



Department of Environmental Protection

Jeb Bush
Governor

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

David B. Struhs
Secretary

CERTIFIED MAIL – Return Receipt Requested

December 27, 2000

Ms. Karen A. Sheffield, P.E.
Tampa Electric Company
P. O. Box 111
Tampa, Florida 33601-0111

Re: Second Request for Additional Information
F. J. Gannon Station – Wood Derived Fuel Request for Units 1, 2 and 4
DEP File No.: 0570040-012-AC

Dear Ms. Sheffield:

This letter is being sent as a follow up to our letter dated September 26 and your response dated November 22, 2000. There are still some issues that need clarification in order to continue processing your request.

Item three of our September 26 letter requested information about a possible debottleneck at the facility. Your response indicated that Condition 3.a. of permit No. 0570040-006-AC is clearly a limit on coal fuel heat input only. The Department agrees with this assessment. The concern is that there does not appear to be a limit on the heat input from wood-derived fuel (WDF). The referenced permit does limit the fuel yard throughput of WDF to 362,025 tons per 12-month period. However, this is a processing limit, not a combustion limit. The heat input from WDF is clearly not limited by this permit. Please provide additional information that clearly demonstrates how a debottleneck will not occur.

The Consent Final Judgement, dated December 16, 1999, requires that these units be repowered from coal to natural gas between January 1, 2003 and December 31, 2004. Based on the current application being processed for the repowering project, it appears that these coal-fired boilers will be replaced by natural gas-fired combustion turbines. Since WDF can not be burned in combustion turbines, it appears that your authority to combust WDF will end with the removal of the coal-fired boilers in a very short time. It is our understanding that Unit 3, under its current limitations, can accommodate all of the WDF that is submitted to your facility for combustion. Considering the time it takes to obtain a construction permit, publish the required Public Notice, perform any required compliance demonstrations, then timely apply for and obtain a Title V operation permit revision to allow continued use of this new method of operation, we would like to better understand your need to process this request.

The information contained in your application indicates that you wish to have Units 1, 2 and 4 limited to the same operational conditions as specified for Unit 3 in permit No. 0570040-011-AC. Condition 3.A. of permit No. 0570040-011-AC limits the maximum amount of wood derived fuel (WDF) to 10% of the fuel fired on a weight basis. Condition 3.B. defines WDF to be paper pellets, yard trash, or wood/wood chips. As the result of test burns conducted on March 4 and May 27, 1998, Condition 3.C., further limited WDF to 7% of the total fuel stream, and to paper pellets only. It is not clear from your application if the request is to maintain the amount of WDF authorized for Unit 3 to be combusted proportionately in each of the four units, or if the desire is to allow up to 7% WDF (potentially 10% after successful testing) in each of the four units. An increase in the allowable amount of WDF

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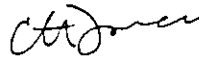
Ms. Karen A. Sheffield, TECO
December, 27, 2000
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could cause potential conflicts with the emissions netting activities that are currently underway as part of the repowering project (project number 0570040-013-AC). Please provide additional information that clearly outlines your WDF combustion requirements and your intent for each of the four units.

Item four of our September 26 letter requested a resubmission of the test results to support this specific application (i.e. 7% paper pellets). The test results that were submitted with your November 22 response indicate that the tests conducted on April 18 and 19, 2000, were performed using an actual WDF blend of 4% wood chips and 96% coal. The submitted test results do not support this specific application. Please provide the test results that indicate combusting 7% paper pellets causes no increase in pollutant emissions. Also, please clarify whether you were attempting to expand your combustion capabilities to include another classification of WDF.

If you should have any questions regarding this matter, please contact Mr. Scott Sheplak at (850) 921-9532, or write to me at the above letterhead address.

Sincerely,

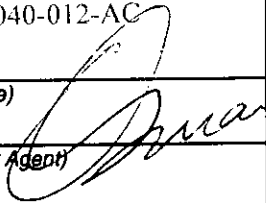


C. H. Fancy, P.E.
Chief
Bureau of Air Regulation

CHF/sms/h

cc: Mr. Jamie Hunter, TECO
Mr. Tomas W. Davis, P.E., ECT, Inc.
Mr. Jerry Campbell, EPCHC
Mr. Bill Thomas, DEP - SWD
Mr. Al Linero, DEP - BAR
Mr. Scott Sheplak, DEP - BAR
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