HOPPING BOYD GREEN & SAMS
ATTORNEYS AND COUNSELORS
123 SOUTH CALHOUN STREET
POST OFFICE BOX 6526
TALLAHASSEE, FLORIDA 32314
(904) 222-7500
FAX (904) 224-8551

CARLOS ALVAREZ
JAMES S. ALVES
BRIAN H. BIBEAU
ELIZABETH C. BOWMAN
WILLIAM L. BOYD, IV
RICHARD S. BRIGHTMAN
PETER C. CUNNINGHAM
WILLIAM H. GREEN
WADE L. HOPPING
FRANK E. MATTHEWS
RICHARD D. MELSON
WILLIAM D. PRESTON
CAROLYN S. RAEPPLE
GARY P. SAMS
ROBERT P. SMITH, JR.

KATHLEEN BLIZZARD
THOMAS M. DEROSE
RICHARD W. MOORE
DIANA M. PARKER
LAURA BOYD PEARCE
MICHAEL P. PETROVICH
DAVID L. POWELL
DOUGLAS S. ROBERTS
CECELIA C. SMITH
SAM J. SMITH
CHERYL G. STUART

OF COUNSEL
W. ROBERT FOKES

April 17, 1990

BY HAND DELIVERY

Clair Fancy, P.E.
Chief, Bureau of Air Regulation
Florida Department of Environmental Regulation
2600 Blair Stone Road, Room 338
Tallahassee, Florida 32399-2400

Re: Florida Power & Light Company
Sanford Power Plant

Dear Clair:

I am writing on behalf of Florida Power & Light Company (FPL) regarding a project intended to allow Sanford Plant Unit No. 5 to fully utilize its inherent natural gas burning capability. Specifically, FPL hereby requests a determination from the Department that the project will not trigger New Source Performance Standards (NSPS) or Prevention of Significant Deterioration (PSD) review. Background information concerning the Sanford Plant and Unit No. 5, along with a description of the project and discussion of regulatory considerations, are provided below.

BACKGROUND

FPL's Sanford Plant, located in Volusia County, comprises three fossil fuel fired steam electric generating units designated Units No. 3, 4 and 5. Unit No. 3 is a 160 megawatt class unit placed in service in 1959 and Units No. 4 and 5 are 400 megawatt class units placed in service in 1972 and 1973, respectively. A natural gas pipeline has served the Sanford Plant since 1962, and Unit No. 3 has utilized natural gas since then.

Sanford Unit No. 5 includes a Foster-Wheeler steam generator originally designed to fire residual oil and natural gas. (See Foster-Wheeler "Steam Generator Data" sheet reflecting original specifications provided as Attachment "A" hereto.) While the steam generator design provides for gas firing, FPL has to date chosen to use residual oil in Unit No. 5, except that natural gas or distillate oil are sometimes fired to preheat the boiler prior to ignition of residual oil. Operation of Unit No. 5 is authorized under Department air permit No. AO64-132060, which lists natural gas as one of the "Permitted Fuels" under Specific Condition (2). The unit is classified as an "existing fossil fuel steam generator" and is subject to the emission limiting standards set forth at Florida Administrative Code Rule 17-2.600(5)(a).

THE PROJECT

FPL intends to make certain changes to the existing burners and the existing gas supply system at the Sanford Plant to realize the full natural gas firing capability of Unit No. 5. Specifically, each of the 18 existing burners will be equipped with natural gas firing "spuds". No other changes to the burners or to the Unit No. 5 boiler are needed. Gas piping and related appurtenances will be constructed to upgrade the existing connection between Unit No. 5 and the existing gas yard at the Plant.

This project will provide additional fuel flexibility for Unit No. 5 and will allow FPL and its customers to benefit from the advantages of an inherently "cleaner burning" fuel that is presently available at lower cost than residual oil.

NSPS APPLICABILITY

As an "existing" generating unit constructed prior to August 17, 1971, Sanford Unit No. 5 is not now subject to the federal NSPS codified at 40 CFR Part 60, Subpart D, nor the subsequently promulgated NSPS codified at 40 CFR Part 60, Subpart Da. The project described herein does not constitute a "modification" as defined at 40 CFR §60.14 because it does not involve a "physical or operational change which results in an increase in the [Kg/hr] emission

rate to the atmosphere" for any of the pollutants regulated under the Subpart D or Da NSPS (i.e., sulfur dioxide, particulate matter, nitrogen oxides). Moreover, the project involves the use of an "alternate fuel" which Unit No. 5 was "designed to accommodate" prior to 1971. Consequently, the project is specifically exempted from being considered to be a "modification" regardless of changes in emission rates, pursuant to 40 CFR §60.14(e)(4).

For these reasons, FPL is confident that the project does not constitute a "modification" for NSPS purposes. FPL requests a determination from the Department confirming this point pursuant to 40 CFR §60.5.

PSD APPLICABILITY

The Sanford Plant is a "major facility" as that term is defined at Florida Administrative Code Rule 17-2.100(118). Under the Department's PSD rules, certain physical and operational changes to an existing facility are specifically exempted from triggering PSD review. In particular, Florida Administrative Code Rule 17-2.500(2)(c) provides in relevant part as follows:

> (c) Alternative Fuel or Raw Material Exemption. A modification that is to occur for any of the following reasons shall not be subject to the NSR requirements of this section:
>
> * * *
>
> 4. Use of an alternative fuel or raw material which the facility was capable of accommodating before January 6, 1975, unless such change would be prohibited under any federally enforceable permit condition which was established after January 6, 1975.

The "facility" of interest in connection with any PSD applicability question concerning the Unit No. 5 project is the Sanford Plant. See definition of "facility" at Florida Administrative Code Rule 17-2.100(79). With respect to the above-quoted alternate fuel exemption, it is apparent that the Sanford Plant was "capable of accommodating" natural gas before January 6, 1975, as the facility has been served by a

natural gas pipeline since 1962 and gas has been burned at the Plant since 1962. In addition, firing of natural gas in Unit No. 5 is not prohibited under any federally enforceable permit condition; in fact, natural gas is listed as one of the "Permitted Fuels" in the Department air permit for Unit No. 5. Consequently, regardless of whether the project might be viewed as "resulting in" a significant net increase in emissions of any regulated pollutant, the project is exempted from PSD review.

Based on the alternate fuel exemption, FPL is confident that the project proposed herein should not be subject to PSD review. FPL requests a determination by the Department confirming this position.

CONCLUSION

The energy flexibility, cost and environmental benefits of firing natural gas in lieu of residual oil at Sanford Unit No. 5 are clear. The project described herein will allow FPL and its customers to realize these benefits by utilizing the full natural gas burning capability of Unit No. 5. Before work is initiated, FPL seeks confirmation that the Department agrees the project will not subject Unit No. 5 to NSPS or to PSD review. An expeditious response from the Department will facilitate FPL's ability to maintain the project schedule.

Thank you in advance for your consideration in this matter. Should you or members of your staff have any questions, please contact Mike Martin (407/640-2024) or me.

Sincerely,

Peter C. Cunningham

FPLPSNLtr:PCC/gbb

cc: M. A. Smith
M. J. Martin

Attachments

STEAM GENERATOR DATA

FOR

FLORIDA POWER & LIGHT CO.

SANFORD STEAM PLANT - UNITS NO. 4 & 5

SANFORD, FLORIDA

This natural-circulation reheat type steam generator with welded finned tube casing will have a capacity of 2,640,000 lb per hour superheated steam at 2590 psig and 1005 F at the outlet and 2,074,000 lb per hour reheated steam at 532 psig and 1005 F at the outlet.

The unit is fired by oil and natural gas.

FIGURE 1 - 1

Attachment "A"