

STATE OF FLORIDA  
DEPARTMENT OF ENVIRONMENTAL PROTECTION

IN RE: SITE CERTIFICATION	)	
CEDAR BAY COGENERATION PROJECT	)	
CEDAR BAY GENERATING COMPANY, LP	)	CERTIFICATION NO. PA88-24C
U.S. GENERATING COMPANY	)	OGC NO. 99-XXXX
(PG&E GENERATING COMPANY)	)	
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PROPOSED ORDER MODIFYING CONDITIONS OF CERTIFICATION

On February 18, 1991, the Governor and Cabinet, acting as the Siting Board, issued a final order approving certification of the Cedar Bay Cogeneration Project (CBCP). That certification order approved the construction and operation of a fluidized bed, coal fired cogeneration power plant and associated facilities to be located in Duval County, Florida. The facility is operated by Cedar Bay Generating Company, LP (CBGC) a subsidiary of PG&E Generating Company.

On March 22, 1999, CBGC filed a request to modify the PSD Permit (PSD-FL-137). On May 24, 1999, CBGC requested corresponding modifications to the conditions of certification pursuant to section 403.516(1)(b), F.S. CBGC requested changes in the mercury test method, language concerning burning of short fiber recycle rejects, method of maximum heat input rate measurement and providing for modifications to conditions to conform to amendments to federally delegated or approved permits. The Department also proposes to update and correct the regulatory references to reflect the applicable existing Chapter 62, Florida Administrative Code

Copies of CBGC's request were distributed to all parties to the certification proceeding and made available for public review. On September XX, 1999, the Department published a Notice of Intent to Issue the Proposed Modification in the Florida Administrative Weekly. On XX, 1999, a notice of intent to modify the PSD permit was published in the Florida Times Union. Copies of the intent to issue were sent to all parties to the original proceeding. As of XX, 1999, all of the parties to the original proceeding had received copies of the intent to issue.

The notice specified that a hearing would be held if a party to the original certification hearing objects within 45 days from receipt of the proposed modification or if a person whose substantial interests will be affected by the proposed modification objects in writing within 30 days after issuance of the public notice. No written objection to the proposed modifications was received by the Department.

Accordingly, in the absence of any timely objection,

IT IS ORDERED:

The proposed modifications to the Conditions of Certification relating to mercury testing, short fiber rejects and modification of conditions at the Cedar Bay Cogeneration Facility are hereby APPROVED. Pursuant to section 403.516(1)(b), F.S., the Department hereby MODIFIES the conditions of certification for the CBCP as follows:

#### I. GENERAL

The construction and operation of CBCP shall be in accordance with all applicable provisions of at least the following regulations of the Department: Chapters 17 62-210 through 17 62-297, 17 62-302, 17 62-4, 17 62-256 (Open Burning), 17 62-601, 17 62-702, 17 62-312, 17 62-532, 17 62-550, 17 62-555, 17 62-25, 17 62-610, 17 62-660 and 17 62-772, Florida Administrative Code (F.A.C.) or their successors as they are renumbered.

#### II. AIR

The construction and operation of CBCP shall be in accordance with all applicable provisions of Chapters 62-210 through 62-297, F.A.C.. In addition to the foregoing, CBCP shall comply with the following conditions of certification as indicated.

##### A. Emission Limitations for CBCP Boilers

##### 1. Fluidized Bed Coal Fired Boilers (CFB)

a. & b. No change

c. The maximum combined heat input to each the CFBs shall not exceed 1063 MMBtu/hr. This reflects a combined total of 318 9 MMBtu/hr. for all three units.

d. through g. No change

h. To the extent that it is consistent with Condition II.A.1.b., the SETTLEMENT AND RELEASE AGREEMENT made on July 24, 1998, by and between Smurfit Stone Container Corporation and Cedar Bay Generating Company, L.P., and the following, CBCP shall may burn all or a portion of the short fiber rejects generated by Seminole Kraft in processing recycled paper as a supplemental fuel. Prior to burning the rejects as a supplemental fuel, however, CBCP shall conduct a test burn to determine the effects of burning the rejects. No less than At least ninety (90) days prior to completion of construction any proposed test burn, CBCP shall submit a plan to DEP for conducting a 30-day test burn within one year after initial compliance testing. That test shall be designed to ascertain whether the CFBs can burn the rejects as supplemental fuel without exceeding any of the limitations on emissions and fuel usage contained in Condition II.A. and without causing any operational problems which would affect the reliable operation (with customary maintenance) of the CFBs and without violating any other environmental requirements. CBCP shall notify DEP and the Regulatory and Environmental Services Department (RESD) at least thirty (30) days prior to initiation of the test burn. The results of the test burn and CBCP's analysis shall be reported to DEP and to the RESD within forty-five (45) days of completion of the test burn. DEP shall notify CBCP within thirty (30) days thereafter of its approval or disapproval of any conclusions by CBCP { that the test burn demonstrated that the rejects can be burned in compliance with this Condition of Certification.

## 2. Coal Fired Boiler Controls

a. & b. No change

c. CBCP shall conduct a test to determine whether substantial additional removal of mercury can be obtained through a carbon injection system for mercury removal, as described in

Exhibit 74 of the administrative record for the Lee County Resource Recovery Facility, which feeds carbon reagent into the CFB exhaust stream prior to the baghouse. Within one hundred eighty (180) days after initial compliance testing, CBCP shall conduct a test on one CFB to compare mercury emissions to the atmosphere with and without carbon injection. The test program will include the testing of carbon injection between the boiler and the fabric filter. Carbon forms to be tested may include activated carbon with or without additives and pulverized coal with or without additives. After consultation with the DEP, RESD, and EPRI, CBC shall submit a mercury control test protocol to DEP for approval by December 1, 1993. Results of the test shall be submitted to the DEP within 90 days of completion.

II.A.11.c. (2) Specific identification of each period of excess emissions that occurs during startups, shutdowns, and malfunctions of the furnace boiler system. The nature and cause of any malfunction (if known) and the corrective action taken or preventive measured adopted (40 CFR 60.7(c)(2)).

d. & e. No change

3. through 7. No change

8. Compliance Tests for each CFB

a. through e. No change

f. The following test methods and procedures of Rule 17-297, F.A.C., and 40 CFR Parts 60 and 61 or other DEP approved methods with prior DEP approval shall be used for compliance testing:

(1) through (4) No change

(5) Method 5 or Method 17 or Method 29 for particulate matter.

(6) through (10) No change

(11) Method 12 or Method 29 for lead.

(12) through (14) No change

(15) Method 101A or EPA Method 29 for mercury.

(16) Method 104 or Method 29 for beryllium.

(17) and (18) No change

9. Continuous Emission Monitoring for each CFB

a. CEMS data shall be recorded and reported in accordance with Chapter 17-297, F.A.C., and 40 CFR 60.49a and 60.7. A record shall be kept for periods of startup, shutdown, full flow reheat bypass and malfunction..

b. through f. No change

g. Startup, shutdown, and full Flow Reheat Bypass shall be defined as follows:

(1) "full flow reheat bypass" (FFRB) shall be defined as the mode of operation in which the steam from a boiler bypasses the turbine generator by being routed from the main steam piping to the cold reheat piping and then passing this steam through both reheater sections.

(2) A boiler is considered "down" when no solid fuel is being fired and the bed temperature is less than 1400 °F. During FFRB, a drop in bed temperature below 1400 °F shall be considered down.

(3) "Startup" shall be defined as the time between initiation of combustion and 8 hours after the bed reaches 1400 °F, thereby allowing the cessation of oil firing, including the entire time required for refractory curing following replacement of refractory during an outage, and including the time required to return the bed temperature to normal during FFRB.

10. No change

11. Reporting for each CFB

a. & b. No change

c. The owner or operator shall submit excess emission reports to RESD, in accordance with Rule 17-210.700, F.A.C., and 40 CFR 60.7(c) and (d). The report shall include the following:

(1) No change

(2) Specific identification of each period of excess emissions that occurs during startups, shutdowns (including those occurring due to bed cooling below 1400 °F as a normal part of full flow reheat bypass), and malfunctions of the furnace boiler system. The nature and cause of any malfunction (if known) and the corrective action taken or preventive measures adopted (40 CFR 60.7(c)(2)).

(3) through (5) No change

d. No change

II. B. CBCP - Material Handling and Treatment

1. No change

2. Material Handling and Usage Rates

a. The material handling/usage rates for coal unloading and storage and for, limestone/aragonite unloading and storage shall not exceed the following:

	<u>Unloading/Storage Handling /Usage Rate</u>	
<u>Material</u>	<u>TPM</u>	<u>TPY</u>
<u>Coal</u>	<u>234,000</u>	<u>1,287,000</u>
<u>Limestone/Aragonite</u>	<u>54,000</u>	<u>347,000</u>

b. For all other coal, limestone/aragonite, flyash, and bed ash handling sources the handling/usage rates shall not exceed the following:

Handling/Usage Rate

<b>Material</b>	<b>TPM</b>	<b>TPY</b>
Coal	117,000	1,170,000
Limestone	27,000	320,000
Fly Ash	28,000	336,000
Bed Ash	8,000	88,000

Note: TPM is tons per month based on 30 consecutive days, TPY is tons per year.

III. Water Discharges

Any discharges into any waters of the State during construction and operation of CBCP shall be in accordance with all applicable provisions of Chapters 17.62 -301, 17.62-302 and 17.62-660, F.A.C., and 40 CFR, Part 423, Effluent Guidelines and Standards for Steam Electric Power Generating Point Source Category, except as provided herein. Also, CBCP shall comply with the following conditions of certification:

A. Plant Effluents and Receiving Body of Water

For discharges made from the CBCP power plant the following conditions shall apply:

1. through 6. No change

7. Storm Water Runoff

a. Construction - No change

b. Operation

(1) Yard Area Runoff - During normal plant operation, necessary measures shall be used to settle, filter, treat or absorb silt-containing or pollutant-laden storm water runoff to limit the suspended solids to 50 mg/l or less at OSN 003 during rainfall periods less than the

22-year, 24-hour rainfall. During periods of operation when the CBCP is off-line, these necessary measures, as specified above, shall be used during rainfall periods greater than a 12-year, 24-hour storm. The discharge shall comply with all the monitoring requirements for Yard Area Runoff specified in Part I of NPDES Permit EL0041173 ~~EL0061204~~ for this facility.

(2) Storage Area Runoff - During operation there shall be no discharges from the stormwater basins for storms less than the fifty-five year, twenty four-hour storm event. Any discharge from the storm water runoff collection system from a storm event less than the once in 50 year, twenty four-hour storm shall meet the limits in 7.a. above and shall be monitored at OSN 008 by a grab sample once per discharge, but not more than once per week. The discharge shall comply with all the monitoring requirements for the Coal, Limestone, and Ash Storage Area specified in Part I of NPDES Permit EL0041173 ~~EL0061204~~ for this facility.

c. and d. No change

e. It is necessary that there be an entity responsible for maintenance of the system pursuant to Section 17 62-25.027, F.A.C.

## XXI. MODIFICATION OF CONDITIONS

The conditions of this certification may be modified in the following manner:

A. The Board hereby delegates to the Secretary the authority to modify, after notice and opportunity for hearing, any conditions pertaining to consumptive use of water, reclaimed water, monitoring, sampling, ground water, surface water, mixing zones, or variances to water quality standards, zones of discharge, leachate control programs, effluent limitations, air emission limitations, fuel, or solid waste disposal, right of entry, railroad spur, transmission line, access road, pipelines, or designation of agents for the purpose of enforcing the conditions of this certification.

B. Subject to the notice requirements of 403.516(1), F.S., the certification shall be automatically modified to conform to subsequent DEP issued amendments, modifications or



renewals of any separately issued Prevention of Significant Deterioration (PSD) permit, Title V Air Operation Permit, or National discharge elimination System (NPDES) permit for the project and the conditions of such permits shall be controlling over these Conditions of Certification.

C. All other modifications shall be made in accordance with Section 403.516, Florida Statutes.

Any party to this Order has the right to seek judicial review of the Order pursuant to section 120.68, Florida Statutes, by the filing of Notice of Appeal pursuant to Rule 9.110, Florida Rules of Appellate Procedure, with the clerk of the Department of Environmental Protection in the Office of General Counsel, 3900 Commonwealth Boulevard, Tallahassee, Florida 32399-3000; and by filing a copy of the Notice of Appeal accompanied by the applicable filing fees with the appropriate District Court of Appeal. The Notice of Appeal must be filed within 30 days from the date that the Final Order is filed with the Department of Environmental Protection.

DONE AND ENTERED this \_\_\_\_\_ day of \_\_\_\_\_, 1999 in Tallahassee, Florida.

STATE OF FLORIDA DEPARTMENT  
OF ENVIRONMENTAL PROTECTION

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