying the Federal Power Act or affecting the authority of the Federal Energy Regulatory Commission under the Federal Power Act; or,

(5) Interfering with or impairing any program for competitive bidding for power supply in a State in which such program is established.

Certification

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

Name W. Jeffrey Pardue, C.E.P.

Signature



Date

7/3/98

STEP 5 (optional)
Enter the source AIRS
and FINDS identification

AIRS
FINDS



Via Electronic Mail
November 14, 2006

Mr. Jeffrey F. Koerner, PF.
Professional Engineer Administrator
Division of Air Resource Management
Florida Department of Environmental Protection
2600 Blair Stone Road, M.S. 5500
Tallahassee, Florida 32399-2400

RE: Comments on Draft Air Construction Permit Project No.: 1050234-015-AC/PSD-FL-195(D)/PSD-FL-296(C)/PSD-FL-330(B) and Draft/Proposed Title V Air Operation Permit Renewal Project No. 1050234-014-AV
Florida Power Corporation d/b/a Progress Energy Florida, Inc.
Hines Energy Complex
Facility ID 1050234

Dear Mr. Koerner:

Please find below comments on the draft Air Construction Permit modification and Title V Air Operation Permit renewal/revision for the Florida Power Corporation d/b/a Progress Energy Florida, Inc. ("PF") Hines Energy Complex. Any suggested changes will be shown in red with strikethrough for deletion and underline for insertion.

Draft Air Construction Permit Modification PSD-FL-195(D)

1. In Condition C.1 the first and last sentences from the PSD-FL-195(B) are indicated in the opening paragraph. However, the remaining language in the opening paragraph (see below) was not listed. Are those sentences removed?

"...Testing of emissions shall be conducted with the source operating at capacity (maximum heat input rate for the tested operating temperature). Capacity is defined as 90-100 percent of permitted capacity. If it is impracticable to test at capacity, then sources may be tested at less than capacity; in this case subsequent source operation is limited to 110 percent of the test load until a new test is conducted. Once the unit is so limited, then operation at higher capacities is allowed for no more than fifteen consecutive days for purposes of additional compliance testing to regarding the rated capacity in the permit, with prior notification to the Department..."

Comments on Draft Air Construction Permit Project No.: 1050234-015-AC/PSD-FL-195(D)/PSD-FL-296(C)/PSD-FL-330(B) and Draft/Proposed Title V Air Operation Permit Renewal Project No. 1050234-014-AV
Florida Power Corporation d/b/a Progress Energy Florida, Inc.
Hines Energy Complex
Facility ID 1050234
Page 2 of 4

Draft/Proposed Title V Permit Project No. 1050234-014-AV

1. Statement of Basis. The maximum heat input rating in the first paragraph under Power Block 2 is based on the HHV and not LHV:

Power Block 2: Emission Units -014 (CT2A) and -015 (CT2B).

Emission units 014 and 015 each consist of a combined cycle Westinghouse 501FD Combustion Turbine, each with a nominal generator rating of 170 MW and each with a maximum heat input rating of 2,048 MMBtu/hr (HHV), while firing natural gas, and 2,155 MMBtu/hr (HHV), while firing fuel oil, based on a compressor inlet air temperature of 59 °F, the ~~LHV~~ HHV of each fuel, and 100% load.....

2. Placard Page. The permittee mailing address on the placard page should be as follows:

Permittee:

FPC dba Progress Energy Florida, Inc.
100 Central Avenue, BB1A-HE44
St. Petersburg, Florida 33701-5511

3. Section I. Facility Information, Subsection B., Summary of Emissions Unit ID No(s). and Brief Description(s). To make the Power Block 1 (EU ID Nos. -001 and -002) descriptions consistent through out the permit, change "501F" to "501FC" under the brief description on Page 2.
4. Section II. Facility-wide Conditions. In Facility-wide Condition 14. and through out the permit, please change the abbreviation for Progress Energy Florida, Inc. from "PEFI" to "PEF".

14. FPC vs. PEFI. Where previous text referenced "FPC", for Florida Power Corporation, they have been changed to "PEFI" to represent Progress Energy Florida, Inc. FPC is doing business as PEFI.

5. Section III. Emissions Unit(s) and Conditions, Subsection A, EU ID Nos. -001 and -002. In Specific Condition A.5.c, please add a reference to Specific Condition A.6.
6. Section III. Emissions Unit(s) and Conditions, Subsection E, EU ID Nos. -014 and -015. As in item 2. above, please change the reference to LHV to HHV in the EU description:

Emission units 014 and 015 each consist of a combined cycle Westinghouse 501FD Combustion Turbine, each with a nominal generator rating of 170 MW and each with a maximum heat input rating of 2,048 MMBtu/hr (HHV), while firing natural gas, and 2,155 MMBtu/hr (HHV), while firing fuel oil, based on a compressor inlet air temperature of 59 °F, the ~~LHV~~ HHV of each fuel, and 100% load.....

7. Section III. Emissions Unit(s) and Conditions, Subsection F, EU ID Nos. -016 and -017. The construction permit PSD-FL-330 is referenced in Specific Condition F.3. Consider including the permit modification projects (i.e. PSD-FL-330(A)) in this reference.
8. Section III. Emissions Unit(s) and Conditions, Subsection F, EU ID Nos. -016 and -017. In Specific Condition F.6, references are made to installing the gas turbines, water injection, SCR system, and HRSG as well as design and construction of the SCR System and HRSG. This language appears to be a carry over from the construction permit. Consider removing the verbs "install", "designed", and "constructed."
9. Section III. Emissions Unit(s) and Conditions, Subsection F, EU ID Nos. -016 and -017. To make the language similar to Power Block 2, please add oil-to-gas or gas-to-oil to the opening paragraph of Specific Condition F.11:

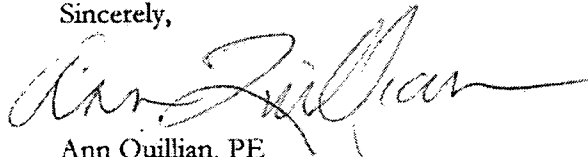
F.11. CEMS Data Exclusion. As provided in this paragraph, NOx and CO emissions data recorded during periods of startup, shutdown, fuel switches (oil-to-gas or gas-to-oil), and documented malfunctions may be excluded from the block average calculated to demonstrate compliance with the emission limits of specific condition F.8.
10. Section III. Emissions Unit(s) and Conditions, Subsection F, EU ID Nos. -016 and -017. Similar to item 8. above, Specific Condition F.20 states "...the permittee shall install, calibrate, operate and maintain..." As the ammonia flow meter is already in place on Power Block 3, please remove "install."
11. Section III. Emissions Unit(s) and Conditions, Subsection H, Common Conditions. As discussed in item 4. above, change the abbreviation for Progress Energy Florida, Inc. from "PEFI" to "PEF" in Specific Conditions H.11, H.13, and H16.
12. Appendix I-1, List of Insignificant Emissions Units and/or Activities and Appendix U-1, List of Unregulated Emissions Units and Activities. As discussed in item 4. above, change the abbreviation for Progress Energy Florida, Inc. from "PEFI" to "PEF".
13. Appendix I-1, List of Insignificant Emission Units and Activities. PEF reviewed the emissions units and/or activities listed in Appendix I-1. Please add the following two insignificant emissions units to the list:
 7. Vehicle fueling station with storage – gasoline and diesel
 8. Hydraulic oil storage (300, 200, and 166 gallons)
14. Appendix U-1, List of Unregulated Emission Units and Activities. PEF reviewed the unregulated emissions units and/or activities listed in Appendix U-1 and found that an update was required. The following presents these changes to the list in strikethrough/underline format:

Comments on Draft Air Construction Permit Project No.: 1050234-015-AC/PSD-FL-195(D)/PSD-FL-296(C)/PSD-FL-330(B) and Draft/Proposed Title V Air Operation Permit Renewal Project No. 1050234-014-AV
Florida Power Corporation d/b/a Progress Energy Florida, Inc.
Hines Energy Complex
Facility ID 1050234
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<u>EU. ID No.</u>	<u>Brief Description of Emissions Units and/or Activities</u>
-xxx	Three <u>Two</u> Lube Oil Storage Tanks (two with 7000 gallon capacity, one with 5550 <u>10,000</u> gallon and <u>6,200</u> gallon capacity) Two Waste Oil Storage Tanks (500 gallon capacity) One No. 2 Fuel Oil Storage Tank (3.80 million gallon capacity) One Diesel Fuel Storage Tank (300 gallon capacity) One <u>Three</u> Ammonium Storage Tanks (30,000 gallon capacity each) One Sodium Hypochlorite Storage Tank (4800 <u>10,000</u> gallon capacity) Fuel loading and unloading activities Lube oil vents with demisters Non-halogenated solvents

Thank you for your assistance. Please let me know at (727) 820-5962, if you have any questions.

Sincerely,



Ann Quillian, PE
Ann.Quillian@pgnmail.com
Senior Environmental Specialist

cc: Cindy Zhang-Torres - FDEP Southwest District
Martin J. Drango, PE - PEF Hines Energy Complex



Department of Environmental Protection

Jeb Bush
Governor

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

Colleen M. Castille
Secretary

June 8, 2006

CERTIFIED MAIL – Return Receipt Requested

Mr. Martin J. Drango
Plant Manager
Florida Power Corporation dba Progress Energy Florida, Inc.
Hines Energy Complex
100 Central Avenue, CX1B
St. Petersburg, Florida 33701

RE: Title V Air Operation Permit Revision/Renewal
Project No.: 1050234-014-AV

Dear Mr. Drango:

On April 21, 2006, the Department received your application for a Title V Air Operation Permit Revision/Renewal for the Hines Energy Complex. Based on a meeting on June 6, 2006, and a review of the application, the application is incomplete. In order to continue processing your application, the Department will need the additional information requested below. Should your response to any of the items below require new calculations, please submit the new calculations, assumptions, reference material and appropriate revised pages of the application form.

1. For all of the responses, please identify the affected Power Block(s) (1, 2, and/or 3) and the proposed changes. Since it appears that previously issued air construction permits will be affected by the proposed changes, please request (check the box in the application) under the "Purpose of Application" that the permitting action will include the issuance of an air construction permit and possibly "concurrent processing".
2. For Power Blocks 1, 2 and 3, please list and describe/define the various "methods of operation" that affect each CT and their operation, i.e., startup (cold, warm and hot), shutdown and fuel switch (gas to oil and oil to gas). For the previous two years, submit actual operational CEMS data (Excel worksheet) and a summary of emissions test data in ppm, lbs/hr, lbs/yr and lbs/episode, for each affected pollutant from these various methods of operation. Please provide the actual frequency for each method of operation that has occurred and been experienced at the plant for each emissions unit for the last five years of operation or for which data is available. For each method of operation, please describe the various stages/steps within each method of operation and appropriate duration. Discuss the potential for actual emissions increases as a result of the proposed changes.
3. From our meeting on June 6th, you plan to revise your original request regarding excess emissions for these various operating methods. Please consider proposing an alternate emissions standard for these periods.
4. For all of the proposed "Excess Emissions" changes, please justify each method of operation and the proposed timeframe associated with each method of operation.
5. For any changes/edits made to the initial submittal, please make appropriate changes/edits and resubmit, i.e., ATTACHMENT PEF-FI-CV6.
6. Under Specific Condition E.9., please define and describe what "process control adjustments" are (including examples), their frequency of occurrence, and any effect on emissions. Please include a response on the process that is involved with handling these types of episodes. Also, provide the same emissions related data as requested in Item #2, above.

The Department will resume processing your application after receipt of the requested information. Rule 62-4.050(3), F.A.C., requires that all applications for a Department permit must be certified by a professional engineer registered in the State of Florida. This requirement also applies to responses to Department requests for additional information of an engineering nature. For any material changes to the application, please include a new certification statement by the

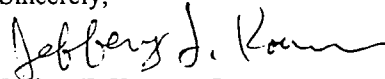
"More Protection, Less Process"

Printed on recycled paper.

Mr. Martin J. Drango
Title V Air Operation Permit Revision/Renewal
Project No.: 1050234-014-AV
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authorized representative or responsible official. You are reminded that Rule 62-4.055(1), F.A.C. requires applicants to respond to requests for information within 90 days or provide a written request for an additional period of time to submit the information. If you have any questions regarding this matter, please call Bruce Mitchell at (850)413-9198.

Sincerely,



Jeffrey F. Koerner, P.E.
Permitting North Administrator
Bureau of Air Regulation

JFK/bm

cc: Jason Waters, SWD
Gregg Worley, U.S. EPA, Region 4
Buck Oven, PPS
Ann Quillian, Application Contact, PEFI-HEC
Scott Osbourn, P.E., GAI

SENDER: COMPLETE THIS SECTION

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

1. Article Addressed to:
 MR. Martin J. Drango
 Plant Manager
 Florida Power Corporation dba
 Progress Energy Florida, Inc.
 Hines Energy Complex
 100 Central Avenue, CX1B
 St. Petersburg, Florida 33701

2. Article Number
 (Transfer from service label)

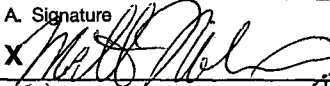
7005 1160 0004 3034 4523

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee


B. Received by (Printed Name) C. Date of Delivery
 Milton Motrice 6/12/06

D. Is delivery address different from item 1? Yes
 If YES, enter delivery address below: No

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

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Mr. Martin J. Drango, Plant Manager

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Total Postage & Fees	\$

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 Mr. Martin J. Drango, Plant Manager
 Street, Apt. No. or PO Box No. 100 Central Avenue, CX1B
 City, State, ZIP+4
 St. Petersburg, Florida 33701