

The Orlando Sentinel

Published Daily

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BUREAU OF AIR REGULATION

Before the undersigned authority personally appeared BEVERLY C. SIMMONS

, who on oath says that he/she is the Legal Advertising Representative of The Orlando Sentinel, a daily newspaper published at COCOA in BREVARD County, Florida; that the attached copy of advertisement, being a LEGAL NOTICE in the matter of OLEANDER POWER PROJECT

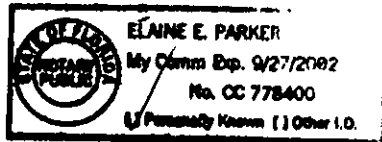
in the BREVARD Court, was published in said newspaper in the issue; of 02/23/99

Affiant further says that the said Orlando Sentinel is a newspaper published at COCOA in said BREVARD County, Florida, and that the said newspaper has heretofore been continuously published in said BREVARD County, Florida, each Week Day and has been entered as second-class mail matter at the post office in COCOA in said BREVARD County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says that he/she has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

The foregoing instrument was acknowledged before me this 24th day of AUGUST, 19 99, by BEVERLY C. SIMMONS

who is personally known to me and who did take an oath. Elaine E. Parker

(SEAL)



NOTICE

The Department of Environmental Protection, Division of Air Resources Management, announces a public workshop (40 CFR 51.102 hearing) to which all persons are invited.

DATE AND TIME: March 3, 1999 at 7:00 pm

PLACE: Brevard County Agricultural Center, 3695 Lake Drive, Cocoa, FL 32926

PURPOSE: Oleander Power Project Air Permit Application

A copy of the workshop agenda and proposed amendments may be obtained by writing to Mr. Michael P. Halpin, Department Of Environmental Protection, Division of Air Resources Management, 2600 Blair Stone Road, Mall Station 5505, Tallahassee, Florida 32399-2400 or by calling Ms. Kim Tober at (850) 921-8633. These materials will also be available for public inspection during normal business hours at the following offices:

Department Of Environmental Protection
Central Florida District
Air Resources
3319 Maguire Boulevard,
Suite 232
Orlando, Florida 32803-3767

Orange County Environmental Protection Department
Air Program Section
2002 East Michigan Street
Orlando, Florida 32806

All persons desiring to be heard on the proposed agency action will be given the opportunity to do so. Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this meeting is asked to advise the agency at least 48 hours before the meeting by contacting the Personnel Services Specialist at (850) 488-2996. If you are hearing or speech impaired, please contact the agency by calling (800) 955-0771 (TDD).
BRE2279970 Feb 24, 1999

LANDERS & PARSONS, P.A.
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	<u>Bob McCann</u>	Fax No.	<u>352/336-6603</u>
	<u>Richard Zwolak</u>	Fax No.	<u>813/287-1716</u>
	<u>Scott Goodland</u>	Fax No.	<u>921-3000</u>
	<u>Al Renard</u>	Fax No.	<u>922-6979</u>
FROM:	<u>David Dee</u>		

MESSAGE: _____

IF ANY PROBLEMS, PLEASE CALL (850) 681-0311

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MEMORANDUM

- Trial Notebook
- Rowe Depo
- FAX copies of
 - Wolfinger
 - Siefert
 - McCann
 - Zwick
 - Garland
 - Lewis

To: Oleander Power Project / Air Construction Permit Hearing

From: Jay LaVia

Re: Summary of Transcript of Clarence Rowe's Deposition

Date: August 18, 1999

F.Y.I.
D. Dee

This memorandum summarizes the transcript of Petitioner, Clarence Rowe's ("Rowe") deposition, taken in Merritt Island, Florida on August 13, 1999.

This is Rowe's first deposition. Dee explains the deposition process. (p. 3-5)

Dee warns Rowe that he will object to the use of exhibits or witnesses that Rowe does not identify. (p. 5)

Rowe will identify exhibits and witnesses as they become known to him, even at the 11th hour. (pp. 6-7)

Dee explains that this is the 11th hour and if he doesn't have the chance to depose a witness, he will object. (p. 7)

Numerous people have approached Rowe about being witnesses, but none of them have provided specific information. (p. 8)

At this time, Rowe has "no witnesses, expert or otherwise." (p. 8) Individuals have said they would like to be witnesses, but they haven't followed up. (p. 8)

Rowe may identify exhibits later and he has no problem letting the judge make a decision on them. (p. 8)

Rowe learned of the Project through the "grapevine." (p. 9) He later learned through the Today paper that there is a Title V source (an aluminum company) in his "backyard" in Rockledge giving off cancerous vapors. (p. 9) Based on this, Rowe educated himself about the Project. (p. 9)

Rowe is "totally against" the Project. (p. 9) There are numerous Title V sources in the

County and Oleander is the one drop of water that will make the full glass run over. (p. 10)

Rowe is concerned about cleaning up the environment for his children and grandchildren and not about the "greenback dollar." (p. 10)

He has not visited the Project site. (p. 10)

He has not reviewed the application in its entirety. (pp. 10-11) He tried to get a copy, but it was 15 cents per page and he couldn't afford it. He may make another attempt to obtain the application through discovery from Oleander. (p. 11)

He has not reviewed any DEP files concerning the Project. (p. 11)

Rowe has not conducted any studies concerning the site or the impact of the Project on the surrounding area. He does not have the expertise. (pp. 11-12)

Oleander has refused to put a "monitor" on the site and EPA says it can't force Oleander to do so. (p. 12)

Citizens became aware of the Project when it went before the County Commission. (p. 13)

Rowe is not aware of any company or individual that has done any independent studies of the Project. (p. 13)

Rowe attended the May public hearing, but became upset and walked out because of a perceived problem with notice. (pp. 13-14) Rowe and a few others scratched their names off the public comment list. (p. 15)

He does not remember if he attended the March meeting. (p. 15)

Rowe opposes the Project because he views it as the straw that breaks the camel's back. (p. 15) The County has already allowed numerous Title V sources without public input. (p. 15)

Rowe is against the polluters already in the County. (p. 16)

Rowe is not against growth. He is concerned about health, safety, welfare and the quality of life. (p. 16)

The Project has no benefits for Brevard County. Rowe calls it carpetbagging. Rowe is concerned about the health and safety issues. (p. 18)

Rowe's goal in this hearing is to keep the Project from being constructed until Oleander

makes adjustments to address the citizens' health and safety. (p. 18)

Rowe doesn't know the cancer rate in the County, but he is trying to get help on that issue. (p. 19)

Rowe spoke with DEP about his concerns. (p. 19)

Rowe put environmental justice issues in his amended petition even though he was aware that the ALJ has said he does not have jurisdiction over this issue. (p. 19) Rowe hopes the ALJ will move the environmental justice issues to a forum where someone will take action on it. (p. 19)

Rowe repeats that a monitor should be added to the site. (p. 20)

Rowe doesn't know about "fallout" other than it depends on the wind direction. (p. 20)
Rowe has no expertise with regard to standards and performance. (p. 20)

Rowe fails to explain clearly why he does not believe DEP's conclusion that there are no adverse health impacts associated with the Project. (pp. 21-22) Rowe hasn't seen the records for the Project. (p. 22) Rowe is upset that DEP wanted to charge him 15 cents per page for the files. (p. 23) He says that wasn't a "friendly gesture." (p. 23)

Exhibits 1-6 marked for identification purposes. (pp. 25-26)

Rowe's April 12, 1999 letter asks that a survey be performed. The "survey" he wants is installation of an additional "monitor" (there are already monitors in Palm Bay and Cocoa Beach) in the vicinity of the Project to determine the quality of the air before and after the Project. (pp. 26-27)

Rowe agrees that the monitor he wants is an ozone monitor. (p. 28) DEP told Rowe that they couldn't require Oleander to install an ozone monitor. (p. 28)

Rowe asks if someone from Golder can be a witness. Dee responds yes. (p. 29)

The expense of the "ozone monitor" is a very serious issue. (p. 29) Rowe doesn't know how much the ozone monitor costs, but installing it could build some trust and change some people's minds. (pp. 29-30)

Exhibit 7 (the Golder letter) is marked. (p. 30)

Rowe has not calculated the impact on water bodies due to fallout from the Project. He is seeking that information. (p. 31) Rowe says he is not an expert. (p. 31)

Rowe has not done any calculation regarding alleged Clean Air Act violations. He just has a fear that the violations will occur. (p. 32)

Rowe does not know which statutes or rules would be violated. He has no expertise in that area. (p. 32)

Rowe intends to call Wolfinger regarding his "paper clip theory," his statement at the public meeting that the Project would provide the same amount of pollution as 300 cars; and to substantiate that the Project is a Title V polluter. (pp. 32-33)

Rowe is trying to obtain a copy of the videotape from the County Commission meeting. He intends to use that video at the hearing. (p. 33)

Rowe can't think of any other questions or issues for Wolfinger at this time. (pp. 33-34)

Rowe confirms again that he "definitely" has no expert witnesses at this time. (p. 34) He doesn't even have a witness at this time. (p. 34)

Rowe intends to ask Kosky about the need for an ozone monitor and may have followup questions. (p. 34)

Rowe wants to ask Linero and Halpin about issues addressed in DEP's letter to him, which could lead to other questions. (pp. 34-35)

Rowe expects Bock, Stallings and other folks to testify because they are not satisfied with the decision. (p. 35) He doubts whether any of these individuals are experts. (pp. 35-36)

Rowe asked the ALJ for an opportunity for public comment because other individuals have contacted him. But those individuals feel intimidated and haven't provided him additional information yet. (p. 36)

Rowe believes the Original Petitioners withdrew their petitions because they felt intimidated. (p. 37) Rowe doesn't feel intimidated. (p. 37)

Rowe doesn't have a computer and might lose his telephone soon. (p. 37)

Rowe has not asked people to testify about environmental justice issues. Rather, he has encouraged people to testify about safety and pollution. (pp. 37-38)

Rowe is actually soliciting people to testify--"How else do you get a campaign going." (p. 38)

Rowe intends to send to the ALJ the name, address and a brief statement from each

member of the public that intends to testify and let the ALJ rule. (p. 38)

The videotape Rowe wrote to the ALJ about is the County Commission meeting at which Wolfinger testified. (pp. 38-39) Wolfinger seemed to be misleading when he said there would be little or no pollution. (p. 39)

Rowe is not sure how far he lives from the Project, but he thinks the wind will blow the stuff to his house. (p. 39)

Exhibit 8 (local map) marked. (p. 40)

After looking at the map, Rowe still isn't sure how far he lives from the Project. It could be 3 or 4 miles. (p. 41)

Regarding environmental justice issues, Rowe is concerned about safety and health issues. (pp. 41-42) There are already enough polluters in the County. (p. 42)

Rowe does not identify any low income neighborhoods near the Project. The pollution will affect everyone's health. (pp. 42-43) His fundamental concern is the air borne emissions from the Project and other plants. (p. 43)

Rowe is also concerned about the other polluters that got through the "back door." (p. 43)

Rowe cannot identify any particular regulation or statute regarding environmental justice issues that will be violated. (p. 44)

Rowe does not have a high school education. (p. 44) He has no expertise. (p. 45)

Rowe believes Oleander is profiteering and doesn't give a damn about who is affected. (p. 46)

Rowe is concerned that if the Project is authorized, 5 or 6 more will come to the County. (p. 46) He's worried about a "floodgate" opening. (p. 47) He is also concerned about the bigger gas pipeline associated with the Project. (p. 48)

Rowe is hoping some attorney will take his case pro bono. (p. 48)

Rowe says he told Wolfinger the charities he supports and none of that money would go to him. (pp. 48-49)

Rowe hasn't gotten any help from John Harris. (p. 45)

Rowe will not disclose who has helped him with copying or small donations. It's none of

Oleander's business and he pleads the fifth. (pp. 49-50)

Rowe has had no legal assistance. (p. 51)

Rowe has no experts assisting him. (p. 51)

The 303D report lists the rivers that have been declared polluted in Brevard County. Rowe intends to use this as an exhibit. (pp. 51-52)

Rowe has contacted DOT regarding this Project. (p. 53)

The 303D report is marked as Exhibit 9. (p. 53)

Rowe may or may not try to introduce as exhibits at the hearing the newspaper clippings he provided. (p. 54)

Rowe provided the information on polluted rivers and water bodies in Brevard County to make the point that water pollution exists in the County. (pp. 54-55) Rowe isn't sure where he obtained some of the documents. (p. 54)

Rowe talked to Doug Beason regarding environmental justice issues. (p. 55)

Rowe intends to file a complaint with the Justice Department. (pp. 55-56)

Rowe's issue is impact on humans. He does not intend to raise issues at the hearing regarding impacts on birds, snakes, bats, etc. (pp. 56-67)

Rowe believes this case will go to the Justice Department. (pp. 58-59)

Rowe wants Oleander to provide him the file and background information in this case (for free). (pp. 58-59)

Rowe provided documents from the web concerning water quality problems, which are marked as Exhibit 10. (p. 60)

Rowe waives his right to read the deposition. (p. 62)

Oleander
For File

NOTICE
M.C. ...
MAR 24 1999

The Department of Environmental Protection, Division of Air Resources Management, announces a public workshop (40 CFR 51.102 hearing), to which all persons are invited.

DATE AND TIME: March 3, 1999 at 7:00 pm

PLACE: Brevard County Agricultural Center, 3695 Lake Drive, Cocoa, FL 32926

PURPOSE: Oleander Power Project Air Permit Application

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BR2279970 Feb. 24, 1999

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DATE: 8/23, 1999

TO: Al Rineco

Fax No. 922-6979

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Fax No. _____

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FROM: David Dee

MESSAGE: _____

IF ANY PROBLEMS, PLEASE CALL (850) 681-0311

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STATE OF FLORIDA
DIVISION OF ADMINISTRATIVE HEARINGS

CLARENCE ROWE,)	
)	
Petitioner,)	
)	
VS.)	Case No. 99-2581
)	
OLEANDER POWER PROJECT, L.P.,)	
and DEPARTMENT OF ENVIRONMENTAL)	
PROTECTION,)	
)	
Respondents.)	

SUBPOENA AD TESTIFICANDUM

TO: MR. ALVARO A. LINERO, P.E., ADMINISTRATOR
DEP NEW SOURCE REVIEW SECTION

YOU ARE HEREBY COMMANDED to appear at BREVARD COUNTY GOVERNMENT CENTER, HOUSING AND HUMAN SERVICES, BLDG. 15, FIRST FLOOR CONF. ROOM, 2725 JUDGE FRANK JAMISON WAY, WINTER, FLORIDA to testify at a deposition/final hearing (strike one) at 9:30 o'clock A.m., on the 30 day of AUGUST, 1999.

YOU SHALL RESPOND to this subpoena as directed unless excused by the party who requested issuance of the subpoena or by order of the Division of Administrative Hearings.

ISSUED this 12th day of August, 1999, in Tallahassee, Leon County, Florida.

THIS SUBPOENA HAS BEEN)	DANIEL MANRY
ISSUED AT THE REQUEST OF:)	Administrative Law Judge
)	Division of Administrative
)	Hearings
CLARENCE ROWE)	The DeSoto Building
418 PENNSYLVANIA AVE.)	1230 Apalachee Parkway
ROCKLEDGE, FL 32955)	Tallahassee, Florida 32399-3060
(407) 636-8762)	(850) 488-9675 SUNCOM 278-9675
)	Fax Filing (850) 921-6847
)	
)	
)	

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Department of Environmental Protection

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

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FROM: Scott Goorland

FAX NUMBER: 921-3000

DATE OF TRANSMISSION: 8/26/99

NUMBER OF PAGES INCLUDING COVER: 10

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COMMENTS: Direct testimony re: Oleander follows.

DIRECT TESTIMONY OF AL LINERO

Please state your name and business address.

Where are you employed?

DEP

D R A F T

What is your job title at DEP?

Administrator of New Source Review Section

What are your duties and responsibilities at DEP?

Supervises DEP section responsible for review of applications for major air pollution sources in Florida

How long have you held this position at DEP?

4 years

Before you started working at DEP, did you have any prior experience working with air quality issues and environmental permitting?

Several years working as consultant in a private engineering firm (ESE)

10 years experience with Arabian American Oil Company in Saudi Arabia

5 years experience as Director of the Air Quality Division of Broward County's Department of Natural Resource Protection

More than 20 years total

DRAFT

What academic training do you have for your job at DEP?

Bachelor of Science in Chemical Engineering

Masters degree in Environmental Engineering, specializing in air pollution control

Are you a registered professional engineer in Florida?

Yes.

Approximately how many projects have you reviewed for compliance with air quality regulations?

Hundreds

Have you testified before as an expert witness regarding air quality issues?

Yes

Did DEP review the air quality modeling and analyses performed by Oleander?

Yes

DRAFT

Did DEP independently confirm the accuracy of Oleander's air quality modeling and analyses?

Yes

Did DEP provide an opportunity for the public to offer comments about the Project?

Yes, two public meetings, March 3, 1999 and May 13, 1999

Did DEP publish notice of these meetings?

Yes

On what dates and in which publications did DEP publish the notice of the March 3, 1999 public meeting?

See Exhibits _____
On February 19, 1999 in the Florida Administrative Weekly and on
February 23, 1999 in the Orlando Sentinel

Did you prepare Exhibit ____ which is a copy of the February 19, 1999 notice published in the Florida Administrative Weekly?

Yes

D R A F T

Did you prepare Exhibit ____ which is a copy of the February 23, 1999 notice published in the Orlando Sentinel?

Yes

Did Oleander publish notice of DEP's intent to issue?

Yes

Did the public notice of DEP's intent also include notice of the public meeting on May 13?

Yes

Did DEP and Oleander satisfy all of the notice requirements that are applicable to this case?

Yes

Does DEP always hold two public meetings?

No.

Approximately how many individuals attended the March 3, 1999 meeting?

D R A F T

Approximately how many individuals attended the May 13, 1999 public meeting?

Did DEP make any presentations at these meetings?

Please summarize the presentation that DEP made at the public meetings.

Did DEP receive written or verbal comments about the Project at the public meeting?

Has DEP considered those comments before formulating its proposed agency decision in this case?

Did Oleander comply with all of the DEP notice requirements applicable to the Project?

Have you formed a professional opinion as to whether the emissions limitations and control technologies proposed by Oleander represent BACT for the Project?

what is
the

Yes

What is that opinion?

The emissions limitations and control technologies proposed by Oleander represent BACT for the Project

DRAFT

How do air emissions limits for the Project compare with the limits for other peaking power plants in Florida?

How do the limits on oil usage compare to the limits for other facilities?

Based on your work in this case and your experience with other cases, have you formed a professional opinion as to whether this Project will cause or contribute to violations of any state or federal ambient air quality standards?

Yes

What is that opinion?

The Project will not cause or contribute to violations of any state or federal ambient air quality standards

Have you formed a professional opinion as to whether this Project will cause or contribute to a violation of any PSD increments?

Yes

What is that opinion?

The Project will not cause or contribute to a violation of any PSD increments

DRAFT

Have you formed a professional opinion as to whether this Project complies with all of the applicable DEP statutes, rules, and policies concerning air quality?

Yes

What is that opinion?

The Project complies with all applicable DEP statutes, rules and policies

Has DEP made a preliminary decision whether it should issue a PSD permit to Oleander?

Yes

What's that opinion

Have that you prepared or supervised the preparation of Exhibit 11, the DEP intent to issue, the draft PSD permit, the preliminary evaluation and technical determination, and draft BACT determination?

Yes

Has the Department received reasonable assurance that Oleander will be able to comply with all of the emissions limits and permit conditions in Exhibit 11, DEP's draft permit?

Yes

D R A F T

To the best of your knowledge, is the information contained in Exhibit 11 accurate and correct?

Yes

Do you adopt the statements in those documents as part of the testimony that you are providing here today?

Yes

Did you prepare or assist with the preparation of Exhibits 2, 3 and 5?

Were these documents prepared by DEP in the routine course of its business, pursuant to a duty imposed by law?

LANDERS & PARSONS, P.A.
ATTORNEYS AT LAW

DAVID S. DEE
JOSEPH W. LANDERS, JR.
JOHN T. LAVIA, III
FRED A. MCCORMACK
PHILIP S. PARSONS
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NUMBER OF PAGES, (INCLUDING COVER PAGE) 7

DATE: 8/27, 1999

TO: Rick Waepfinger Fax No. 410/230-4847
Armin Seifart Fax No. _____
Bob McCann Fax No. 352/336-6603
Richard Zwolak Fax No. 813/287-1716
Scott Goodland Fax No. 921-3000
Al Renew Fax No. 922-6979
FROM: David Dee

MESSAGE: _____

IF ANY PROBLEMS, PLEASE CALL (850) 681-0311

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MEMORANDUM

- Trial Notebook
- Rowe Depo
- FAX copies of
 - Wolfinger
 - Siefert
 - McCann
 - Zwolke
 - Garland
 - Lewis

To: Oleander Power Project / Air Construction Permit Hearing

From: Jay LaVia

Re: Summary of Transcript of Clarence Rowe's Deposition

F-4.1.

D. Dee

Date: August 18, 1999

This memorandum summarizes the transcript of Petitioner, Clarence Rowe's ("Rowe") deposition, taken in Merritt Island, Florida on August 13, 1999.

This is Rowe's first deposition. Dee explains the deposition process. (p. 3-5)

Dee warns Rowe that he will object to the use of exhibits or witnesses that Rowe does not identify. (p. 5)

Rowe will identify exhibits and witnesses as they become known to him, even at the 11th hour. (pp. 6-7)

Dee explains that this is the 11th hour and if he doesn't have the chance to depose a witness, he will object. (p. 7)

Numerous people have approached Rowe about being witnesses, but none of them have provided specific information. (p. 8)

At this time, Rowe has "no witnesses, expert or otherwise." (p. 8) Individuals have said they would like to be witnesses, but they haven't followed up. (p. 8)

Rowe may identify exhibits later and he has no problem letting the judge make a decision on them. (p. 8)

Rowe learned of the Project through the "grapevine." (p. 9) He later learned through the Today paper that there is a Title V source (an aluminum company) in his "backyard" in Rockledge giving off cancerous vapors. (p. 9) Based on this, Rowe educated himself about the Project. (p. 9)

Rowe is "totally against" the Project. (p. 9) There are numerous Title V sources in the

County and Oleander is the one drop of water that will make the full glass run over. (p. 10)

Rowe is concerned about cleaning up the environment for his children and grandchildren and not about the "greenback dollar." (p. 10)

He has not visited the Project site. (p. 10)

He has not reviewed the application in its entirety. (pp. 10-11) He tried to get a copy, but it was 15 cents per page and he couldn't afford it. He may make another attempt to obtain the application through discovery from Oleander. (p. 11)

He has not reviewed any DEP files concerning the Project. (p. 11)

Rowe has not conducted any studies concerning the site or the impact of the Project on the surrounding area. He does not have the expertise. (pp. 11-12)

Oleander has refused to put a "monitor" on the site and EPA says it can't force Oleander to do so. (p. 12)

Citizens became aware of the Project when it went before the County Commission. (p. 13)

Rowe is not aware of any company or individual that has done any independent studies of the Project. (p. 13)

Rowe attended the May public hearing, but became upset and walked out because of a perceived problem with notice. (pp. 13-14) Rowe and a few others scratched their names off the public comment list. (p. 15)

He does not remember if he attended the March meeting. (p. 15)

Rowe opposes the Project because he views it as the straw that breaks the camel's back. (p. 15) The County has already allowed numerous Title V sources without public input. (p. 15)

Rowe is against the polluters already in the County. (p. 16)

Rowe is not against growth. He is concerned about health, safety, welfare and the quality of life. (p. 16)

The Project has no benefits for Brevard County. Rowe calls it carpetbagging. Rowe is concerned about the health and safety issues. (p. 18)

Rowe's goal in this hearing is to keep the Project from being constructed until Oleander

makes adjustments to address the citizens' health and safety. (p. 18)

Rowe doesn't know the cancer rate in the County, but he is trying to get help on that issue. (p. 19)

Rowe spoke with DEP about his concerns. (p. 19)

Rowe put environmental justice issues in his amended petition even though he was aware that the ALJ has said he does not have jurisdiction over this issue. (p. 19) Rowe hopes the ALJ will move the environmental justice issues to a forum where someone will take action on it. (p. 19)

Rowe repeats that a monitor should be added to the site. (p. 20)

Rowe doesn't know about "fallout" other than it depends on the wind direction. (p. 20) Rowe has no expertise with regard to standards and performance. (p. 20)

Rowe fails to explain clearly why he does not believe DEP's conclusion that there are no adverse health impacts associated with the Project. (pp. 21-22) Rowe hasn't seen the records for the Project. (p. 22) Rowe is upset that DEP wanted to charge him 15 cents per page for the files. (p. 23) He says that wasn't a "friendly gesture." (p. 23)

Exhibits 1-6 marked for identification purposes. (pp. 25-26)

Rowe's April 12, 1999 letter asks that a survey be performed. The "survey" he wants is installation of an additional "monitor" (there are already monitors in Palm Bay and Cocoa Beach) in the vicinity of the Project to determine the quality of the air before and after the Project. (pp. 26-27)

Rowe agrees that the monitor he wants is an ozone monitor. (p. 28) DEP told Rowe that they couldn't require Cleander to install an ozone monitor. (p. 28)

Rowe asks if someone from Golder can be a witness. Dee responds yes. (p. 29)

The expense of the "ozone monitor" is a very serious issue. (p. 29) Rowe doesn't know how much the ozone monitor costs, but installing it could build some trust and change some people's minds. (pp. 29-30)

Exhibit 7 (the Golder letter) is marked. (p. 30)

Rowe has not calculated the impact on water bodies due to fallout from the Project. He is seeking that information. (p. 31) Rowe says he is not an expert. (p. 31)

Rowe has not done any calculation regarding alleged Clean Air Act violations. He just has a fear that the violations will occur. (p. 32)

Rowe does not know which statutes or rules would be violated. He has no expertise in that area. (p. 32)

Rowe intends to call Wolfinger regarding his "paper clip theory," his statement at the public meeting that the Project would provide the same amount of pollution as 300 cars; and to substantiate that the Project is a Title V polluter. (pp. 32-33)

Rowe is trying to obtain a copy of the videotape from the County Commission meeting. He intends to use that video at the hearing. (p. 33)

Rowe can't think of any other questions or issues for Wolfinger at this time. (pp. 33-34)

Rowe confirms again that he "definitely" has no expert witnesses at this time. (p. 34) He doesn't even have a witness at this time. (p. 34)

Rowe intends to ask Kosky about the need for an ozone monitor and may have followup questions. (p. 34)

Rowe wants to ask Linero and Halpin about issues addressed in DEP's letter to him, which could lead to other questions. (pp. 34-35)

Rowe expects Bock, Stallings and other folks to testify because they are not satisfied with the decision. (p. 35) He doubts whether any of these individuals are experts. (pp. 35-36)

Rowe asked the ALJ for an opportunity for public comment because other individuals have contacted him. But those individuals feel intimidated and haven't provided him additional information yet. (p. 36)

Rowe believes the Original Petitioners withdrew their petitions because they felt intimidated. (p. 37) Rowe doesn't feel intimidated. (p. 37)

Rowe doesn't have a computer and might lose his telephone soon. (p. 37)

Rowe has not asked people to testify about environmental justice issues. Rather, he has encouraged people to testify about safety and pollution. (pp. 37-38)

Rowe is actually soliciting people to testify--"How else do you get a campaign going." (p. 38)

Rowe intends to send to the ALJ the name, address and a brief statement from each

member of the public that intends to testify and let the ALJ rule. (p. 38)

The videotape Rowe wrote to the ALJ about is the County Commission meeting at which Wolfinger testified. (pp. 38-39) Wolfinger seemed to be misleading when he said there would be little or no pollution. (p. 39)

Rowe is not sure how far he lives from the Project, but he thinks the wind will blow the stuff to his house. (p. 39)

Exhibit 8 (local map) marked. (p. 40)

After looking at the map, Rowe still isn't sure how far he lives from the Project. It could be 3 or 4 miles. (p. 41)

Regarding environmental justice issues, Rowe is concerned about safety and health issues. (pp. 41-42) There are already enough polluters in the County. (p. 42)

Rowe does not identify any low income neighborhoods near the Project. The pollution will affect everyone's health. (pp. 42-43) His fundamental concern is the air borne emissions from the Project and other plants. (p. 43)

Rowe is also concerned about the other polluters that got through the "back door." (p. 43)

Rowe cannot identify any particular regulation or statute regarding environmental justice issues that will be violated. (p. 44)

Rowe does not have a high school education. (p. 44) He has no expertise. (p. 45)

Rowe believes Oleander is profiteering and doesn't give a damn about who is affected. (p. 46)

Rowe is concerned that if the Project is authorized, 5 or 6 more will come to the County. (p. 46) He's worried about a "floodgate" opening. (p. 47) He is also concerned about the bigger gas pipeline associated with the Project. (p. 48)

Rowe is hoping some attorney will take his case pro bono. (p. 48)

Rowe says he told Wolfinger the charities he supports and none of that money would go to him. (pp. 48-49)

Rowe hasn't gotten any help from John Harris. (p. 45)

Rowe will not disclose who has helped him with copying or small donations. It's none of

Oleander's business and he pleads the fifth. (pp. 49-50)

Rowe has had no legal assistance. (p. 51)

Rowe has no experts assisting him. (p. 51)

The 303D report lists the rivers that have been declared polluted in Brevard County. Rowe intends to use this as an exhibit. (pp. 51-52)

Rowe has contacted DOT regarding this Project. (p. 53)

The 303D report is marked as Exhibit 9. (p. 53)

Rowe may or may not try to introduce as exhibits at the hearing the newspaper clippings he provided. (p. 54)

Rowe provided the information on polluted rivers and water bodies in Brevard County to make the point that water pollution exists in the County. (pp. 54-55) Rowe isn't sure where he obtained some of the documents. (p. 54)

Rowe talked to Doug Beason regarding environmental justice issues. (p. 55)

Rowe intends to file a complaint with the Justice Department. (pp. 55-56)

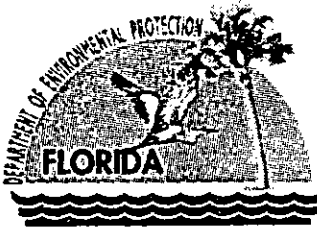
Rowe's issue is impact on humans. He does not intend to raise issues at the hearing regarding impacts on birds, snakes, bats, etc. (pp. 56-67)

Rowe believes this case will go to the Justice Department. (pp. 58-59)

Rowe wants Oleander to provide him the file and background information in this case (for free). (pp. 58-59)

Rowe provided documents from the web concerning water quality problems, which are marked as Exhibit 10. (p. 60)

Rowe waives his right to read the deposition. (p. 62)



Jeb Bush
Governor

Department of Environmental Protection

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

July 30, 1999

David B. Struhs
Secretary

Oleander

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Mr. Truman G. Scarborough
Commissioner, District 1
Brevard County Board of County Commissioners
400 South Street, First Floor, Suite 1A
Titusville, Florida 32780-7698

Dear Mr. Scarborough:

Thank you for your letter dated May 25, 1999 relaying community concern about the public's opportunity to participate in the DEP permitting process. The Secretary's office referred your letter to me since this Bureau is responsible for the air permit application mentioned in your letter.

With respect to the notice of the public hearing, we wanted to let you now that we actually held two such hearings. The first (to discuss the application) was noticed by the Department in both the Orlando Sentinel and the Florida Administrative Weekly. We also E-Mailed or sent letters to several interested individuals regarding the meeting. They helped "get the word out." There was a substantial turnout.

The date, time, and place of the second meeting (to discuss the Intent) were given in the Department's Public Notice of Intent to Issue a Permit. It was published in Florida Today by the applicant well in advance of the meeting. Again, we noticed the meeting in the Florida Administrative Weekly. As before, we E-Mailed or sent direct mailings of that Public Notice (and draft permit) to a number of interested individuals. We also sent the package with the details to the County. Although there was poor attendance at the meeting, quite a few petitions were filed in accordance with the procedures given in the published Public Notice of Intent. The matter is with the Division of Administrative Hearings.

We appreciate all of your comments. One of our administrators responsible for air permitting visited County offices in Viera to get assistance on a project under review by the Department. Personnel at Environmental health and Land Development, in particular Mr. Mark Braun, were very helpful in providing us with information so that we can conduct our reviews.

Thanks again for your advice and your cooperation. If you have any questions regarding this matter, please call me or Al Linero at 850/488-0114.

Sincerely,

for C. H. Fancy, P.E., Chief
Bureau of Air Regulation

CHF/al

Vivian Garfein, DEP SD
Douglas Beason, DEP OGC

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

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- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date delivered.

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 - 2. Restricted Delivery
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Commissioner District 1
Brevard Co Board of C.C.
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Situsville, FL
32780-7698

4a. Article Number
Z 333 618 119

4b. Service Type
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 Express Mail Insured
 Return Receipt for Merchandise COD

7. Date of Delivery
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KATHLEEN B. ENGLAND

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PS Form 3800, April 1995



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

MAY 12 1999

4APT-ARB

Mr. A. A. Linero, P.E.
Administrator
New Source Review Section
Florida Department of Environmental Protection
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

SUBJECT: Custom Fuel Monitoring Schedule Proposed for Oleander Power Project located in Brevard County, Florida

Dear Mr. Linero:

This letter is in response to your March 31, 1999, request for approval of a custom fuel monitoring schedule for Oleander Power. Oleander will operate five natural gas-fired simple cycle combustion turbines subject to 40 C.F.R. Part 60, Subpart GG - Standards of Performance for Stationary Gas Turbines. As requested, Specific Conditions 30, 41, 42, 44 and 45 have been reviewed. Region 4 has concluded that the use of acid rain nitrogen oxides (NO_x) continuous emission monitoring system (CEMS) for demonstrating compliance, as described in Specific Conditions 30, 41 and 42, is acceptable with a minor correction to Specific Condition 30. Region 4 has also concluded that the natural gas custom fuel monitoring schedule proposed in Specific Condition 45 and the fuel oil monitoring schedule described in Specific Condition 44 are both acceptable.

According to 40 C.F.R. 60.334(b)(2), owners and operators of stationary gas turbines subject to Subpart GG are required to monitor fuel nitrogen and sulfur content on a daily basis if a company does not have intermediate bulk storage for its fuel. 40 C.F.R. 60.334(b)(2) also contains provisions allowing owners and operators of turbines that do not have intermediate bulk storage for their fuel to request approval of custom fuel monitoring schedules that require less frequent monitoring of fuel nitrogen and sulfur content.

Region 4 reviewed Specific Condition 45 which allows SO₂ emissions to be quantified using procedures in 40 C.F.R. 75 Appendix D in lieu of daily sampling as required by 40 C.F.R. 60.334(b). Since the specific limitations listed in the permit condition are consistent with previous determinations, we have concluded that the use of this custom fuel monitoring schedule is acceptable.

Specific Conditions 30, 41 and 42 involve the method used to monitor NO_x excess emissions. Under the provisions for 40 C.F.R. 60.334(c)(1), the operating parameters used to

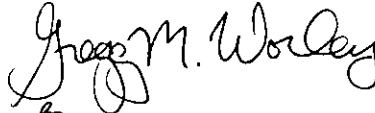
identify NO_x excess emissions for Subpart GG turbines are water-to-fuel injection rates and fuel nitrogen content. As an alternative to monitoring NO_x excess emissions using these parameters, Oleander is proposing to use a NO_x CEMS that is certified for measuring NO_x emissions under 40 C.F.R. Part 75. Based upon a determination issued by the Environmental Protection Agency (EPA) on March 12, 1993, NO_x CEMS can be used to monitor excess emissions from Subpart GG turbines if a number of conditions specified in the determination are met and included in the permit condition. Additionally, Specific Condition 30 states that Method 19 will be used to determine compliance with the 24-hr block average (lb/hr) emissions standard. Method 19 is intended to convert raw data received from the CEMS, which are expressed as pollutant and diluent concentrations, to emissions rates with units of pounds per million BTU (lb/MMBTU). Since the permit limit is given in pounds per hour (lb/hr), a further conversion of the results from Method 19 is needed. EPA recommends that you revise this portion of Specific Condition 30 to clarify that the results from Method 19 (lb/MMBTU) will be multiplied by the turbines' heat input, which is in units of million BTU per hour (MMBTU/hr), to convert the NO_x emission rates to lb/hr.

Specific Condition 42 addresses the potential for correcting results to ISO standard day conditions. The basis for this requirement is that, under the provisions of 40 C.F.R. 60.335(c), NO_x results from performance tests must be converted to ISO standard day conditions. As an alternative to continuously correcting results to ISO standard day conditions, Oleander plans to keep records of the data needed to make this conversion, so that NO_x results could be calculated on an ISO standard day condition basis anytime at the request of EPA or the Florida DEP. This approach is acceptable, since the construction permit contains NO_x limits that are more stringent than those in Subpart GG, and compliance with Subpart GG for these units would be a concern only in cases when a turbine is in violation of the NO_x limits in its permit.

Finally, Specific Condition 44 addresses the monitoring schedule for fuel oil. According to 40 C.F.R. 60.334(b)(1), the nitrogen and sulfur content of the fuel oil must be monitored each time a new shipment of fuel oil is transferred to bulk storage. Oleander is proposing to use the fuel analysis provided by the fuel vendor instead of sampling each shipment directly. This approach is acceptable, since the specific condition states that the fuel vendor's analyses will comply with the test method requirements of 40 C.F.R. 60.335(d).

If you have any questions about the determination provided in this letter, please contact Ms. Katy R. Forney of my staff at 404-562-9130.

Sincerely,



R. Douglas Neeley

Chief

Air and Radiation Technology Branch

Air, Pesticides and Toxics

Management Division

CC: M. Halpern, BAR
J. Bunkak, NPS
L. Kozlov, CD
R. Kpsky, Golden Assoc.
D. Beason, OGC

Golder Associates Inc.

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



May 6, 1999

983-9514-0300

New Source Review Section
Bureau of Air Regulation
Florida Department of Environmental Protection
111 S. Magnolia Drive, Suite 4
Tallahassee, Florida 32301

RECEIVED

MAY 07 1999

BUREAU OF
AIR REGULATION

Attention: Mr. A. A. Linero, P.E., Administrator

RE: Oleander Power Project, Oleander Power Project, L.P.
PSD-FL-258 and 0090180-001-AC
Response to Intent-to-Issue Letter, March 26, 1999

Dear Al:

The following comments are provided in response to the Department's Intent-to-Issue letter of March 26, 1999, and the letter by the U.S. Fish and Wildlife Service dated December 18, 1998.

1. Nitrogen Oxide (NO_x) Emission Limits for Oil-firing/ Clarification

The U.S. Fish and Wildlife Service (FWS) had indicated that there were several projects with NO_x emission limits of 25 parts per million (ppm) that were established as Best Available Control Technology (BACT) (assuming correction for dry conditions and 15 percent oxygen). From our review of EPA's BACT determinations as well as information presented by the Florida DEP in its BACT determination for the Oleander Power Project, the NO_x emissions for the projects cited by the FWS (i.e., Auburndale Power Partners, Texas-New Mexico Power) had NO_x emission limits of 42 ppm for oil-firing, not 25 ppm. The NO_x emission limit of 42 ppm proposed for the Oleander Power Project is consistent with that proposed and permitted for the other projects. As stated in our letter dated February 1, 1999, GE will not guarantee NO_x emissions that are lower than 42 ppm (corrected) for their "F" Class turbines.

2. Ozone Monitoring Request

Based on our review of ozone monitoring as well as comments provided to you in a letter dated March 17, 1999, we reiterate that additional monitoring in the vicinity of the Oleander site is unwarranted. This is based on our understanding that ozone is currently monitored at two locations in Brevard County and the fact that there is a regional relationship of the ambient ozone concentrations in the Central Florida region. Also, the maximum VOC emissions from the project is proposed as 64 tons/year which is below the

Prevention of Significant Deterioration (PSD) *de minimis* monitoring criteria of 100 tons/year for VOCs. An additional monitor in the county may provide additional data but we believe that such monitoring would not provide further insight into our understanding of the regional nature of ozone or determining compliance with the ambient air quality standard for ozone.

3. Hydrogen Chloride Emissions/ Revision

The hydrogen chloride (HCl) emissions, which were listed in the application as a regulated pollutant under municipal waste combustor gases, were developed from an emission factor based on very conservative assumptions used to overestimate expected emissions. The emission factor was based on residual oil firing at boilers and not for distillate oil used in a combustion turbine. The emission factor of 2,400 lb/10¹² Btu was obtained from an Electric Power Research Institute (EPRI) report (see *Electric Utility Trace Substances Synthesis Report*, November 1994) and is based on a chlorine content of about 44 ppm. It is expected that the chlorine content in distillate oil is about an order of magnitude lower than that for residual oil. As a result, the HCl emissions produced from firing distillate oil in a combustion turbine are expected to be low. In fact, EPA literature used to estimate pollutant emissions from stationary sources (*Compilation of Air Pollutant Emission Factors, Volume I: Stationary Point and Area Sources, AP-42*) does not provide any emission factor for HCl for distillate oil firing for boilers or combustion turbines. The GE specification of distillate oil (also ASTM D2880-94) suggests that the chlorine content in distillate oil will not exceed 4 ppm. At 1,000 hours of oil firing for each combustion turbine, the maximum HCl emissions for the project is expected to be about 1 ton per year and still remain less than the PSD significant emission rates.

Oleander appreciates this opportunity to provide the Department with this additional information. Please call or contact me via e-mail, if you have questions or would like to discuss this further.

Sincerely,

GOLDER ASSOCIATES INC.



Kennard F. Kosky, P.E.
Project Engineer

KFK/RCM/jkk

cc: R. Wolfinger, Oleander Power Project
R.A. Zwolak, GAI

\\KBN_GVILLE\VOL1\DATA\DP\PROJECTS\98\9839\9839514A\03\#03-ltr.doc

cc: M. Halpin, BAR
C. Holladay, BAR
EPA
NPS
CD

Mike Williams
Kay Whitfield
Clarence Rowe
Ken Plante
Tom Jenkins
Board of Co. Comm.
E-mail List

CERTIFICATE

STATE OF FLORIDA
COUNTY OF LEON

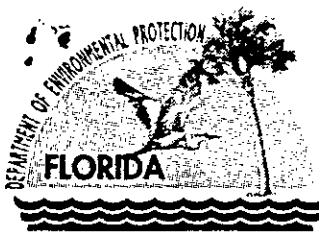
I, the undersigned authority, hereby certify that the foregoing is a true and correct copy of the instrument presented to me by Kim Tober as the original of such instrument.

WITNESS my hand and official seal, this 27th day of April A.D., 1999.



Patricia G. Adams
MY COMMISSION # CC632125 EXPIRES
June 9, 2001
BONDED THRU TROY FAIR INSURANCE, INC.

Patricia G. Adams
Notary Public
State of Florida



Jeb Bush
Governor

Department of Environmental Protection

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

David B. Struhs
Secretary

April 20, 1999

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Mr. Robert J. Knodel
824 Heron Road
Cocoa, Florida 32926

Re: Oleander Power Project

Dear Mr. Knodel:

Thank you for your input to the Oleander Project. I have been asked by Mrs. Diltz to respond to your request of March 29, to include specific language from the Clean Air Act [Sec. 165.(7)] within the context of the Oleander permitting action. You requested that "... the applicant be required to perform one year of pre-construction ambient air monitoring for the criteria pollutants in accordance with EPA/DEP approved procedures...".

The State and Federal PSD rules implement those portions of the Clean Air Act including Section 165.(7). Florida's PSD rules were developed according to the Code of Federal Regulations, 40 CFR 51.166. Section 51.166(m) includes the potential requirement for an air quality analysis and may include preconstruction monitoring. However, 40 CFR 51.166(i)(8) provides for a specific exemption. The State of Florida has adopted, and EPA has approved, this approach in Rule 62-212.400(3)(e) which is as follows:

(e) General Ambient Monitoring Exemption. A proposed facility or modification subject to the preconstruction review requirements of this rule shall be exempt from the monitoring requirements of Rule 62-212.400(5)(f) and (g), F.A.C., with respect to the specific pollutant if:

1. The emissions of the pollutant from the new facility or the net emissions increase of the pollutant from the modification would not have an impact on any area equal to or greater than that listed in Table 212.400-3, De Minimus Ambient Impacts; or
2. The ambient concentration of the pollutant in the area that the proposed facility or modification would affect is less than the appropriate de minimus concentration listed in Table 212.400-3; or
3. The pollutant is not listed in Table 212.400-3.

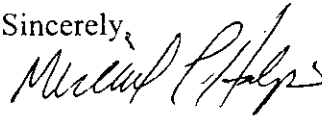
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I have included the Table, which is referred to in the rule and is identical to the EPA implementing regulations of Section 51.166(i)(8). The applicant has met the first criteria for the exemption. It is necessary that the Department implement its rules according to our EPA approved PSD program and our statutory authority. Therefore, we are unable to comply with your specific request, to reject the applicant's ambient impact analysis and require pre-construction monitoring.

I hope that this is helpful to you.

Sincerely,



Michael P. Haipin

/mph

cc: D. Diltz
A. Linero
C. Fancy

TABLE 212.400-3
DE MINIMIS AMBIENT IMPACTS

Pollutant	Concentration (Micrograms Per Cubic Meter)	Averaging Period
Nitrogen dioxide	14	Annual
Lead	0.1	Quarterly
Sulfur dioxide	13	24-hour
PM ₁₀	10	24-hour
Fluorides	0.25	24-hour
Mercury	0.25	24-hour
Carbon monoxide	575	8-hour
Hydrogen sulfide	0.2	1-hour
Ozone	No de minimis air quality level is provided for ozone. However, any net increase of 100 tons per year or more of volatile organic compounds subject to preconstruction review would be required to perform an ambient impact analysis, including the gathering of ambient air quality data.	

Specific Authority 403.061, FS.

Law Implemented 403.031, 403.061, 403.087, FS.

History -- Formerly 17-2.500; Amended 2-2-93; Formerly 17-212.400; Amended 11-23-94, 1-1-96, 3-13-96, 2-5-98.

62-212.410 Best Available Control Technology (BACT). (Repealed)

Specific Authority 403.061, FS.

Law Implemented 403.021, 403.031, 403.061, 403.087, FS.

History -- Formerly 17-2.630; Formerly 17-212.410; Amended 11-23-94, 1-1-96, Repealed 3-13-96.

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3. Article Addressed to: Robert Knodel 834 Heron Rd Cocoa, FL 32926	4a. Article Number 2 333 618 099	4b. Service Type <input type="checkbox"/> Registered <input type="checkbox"/> Express Mail <input type="checkbox"/> Return Receipt for Merchandise <input checked="" type="checkbox"/> Certified <input type="checkbox"/> Insured <input type="checkbox"/> COD
5. Received By: (Print Name)	7. Date of Delivery APR 28 1999	
6. Signature (Addressee or Agent) X <i>Robert Knodel</i>	8. Addressee's Address (Only if requested and fee is paid)	
PS Form 3811, December 1994		102595-97-B-0179 Domestic Return Receipt

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Postage	\$		
Certified Fee			
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Return Receipt Showing to Whom, Date, & Addressee's Address			
TOTAL Postage & Fees	\$		
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PS Form 3800 April 1995



Jeb Bush
Governor

Department of Environmental Protection

Twin Towers Office Building
2600 Blair Stone Road
Tallahassee, Florida 32399-2400
April 20, 1999

David B. Struhs
Secretary

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. Clarence Rowe
418 Pennsylvania Avenue
Rockledge, Florida 32955

Re: Oleander Power Project

Dear Mr. Rowe:

Thank you for your input on the Oleander project. I have been asked by Mr. Fancy to respond to your letter addressed to him concerning comments on the Notice of Intent to Issue Air Construction Permit for the Oleander Power Project in Brevard County. Your comments appear to fall within three categories and I will attempt to address them herein.

1. Your first comment deals with the point that several presenters at the March 3rd public meeting had requested pre-construction ozone monitoring to be completed before approval of the plant. The Department was asked to consider this issue in the approval process. In response to the request, the Department provided its analysis in the "Technical Evaluation and Preliminary Determination", a copy of which was previously forwarded to you. In summary, the existing rules authorize an exemption to this requirement, if the project emissions fall below "de Minimus" values, which this project does. Therefore, the Department does not have the authority to require the monitoring, but has asked the applicant to consider, as a good corporate citizen, the installation and operation of a station in the neighborhood to provide the citizens with requested information about air quality in the area.
2. Your second comment notes that regional water bodies such as the St. Johns River and the Indian River Lagoon will be affected by the pollution from the proposed project. Our authority to issue Air Construction permits is based upon the project's impact on the ambient air quality standards. This project meets those criteria for issuance of a permit.
3. Your third comment deals with the concept of environmental justice and refers to Executive Order 12898. As noted, you had raised this issue in a prior letter, to which Mr. Linero had responded. Our Office of General Counsel (OGC) is of the opinion that review of this project is limited to the applicable rules and statutes and these do not address the issue of so-called "environmental fairness". I believe that this is the extent to which I can review this issue for you. Should you need to speak with someone else, the appropriate person would be Douglas Beason in the Office of General Counsel, at 850/921-9624.

Thank you for your comments and your interest in this project.

Sincerely,

Michael P. Halpin
New Source Review Section

/mph
cc: Douglas Beason
Clair Fancy

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 Clarence Rowe
 418 Pennsylvania Ave
 Rockledge, FL
 32955

4a. Article Number
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 [Signature]

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6. Signature: (Addressee or Agent)
 X Clarence Rowe

PS Form 3811, December 1994

102595-97-8-0179

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Certified Fee	
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TOTAL Postage & Fees	\$
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PS Form 3800, April 1995

Clarence

RECEIVED

418 Pennsylvania Avenue
Rockledge, Florida 32955
12 April 1999

APR 16 1999

BUREAU OF
AIR REGULATION

C. H. Fancy, P.E. Chief
Bureau of Air Regulations
Department of Environmental Protection
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

Re: Dep File C090180-001-AC (PSD-FL-258)
Five 190-MW DUAL-FUEL "F" Class
Combustion Turbines

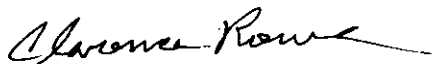
Dear Mr. Fancy:

The following comments are provided in response to your Notice of Intent to issue Air Construction Permit for the Orleander Power project proposed at 527 Townsend Road, Cocoa, Brevard County, Florida. During the public hearing at the Agricultural Center in Cocoa several presenters requested the Department conduct a survey of the specific areas to be impacted by this proposed plant to determine air quality and present pollution load. Secondly, this proposed plant, while projected to be within emission limits, adds to the already emissions load within the fallout zone.

Both the St. Johns River and the Indian River Lagoon are within the fallout zone. Both bodies of water are already experiencing high levels of pollutants. This plant will contribute to higher levels of pollution.

We believe your Department has a responsibility under Executive Order 12898, February 11, 1994, to go beyond mere technical compliance review in isolation without regard to the overall and future environmental impact. As the regulatory agency for the State, who better can discharge the responsibility for environmental justice. We previously raised this issue and again request a full investigation and hearing on the current air quality and long-term projection prior to permitting any additional polluters.

Sincerely,



Clarence Rowe

CR:r



Jeb Bush
Governor

Department of Environmental Protection

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

David B. Struhs
Secretary

March 31, 1999

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. R. Douglas Neeley, Chief
Air, Radiation Technology Branch
US EPA Region IV
61 Forsyth Street
Atlanta, GA 30303

Re: PSD Review and Custom Fuel Monitoring Schedule
Oleander Power Project, L.P.
PSD-FL-258

Dear Mr. Neeley:

Enclosed is a copy of the draft permit to construct (the Department's Intent to Issue package was already mailed to Mr. Greg Worley) the Oleander Beach Power Project in Brevard County. It will be a natural gas-fired combined cycle facility consisting of five nominal 190-megawatt (MW) simple cycle combustion turbine-electrical generators.

The project is not subject to the Florida's Power Plant Siting procedure because it will generate no electricity from steam.

Please send your written comments on or approval of the applicant's proposed custom fuel monitoring schedule. The plan is based on the letter dated January 16, 1996 from Region V to Dayton Power and Light. The Subpart GG limit on SO₂ emissions is 150 ppmvd @ 15% O₂ or a fuel sulfur limit of 0.8% sulfur. Neither of these limits could conceivably be violated by the use of pipeline quality natural gas which has a maximum SO₂ emission rate of 0.0006 lb/MMBtu (40 CFR 75 Appendix D Section 2.3.1.4). The sulfur content of pipeline quality natural gas in Florida has been estimated at a maximum of 0.003 % sulfur. Fuel oil with a 0.05% sulfur content will be used as a backup. The requirements have been incorporated into the enclosed draft permit as Specific Conditions 44 and 45 and read as follows:

44. Fuel Oil Monitoring Schedule: The following monitoring schedule for No. 2 or superior grade fuel oil shall be followed: For all bulk shipments of No. 2 or superior grade fuel oil received at the Oleander Power Plant, an analysis which reports the sulfur content and nitrogen content of the fuel shall be provided by the fuel vendor. The analysis shall also specify the methods by which the analyses were conducted and shall comply with the requirements of 40 CFR 60.335(d).

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45. Natural Gas Monitoring Schedule: The following custom monitoring schedule for natural gas is approved (pending EPA concurrence) in lieu of the daily sampling requirements of 40 CFR 60.334 (b)(2):

- The permittee shall apply for an Acid Rain permit when the deadlines specified in 40 CFR 72.30.
- The permittee shall submit a monitoring plan, certified by signature of the Designated Representative that commits to using a primary fuel of pipeline supplied natural gas (sulfur content less than 20 gr/100 scf pursuant of 40 CFR 75.11(d)(2)).
- Each unit shall be monitored for SO₂ emissions using methods consistent with the requirements of 40 CFR 75 and certified by the USAEPA.
- Oleander shall notify DEP of any change in natural gas supply for reexamination of this monitoring schedule. A substantial change in natural gas quality (i.e., sulfur content variation of greater than 1 grain per 100 cubic foot of natural gas) shall be considered as a change in the natural gas supply. Sulfur content of the natural gas will be monitored weekly by the natural gas supplier during the interim period when this monitoring schedule is being reexamined.

This custom fuel-monitoring schedule will only be valid when pipeline natural gas is used as a primary fuel. If the primary fuel for these units is changed to a higher sulfur fuel, SO₂ emissions must be accounted for as required pursuant to 40 CFR 75.11(d).

Please comment on Specific Conditions 30 and 41 which allow the use of the acid rain NO_x CEMS for demonstrating compliance as well as reporting excess emissions, as well as Specific Condition 42 which allows the use of CEMS in lieu of measuring the water to fuel ratio. Typically NO_x emissions will be less than 10 ppmvd @15% O₂ (natural gas) which is less than one-tenth of the applicable Subpart GG limit based on the efficiency of the unit. A CEMS requirement is stricter and more accurate than any Subpart GG requirement for determining excess emissions.

The Department recommends your approval of the custom fuel monitoring schedule and these NO_x monitoring provisions. We also request your comments on the Intent to Issue. If you have any questions on these matters please contact Michael P. Halpin at 850/921-9530.

Sincerely,



A. A. Linero, P.E., Administrator
New Source Review Section

AAL/mph

Enclosures

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3. Article Addressed to:
 Mr. R. Douglas Teeley, Chief
 Air Radiation Tech
 US EPA - Region 4
 161 Forsyth St.
 Atlanta, GA 30303

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 Z 333 618 092

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PS Form 3811, December 1994

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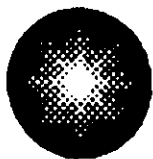
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R. Doug Teeley	
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EPA	
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Atlanta GA	
Postage	\$
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Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
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Atlanta 3-31-99	
PSD-FI-258	

PS Form 3800, April 1995

Constellation Power Development, Inc.
250 West Pratt Street
Baltimore, Maryland 21201-2423
410 783 2800



Constellation Power Development

RECEIVED

February 12, 1999

FEB 25 1999

Brevard County Board of County Commissioners
2725 Judge Fran Jamieson Way
Viera, FL 32940

BUREAU OF
AIR REGULATION

RE: Oleander Power Project Information

Dear Commissioners:

You were provided a list of questions from interested parties during or after the December 1, 1998 Commission Meeting regarding the Oleander Power Project. These questions covered various topics related to the Oleander Power Project including environmental aspects, Constellation's experience, general business questions and regulatory topics. You were also asked to address the questions.

Constellation Power Development, Inc. (Constellation) has carefully reviewed these questions. While it is not Constellation's responsibility to provide responses, Oleander Power Project did feel it was important to provide you with information that would be helpful for you to review while considering how to respond. Our project team has prepared the information presented herein in the hope that it will be of assistance to you in understanding the proposed project and its relationship with regulatory agencies and business interests.

The questions posed in the handout are reiterated verbatim in bold and italicized type. Our response immediately follows:

- 1. Does the Board understand that two of the major sources of air pollution are from automobiles and power plants? Is the Board aware that the Florida Department of Environmental Protection has been asked (Per The Orlando Sentinel dated 11/24/98) to look for implementation similar to California's program that buys old cars generally built in the 70's and 80's for \$750. -\$1,000? Brevard County, along with Orange, Osceola, Seminole, and Volusia, are on a collision course with federal air-quality rules. If the summer of 1999's air pollution is similar to the summers of 1997 and 1998, the U.S. EPA will put the area under expensive and cumbersome rules to reduce air pollution. During May of 1998, the DEP issued its first statewide air-quality advisory when ozone levels virtually soared in every county of Florida.*

The Oleander Power Project has not read the specific article referenced in the letter but make the following general comments since Constellation is familiar with the subject and California in particular. California and particularly the Los Angeles basin that is managed by the South Coast Air Quality Management District (SCAQMD) have an air quality that is classified as extreme ozone non-attainment. Mountains surround the Los Angeles basin on three sides with the Pacific Ocean on the fourth. This topography

Brevard County Board of County Commissioners

February 12, 1999

captures the emissions from automobiles, residences, commercial properties and industrial facilities. As part of a compliance program to clean the air in Los Angeles, the SCAQMD implemented many programs to reduce emitting sources. One was the buying of old cars that are heavy polluters (1958 Chevy) and scraping them. Another program was to require all power plants in the basin to continually reduce their emissions on an annual basis with no grandfathering. The primary pollution problem in most areas of the United States is mobile sources (cars and trucks). Old power plants, which were permitted prior to the Clean Air Act such as the FPL Cape Canaveral Units 1 and 2 in Port St. John, are also heavy emitters. However attempts to limit the use of cars and trucks or to greatly increase the cost of their operation (require them to run on electric or burn natural gas) are very unpopular.

Retiring old power plants and replacing the plants with modern, clean facilities will dramatically reduce air emissions and be more acceptable to the general public. The Oleander Power Project will help achieve these goals by eventually displacing older, less efficient peaking units that have higher emission rates. The Oleander Power Project's air emissions and air quality impacts fully complies with air emission and ambient air quality standards. In time, plants like Oleander will provide a healthier environment and allow some breathing room for the inevitable increase in the number of mobile sources. The fact that Oleander will only employ 12 people should be seen as a benefit because it will have less impact on air quality than a \$200 million business development of offices and distribution centers. The increased mobile source pollution and ancillary facility emissions (new buildings and houses associated with offices and shopping malls) is greater than the proposed project.

The Oleander Power Project is a peaking power project that will run a limited amount of hours. Therefore, Oleander Power Project will not be using the air increment during the entire year like other types of facilities. In 1995 and 1996, the 6000 MW of peaking plants in Florida ran an average of about 3% of the year. Because Oleander Power Project will be more efficient than older peaking units and because there is a shortage of electricity in Florida, the hours of operation for Oleander is expected to approach 5% to 10%. The project is expected to have no emissions 90% to 95% of the year.

Although certain air pollutants (ozone) recorded higher levels in 1998 than in previous years, this phenomenon was due to state-wide effects, such as weather patterns which produced poor air quality dispersion, that are not very common. This time may have coincided with the required fines. Based on air quality measurements in this area recorded over the last several years, maximum concentrations have fluctuated with no identifiable trend, upward or downward, either on a short-term or annual basis.

- 2. What are the emission characteristics of number 2 distillate oil (both of high and low sulfur, - please include, but do not limit to, the levels of nitrogen oxide, sulfur dioxide, carbon monoxide, and particulates)? The so called clean natural gas leaves up to 9.0 PPM NO_x (nitrogen oxide 58-65 lbs/hour), 16 PPM CO (carbon monoxide 63-70 lbs/hour), and 9.0 lbs/hour of particulates - a total emission of up to 144lbs/hour per turbine times 5 turbines equaling a total of 720 lbs/hour times 24 hours/day and so on. This is using the figures from Mr. Dan King of the Oleander Power Project and being accepted as true. If this is clean burning, imagine how bad the oil emissions are!*

Brevard County Board of County Commissioners

February 12, 1999

The Oleander Power Project has determined that Best Available Control Technology (BACT) when burning oil is light low sulfur oil containing 0.05% sulfur by weight. This costly fuel is the lowest sulfur content fuel oil readily available to the project. The Florida Department of Environment Protection (FDEP) has agreed with this analysis and any permit issued by the FDEP will limit Oleander to this type of light low sulfur oil. This is clean, light, low sulfur content fuel oil. By contrast, the FPL Cape Canaveral Plant is allowed to burn heavy residual oil which can contain up to 5000% more sulfur in the fuel. The air pollutant emissions of the Oleander Power Project burning light, low sulfur content fuel oil are presented in the projects' air permit application and are very small in comparison to heavy residual oil.

From an environmental perspective, the air emissions of the Oleander Power Project will be clean burning as compared to the air emissions of existing peaking power plants. The statement of clean burning is similar to saying a 1999 automobile is clean compared to a 1950's automobile. Modern state of the art power plants have emissions but at significantly lower levels while using less fuel than the existing power plants.

3. *Does the Board consider this type of emission to be a positive contribution, an attempt to enhance the quality of life for the residents of Brevard County, while promoting a positive environment, maintaining the ecological balance, and benefiting the county's residents and visitors as in the Boards' charge per Sec. 102-183 intent and declaration, sections a, c, & d of the Brevard County Code?*

While not answering for the Board, the Oleander Power Project believes this facility does make a positive contribution to the quality of life for Brevard County while maintaining an ecological balance. The type of facility and the type of power plant that is being proposed by Duke Energy in New Smyrna, will eventually shutdown or force the clean up of the old, heavy emitting inefficient fossil fueled power plants in Florida. Through deregulation of the electric utility industry, market forces will dictate that the old less efficient power plants be retired. This will greatly reduce emissions from power plants while conserving gas and oil due to the higher efficiency of the new plants.

In addition significant taxes will be paid by the Oleander Power Project which will be used to support the public good in the county. The plant uses few county services, pays for its reuse water and sewer use, and has little impact on roads or schools. Even with a tax abatement, over \$1.8 million per year in taxes will go toward improving the quality of life, acquiring critical habitat and coastal resources, and other county programs funded by ad valorem revenue. This meets the definition of positive contribution. The county should consider comparing an equivalent impact of \$200 million of alternative development and its effects to provide a measurement criteria of this project's impact and benefits.

The public demands that electricity be provided. The lack of electricity during severe cold spells can create a serious threat to life and during hot spells can cause significant discomfort and possible death. Additional power production facilities are needed in Florida. FPL is adding over 2000 MW at the Fort Myers and Sanford plants up to three years ahead of schedule because of the impending shortage (see www.fpl.com). Once new clean plants are built, the old unimproved power plants will shutdown. The Oleander Power Project will provide needed peaking power in central Florida at considerable lower emissions per unit of production than the present power plants, thereby insuring adequate

Brevard County Board of County Commissioners

February 12, 1999

electricity during peak usage times and during emergencies. The parochial attitude of not in my back yard (NIMBY) is inappropriate when every resident is the beneficiary of products and services provided from outside of the county including cars and pharmaceuticals while the county benefits from the employment and tax base of Brevard manufacturers who ship their products outside of the County. With project implementation, every resident of Brevard County will benefit from a more reliable electricity supply, the increase in community facilities and services from increased tax revenues, and the indirect economic benefits from construction and operation payrolls.

4. *Per the Brevard County Code Sec. 102-186, (5) b - what are the expected number of employees who will reside in the county? Per 102-186, (5) c - What percentage of the employees will have resided in the county for a period of more than 2 years? Per 102-186, (5) f - What is the environmental impact of the business (emission characteristics including but not limited to: lbs/year of NO_x, lbs/year CO, sulfur dioxide, and particulate release per year of the proposed Plant running on an average at 75% of its maximum potential output)? Running at 50% of its maximum potential output? With gas and with number 2 oil distillate? Per 102-186, (5) g - What is the anticipated volume of business or production? Does Brevard County have any contractual agreement on the said production amount?*

The Oleander Power Project expects to employ 12 full time employees and buy many services from Brevard businesses such as carpentry, welding, heavy cranes, millwrights, electricians, plumbers, painting, and other service related business. It would be expected that all of the employees would reside in the county.

The plant emission characteristics have been documented in the air permit application submitted to the FDEP and a copy has been provided to the County. This application includes part load information, which varies little from full load except the emissions are proportionately less by the amount of part load operation. The plant consists of five gas turbines rated 170 MW each for an output of 850 MW. Gas turbine output is greater in cold weather than hot weather. Florida needs more electric manufacturing capacity in winter than during the summer and gas turbines are an ideal technology for this application. Thermal steam plants do not change output greatly with temperature. If 40% to 80% of the Oleander plant output was required to meet load only two, three or four of the turbines would be started and run to supply that load. The gas turbines take 24 minutes to reach full load from a cold start. Thermal steam plants such as the FPL 400 MW Cape Canaveral 1 and 2 units take 4 to 8 hours to reach full load. Large thermal steam plants operate for significant periods at part load because of the time and cost of starting the units. Gas turbine peaking plants do not have this characteristic.

Based on the demand for electricity in peninsular Florida and other factors, , Oleander expects to operate less than 10% of a year and may operate only 200 to 300 hours. The maximum hours of total operation and the number of hours operated on light, low sulfur oil will be limited by the air permit issued by the FDEP. Oleander will use gas as much as possible because the facility is being designed to run on natural gas as its primary fuel and it is a more economical fuel.

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5. *Does the Board know that the Orlando Utilities Plant is up for sale, meaning Brevard County already has one extra power plant? (It is certain that there is no lack of generation in this part of the state and that we do not experience "brown-outs").*

The fact that the Orlando Utilities Commission Indian River plant has received numerous offers to purchase the existing facilities at very high prices demonstrates the demand for electrical power. OUC is one of the few utilities in the state that has excess power production because it recently built 1600 MW of generating capacity north of the Bee Line. The Indian River plant would have been retired but for the strong demand for power. The four gas turbines at the site used for peaking were not sold. No utility or independent power producer would spend millions of dollars if it did not intend to use the facility's assets.

Through the existing electrical transmission grid, power generated throughout various areas of the state is transmitted to the state's load centers and, eventually, each and every customer. Electricity generation, transmission and use is not encumbered by county lines unless a utility, municipal, or cooperative service area boundary coincides with a county boundary.

Due to the time needed to engineer, permit, procure equipment and construct a power generation facility, project development activities similar to those being undertaken by Constellation are necessary years prior to any forecasted brown-out periods. The State of Florida issued energy advisories multiple times during 1998 because the demand for electrical power was nearing the available supply. Thousands of interruptible customers throughout the state lost power during these periods of peak demands. As a result of these recent conditions, virtually every utility in the state is preparing to construct new generation facilities.

6. *The proposed power plant has an interruptible gas contract. What are the stipulations with such a contract? It is apparent that this plant will burn number 2 distillate oil whenever the natural gas is interrupted. How often will it be interrupted, in other words, how often will it be dependent upon number 2 distillate oil? Since peaks or customers cannot be predicted, I believe oil will be used between 20 and 50% of the time. Is this range accurate according to the commissioner's research?*

Constellation has no gas supply or transportation contracts. The statement is incorrect. Constellation is seeking both firm commitments and interruptible gas supply contracts (see attached letters) because Constellation wants to maximize its use of this clean and economically attractive fuel. The Oleander Power Project will have significant financial incentives to burn natural gas whenever possible.

Light, low sulfur oil will be burned when natural gas is unavailable and a forecast of how often light low sulfur oil will need to be burned cannot be made with certainty due to the variables that comprise fuel availability.

In order to evaluate local historic occurrences, operations of Orlando Utility Commission's (OUC) peaking units was reviewed for 1995 and 1996. In 1995, the OUC peaking units operated 307 hours on gas and 1 hour on oil. The units were not operated in 1996. Statewide, utilization of peaking plants during the referenced years was approximately 3 percent.

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7. *Is a simple turbine less efficient than a combined cycle turbine? If it is, why is the Oleander Plant considered a "1999 Chevy as opposed to a 1958 Chevy?" (Quote from Mr. Rick Wolfinger, vice president of Constellation the parent company, Florida Today newspaper article).*

Care should be exercised when evaluating simple cycle and combined cycle power plants. They each have a distinct purpose in meeting electrical energy needs and their efficiencies are not comparable. Simple cycle gas turbines and peaking turbines are the same.

The peaking units proposed by Constellation are more efficient design in comparison to other simple cycle units in the State and emissions on a per megawatt basis will be lower than other comparably sized simple cycle units. Startup and shutdown characteristics of simple cycle plants are much more efficient than combined cycle operation.

The quote by Mr. Wolfinger referred to emission characteristics, rather than efficiency, but it applies to both. A 1999 Chevy is more efficient than a 1958 Chevy. Cars and trucks are both forms of transportation but have a different application. Simple cycle power plants and combined cycle power plants both produce power but a simple cycle plant is lower first cost and only runs 10% of the year. A combined cycle plant is 50% more costly and runs 40%-70% of a year. They have a different application. The question confuses cars for trucks.

8. *Are the Commissioners aware that The Orlando Sentinel supports light rail to reduce the pollution from cars in Florida (11/28/98 "our views"). It goes on to state "If the region doesn't make a serious effort to improve the air quality, it will face severe federal restrictions that could strangle Central Florida's economic-development efforts."*

Federal and state air quality regulations are more stringent in areas where ambient air quality is below federal and state ambient air quality standards. Several of these areas include Los Angeles, Denver and Atlanta, and are examples of areas in which ambient air quality standards are not being met. Although restrictions are more comprehensive and rigorous, the growth and development of the three areas cited are not restricted by these additional restrictions.

Air quality will be improved over time as new electric power generation facilities are developed and displace the older less efficient power plants. The Oleander Power Project will not significantly affect air quality in central Florida to the extent that the proposed facility will eventually displace the use of older less efficient power plants, thereby reducing overall emissions and improving overall air quality in central Florida.

9. *Are the Commissioners willing to give tax relief to an industry that adds approximately 20% of the existing pollutants allowing them to increase their ratio of pollution for a plant not needed to serve Brevard and Florida?*

Air quality will also be improved by substituting conventional gasoline with electric cars and mass transportation. Making and bettering air quality is the responsibility of all segments of emission generating sources.

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The manufacturing industries in Brevard County are collectively the third largest employer in the County and most of these businesses generate pollutants that are regulated by federal and state environmental regulations. Most of the products that these businesses generate, are distributed throughout the region, state and nation and their market is not restricted to Brevard County.

Constellation has entered the Florida electricity generation market to serve Florida customers. Whether electricity generated by the Oleander project is used in Brevard County can only be determined by the contracts that Constellation enters into and the regional supply-demand situation for electrical power at any given time.

The question does not explain how the project adds 20% to the existing pollutants. The question assumes 20% is a fact. Is it? What is the background data used to make this statement. Please provide the calculation. A comparison of Oleander's proposed emissions to OUC and FPL's plants potential emissions (and none of the other stationary or mobile sources in Brevard County) shows a contribution of less than 2%. If all emitting sources were included, the percent would be less.

10. *Does a 60-foot smokestack allow as much dispersion of the pollutant as a 300 - 500 foot smokestack? Does a 60-foot smokestack allow the pollutants to drop to the ground in a closer proximity to the plant than the 300 - 500 foot stack?*

The design of the Oleander Power Project includes relatively low pollutant fuels with stringent emission limits. The proposed 60 foot stacks are able to disperse project emissions in a manner that produce ground-level concentrations that are much lower than the Environmental Protection Agency's Prevention of Significant Deterioration Significance levels (typically one to ten percent when firing natural gas and up to 30 percent when firing oil) and far below Federal and State Ambient Air Quality Standards (less than one percent firing natural gas or light low sulfur oil). The methods and assumptions used to predict these project impacts are very stringent and include the maximum emissions for every hour of operation, five years analysis of local representative meteorological data, and the potential effects of building downwash on the dispersion of emissions. The proposed project's impacts compares favorably and fully complies with all applicable federal and state air quality standards.

Well accepted modeling protocols were used to model the dispersion of the Oleander Plant. The modeling protocols are established by US EPA and adopted by State regulatory agencies and environmental firms. They are well accepted as correct by the environmental community. The dispersion model predicts impact to 15 kilometers (9-10 miles).

11. *Is the smokestack 60 feet in height because of the zoning of the area? Is the maximum height in this zoned area 60 feet?*

The stack height for simple cycle power plants is designed using various factors including site and area physiographic characteristics (such as terrain), the size of the units, and building downwash effects. In order to avoid high concentrations due to stacks that are considered short relative to nearby buildings, a stack is designed according to Good Engineering Practice (GEP). A GEP stack height is, in general, 2.5 times the height of the power generating facility or other buildings in the immediate vicinity of the stack. Because the combustion turbine, auxiliary equipment and generator are approximately 25 feet in height, GEP stack height for the CTs for this project is

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approximately 60 feet. As a result, potentially high concentrations due to building downwash effects will be avoided.

The maximum height in the IU zoning district is 60 feet. Atmospheric dispersion modeling of the proposed project with 60 foot stacks demonstrated full compliance with Federal and State air quality standards. Other peaking units located in Florida have similar stack heights as those proposed for this project.

12. *When the produced electricity is sold into the market place by the proposed plant, what percentage of this generation will be for Brevard County use? How much of this generation will the State of Florida use? How much of this generation will go outside the State of Florida?*

Constellation has entered the Florida electricity generation market to serve Florida customers. Whether electricity generated by the Oleander project is used in Brevard County can only be determined on the contracts that Constellation enters into and the regional supply-demand situation for power on any given operational event. Local use could be significant under certain situations (i.e., problems with the transmission grid or unplanned outages at generation facilities).

Due to Constellation's intent to contract with Florida's municipal electrical companies, electric cooperatives, utilities, and power market brokers, it is estimated that 97 percent of the electricity generated by the Oleander project will be consumed in Florida. The remaining three percent will not be sold to consumers outside Florida directly, but brokers may have the ability to sell the electricity on the secondary market to customers outside Florida.

13. *Per the Oleander Power Plant Supplemental Application, most of 10 million dollars per year will be spent on fuel. How much money is budgeted for number 2 distillate oil and how much for natural gas? How many gallons of number 2 distillate oil is budgeted to be purchased in the first year of operation?*

The \$10,000,000 of supplies to be purchased in Brevard County includes an \$8,000,000 budget for light low sulfur oil. Natural gas would need to be purchased outside of Brevard County, and is budgeted at \$ 18,000,000 (note: natural gas typically is much less expensive than light low sulfur oil). Based on a bulk sale price of \$0.50 per gallon, the first year fuel oil budget represents approximately 16,000,000 gallons, or less than 13 days of operation under oil.

14. *How much electricity has to be produced per year to use 40 million gallons of reclaimed water? If the amount of reclaimed water to be used by the proposed plant can be stated, why can't the amount of power to be generated be stated?*

The amount of power can be estimated. Very little water is consumed when the plant operates on natural gas. However, during operations on light low sulfur oil, the plant uses reclaimed water at a rate of 1,756 gallons per minute under the maximum consumption scenario. This use rate is equivalent to 105,360 gallons per hour. To consume 40,000,000 gallons of reclaimed water when operating with fuel oil, the operation would need to continue for 380 hours. At 850 megawatts capacity, the plant would generate 323,000 megawatt hours of electricity. Please note that the electricity generated by 40,000,000 gallons of reclaimed water would be greater than presented

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above because the plant would primarily generate electricity by firing natural gas as well as light low sulfur oil when natural gas was not available. For this reason, the 380 hours does not correspond to the 13 days of budgeted light low sulfur oil use as presented in response to Question 13.

15. *Can the Board stipulate a maximum amount of number 2 distillate oil usage per year and fine the company a substantial amount per each gallon in excess? Can the Board stipulate that this proposed plant be gas operated only?*

The Board does not need to regulate light low sulfur oil use because the Florida Department of Environmental Protection (DEP) will regulate the quality (sulfur content) and quantity of light low sulfur oil used per year. Substantial penalties (up to \$25,000 per day) can be imposed on the owner/operator for violations of the air permit.

The Oleander Power Project will have a significant economic incentive to use natural gas since it costs less than light low sulfur oil.

16. *What enforcement does Brevard County have to stop this plant from running 24 hours per day, 7 days per week, and using number 2 distillate oil despite their claims of only running during high usage and emergency situations and using mostly gas?*

The DEP has the statutory power to limit the operation of the proposed plant and the maximum use of light low sulfur fuel oil. These limitations have already been incorporated into the facility's permit application. The Oleander Power Plant's conceptual plans and design will render it economically unattractive for use as a 24 hour per day, 7 day per week base load plant.

17. *What is the largest plant that C.O.S.I. has built or managed before (this will be 850 - 900 mega watt plant)?*

Constellation and its affiliates including Baltimore Gas & Electric operates 44 facilities located in 11 states and two foreign countries. The two largest plants are operated at 1,291 MW and 1,015 MW.

18. *What type of business would build next to a power plant (other clean businesses will be lost, ex: hotels)?*

The type of development that has occurred in proximity to (adjacent or within 1/4 mile) of such facilities in central and south Florida were identified at the Public Information Workshop include public uses (hospital, cultural center, and high school expansions) as well as commercial uses. Other development occurring in Florida during the past few years at other power plant sites include marina, office park, and church uses.

19. *When did Brevard County or its representatives (administrators, board members, economic development committees, etc.) learn of the interest by Constellation/C.O.S.I. in building the proposed power plant in Brevard County (the newspaper article stated that they had been active in Florida for over 3 years and is now moving forward with it first merchant peaking plant, Oleander, in Cocoa)? Why did it take until mid November 1998 to announce the proposed plant to Brevard County by way of the Florida Today newspaper?*

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Initial discussions were held locally in 1996. The development proposal was not announced until November, 1998 because site selection was not finalized until 1997 and prefeasibility and feasibility studies were undertaken in order to develop a project that would meet commercial objectives and comply with environmental and land use regulations. The development of any power generation facility is a complex undertaking that requires many years of planning, engineering, and permitting. The project made its announcement to the entire Brevard general public. The project felt that all aspects of the public deserved to know about the project and to play favorites was a bad policy. We have since held a public information meeting. In addition we have offered to meet with home owner associations but have been rejected due to lack of interest of the membership or an unwillingness to hear from the project.

20. *Why is the permitting and other aspects of the construction of the proposed Oleander Plant happening so quickly after its announcement, not allowing Brevard citizens to discuss or to learn about the ramifications of an additional power plant in their county and be able to express their educated opinions?*

The permitting aspects of the project are occurring at a normal time and place in the project development cycle. Constellation has brought attention to the project through a Public Announcement as well as a Public Information Meeting. Additional meetings are planned for March and April, 1999. All of these events, as well as planned presentations to community associations, environmental groups, and other interests are in addition to the minimum requirements mandated by federal, state, and local regulations.

21. *Does the Board understand that Brevard County will have a large amount of pollutants released into its environment for only 12 jobs? Are some of these jobs skilled positions that will be transferred from C.O.S.I. or Constellation from other areas to Brevard County Florida?*

For the amount of electricity generated, the volume of pollutants emitted from the proposed project is small due to the stringent limits placed on new facilities by federal and state environmental laws. The project's emission rates are lower than any existing peaking plant in Florida.

Any \$200 million economic development project will have impacts. If the only criteria for economic development benefit was job creation, then there may be point. In fact, Brevard County like most of the United States is near record levels of employment and large job creation in Brevard will be filled by employees relocating from outside the County. There are not enough qualified unemployed residents in the County to fill a major new industry.

The relocation of employees into the county creates significant increases of traffic, with resultant increases in air emissions from automobiles and new gas stations and schools and school-related traffic. Because power plants are relatively self sufficient and do not require substantial community facilities and services, they generate little tax burden. At the same time, because they are capital intensive, they generate substantial ad valorem revenue. The return to Brevard County is significantly greater than other types of land development that use significant county resources and return less revenue.

It is anticipated that no more than two jobs will be filled by present Constellation employees if and when operation commences.

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22. *Does the Board know that the Florida Reliability Coordinating Council (FRCC) shows the existing electric utilities have adequate capacity to meet the peak energy needs of Florida customers, therefore this proposed plant is not needed?*

The 1998 Regional Load & Resource Plan prepared by the Florida Reliability Coordination Council identifies historical and future energy use in Florida, existing generating facilities and future generating capability, and fuel and transmission aspects of electrical power generation in Florida. The 1998 report forecasts summer peak reserve margins (total available capacity compared to total peak demand) for the next ten years will remain constant only if installed capacity is increased by approximately 7,600 megawatts. Winter peak reserve margins are forecasted to dwindle from 7 percent to 4 percent despite a projected installed capacity increase of approximately 8,000 megawatts. Clearly existing electric utilities do not have adequate capacity to meet future peak energy needs. The Oleander Power Project development concept has been assembled to respond to the future needs of the State.

The writer of this question has misrepresented the conclusion of the FRCC. Only with significant new power plants will the state have adequate capacity. Oleander wants to compete for this new capacity which is absolutely needed in the state.

23. *What are the reasons for the proposed Oleander Power plant to be unregulated? Does the type of turbine used affect this status? Does calling the plant a "merchant peaking" power plant affect this status? Has this plant simply slipped through a "loop hole" of regulation with the previous mentioned methods?*

The rhetoric regarding the proposed project to be "unregulated" is incorrect. The proposed facility will be regulated by the Federal Energy Regulatory Commission as an Electric Wholesale Generator (EWG). The proposed facility will be required to comply with every applicable federal, state and local environmental and land use standard relevant to the technology proposed.

The writer of the question is confusing regulation with permitting. Florida has a Power Plant Siting Act that requires any new or existing plant that adds a steam turbine generator rated 75 MW or greater to be permitted under the act. The Siting Act requires utilities to put out for bid any new generation plants as part of the process. The Oleander Power Project has no steam turbines, only gas turbines. FPL is adding 1060 MW to the Ft. Myers plant and 1060 MW to the Sanford plant by adding six gas turbines to each site. This will convert the plants from thermal steam plants to combined cycle plants rated about 1500 MW each (see www.fpl.com). FPL is reusing the existing less efficient steam turbines (not adding) at the plants as part of the expansion and is therefore not subject to the Power Plant Siting Act. Therefore, FPL did not have to put out for competitive bids 3000 MW of combined cycle power plants.

A simple cycle peaking plant never has a steam turbine. A combined cycle plant (gas turbine and steam turbine) always has a steam turbine. The "loop hole" of regulation is FPL's, not Oleander Power.

As discussed above, the project will not be licensed through the Florida Electrical Power Plant Siting Act. However, the proposed project is still required to comply with the environmental and land use standards, regardless of the applicability of the Siting Act.

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The type of turbine or characterization of the project as a "merchant plant" does not result in any "unregulated" aspect.

Numerous power plants throughout Florida have historically, and are presently being developed both within and outside of the procedures identified in the Siting Act (by both independent power producers and the state's electric utilities).

24. *If the turbine is a certain percent less efficient, does that in turn mean it also generally pollutes about that same percent more for the production of the same amount of power as a more efficient combined cycle turbine?*

There are many factors which determine how much air emissions result from the production of a megawatt of electrical power. The primary factors include the heat rate of the turbine, the type and quality of fuels, the emission characteristics of the turbine, and the emission limits imposed on the proposed project by the air permit.

The turbines proposed for the Oleander Power project are the most efficient peaking units manufactured. Emission limits proposed by Constellation are the lowest for nitrogen oxide than any facility presently permitted in Florida. The proposed peaking project is less efficient than a combined cycle project which is typically developed for intermediate or baseload electric power generation. The proposed project will, however, be one of the most efficient peaking units in Florida. The combined cycle plant will have considerably more annual emissions since it will run many more hours. The impact therefore of a combined cycle plant will be greater, however, the permit emission rates will be less.

25. *Are the scrubbers and or the pollution control equipment for the proposed power plant related for natural gas or the grade of number 2 distillate oil that the plant will be allowed to burn?*

Pollution control proposed for the Oleander Power Project is related to the type of fuel to be used, either natural gas or light low sulfur fuel oil, and the design of the units. Different operational controls (such as water injection during light low sulfur oil firing) will be utilized depending on the fuel being used at any given time. Scrubbers are applied to thermal plant burning high sulfur fuel such as coal or heavy oil.

26. *What legal contractual agreements has the Board proposed that would ensure that the Oleander Plant only would produce electricity during periods of high usage and emergency periods (as stated in the Oleander's project supplemental application number 5)?*

The project's entire design concept is based on providing peaking power. As a result, the Site Plan Approval that would need to be issued by Brevard County would govern the type and location of power plant and ancillary equipment. The FDEP air permit would prohibit any operation over 3390 hours per year (including 1500 hours on light low sulfur oil), thereby restricting it's use to a peaking plant and prohibiting operation as a base load or intermediate power plant.

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27. *Is there a proposed ordinance to be drafted and approved by Brevard County voters or contractual agreement between the Board and C.O.S.I. defining at what time constitutes high usage and emergency periods as described in the supplemental application number 5 [a power (electric) company can sell power (electricity) outside the county or state and usually sell all it can produce while leaving the pollution in Brevard County with no significant benefit to the said County]?*

The contracts between Oleander Power Project and it's customers will dictate when generation and sales will occur, based on the capability of the region's and state's entire electrical power generation and transmission system and the need of the region's and state's electricity consumers.

28. *What contractual agreement has been reached between the Board and C.O.S.I. to enforce the use of gas in their production and only number 2 distillate oil as a back up (5.6 million gallons of oil on site in 2-2.8 million gallon oil tanks that would only maintain the power plant for 72 hours of operation)?*

The regulatory mechanism to enforce the use of gas and only light low sulfur oil is the FDEP air permit, which will limit the type of fuel, the quality of fuel, and the maximum time the proposed facility is allowed to run on the fuels. The FDEP's regulatory program includes both monitoring requirements and mechanisms for enforcement and penalties if a violation to the conditions of the permit or regulatory standards occurs.

29. *Do tourists come to Brevard to enjoy the beautiful ecosystem? Can the ecosystem be degraded by this additional power plant?*

The area's ecosystems will not be degraded because:

- The emission standards that control the amount of pollution that can be emitted into the air is lower than Federal and State standards that have been set, in part, to protect ecosystems;
- The use of reclaimed water and stormwater to serve as the primary water sources when available, thereby reducing the amount of groundwater needed by the City of Cocoa to serve the project;
- Stormwater runoff will be treated on site prior to discharge to the area's stormwater conveyance system;
- The City's advanced wastewater treatment plant will treat wastewater prior to reuse or disposal;
- The project is designed to construct, maintain and monitor containment structures that are designed to contain fuel oil from entering the ground or surface and groundwater;

Because the Oleander Power Project plans to use reclaimed water that may otherwise, on occasion, be discharged to the Indian River Lagoon, their should be a net positive impact to the water quality of this important ecological resource.

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30. The St. Johns River is now under Federal Designation. Will any pollutants from this plant enter the ecosystem of the St. Johns River?

From a practical perspective, pollutants will not enter the ecosystem of the St. Johns River due to the fact that any regulated pollutant that has the potential to enter the St. John's River ecosystem will do so at such a minute concentration, that there will be no measurable acute or chronic effects to either flora, fauna, or water quality.

31. What type of number 2 distillate oil is this plant permitted to use as their so called "back up" (high or low sulfur)?

Only light low sulfur (0.05 percent sulfur by weight) oil will be used as the backup fuel. The sulfur content will be regulated by a specific condition in the Oleander Power Project's air permit as well as the number of hours the facility can operate on light low sulfur oil. As such, the use of higher sulfur oil or extensive use of the light low sulfur oil will be prohibited by federal and state law. There is significant economic incentive to use natural gas in lieu of light low sulfur oil and the project site was determined in large part on the basis of its proximity to the primary fuel source, natural gas.

32. Have the Board members read the article in Time Magazine they were presented on "Corporate Welfare" and that it costs the average working American 2 weeks pay every year to support initiatives that do not work? What is the Board's opinion on this matter?

The author has not read the article.

33. What County services would be required by the proposed Plant?

The proposed facility would provide it's own security system and fire system, but may require County police and fire services. Collection and disposal of minimal quantities of solid waste (mainly office waste) would be required and paid for through user fees. The City of Cocoa will provide water and wastewater services.

If any new employees relocate to Brevard County (up to two employees are contemplated), there would be a very small use of services such as schools, parks, libraries, water and wastewater services needed by the two families which may relocate. User fees (for water and wastewater) and the millions of dollars of ad valorem revenue and sales taxes generated would significantly offset the use of these services by the proposed project. An economic impact assessment is presently being prepared and will be presented to the Board for review and consideration when completed.

34. Does the Board feel this proposed project would be economically justified only operating to provide supplemental power to meet peak energy demands?

Almost all US electric utilities and independent power producers develop and operate peaking plants. In Florida, there are 164 peaking units. Their presence and successful operation are testament to their justifiability. Peaking power is about 15% of the installed power in the state and it operates about 3% of the year.

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35. Does Constellation/C.O.S.I. know who their electrical customers are? How much power will their customers need? What plant operation time will it take to produce it, or is this just posturing for entering the Florida market and deregulation?

The Oleander Power Project's customers will primarily be Florida municipal electric service providers, electric power cooperatives, and power brokers. The state's electric utilities may also be customers.

The need for power will vary widely, based on the customer's ability to generate it's own electrical power and whether their need can be met internally when their units are not operational and/or weather extremes require the supply of additional power for heating, cooling, or other purposes. Constellation has decided to become an electricity wholesale provider in Florida (joining other independents such as US Generation and GPU International) as the industry is currently regulated, as well as what may transpire in future years.

Plant operational time will vary widely, corresponding to the need of Oleander's customers. The maximum operational time as regulated by the facility's air permit will be 3,390 hours. These hours are equivalent to:

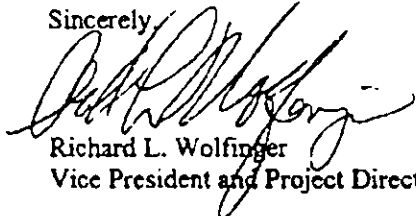
- 39 percent of the total hours in one year,
- 199 17 hour days, or
- 3.8 days per week at 17 hours per day.

The Florida market is deregulated now for wholesale generation. There is an active wholesale market with most of the selling controlled by the three major investor owned utilities, FPL, FPC and TECO. Oleander wants to provide competition in the wholesale market. The Florida region has the highest manufactured cost of electricity of any region in the United States. Competition will help to reduce this high cost and lower everyone's electric rates. These lower rates will help Florida be more attractive for economic development.

Conclusion

I trust this information will be of assistance to you in understanding the proposed project and determining for yourselves the affects the project will have on the natural environment, nearby residents and businesses, and the overall Brevard County economy. I thank you for your time and consideration.

Sincerely,



Richard L. Wolfinger
Vice President and Project Director

cc: Mel Scott
Leonard Spielvogel
Richard Zwolak

983-9514 08000211991t

LANDERS & PARSONS, P.A.

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SENIOR CONSULTANT
(NOT A MEMBER OF THE FLORIDA BAR)

RECEIVED

FEB 25 1999

BUREAU OF
AIR REGULATION

February 25, 1999

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Re: Oleander Power Project in Brevard County

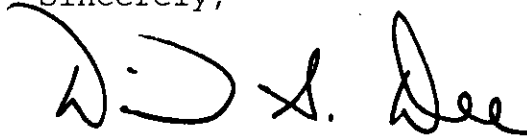
Dear Al:

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Al Linero
Page Two
February 25, 1999

If you have any technical questions about these issues, please feel free to call Constellation's environmental consultants, Ken Kosky [(352) 336-5600] and Richard Zwolak [(813) 287-1717]. Of course, you may call me [(850) 681-0311] if you have any questions regarding legal issues or other aspects of the project.

Sincerely,

A handwritten signature in dark ink, appearing to read "D. S. Dee". The signature is fluid and cursive, with the first name "D." and last name "Dee" clearly distinguishable.

David S. Dee

cc: Cleve Holladay (w/attachment) (Hand Delivery)
Mike Halprin (w/attachment) (Hand Delivery)
Vivien Garfein (w/attachment) (Federal Express)
Leonard Kozlov (w/attachment) (Federal Express)
Rick Wolfinger (w/o attachment)
Richard Zwolak (w/o attachment)
Ken Kosky (w/o attachment)

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TELECOPY (850) 224-5595
www.landersonparsons.com

February 25, 1999

HAND DELIVER

RECEIVED

FEB 25 1999

BUREAU OF
AIR REGULATION

Al Linero
Department of Environmental
Protection
Bureau of Air Regulation
Magnolia Courtyard
Tallahassee, Florida 32399

Re: Oleander Power Project in Brevard County

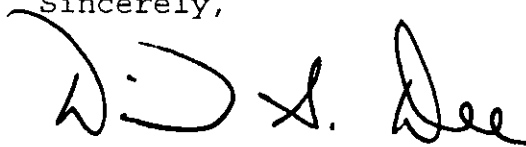
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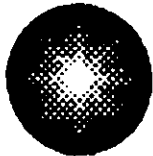
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Richard Zwolak (w/o attachment)
Ken Kosky (w/o attachment)

Constellation Power Development, Inc.
250 West Pratt Street
Baltimore, Maryland 21201-2423
410 783 2800



Constellation Power Development

February 12, 1999

Brevard County Board of County Commissioners
2725 Judge Fran Jamieson Way
Viera, FL 32940

RE: Oleander Power Project Information

Dear Commissioners:

You were provided a list of questions from interested parties during or after the December 1, 1998 Commission Meeting regarding the Oleander Power Project. These questions covered various topics related to the Oleander Power Project including environmental aspects, Constellation's experience, general business questions and regulatory topics. You were also asked to address the questions.

Constellation Power Development, Inc. (Constellation) has carefully reviewed these questions. While it is not Constellation's responsibility to provide responses, Oleander Power Project did feel it was important to provide you with information that would be helpful for you to review while considering how to respond. Our project team has prepared the information presented herein in the hope that it will be of assistance to you in understanding the proposed project and its relationship with regulatory agencies and business interests.

The questions posed in the handout are reiterated verbatim in bold and italicized type. Our response immediately follows:

- 1. Does the Board understand that two of the major sources of air pollution are from automobiles and power plants? Is the Board aware that the Florida Department of Environmental Protection has been asked (Per The Orlando Sentinel dated 11/24/98) to look for implementation similar to California's program that buys old cars generally built in the 70's and 80's for \$750. -\$1,000? Brevard County, along with Orange, Osceola, Seminole, and Volusia, are on a collision course with federal air-quality rules. If the summer of 1999's air pollution is similar to the summers of 1997 and 1998, the U.S. EPA will put the area under expensive and cumbersome rules to reduce air pollution. During May of 1998, the DEP issued its first statewide air-quality advisory when ozone levels virtually soared in every county of Florida.*

The Oleander Power Project has not read the specific article referenced in the letter but make the following general comments since Constellation is familiar with the subject and California in particular. California and particularly the Los Angeles basin that is managed by the South Coast Air Quality Management District (SCAQMD) have an air quality that is classified as extreme ozone non-attainment. Mountains surround the Los Angeles basin on three sides with the Pacific Ocean on the fourth. This topography

Brevard County Board of County Commissioners

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captures the emissions from automobiles, residences, commercial properties and industrial facilities. As part of a compliance program to clean the air in Los Angeles, the SCAQMD implemented many programs to reduce emitting sources. One was the buying of old cars that are heavy polluters (1958 Chevy) and scraping them. Another program was to require all power plants in the basin to continually reduce their emissions on an annual basis with no grandfathering. The primary pollution problem in most areas of the United States is mobile sources (cars and trucks). Old power plants, which were permitted prior to the Clean Air Act such as the FPL Cape Canaveral Units 1 and 2 in Port St. John, are also heavy emitters. However attempts to limit the use of cars and trucks or to greatly increase the cost of their operation (require them to run on electric or burn natural gas) are very unpopular.

Retiring old power plants and replacing the plants with modern, clean facilities will dramatically reduce air emissions and be more acceptable to the general public. The Oleander Power Project will help achieve these goals by eventually displacing older, less efficient peaking units that have higher emission rates. The Oleander Power Project's air emissions and air quality impacts fully complies with air emission and ambient air quality standards. In time, plants like Oleander will provide a healthier environment and allow some breathing room for the inevitable increase in the number of mobile sources. The fact that Oleander will only employ 12 people should be seen as a benefit because it will have less impact on air quality than a \$200 million business development of offices and distribution centers. The increased mobile source pollution and ancillary facility emissions (new buildings and houses associated with offices and shopping malls) is greater than the proposed project.

The Oleander Power Project is a peaking power project that will run a limited amount of hours. Therefore, Oleander Power Project will not be using the air increment during the entire year like other types of facilities. In 1995 and 1996, the 6000 MW of peaking plants in Florida ran an average of about 3% of the year. Because Oleander Power Project will be more efficient than older peaking units and because there is a shortage of electricity in Florida, the hours of operation for Oleander is expected to approach 5% to 10%. The project is expected to have no emissions 90% to 95% of the year.

Although certain air pollutants (ozone) recorded higher levels in 1998 than in previous years, this phenomenon was due to state-wide effects, such as weather patterns which produced poor air quality dispersion, that are not very common. This time may have coincided with the required fines. Based on air quality measurements in this area recorded over the last several years, maximum concentrations have fluctuated with no identifiable trend, upward or downward, either on a short-term or annual basis.

- 2. What are the emission characteristics of number 2 distillate oil (both of high and low sulfur, - please include, but do not limit to, the levels of nitrogen oxide, sulfur dioxide, carbon monoxide, and particulates)? The so called clean natural gas leaves up to 9.0 PPM NO_x (nitrogen oxide 58-65 lbs/hour), 16 PPM CO (carbon monoxide 63-70 lbs/hour), and 9.0 lbs/hour of particulates - a total emission of up to 144lbs/hour per turbine times 5 turbines equaling a total of 720 lbs/hour times 24 hours/day and so on. This is using the figures from Mr. Dan King of the Oleander Power Project and being accepted as true. If this is clean burning, imagine how bad the oil emissions are!*

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The Oleander Power Project has determined that Best Available Control Technology (BACT) when burning oil is light low sulfur oil containing 0.05% sulfur by weight. This costly fuel is the lowest sulfur content fuel oil readily available to the project. The Florida Department of Environment Protection (FDEP) has agreed with this analysis and any permit issued by the FDEP will limit Oleander to this type of light low sulfur oil. This is clean, light, low sulfur content fuel oil. By contrast, the FPL Cape Canaveral Plant is allowed to burn heavy residual oil which can contain up to 5000% more sulfur in the fuel. The air pollutant emissions of the Oleander Power Project burning light, low sulfur content fuel oil are presented in the projects' air permit application and are very small in comparison to heavy residual oil.

From an environmental perspective, the air emissions of the Oleander Power Project will be clean burning as compared to the air emissions of existing peaking power plants. The statement of clean burning is similar to saying a 1999 automobile is clean compared to a 1950's automobile. Modern state of the art power plants have emissions but at significantly lower levels while using less fuel than the existing power plants.

3. *Does the Board consider this type of emission to be a positive contribution, an attempt to enhance the quality of life for the residents of Brevard County, while promoting a positive environment, maintaining the ecological balance, and benefiting the county's residents and visitors as in the Boards' charge per Sec. 102-183 intent and declaration, sections a, c, & d of the Brevard County Code?*

While not answering for the Board, the Oleander Power Project believes this facility does make a positive contribution to the quality of life for Brevard County while maintaining an ecological balance. The type of facility and the type of power plant that is being proposed by Duke Energy in New Smyrna, will eventually shutdown or force the clean up of the old, heavy emitting inefficient fossil fueled power plants in Florida. Through deregulation of the electric utility industry, market forces will dictate that the old less efficient power plants be retired. This will greatly reduce emissions from power plants while conserving gas and oil due to the higher efficiency of the new plants.

In addition significant taxes will be paid by the Oleander Power Project which will be used to support the public good in the county. The plant uses few county services, pays for its reuse water and sewer use, and has little impact on roads or schools. Even with a tax abatement, over \$1.8 million per year in taxes will go toward improving the quality of life, acquiring critical habitat and coastal resources, and other county programs funded by ad valorem revenue. This meets the definition of positive contribution. The county should consider comparing an equivalent impact of \$200 million of alternative development and its effects to provide a measurement criteria of this project's impact and benefits.

The public demands that electricity be provided. The lack of electricity during severe cold spells can create a serious threat to life and during hot spells can cause significant discomfort and possible death. Additional power production facilities are needed in Florida. FPL is adding over 2000 MW at the Fort Myers and Sanford plants up to three years ahead of schedule because of the impending shortage (see www.fpl.com). Once new clean plants are built, the old unimproved power plants will shutdown. The Oleander Power Project will provide needed peaking power in central Florida at considerable lower emissions per unit of production than the present power plants, thereby insuring adequate

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electricity during peak usage times and during emergencies. The parochial attitude of not in my back yard (NIMBY) is inappropriate when every resident is the beneficiary of products and services provided from outside of the county including cars and pharmaceuticals while the county benefits from the employment and tax base of Brevard manufacturers who ship their products outside of the County. With project implementation, every resident of Brevard County will benefit from a more reliable electricity supply, the increase in community facilities and services from increased tax revenues, and the indirect economic benefits from construction and operation payrolls.

4. *Per the Brevard County Code Sec. 102-186, (5) b - what are the expected number of employees who will reside in the county? Per 102-186, (5) c - What percentage of the employees will have resided in the county for a period of more than 2 years? Per 102-186, (5) f - What is the environmental impact of the business (emission characteristics including but not limited to: lbs/year of NO_x, lbs/year CO, sulfur dioxide, and particulate release per year of the proposed Plant running on an average at 75% of its maximum potential output)? Running at 50% of its maximum potential output? With gas and with number 2 oil distillate? Per 102-186, (5) g - What is the anticipated volume of business or production? Does Brevard County have any contractual agreement on the said production amount?*

The Oleander Power Project expects to employ 12 full time employees and buy many services from Brevard businesses such as carpentry, welding, heavy cranes, millwrights, electricians, plumbers, painting, and other service related business. It would be expected that all of the employees would reside in the county.

The plant emission characteristics have been documented in the air permit application submitted to the FDEP and a copy has been provided to the County. This application includes part load information, which varies little from full load except the emissions are proportionately less by the amount of part load operation. The plant consists of five gas turbines rated 170 MW each for an output of 850 MW. Gas turbine output is greater in cold weather than hot weather. Florida needs more electric manufacturing capacity in winter than during the summer and gas turbines are an ideal technology for this application. Thermal steam plants do not change output greatly with temperature. If 40% to 80% of the Oleander plant output was required to meet load only two, three or four of the turbines would be started and run to supply that load. The gas turbines take 24 minutes to reach full load from a cold start. Thermal steam plants such as the FPL 400 MW Cape Canaveral 1 and 2 units take 4 to 8 hours to reach full load. Large thermal steam plants operate for significant periods at part load because of the time and cost of starting the units. Gas turbine peaking plants do not have this characteristic.

Based on the demand for electricity in peninsular Florida and other factors, , Oleander expects to operate less than 10% of a year and may operate only 200 to 300 hours. The maximum hours of total operation and the number of hours operated on light, low sulfur oil will be limited by the air permit issued by the FDEP. Oleander will use gas as much as possible because the facility is being designed to run on natural gas as its primary fuel and it is a more economical fuel.

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5. *Does the Board know that the Orlando Utilities Plant is up for sale, meaning Brevard County already has one extra power plant? (It is certain that there is no lack of generation in this part of the state and that we do not experience "brown-outs").*

The fact that the Orlando Utilities Commission Indian River plant has received numerous offers to purchase the existing facilities at very high prices demonstrates the demand for electrical power. OUC is one of the few utilities in the state that has excess power production because it recently built 1600 MW of generating capacity north of the Bee Line. The Indian River plant would have been retired but for the strong demand for power. The four gas turbines at the site used for peaking were not sold. No utility or independent power producer would spend millions of dollars if it did not intend to use the facility's assets.

Through the existing electrical transmission grid, power generated throughout various areas of the state is transmitted to the state's load centers and, eventually, each and every customer. Electricity generation, transmission and use is not encumbered by county lines unless a utility, municipal, or cooperative service area boundary coincides with a county boundary.

Due to the time needed to engineer, permit, procure equipment and construct a power generation facility, project development activities similar to those being undertaken by Constellation are necessary years prior to any forecasted brown-out periods. The State of Florida issued energy advisories multiple times during 1998 because the demand for electrical power was nearing the available supply. Thousands of interruptible customers throughout the state lost power during these periods of peak demands. As a result of these recent conditions, virtually every utility in the state is preparing to construct new generation facilities.

6. *The proposed power plant has an interruptible gas contract. What are the stipulations with such a contract? It is apparent that this plant will burn number 2 distillate oil whenever the natural gas is interrupted. How often will it be interrupted, in other words, how often will it be dependent upon number 2 distillate oil? Since peaks or customers cannot be predicted, I believe oil will be used between 20 and 50% of the time. Is this range accurate according to the commissioner's research?*

Constellation has no gas supply or transportation contracts. The statement is incorrect. Constellation is seeking both firm commitments and interruptible gas supply contracts (see attached letters) because Constellation wants to maximize its use of this clean and economically attractive fuel. The Oleander Power Project will have significant financial incentives to burn natural gas whenever possible.

Light, low sulfur oil will be burned when natural gas is unavailable and a forecast of how often light low sulfur oil will need to be burned cannot be made with certainty due to the variables that comprise fuel availability.

In order to evaluate local historic occurrences, operations of Orlando Utility Commission's (OUC) peaking units was reviewed for 1995 and 1996. In 1995, the OUC peaking units operated 307 hours on gas and 1 hour on oil. The units were not operated in 1996. Statewide, utilization of peaking plants during the referenced years was approximately 3 percent.

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7. ***Is a simple turbine less efficient than a combined cycle turbine? If it is, why is the Oleander Plant considered a "1999 Chevy as opposed to a 1958 Chevy?" (Quote from Mr. Rick Wolfinger, vice president of Constellation the parent company, Florida Today newspaper article).***

Care should be exercised when evaluating simple cycle and combined cycle power plants. They each have a distinct purpose in meeting electrical energy needs and their efficiencies are not comparable. Simple cycle gas turbines and peaking turbines are the same.

The peaking units proposed by Constellation are more efficient design in comparison to other simple cycle units in the State and emissions on a per megawatt basis will be lower than other comparably sized simple cycle units. Startup and shutdown characteristics of simple cycle plants are much more efficient than combined cycle operation.

The quote by Mr. Wolfinger referred to emission characteristics, rather than efficiency, but it applies to both. A 1999 Chevy is more efficient than a 1958 Chevy. Cars and trucks are both forms of transportation but have a different application. Simple cycle power plants and combined cycle power plants both produce power but a simple cycle plant is lower first cost and only runs 10% of the year. A combined cycle plant is 50% more costly and runs 40%-70% of a year. They have a different application. The question confuses cars for trucks.

8. ***Are the Commissioners aware that The Orlando Sentinel supports light rail to reduce the pollution from cars in Florida (11/28/98 "our views"). It goes on to state "If the region doesn't make a serious effort to improve the air quality, it will face severe federal restrictions that could strangle Central Florida's economic-development efforts."***

Federal and state air quality regulations are more stringent in areas where ambient air quality is below federal and state ambient air quality standards. Several of these areas include Los Angeles, Denver and Atlanta, and are examples of areas in which ambient air quality standards are not being met. Although restrictions are more comprehensive and rigorous, the growth and development of the three areas cited are not restricted by these additional restrictions.

Air quality will be improved over time as new electric power generation facilities are developed and displace the older less efficient power plants. The Oleander Power Project will not significantly affect air quality in central Florida to the extent that the proposed facility will eventually displace the use of older less efficient power plants, thereby reducing overall emissions and improving overall air quality in central Florida.

9. ***Are the Commissioners willing to give tax relief to an industry that adds approximately 20% of the existing pollutants allowing them to increase their ratio of pollution for a plant not needed to serve Brevard and Florida?***

Air quality will also be improved by substituting conventional gasoline with electric cars and mass transportation. Making and bettering air quality is the responsibility of all segments of emission generating sources.

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The manufacturing industries in Brevard County are collectively the third largest employer in the County and most of these businesses generate pollutants that are regulated by federal and state environmental regulations. Most of the products that these businesses generate, are distributed throughout the region, state and nation and their market is not restricted to Brevard County.

Constellation has entered the Florida electricity generation market to serve Florida customers. Whether electricity generated by the Oleander project is used in Brevard County can only be determined by the contracts that Constellation enters into and the regional supply-demand situation for electrical power at any given time.

The question does not explain how the project adds 20% to the existing pollutants. The question assumes 20% is a fact. Is it? What is the background data used to make this statement. Please provide the calculation. A comparison of Oleander's proposed emissions to OUC and FPL's plants potential emissions (and none of the other stationary or mobile sources in Brevard County) shows a contribution of less than 2%. If all emitting sources were included, the percent would be less.

10. *Does a 60-foot smokestack allow as much dispersion of the pollutant as a 300 - 500 foot smokestack? Does a 60-foot smokestack allow the pollutants to drop to the ground in a closer proximity to the plant than the 300 - 500 foot stack?*

The design of the Oleander Power Project includes relatively low pollutant fuels with stringent emission limits. The proposed 60 foot stacks are able to disperse project emissions in a manner that produce ground-level concentrations that are much lower than the Environmental Protection Agency's Prevention of Significant Deterioration Significance levels (typically one to ten percent when firing natural gas and up to 30 percent when firing oil) and far below Federal and State Ambient Air Quality Standards (less than one percent firing natural gas or light low sulfur oil). The methods and assumptions used to predict these project impacts are very stringent and include the maximum emissions for every hour of operation, five years analysis of local representative meteorological data, and the potential effects of building downwash on the dispersion of emissions. The proposed project's impacts compares favorably and fully complies with all applicable federal and state air quality standards.

Well accepted modeling protocols were used to model the dispersion of the Oleander Plant. The modeling protocols are established by US EPA and adopted by State regulatory agencies and environmental firms. They are well accepted as correct by the environmental community. The dispersion model predicts impact to 15 kilometers (9-10 miles).

11. *Is the smokestack 60 feet in height because of the zoning of the area? Is the maximum height in this zoned area 60 feet?*

The stack height for simple cycle power plants is designed using various factors including site and area physiographic characteristics (such as terrain), the size of the units, and building downwash effects. In order to avoid high concentrations due to stacks that are considered short relative to nearby buildings, a stack is designed according to Good Engineering Practice (GEP). A GEP stack height is, in general, 2.5 times the height of the power generating facility or other buildings in the immediate vicinity of the stack. Because the combustion turbine, auxiliary equipment and generator are approximately 25 feet in height, GEP stack height for the CTs for this project is

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approximately 60 feet. As a result, potentially high concentrations due to building downdraft effects will be avoided.

The maximum height in the IU zoning district is 60 feet. Atmospheric dispersion modeling of the proposed project with 60 foot stacks demonstrated full compliance with Federal and State air quality standards. Other peaking units located in Florida have similar stack heights as those proposed for this project.

12. *When the produced electricity is sold into the market place by the proposed plant, what percentage of this generation will be for Brevard County use? How much of this generation will the State of Florida use? How much of this generation will go outside the State of Florida?*

Constellation has entered the Florida electricity generation market to serve Florida customers. Whether electricity generated by the Oleander project is used in Brevard County can only be determined on the contracts that Constellation enters into and the regional supply-demand situation for power on any given operational event. Local use could be significant under certain situations (i.e., problems with the transmission grid or unplanned outages at generation facilities).

Due to Constellation's intent to contract with Florida's municipal electrical companies, electric cooperatives, utilities, and power market brokers, it is estimated that 97 percent of the electricity generated by the Oleander project will be consumed in Florida. The remaining three percent will not be sold to consumers outside Florida directly, but brokers may have the ability to sell the electricity on the secondary market to customers outside Florida.

13. *Per the Oleander Power Plant Supplemental Application, most of 10 million dollars per year will be spent on fuel. How much money is budgeted for number 2 distillate oil and how much for natural gas? How many gallons of number 2 distillate oil is budgeted to be purchased in the first year of operation?*

The \$10,000,000 of supplies to be purchased in Brevard County includes an \$8,000,000 budget for light low sulfur oil. Natural gas would need to be purchased outside of Brevard County, and is budgeted at \$ 18,000,000 (note: natural gas typically is much less expensive than light low sulfur oil). Based on a bulk sale price of \$0.50 per gallon, the first year fuel oil budget represents approximately 16,000,000 gallons, or less than 13 days of operation under oil.

14. *How much electricity has to be produced per year to use 40 million gallons of reclaimed water? If the amount of reclaimed water to be used by the proposed plant can be stated, why can't the amount of power to be generated be stated?*

The amount of power can be estimated. Very little water is consumed when the plant operates on natural gas. However, during operations on light low sulfur oil, the plant uses reclaimed water at a rate of 1,756 gallons per minute under the maximum consumption scenario. This use rate is equivalent to 105,360 gallons per hour. To consume 40,000,000 gallons of reclaimed water when operating with fuel oil, the operation would need to continue for 380 hours. At 850 megawatts capacity, the plant would generate 323,000 megawatt hours of electricity. Please note that the electricity generated by 40,000,000 gallons of reclaimed water would be greater than presented

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above because the plant would primarily generate electricity by firing natural gas as well as light low sulfur oil when natural gas was not available. For this reason, the 380 hours does not correspond to the 13 days of budgeted light low sulfur oil use as presented in response to Question 13.

15. *Can the Board stipulate a maximum amount of number 2 distillate oil usage per year and fine the company a substantial amount per each gallon in excess? Can the Board stipulate that this proposed plant be gas operated only?*

The Board does not need to regulate light low sulfur oil use because the Florida Department of Environmental Protection (DEP) will regulate the quality (sulfur content) and quantity of light low sulfur oil used per year. Substantial penalties (up to \$25,000 per day) can be imposed on the owner/operator for violations of the air permit.

The Oleander Power Project will have a significant economic incentive to use natural gas since it costs less than light low sulfur oil.

16. *What enforcement does Brevard County have to stop this plant from running 24 hours per day, 7 days per week, and using number 2 distillate oil despite their claims of only running during high usage and emergency situations and using mostly gas?*

The DEP has the statutory power to limit the operation of the proposed plant and the maximum use of light low sulfur fuel oil. These limitations have already been incorporated into the facility's permit application. The Oleander Power Plant's conceptual plans and design will render it economically unattractive for use as a 24 hour per day, 7 day per week base load plant.

17. *What is the largest plant that C.O.S.I. has built or managed before (this will be 850 - 900 mega watt plant)?*

Constellation and its affiliates including Baltimore Gas & Electric operates 44 facilities located in 11 states and two foreign countries. The two largest plants are operated at 1,291 MW and 1,015 MW.

18. *What type of business would build next to a power plant (other clean businesses will be lost, ex: hotels)?*

The type of development that has occurred in proximity to (adjacent or within 1/4 mile) of such facilities in central and south Florida were identified at the Public Information Workshop include public uses (hospital, cultural center, and high school expansions) as well as commercial uses. Other development occurring in Florida during the past few years at other power plant sites include marina, office park, and church uses.

19. *When did Brevard County or its representatives (administrators, board members, economic development committees, etc.) learn of the interest by Constellation/C.O.S.I. in building the proposed power plant in Brevard County (the newspaper article stated that they had been active in Florida for over 3 years and is now moving forward with it first merchant peaking plant, Oleander, in Cocoa)? Why did it take until mid November 1998 to announce the proposed plant to Brevard County by way of the Florida Today newspaper?*

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Initial discussions were held locally in 1996. The development proposal was not announced until November, 1998 because site selection was not finalized until 1997 and prefeasibility and feasibility studies were undertaken in order to develop a project that would meet commercial objectives and comply with environmental and land use regulations. The development of any power generation facility is a complex undertaking that requires many years of planning, engineering, and permitting. The project made its announcement to the entire Brevard general public. The project felt that all aspects of the public deserved to know about the project and to play favorites was a bad policy. We have since held a public information meeting. In addition we have offered to meet with home owner associations but have been rejected due to lack of interest of the membership or an unwillingness to hear from the project.

20. *Why is the permitting and other aspects of the construction of the proposed Oleander Plant happening so quickly after its announcement, not allowing Brevard citizens to discuss or to learn about the ramifications of an additional power plant in their county and be able to express their educated opinions?*

The permitting aspects of the project are occurring at a normal time and place in the project development cycle. Constellation has brought attention to the project through a Public Announcement as well as a Public Information Meeting. Additional meetings are planned for March and April, 1999. All of these events, as well as planned presentations to community associations, environmental groups, and other interests are in addition to the minimum requirements mandated by federal, state, and local regulations.

21. *Does the Board understand that Brevard County will have a large amount of pollutants released into its environment for only 12 jobs? Are some of these jobs skilled positions that will be transferred from C.O.S.I. or Constellation from other areas to Brevard County Florida?*

For the amount of electricity generated, the volume of pollutants emitted from the proposed project is small due to the stringent limits placed on new facilities by federal and state environmental laws. The project's emission rates are lower than any existing peaking plant in Florida.

Any \$200 million economic development project will have impacts. If the only criteria for economic development benefit was job creation, then there may be point. In fact, Brevard County like most of the United States is near record levels of employment and large job creation in Brevard will be filled by employees relocating from outside the County. There are not enough qualified unemployed residents in the County to fill a major new industry.

The relocation of employees into the county creates significant increases of traffic, with resultant increases in air emissions from automobiles and new gas stations and schools and school-related traffic. Because power plants are relatively self sufficient and do not require substantial community facilities and services, they generate little tax burden. At the same time, because they are capital intensive, they generate substantial ad valorem revenue. The return to Brevard County is significantly greater than other types of land development that use significant county resources and return less revenue.

It is anticipated that no more than two jobs will be filled by present Constellation employees if and when operation commences.

Brevard County Board of County Commissioners

February 12, 1999

22. ***Does the Board know that the Florida Reliability Coordinating Council (FRCC) shows the existing electric utilities have adequate capacity to meet the peak energy needs of Florida customers, therefore this proposed plant is not needed?***

The 1998 Regional Load & Resource Plan prepared by the Florida Reliability Coordination Council identifies historical and future energy use in Florida, existing generating facilities and future generating capability, and fuel and transmission aspects of electrical power generation in Florida. The 1998 report forecasts summer peak reserve margins (total available capacity compared to total peak demand) for the next ten years will remain constant only if installed capacity is increased by approximately 7,600 megawatts. Winter peak reserve margins are forecasted to dwindle from 7 percent to 4 percent despite a projected installed capacity increase of approximately 8,000 megawatts. Clearly existing electric utilities do not have adequate capacity to meet future peak energy needs. The Oleander Power Project development concept has been assembled to respond to the future needs of the State.

The writer of this question has misrepresented the conclusion of the FRCC. Only with significant new power plants will the state have adequate capacity. Oleander wants to compete for this new capacity which is absolutely needed in the state.

23. ***What are the reasons for the proposed Oleander Power plant to be unregulated? Does the type of turbine used affect this status? Does calling the plant a "merchant peaking" power plant affect this status? Has this plant simply slipped through a "loop hole" of regulation with the previous mentioned methods?***

The rhetoric regarding the proposed project to be "unregulated" is incorrect. The proposed facility will be regulated by the Federal Energy Regulatory Commission as an Electric Wholesale Generator (EWG). The proposed facility will be required to comply with every applicable federal, state and local environmental and land use standard relevant to the technology proposed.

The writer of the question is confusing regulation with permitting. Florida has a Power Plant Siting Act that requires any new or existing plant that adds a steam turbine generator rated 75 MW or greater to be permitted under the act. The Siting Act requires utilities to put out for bid any new generation plants as part of the process. The Oleander Power Project has no steam turbines, only gas turbines. FPL is adding 1060 MW to the Ft. Myers plant and 1060 MW to the Sanford plant by adding six gas turbines to each site. This will convert the plants from thermal steam plants to combined cycle plants rated about 1500 MW each (see www.fpl.com). FPL is reusing the existing less efficient steam turbines (not adding) at the plants as part of the expansion and is therefore not subject to the Power Plant Siting Act. Therefore, FPL did not have to put out for competitive bids 3000 MW of combined cycle power plants.

A simple cycle peaking plant never has a steam turbine. A combined cycle plant (gas turbine and steam turbine) always has a steam turbine. The "loop hole" of regulation is FPL's, not Oleander Power.

As discussed above, the project will not be licensed through the Florida Electrical Power Plant Siting Act. However, the proposed project is still required to comply with the environmental and land use standards, regardless of the applicability of the Siting Act.

Brevard County Board of County Commissioners

February 12, 1999

The type of turbine or characterization of the project as a "merchant plant" does not result in any "unregulated" aspect.

Numerous power plants throughout Florida have historically, and are presently being developed both within and outside of the procedures identified in the Siting Act (by both independent power producers and the state's electric utilities).

24. *If the turbine is a certain percent less efficient, does that in turn mean it also generally pollutes about that same percent more for the production of the same amount of power as a more efficient combined cycle turbine?*

There are many factors which determine how much air emissions result from the production of a megawatt of electrical power. The primary factors include the heat rate of the turbine, the type and quality of fuels, the emission characteristics of the turbine, and the emission limits imposed on the proposed project by the air permit.

The turbines proposed for the Oleander Power project are the most efficient peaking units manufactured. Emission limits proposed by Constellation are the lowest for nitrogen oxide than any facility presently permitted in Florida. The proposed peaking project is less efficient than a combined cycle project which is typically developed for intermediate or baseload electric power generation. The proposed project will, however, be one of the most efficient peaking units in Florida. The combined cycle plant will have considerably more annual emissions since it will run many more hours. The impact therefore of a combined cycle plant will be greater, however, the permit emission rates will be less.

25. *Are the scrubbers and or the pollution control equipment for the proposed power plant related for natural gas or the grade of number 2 distillate oil that the plant will be allowed to burn?*

Pollution control proposed for the Oleander Power Project is related to the type of fuel to be used, either natural gas or light low sulfur fuel oil, and the design of the units. Different operational controls (such as water injection during light low sulfur oil firing) will be utilized depending on the fuel being used at any given time. Scrubbers are applied to thermal plant burning high sulfur fuel such as coal or heavy oil.

26. *What legal contractual agreements has the Board proposed that would ensure that the Oleander Plant only would produce electricity during periods of high usage and emergency periods (as stated in the Oleander's project supplemental application number 5)?*

The project's entire design concept is based on providing peaking power. As a result, the Site Plan Approval that would need to be issued by Brevard County would govern the type and location of power plant and ancillary equipment. The FDEP air permit would prohibit any operation over 3390 hours per year (including 1500 hours on light low sulfur oil), thereby restricting it's use to a peaking plant and prohibiting operation as a base load or intermediate power plant.

Brevard County Board of County Commissioners

February 12, 1999

27. *Is there a proposed ordinance to be drafted and approved by Brevard County voters or contractual agreement between the Board and C.O.S.I. defining at what time constitutes high usage and emergency periods as described in the supplemental application number 5 [a power (electric) company can sell power (electricity) outside the county or state and usually sell all it can produce while leaving the pollution in Brevard County with no significant benefit to the said County]?*

The contracts between Oleander Power Project and its customers will dictate when generation and sales will occur, based on the capability of the region's and state's entire electrical power generation and transmission system and the need of the region's and state's electricity consumers.

28. *What contractual agreement has been reached between the Board and C.O.S.I. to enforce the use of gas in their production and only number 2 distillate oil as a back up (5.6 million gallons of oil on site in 2-2.8 million gallon oil tanks that would only maintain the power plant for 72 hours of operation)?*

The regulatory mechanism to enforce the use of gas and only light low sulfur oil is the FDEP air permit, which will limit the type of fuel, the quality of fuel, and the maximum time the proposed facility is allowed to run on the fuels. The FDEP's regulatory program includes both monitoring requirements and mechanisms for enforcement and penalties if a violation to the conditions of the permit or regulatory standards occurs.

29. *Do tourists come to Brevard to enjoy the beautiful ecosystem? Can the ecosystem be degraded by this additional power plant?*

The area's ecosystems will not be degraded because:

- The emission standards that control the amount of pollution that can be emitted into the air is lower than Federal and State standards that have been set, in part, to protect ecosystems;
- The use of reclaimed water and stormwater to serve as the primary water sources when available, thereby reducing the amount of groundwater needed by the City of Cocoa to serve the project;
- Stormwater runoff will be treated on site prior to discharge to the area's stormwater conveyance system;
- The City's advanced wastewater treatment plant will treat wastewater prior to reuse or disposal;
- The project is designed to construct, maintain and monitor containment structures that are designed to contain fuel oil from entering the ground or surface and groundwater;

Because the Oleander Power Project plans to use reclaimed water that may otherwise, on occasion, be discharged to the Indian River Lagoon, their should be a net positive impact to the water quality of this important ecological resource.

Brevard County Board of County Commissioners

February 12, 1999

30. The St. Johns River is now under Federal Designation. Will any pollutants from this plant enter the ecosystem of the St. Johns River?

From a practical perspective, pollutants will not enter the ecosystem of the St. Johns River due to the fact that any regulated pollutant that has the potential to enter the St. John's River ecosystem will do so at such a minute concentration, that there will be no measurable acute or chronic effects to either flora, fauna, or water quality.

31. What type of number 2 distillate oil is this plant permitted to use as their so called "back up" (high or low sulfur)?

Only light low sulfur (0.05 percent sulfur by weight) oil will be used as the backup fuel. The sulfur content will be regulated by a specific condition in the Oleander Power Project's air permit as well as the number of hours the facility can operate on light low sulfur oil. As such, the use of higher sulfur oil or extensive use of the light low sulfur oil will be prohibited by federal and state law. There is significant economic incentive to use natural gas in lieu of light low sulfur oil and the project site was determined in large part on the basis of its proximity to the primary fuel source, natural gas.

32. Have the Board members read the article in Time Magazine they were presented on "Corporate Welfare" and that it costs the average working American 2 weeks pay every year to support initiatives that do not work? What is the Board's opinion on this matter?

The author has not read the article.

33. What County services would be required by the proposed Plant?

The proposed facility would provide it's own security system and fire system, but may require County police and fire services. Collection and disposal of minimal quantities of solid waste (mainly office waste) would be required and paid for through user fees. The City of Cocoa will provide water and wastewater services.

If any new employees relocate to Brevard County (up to two employees are contemplated), there would be a very small use of services such as schools, parks, libraries, water and wastewater services needed by the two families which may relocate. User fees (for water and wastewater) and the millions of dollars of ad valorem revenue and sales taxes generated would significantly offset the use of these services by the proposed project. An economic impact assessment is presently being prepared and will be presented to the Board for review and consideration when completed.

34. Does the Board feel this proposed project would be economically justified only operating to provide supplemental power to meet peak energy demands?

Almost all US electric utilities and independent power producers develop and operate peaking plants. In Florida, there are 164 peaking units. Their presence and successful operation are testament to their justifiability. Peaking power is about 15% of the installed power in the state and it operates about 3% of the year.

Brevard County Board of County Commissioners

February 12, 1999

35. Does Constellation/C.O.S.I. know who their electrical customers are? How much power will their customers need? What plant operation time will it take to produce it, or is this just posturing for entering the Florida market and deregulation?

The Oleander Power Project's customers will primarily be Florida municipal electric service providers, electric power cooperatives, and power brokers. The state's electric utilities may also be customers.

The need for power will vary widely, based on the customer's ability to generate it's own electrical power and whether their need can be met internally when their units are not operational and/or weather extremes require the supply of additional power for heating, cooling, or other purposes. Constellation has decided to become an electricity wholesale provider in Florida (joining other independents such as US Generation and GPU International) as the industry is currently regulated, as well as what may transpire in future years.

Plant operational time will vary widely, corresponding to the need of Oleander's customers. The maximum operational time as regulated by the facility's air permit will be 3,390 hours. These hours are equivalent to:

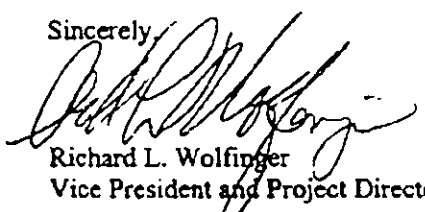
- 39 percent of the total hours in one year,
- 199 17 hour days, or
- 3.8 days per week at 17 hours per day.

The Florida market is deregulated now for wholesale generation. There is an active wholesale market with most of the selling controlled by the three major investor owned utilities, FPL, FPC and TECO. Oleander wants to provide competition in the wholesale market. The Florida region has the highest manufactured cost of electricity of any region in the United States. Competition will help to reduce this high cost and lower everyone's electric rates. These lower rates will help Florida be more attractive for economic development.

Conclusion

I trust this information will be of assistance to you in understanding the proposed project and determining for yourselves the affects the project will have on the natural environment, nearby residents and businesses, and the overall Brevard County economy. I thank you for your time and consideration.

Sincerely,



Richard L. Wolfinger
Vice President and Project Director

cc: Mel Scott
Leonard Spielvogel
Richard Zwolak

983-9514 08000211991z

Golder Associates Inc.

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



February 25, 1999

983-9514-0300
RECEIVED

MAR 08 1999

BUREAU OF
AIR REGULATION

New Source Review Section
Bureau of Air Regulation
Florida Department of Environmental Protection
111 S. Magnolia Drive, Suite 4
Tallahassee, Florida 32301

Attention: Mr. A. A. Linero, P.E., Administrator

RE: Oleander Power Project
PSD-FL-258

Dear Al:

As a follow-up to my letter sent to you on February 1, 1999 and to keep the Department informed of changes to the project, Oleander Power Project has decided to further limit the maximum amount of distillate fuel oil that would be allowed for this project. This decision is based on Oleander's latest review of natural gas that would be available to the project.

It is proposed that fuel oil be limited to an effective 1,000 hours per year per combustion turbine operating at maximum load. On behalf of Oleander, we are requesting that the maximum fuel usage be limited on a project basis, which would be equal to the amount of fuel oil that each combustion turbine would use at maximum load for 1,000 hours.

Oleander appreciates this opportunity to provide the Department with this additional information. Please call or contact me via e-mail if you have questions or would like to discuss this further.

Sincerely,

GOLDER ASSOCIATES INC.

A handwritten signature in black ink, appearing to read 'Ken Kosky'.

Kennard F. Kosky, P.E.
Project Engineer

cc: M. Halpin, BAR
C. Holladay, BAR

KFK/tla

cc: R. Wolfinger, Oleander Power Project
R.A. Zwolak, GAI

JADP\PROJECTS\98\9839\9839514\01.doc



Department of Environmental Protection

Jeb Bush
Governor

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

David B. Struhs
Secretary

February 27, 1999

Mr. Clarence Rowe
418 Pennsylvania Avenue
Rockledge, Florida 32955

Dear Mr. Rowe:

Thank you for your letter dated February 1 regarding the Oleander Power permit application and your calls following it up. Your letter asked that we consider your concerns and deny the permit. We are still considering the application and comments received to-date. We will determine shortly whether we intend to issue the permit and will publicly notice that decision. Thereafter, we will consider additional comments in making a final decision on the matter in several months.

We will provide the Public with our most up-to-date information at the meeting scheduled on March 3. Attached is the agenda. The meeting was noticed in the Orlando Sentinel (Brevard Edition) and the Florida Administrative Weekly. We also informed those individuals and County officials who asked to be advised of developments regarding the application.

Attached is the information you requested regarding emissions from existing and planned power plants in Brevard County. Interestingly, the proposed plant has about the same capacity as each of the existing plants. However the maximum annual emissions possible from the proposed Oleander facility are much lower than the actual emissions from the existing three plants. We expect the actual emissions from the Oleander Plant (if permitted) to be substantially less than the maximum values given for that proposed plant just as the existing plants actually emit much less total pollution than allowed.

As we discussed, this project will not undergo a "Need Determination" by the Public Service Commission or "Site Certification" by the Governor and Cabinet in accordance with Sections 403.501-518 of the Florida Statutes. These are required for projects that produce electrical energy from steam. The power generated from the Oleander Project derives from direct conversion of mechanical energy from the gas turbines to electrical power without undergoing a steam cycle.

Our review will be largely based on the ambient air quality effects of the project and our rule requirement to make a determination of the "Best Available Control Technology" for it. I understand Brevard County passed a moratorium on construction of power plants until the local Code of Ordinances is amended. They will take public input on the matter. We do not have an "Environmental Fairness" criterion (such as you mentioned in your letter) in the governing statutes and rules that allows us to deny air permits on that basis. However we are appreciative of the issue and forwarded your letter to our Office of General Counsel to research the matter in more detail and provide us a more precise opinion.

If you have any further questions regarding this project, please contact Mike Halpin at 850/921-9530. Feel free to submit additional questions and comments at the meeting on March 3.

Sincerely,

A. A. Linero, P.E. Administrator
New Source Review Section

AAJ/aal

Enclosures

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

MEETING AGENDA

DEPARTMENT OF ENVIRONMENTAL PROTECTION
7:00 pm - 9:00pm MARCH 3, 1999
BREVARD COUNTY AGRICULTURAL CENTER
THIS MEETING IS OPEN TO THE PUBLIC

1. Introduction Vivian Garfein, Director, FDEP Central District
2. Public Participation Process Douglas Beason, OGC.
3. Application Details Michael P. Halpin
4. Ambient Air Impact/Modeling Cleveland G. Holladay
5. Public Comments
6. Adjourn

Regional comparison of power plant annual emissions (1997)

<u>Poll.</u>	<u>OUC-IR</u>	<u>FPL-CC</u>	<u>OUC-ST</u>	<u>OLNDR</u>
	(959 MW)	(804 MW)	(925 MW)	(950 MW)
NO _x	7925	7984	9257	1597
PM	173	943	253	208
SO ₂	23058	17632	8994	415
CO	1170	587	595	704
VOC	178	49	72	94

Notes: 1) Emissions shown are “reported actuals” for the OUC and FPL sites. These are being related to Oleander’s “requested maximum” emission levels for comparison purposes only.

2) Above power plants represent dissimilar technologies and fuel types.

AIRS ID: 0090006 # of Emissions Unit: 2
 Owner: FLORIDA POWER & LIGHT/CP. CAN.
 Name: CAPE CANAVERAL POWER PLANT
 City: COCOA Office: CD County: BREVARD
 Status: A Compliance Tracking Code: A DFC: 14-APR-98
 Type: STEAM ELECTRIC PLANT
 SIC: 4911 PSD: N PPS: N NSPS: NESHAP:
 Title V Source: Y Syn Non-Title V Source: Small Business Stationary:
 Major of HAPS: Major of Non-HAP Pollutants: Y
 Syn Minor of HAPS: Syn Minor of Non-HAP Pollutants:

Pollutant	Poten(TPY)	Cap(TPY)	1997	1996
			Actual(TPY)	Actual(TPY)
CO	1127.6000		586.6000	595.6200
NOX	15346.0000		7993.5000	8095.7600
PB	0.6000		0.0000	
PM	3383.0000		943.4300	1171.8400
PM10	2572.0000		943.4300	1171.8400
SO2	93043.0000		17631.5400	18947.8500
VOC	162.5000		48.9200	55.8700

DEPARTMENT OF ENVIRONMENTAL PROTECTION
AIR RESOURCES MANAGEMENT SYSTEM

26-FEB-99

Emission Report by Facility

Page:1

AIRS ID: 0090008 # of Emissions Unit: 8
 Owner: ORLANDO UTILITY COMMISSION
 Name: INDIAN RIVER PLANT
 City: TITUSVILLE Office: CD County: BREVARD
 Status: A Compliance Tracking Code: A DFC: 25-FEB-98
 Type: STEAM ELECTRIC PLANT
 SIC: 4911 PSD: Y PPS: N NSPS: Y NESHAP:
 Title V Source: Y Syn Non-Title V Source: Small Business Stationary:
 Major of HAPS: Major of Non-HAP Pollutants: Y
 Syn Minor of HAPS: Syn Minor of Non-HAP Pollutants:

Pollutant	Poten(TPY)	Cap(TPY)	1997	1996
			Actual(TPY)	Actual(TPY)
CO	1231.5000		1170.5100	402.4400
H021	0.0020		7.5000	1.4500
NOX	9141.7000		7923.8200	1896.7600
PB	0.1405		145.9800	64.7800
PM	3086.0020		251.8800	175.8800
PM10	1118.4000		173.8500	122.4500
SAM	176.0000		0.3700	0.0200
SO2	73188.0000		23059.0000	1468.2500
VOC	386.4200		177.8500	30.2400

DEPARTMENT OF ENVIRONMENTAL PROTECTION
AIR RESOURCES MANAGEMENT SYSTEM

26-FEB-99

Emission Report by Facility

Page:1

AIRS ID: 0950137 # of Emissions Unit: 2
 Owner: ORLANDO UTILITIES COMMISSION
 Name: STANTON ENERGY CENTER
 City: ORLANDO Office: CD County: ORANGE
 Status: A Compliance Tracking Code: A DFC: 15-JAN-97
 Type: STEAM ELECTRIC PLANT
 SIC: 4911 PSD: Y PPS: Y NSPS: Y NESHAP:
 Title V Source: Y Syn Non-Title V Source: Small Business Stationary:
 Major of HAPS: Major of Non-HAP Pollutants: Y
 Syn Minor of HAPS: Syn Minor of Non-HAP Pollutants:

Pollutant	Poten(TPY)	Cap(TPY)	1997	1996
			Actual(TPY)	Actual(TPY)
CO	3233.9000		595.4900	464.1600
NOX	14060.3500		9256.1000	7248.1000
PB	1.0800		222.3100	0.2400
PM	918.4500		403.6000	337.7700
PM10	576.4500		252.4800	211.2900
SO2	26432.1700		8994.6000	6274.0000
VOC	351.2600		71.5900	55.8100

418 Pennsylvania Avenue
Rockledge, Florida 32955
1 February 1999

RECEIVED

FEB 05 1999

BUREAU OF
AIR REGULATION

C. H. Fancy, Chief
Bureau of Air Regulations
Department of Environmental Protection
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

Re: Oleander Power Project:
Brevard County, Florida

Dear Mr. C. H. Fancy:

The Oleander Power project proposed by Mr. R. L. Wolfinger of Baltimore, Maryland is of great concern to residents of Brevard County. We understand your department is in the permit review process for this project and we would appreciate you taking into consideration some of our concerns.

Brevard County already has two power plants within approximately eight miles of this proposed site. Under the concept of environmental fairness Brevard already has adequate pollution without adding the Oleander plant. Fortunately NASA launch fallout is mostly offshore, however, FPL and Orlando Utilities lay down considerable visible plume on shore. Oleander's site location will deposit most of the fallout across residential neighborhoods then into the St. Johns or Indian river. During NE/SW flow the Oleander and FPL plant will have overlapping plume patterns increasing concentrations of fallout.

Were there a compelling need in Brevard County for this plant we could better understand the location; however, lacking a compelling need this appears to be a crass commercial venture foisted upon a low-income community because they are without political muscle to prevent the act. Again, under the concept of environmental fairness you are requested to deny any permit for the Oleander Power Plant.

Sincerely,



Clarence Rowe

CR:r

418 Pennsylvania Avenue
Rockledge, Florida 32955
1 February 1999

RECEIVED

FEB 05 1999

BUREAU OF
AIR REGULATION

C. H. Fancy, Chief
Bureau of Air Regulations
Department of Environmental Protection
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

Re: Oleander Power Project:
Brevard County, Florida

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Brevard County already has two power plants within approximately eight miles of this proposed site. Under the concept of environmental fairness Brevard already has adequate pollution without adding the Oleander plant. Fortunately NASA launch fallout is mostly offshore, however, FPL and Orlando Utilities lay down considerable visible plume on shore. Oleander's site location will deposit most of the fallout across residential neighborhoods then into the St. Johns or Indian river. During NE/SW flow the Oleander and FPL plant will have overlapping plume patterns increasing concentrations of fallout.

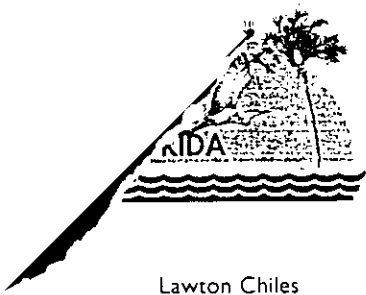
Were there a compelling need in Brevard County for this plant we could better understand the location; however, lacking a compelling need this appears to be a crass commercial venture foisted upon a low-income community because they are without political muscle to prevent the act. Again, under the concept of environmental fairness you are requested to deny any permit for the Oleander Power Plant.

Sincerely,



Clarence Rowe

CR:r



Department of Environmental Protection

Lawton Chiles
Governor

Central District
3319 Maguire Boulevard, Suite 232
Orlando, Florida 32803-3767

Virginia B. Wetherell
Secretary

Ms. Kay Whitfield
2505 Trotters Trail
Cocoa, FL 32926

OCD-IW-98-0344

Brevard County - IW
Oleander Power
Proposed Power Plant

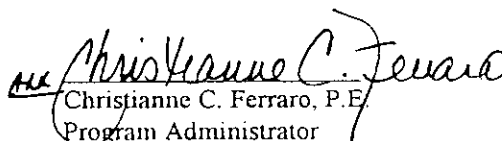
Dear Ms. Whitfield:

On December 18, 1998, we received a copy of your letter to the Secretary, Virginia Wetherell, regarding the subject matter.

Your letter addresses a concern about a water/wastewater discharge permit. As of this date, we have not received any application for discharges of industrial wastewater to either surface or ground waters of the State. It is our understanding that all wastewater will be discharged into an existing wastewater treatment plant at Cocoa. Oleander Power must obtain proper approval from the utility or wastewater treatment plant to connect into their system. A separate industrial wastewater permit may not be required when the wastewater is discharged into a properly permitted domestic wastewater treatment plant. An industrial wastewater permit must be obtained if the facility intends to treat and discharge on site. A copy of this letter is also sent to the facility and their consultant (Golder Associates) to advise them about industrial wastewater permitting requirements.

If you have any questions, please contact Mr. Ali Kazi, P.E., Program Manager, Industrial Wastewater Program at 407-893-3317.

Sincerely,


Christianne C. Ferraro, P.E.
Program Administrator
Water Facilities

Date: Dec 23, 1998

CCF/ak/jem

cc: Brevard County Office of Natural Resources Management
Richard Drew/DEP/Tallahassee
Elsa Potts
C. H. Fancy, Chief/Bureau of Air Regulation/Tallahassee
Tom Powers/DEP/Melbourne
Len Kozlov/Air Resources Management/DEP/Orlando
Oleander Power
R. Zwolak - Golder Associates



United States Department of the Interior

FISH AND WILDLIFE SERVICE
1875 Century Boulevard
Atlanta, Georgia 30345

IN REPLY REFER TO:

Re: PSD-FL-258

DEC 22 1998

RECEIVED

JAN 04 1999

**BUREAU OF
AIR REGULATION**

Mr. C. H. Fancy
Chief, Bureau of Air Regulation
Department of Environmental Regulation
Twin Towers Office Building
2600 Blair Stone Road, MS 48
Tallahassee, Florida 32399-2400


Dear Mr. Fancy:

Our Air Quality Branch has reviewed the Prevention of Significant Deterioration Application for Oleander Power Project's (OP), proposal to construct a 960 MW power production facility in Brevard County, Florida, 190 km east of Chassahowitzka Wilderness, a Class I area, administered by the Fish and Wildlife Service (FWS). The potential for impacts from the project's emissions to Class I resources is low because of the distance and direction. However, FWS is interested in ensuring that emissions limits for new sources are set in a consistent manner and has therefore reviewed OP's proposed control technology for the project.

The technical review comments from our Air Quality Branch are enclosed. Specifically, we recommend that your Department require OP to meet lower limits than proposed for nitrogen oxides emissions when burning oil as fuel.

Thank you for giving us the opportunity to comment on this permit application. We appreciate your cooperation in notifying us of proposed projects with the potential to impact the air quality and related resources of our Class I air quality areas. If you have any questions, please contact Ms. Ellen Porter of our Air Quality Branch in Denver at 303/969-2617.

Sincerely yours,


for Sam D. Hamilton
Regional Director

Enclosure

**Technical Review of Prevention of Significant Deterioration Permit Application
For the Construction of a 960 MW Power Production Facility
Oleander Power Project
Brevard County, Florida
PSD-FL-258**

by

Air Quality Branch, Fish and Wildlife Service – Denver
December 18, 1998

Oleander Power Project, L.P., (OP) proposes to construct a 960 MW power production facility, composed of five 190 MW General Electric 7Fa or Westinghouse 501F simple cycle gas/oil turbines. The facility would be located in Brevard County, Florida, 190 km east of Chassahowitzka Wilderness, a Class I area administered by the U.S. Fish and Wildlife Service (FWS). The potential for impacts from the project's emissions to Class I resources is low because of the distance and direction. However, FWS is interested in ensuring that emissions limits for new sources are set in a consistent manner and has therefore reviewed OP's proposed control technology for the project.

This project will result in PSD-significant increases in emissions of nitrogen oxides (NO_x), sulfur dioxide (SO₂), volatile organic compounds (VOC), particulate matter (PM-10), and carbon monoxide (CO). Emissions (in tons per year – TPY) are summarized below.

POLLUTANT	EMISSIONS INCREASE (TPY)
NO _x	1842
SO ₂	507
VOC	99
PM-10	251
CO	701

NO_x emissions would be controlled by Dry Low-NO_x (DLN) combustors when firing natural gas (to 9 parts per million - ppm) and water injection (to 42 ppm) when firing oil. SO₂ emissions would be controlled by use of low sulfur fuels (natural gas or 0.05% S oil). PM-10 emissions (about one-seventh of NO_x emissions) would be controlled by use of clean fuels and good combustion techniques.

Best Available Control Technology (BACT) Review

Selective catalytic reduction (SCR) was dismissed on the premise that it is not economically feasible for application to a simple cycle turbine as proposed by OP. Although we disagree with some of the cost calculations presented by OP, it is correct that a simple cycle turbine does result in much higher exhaust temperatures than the more efficient combined cycle system, and the high temperature catalysts required are typically twice as expensive as their

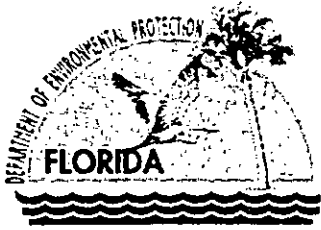
lower temperature counterparts. It is therefore likely that they would prove economically infeasible for this application.

We agree with OP that, for this project, DLN technology that reduces NO_x to 9 ppm represents BACT for natural gas firing. While we also agree that water injection represents BACT when firing oil, we believe that a lower NO_x limit is appropriate. For example, Permit FL-0080 issued by the Florida Department of Environmental Protection (FDEP) to Auburndale Power Partners (Auburndale) in 1992 limits NO_x from oil firing to 25 ppm. Texas-New Mexico Power (TX-NM) has also requested a 25-ppm NO_x limit for oil firing at its proposed Lordsburg, NM facility.

Conclusions and Recommendations

While we agree that the proposed 9 ppm NO_x limit represents BACT for a simple cycle turbine firing natural gas, we recommend that the NO_x limit for oil firing be set at or below 25 ppm as required by the Auburndale permit issued by FDEP and the proposed limits for TX-NM Power.

Contact: Ellen Porter, Air Quality Branch (303) 969-2617.



Lawton Chiles
Governor

Department of Environmental Protection

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

Virginia B. Wetherell
Secretary

December 22, 1998

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. Richard L. Wolfinger, Vice President
Oleander Power Project, L.P.
250 West Pratt Street, 23rd floor
Baltimore, MD 21201

Re: Request for Additional Information No. 2
DEP File No. 0090180-001-AC (PSD-FL-258)
Oleander Power Project - Five 190 MW Combustion Turbines

Dear Mr. Wolfinger:

Further to our letter dated December 17, 1998 and in an effort by the Department to gain reasonable assurance as to how the proposed power plant will operate, additional information is requested. Should your response to any of the below items require new calculations, please submit the new calculations, assumptions, reference material and appropriate revised pages of the application form.

1. What commitment has been received from FGT concerning their ability to supply OPP's gas consumption requirements? Please provide documentation from FGT specifying that:
 - FGT is capable of accommodating OPP's gas supply needs. [Based upon application, the requirements appear to be 1.81 mmcf/hr per machine or 9.05 mmcf/hr for all 5 machines]
 - What quantity of the 9 mmcf/hr gas is to be contracted as readily available or "firm."
 - What quantity of the 9 mmcf/hr gas is to be considered as occasionally available or "interruptible".
2. For "interruptible" supplies, please provide FGT's probability estimates for gas availability during peak power periods in quantities up to 9 mmcf/hr.
3. What commitments have been received concerning water supplies? Please provide documentation from local water suppliers (e.g. the City of Cocoa) or appropriate permitting agencies that:
 - OPP's water supply needs for NO_x control (water injection during oil firing) can be met [based upon application, the requirements appear to be at least 120,900 lb/hr per machine or 362,000 gallons/hr for all 5 machines]

- Annual water consumption for NO_x control of 724 million gallons per year can be met [assumes 2000 hours per year oil operation on all 5 turbines].
4. Describe the impacts of the fuel oil delivery. Based upon the application, trucking of the fuel oil is contemplated. At 2000 hours per year of oil operation on all 5 turbines, an annual oil consumption of approximately 146 million gallons may be consumed, or approximately 20,000 truckloads.

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. Please note that per Rule 62-4.055(1): *"The applicant shall have ninety days after the Department mails a timely request for additional information to submit that information to the Department..... Failure of an applicant to provide the timely requested information by the applicable date shall result in denial of the application."*

If you have any questions, please call Mike Halpin (permit engineer) at 850/921-9530.

Sincerely,



A.A. Linero, P.E. Administrator
New Source Review Section

cc: Gregg Worley, EPA
John Bunyak, NPS
Len Koslov, DEP CD
Ken Kosky, P.E., Golder Associates

Fold at line over top of envelope to the right of the return address

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 Richard L. Wolfinger
 Oleander Power Project
 250 W. Pratt St. - 25th Fl
 Baltimore, MD 21201

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- 4b. Service Type
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PS Form 3811, December 1994

102595-97-B-0179

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PS Form 3800, April 1995