



Ms. Paula Cobb, Director
Division of Air Resource Management
Florida Department of Environmental Protection
2600 Blair Stone Road, M.S. 5500
Tallahassee, FL 32399-2400

Re: MATS Compliance Extension Request for Seminole Generating Station Units 1 and 2

Dear Ms. Cobb:

Seminole Electric Cooperative, Inc. (Seminole) is a non-profit generation and transmission cooperative that provides electric power to nine non-profit member cooperatives. Seminole and its members are responsible for providing electricity to approximately 1.4 million individuals and businesses in 42 of Florida's mostly rural counties. Seminole has two units subject to EPA's Mercury and Air Toxics Standards (MATS):¹ Seminole Generating Station (SGS) Units 1 and 2. By this letter, Seminole requests a 12-month extension of the MATS compliance deadline for these units in order to maintain electric system reliability while installing and testing the additional controls necessary to comply with MATS.

EPA's MATS rule imposes stringent standards for hazardous air pollutants from coal- and oil-fired electric utility steam generating units. Recent revisions to the MATS startup and shutdown provisions provide an alternative definition of startup, establish alternative startup work practice standards, and impose significant additional startup- and shutdown-related monitoring, record keeping, and reporting requirements.² Regarding the definition of startup, EPA now requires compliance with the normal-operation limits and requirements as soon as the unit generates electricity or useful thermal energy, or under a new alternative definition, four hours later. Sources that opt to use the alternative definition of startup must also comply with new work practice standards, which include operating all continuous monitoring systems, collecting data, calculating potential emissions, using clean fuels to the maximum extent possible, venting to the main stack and operating PM controls within one hour of firing coal, residual oil, or solid oil-derived fuel, and operating all other controls as expeditiously as practical.

Seminole is currently evaluating its emission levels, operational requirements, and what actions it must take at SGS to comply with these revisions. For example, the requirement to operate PM controls within one hour of firing coal cannot be safely met at SGS. These units utilize electrostatic precipitators (ESPs) whose inherent electric fields provide an ignition source for any explosive mixtures that may be in their presence. Such mixtures may exist in the ESP until adequate temperatures and conditions are established and maintained in this PM control

¹ 40 C.F.R. 63, Subpart UUUUU.

² 79 Fed. Reg. 68777 (Nov. 19, 2014).

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equipment in accordance with OEM design requirements. As such, Seminole requests relief from this provision in 40 CFR 63.10011(g)(4). Additional evaluation is ongoing at Seminole to prepare for compliance with the remaining provisions of the MATS rule, including the recent revisions related to startup and shutdown. This evaluation will take time to complete, and any actions that Seminole must take, such as installing additional controls or monitoring devices, will require additional time.

The MATS rule requires existing units to comply with these standards by April 16, 2015, and also authorizes the Florida Department of Environmental Protection (FDEP) to grant an extension of the compliance deadline for up to 12 months, or until April 16, 2016, if such additional time is necessary for the installation of controls.³ In the preamble to the final MATS rule, EPA further stated that “the ultimate discretion to provide a 1-year extension lies with the permitting authority,” and the extension should be “available in a broad range of situations . . .”⁴

In order to comply with the MATS requirements, and particularly the November 19, 2014 revisions related to startup and shutdown, Seminole is evaluating its emission levels and operational requirements during all operational scenarios, and may need to install additional controls or monitors at SGS. For example, Seminole requires additional time to study the feasibility of reaching the appropriate operating conditions using clean fuels as required in the latest MATS revision.

If additional controls and monitors are needed, Seminole will need time to engineer, procure, install, and verify them in order to fully comply with the MATS requirements while reasonably assuring the continued reliability of Seminole’s electric service to its member cooperatives. The evaluation, and installation of these additional controls and monitors cannot be completed and verified prior to April 16, 2015. Seminole has recently completed a study to determine if it is possible to retrofit Units 1 and 2 with dual clean fuel igniters to lower carbon dioxide emissions. The estimated cost of such a project would be over \$15 million. If undertaken, this project -could not begin until the fall outage of 2015, and would need additional time to address all the safety and operations concerns associated with burning dual fuels.

Accordingly, Seminole is requesting a 12-month extension of the MATS compliance deadline for SGS Units 1 and 2 to (1) evaluate compliance obligations related to EPA’s November 19, 2014 revisions, including the possible need for additional controls and monitors, (2) install additional controls and monitors as needed, and (3) have a period of operational monitoring, verification, and experience with the additional controls under a wide range of actual operating conditions. If Seminole can accomplish these actions prior to April 16, 2016, it will make a good faith effort to do so.

³ 42 U.S.C. 7412(i)(3)(B); 40 C.F.R. 63.6(i)(4)(i)(A).

⁴ 77 Fed. Reg. 9304, 9407 & 9410 (Feb. 16, 2012).

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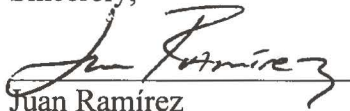
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Seminole requests this compliance extension for all requirements under the MATS rule for SGS Units 1 and 2. This includes all pending deadlines and obligations imposed by or through the application of the MATS rule, including, for example, the compliance date and any dates calculated from that date, as well as any obligations under the General Provisions of 40 C.F.R. Part 63 (Subpart A). To the extent any waiver of these provisions is required, Seminole requests such waiver. As discussed above, this extension is needed to allow for the evaluation of recently revised requirements, and installation of controls and monitors, as needed, that cannot be completed and comprehensively verified prior to April 16, 2015. SGS Units 1 and 2 must be available to operate for reliability purposes until the additional controls and monitors, as needed, are installed, and given a period of operational monitoring, verification and experience under a wide range of actual operating conditions. This request is being submitted by the deadline of 120 days prior to the compliance date.⁵

Seminole appreciates your consideration of this request. If you have any questions or wish to discuss this request further, please contact me at (813) 739-1219.

Sincerely,

A handwritten signature in black ink, appearing to read "Juan Ramirez", written over a horizontal line.

Juan Ramirez

Senior Environmental Engineer

⁵ 40 C.F.R. 63.6(i)(4)(i)(B).