

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <input checked="" type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) C. Date of Delivery MAR 8 2005</p>
<p>1. Article Addressed to:</p> <p>Mr. Frederick F. Haddad, Jr. Vice President, Power Resources Business Unit Orlando Utilities Commission 500 South Orange Avenue Orlando, Florida 32802</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>2. Article Number (Transfer from service label)</p>	<p>7000 1670 0013 3109 9038</p>

PS Form 3811, August 2001

Domestic Return Receipt

102595-02-M-1540

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

OFFICIAL USE

Postage \$	Postmark Here
Certified Fee	
Return Receipt Fee (Endorsement Required)	
Restricted Delivery Fee (Endorsement Required)	

To: Mr. Frederick F. Haddad, Jr.
Vice President, Power Resources
Business Unit
Orlando Utilities Commission
500 South Orange Avenue
Orlando, Florida 32802

PS Form 3800, May 2000 See Reverse for Instructions

7000 1670 0013 3109 9038

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

NOTICE OF FINAL PERMIT

In the Matter of an
Application for Permit by:

Mr. Frederick F. Haddad, Jr.
Vice President, Power Resources Business Unit
Orlando Utilities Commission
500 South Orange Avenue
Orlando, Florida 32802

DEP File No. 0950137-008-AV
OUC Curtis H. Stanton Energy Center - Unit 2
Primary Superheat Tube Banks Replacement Project
Orange County

Enclosed is Final Air Permit No. 0950137-008-AC, which authorizes the replacement of the primary superheater tube banks for Unit 2 at the Curtis H. Stanton Energy Center. The existing facility is located at 5100 Alafaya Trail, Orlando, Orange County. As noted in the Final Determination (attached), only minor changes to the draft permit. This permit is issued pursuant to Chapter 403, Florida Statutes.

Any party to this order has the right to seek judicial review of it under Section 120.68 of the Florida Statutes, by filing a notice of appeal under Rule 9.110 of the Florida Rules of Appellate Procedure with the clerk of the Department of Environmental Protection in the Office of General Counsel, Mail Station #35, 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 must be filed within thirty (30) days after this order is filed with the clerk of the Department.

Executed in Tallahassee, Florida.


for Trina L. Vielhauer, Chief
Bureau of Air Regulation

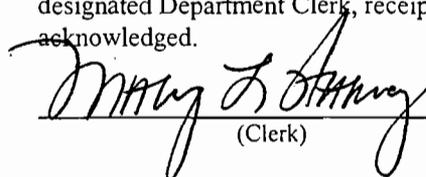
CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that the original Notice of Final Permit (including the Final permit) was hand delivered to a representative of Gulf Power Company. Copies were sent by certified mail (*) and U.S. Mail before the close of business on 3/3/05 to the persons listed:

Frederick F. Haddad, Jr., OUC*
Denise Stalls, OUC
Kay Prince, EPA
Beverly Spagg, EPA
Scott Osbourn, Golder Associates
Len Kozlov, DEP CD
Marie Driscoll, Orange County EPD

Clerk Stamp

FILING AND ACKNOWLEDGMENT FILED, on this date, pursuant to §120.52, Florida Statutes, with the designated Department Clerk, receipt of which is hereby acknowledged.


(Clerk)

3/3/05
(Date)

FINAL DETERMINATION

PERMITTEE

Orlando Utilities Commission (OUC)
500 South Orange Avenue
Post Office Box 3193
Orlando, Florida 32802

PERMITTING AUTHORITY

Florida Department of Environmental Protection
Division of Air Resources Management
Bureau of Air Regulation
New Source Review Section
2600 Blair Stone Road, MS #5505
Tallahassee, Florida, 32399-2400

PROJECT

Air Permit No. 0950137-008-008-AC
Unit 2 Primary Superheat Tube Banks Replacement Project

This permit authorizes the replacement of the Primary Superheat Tube Banks for Unit 2 at the OUC Stanton Energy Center. The facility is located at 5100 Alafaya Trail, Orlando, Orange County. The project is not subject to PSD preconstruction review.

NOTICE AND PUBLICATION

The Department distributed an "Intent to Issue Permit" package on February 15, 2005. The applicant published the "Public Notice of Intent to Issue" in The Orlando Sentinel on February 16th.

COMMENTS

No comments on the Draft Permit were received from the public or any agencies. The applicant submitted minor comments by electronic mail on March 1. They are recited below in italics and followed by the Department's response.

In the draft permit under "Facility Description", the following phrase should be deleted ... "two oil-fired combustion turbines used to drive two separate peaking generators..." These units don't exist;

The Department concurs and will remove mention of those two non-existing units.

In the TE&PD document, under the Background section, the paragraph that begins.. "It's not immediately obvious to Department experts...", OUC requests that the Department revise the language in the 2nd sentence as follows: "The outage can be described as routine, in terms of length and scope. However, the superheater project will require replacement of close to 70 percent of the primary superheater tube banks, at a significant cost."

The Department acknowledges the comment. The Technical Evaluation accompanied the Department's intent to issue permit. The Technical Evaluation will not be reissued. The language expressed the Department experts opinion and there is no need to revise that opinion in the issuance of the final permit. There is no impact on the final permit.

FINAL DETERMINATION

Finally, OUC requests that, references to "Unit 2 Primary Superheat Tube Banks Replacement Project" and "a complete replacement of the primary superheat tube banks" could be replaced with wording similar to: "Unit 2 Damaged Primary Superheat Tube Replacement Project" and "replacement of damaged primary superheat tubes".

The language used by the Department is drawn precisely from OUC's Request for Proposals on the SEC Unit 2 Boiler – Primary Superheat Tube Banks Replacement. The language used is accurate. The Technical Evaluation is also clear in providing the reason for the replacement. The reason given is advanced and irreparable erosion consistent with OUC's letter dated February 7, 2005. No changes in the permit are required.

CONCLUSION

The only change is to delete the non-existing combustion turbines from the description. The final action of the Department is to issue the permit with the changes described above.



Department of Environmental Protection

Jeb Bush
Governor

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

Colleen M. Castille
Secretary

PERMITTEE

Orlando Utilities Commission
500 South Orange Avenue
Post Office Box 3193
Orlando, Florida 32802

Permit No. 0950137-008-AC
Expires: July 1, 2005
Facility ID No. 0950137 (SIC No. 4911)
Unit 2 Primary Superheat Tube
Banks Replacement Project

PROJECT AND LOCATION

This permit authorizes the replacement of the primary superheat tube banks for Unit 2 at the Curtis H. Stanton Energy Center. The facility is located at 5100 Alafaya Trail, Orlando, Orange County. The map coordinates are: UTM Zone 17, 484.00 km East and 3150.50 km North; and Latitude: 28° 28' 50" North and Longitude: 81° 09' 40" West.

STATEMENT OF BASIS

This air pollution construction permit is issued under the provisions of Chapter 403 of the Florida Statutes (F.S.), and Chapters 62-4, 62-204, 62-210, 62-212, 62-296, and 62-297 of the Florida Administrative Code (F.A.C.). The permittee is authorized to conduct the work specified in accordance with the conditions of this permit and as described in the application, approved drawings, plans, and other documents on file with the Department. This permit supplements all other air construction and operation permits for the subject emissions unit and does not alter any requirements from such previously issued air permits.

APPENDICES

The following appendices are attached as part of this permit.

Appendix GC - Construction Permit General Conditions

Michael G. Cooke, Director
Division of Air Resource Management

SECTION I. FACILITY INFORMATION

FACILITY DESCRIPTION

This facility consists of two coal-fired boilers (Acid Rain Phase II Units) and two gas-fired combustion turbines serving a single steam-electrical generator (Acid Rain Phase II Units).

There are storage and handling facilities for solid fuels, fly ash, limestone, gypsum, slag, and bottom ash.

Units Nos. 1 and 2 each consist of one Babcock and Wilcox boiler/steam generator (Model RB 611) and steam turbine, which drives a generator with a nameplate rating of 468 Megawatts. Each boiler/steam generator is a coal-fueled, wall fired, dry bottom unit that uses No. 6 fuel oil used for startup and flame stabilization. Each unit has a stack. Each unit is equipped with an electrostatic precipitator for control of particulate matter (PM/PM₁₀) and a limestone scrubber for sulfur dioxide (SO₂) control. Additionally, Unit 2 is equipped with a selective catalytic reduction (SCR) system for nitrogen oxides (NO_x) control. Units 1 and 2 began commercial operation in 1987 and 1996, respectively.

The 640 MW combined cycle unit is comprised of two 170 MW, General Electric 7FA combustion turbine-electrical generators, fired with pipeline natural gas or diesel and equipped with evaporative coolers on the inlet air system, two supplementary fired heat recovery steam generators, each with a 160 ft. stack, and one steam turbine-electrical generator rated at approximately 300 MW. The winter capacity of this unit is approximately 700 MW. The combustion turbines are equipped with Dry Low NO_x combustors as well as an SCR in order to control NO_x. SO₂ and PM/PM₁₀ are controlled by use of inherently clean natural gas and low sulfur fuel oil.

PROJECT

The proposed project affects the following existing emissions unit:

ID No.	Emission Unit Description
002	Fossil Fuel Fired Steam Generator No.2 is a 4,286 mmBtu/hr, wall fired, dry bottom unit, firing pulverized coal as the primary fuel and No. 2 Fuel Oil for startup and stabilization.

REGULATORY CLASSIFICATION

Title III: Based on the initial Title V permit, the facility is a major source of hazardous air pollutants.

Title IV: The facility operates emissions units that are subject to the Phase II, Federal Acid Rain Program.

Title V: The facility is classified as a "major" source of air pollution with respect to Title V of the Clean Air Act because emissions of at least one regulated criteria air pollutant exceeds 100 tons per year.

PSD: The project is located in an area designated as "attainment" or "unclassifiable" for each pollutant subject to a National Ambient Air Quality Standard. The facility is considered a "fossil fuel fired steam electric plant of more than 250 million BTU per hour of heat input", which is one of the 28 PSD source categories with the lower PSD applicability threshold of 100 tons per year. Potential emissions of at least one regulated pollutant exceed 100 tons per year. Therefore, the facility is classified as a

SECTION I. FACILITY INFORMATION

PSD-major source of air pollution with respect to Rule 62-212.400, F.A.C., the Prevention of Significant Deterioration (PSD) of Air Quality. The three units were built pursuant to PSD permits and determinations of best available control technology (BACT).

NSPS: Units 1 and 2 are subject to Subpart Da and the combined cycle unit is subject to Subparts GG and Db of the New Source Performance Standards in 40 CFR 60.

RELEVANT DOCUMENTS

- Application received on February 9, 2005 for Unit 2 primary superheat tube banks replacement project;
- Permits PSD-FL-084 and PSD-FL-084A issued by EPA for the construction of Units 1 and 2;
- Current Title V Air Operation Permit Renewal No. 0950137-006-AV;
- Department's Technical Evaluation and Preliminary Determination dated February 15, 2005; and
- OUC comments received March 1, 2005.

SECTION II. ADMINISTRATIVE REQUIREMENTS

GENERAL AND ADMINISTRATIVE REQUIREMENTS

1. Permitting Authority: All documents related to applications for permits to construct, modify or operate this emissions unit shall be submitted to the Bureau of Air Regulation (BAR), Florida Department of Environmental Protection (DEP), at 2600 Blair Stone Road, Tallahassee, Florida 32399-2400 and phone number 850/488-0114. Copies of these documents shall be submitted to the Compliance Authority.
2. Compliance Authority: All documents related to compliance activities such as reports, tests, and notifications should be submitted to the Central District Office at 3319 Maguire Boulevard, Suite 232, Orlando Florida 32803-3767. The phone number is 407/894-7555 and the fax number is 407/897-2966.
3. General Conditions: The owner and operator are subject to, and shall operate under, the attached General Conditions listed in *Appendix GC* of this permit. General Conditions are binding and enforceable pursuant to Chapter 403 of the Florida Statutes. [Rule 62-4.160, F.A.C.]
4. Applicable Regulations, Forms and Application Procedures: Unless otherwise indicated in this permit, the construction and operation of this project shall be in accordance with the capacities and specifications stated in the application. The facility is subject to all applicable provisions of: Chapter 403 of the Florida Statutes (F.S.); and Chapters 62-4, 62-204, 62-210, 62-212, 62-213, 62-296, and 62-297 of the Florida Administrative Code (F.A.C.). The permittee shall use the applicable forms listed in Rule 62-210.900, F.A.C. and follow the application procedures in Chapter 62-4, F.A.C. Issuance of this permit does not relieve the facility owner or operator from compliance with any applicable federal, state, or local permitting or regulations. [Rules 62-204.800, 62-210.300 and 62-210.900, F.A.C.]
5. Permit Expiration: For good cause, the permittee may request that this air construction permit be extended. Such a request shall be submitted to the Department's Bureau of Air Regulation at least sixty (60) days prior to the expiration of this permit. [Rules 62-4.070(4), 62-4.080, and 62-210.300(1), F.A.C.]
6. New or Additional Conditions: For good cause shown and after notice and an administrative hearing, if requested, the Department may require the permittee to conform to new or additional conditions. The Department shall allow the permittee a reasonable time to conform to the new or additional conditions, and on application of the permittee, the Department may grant additional time. [Rule 62-4.080, F.A.C.]
7. Modifications: No emissions unit or facility subject to this permit shall be constructed or modified without obtaining an air construction permit from the Department. Such permit shall be obtained prior to beginning construction or modification. [Rules 62-210.300(1) and 62-212.300(1)(a), F.A.C.]
8. Title V Permit: This permit authorizes construction of the proposed project and initial operation to determine compliance with Department rules. This project involves no changes in the descriptions, applicable requirements, or conditions of the facility Title V Operation Permit. The permittee is not required to apply for a revised Title V operation permit following completion of the project.

SECTION III. EMISSIONS UNIT SPECIFIC CONDITIONS

EU 002. Unit 2 – 468 MW Fossil Fuel Fired Steam Generator

The proposed project affects the following existing unit:

ID No.	Emission Unit Description
002	Fossil Fuel Fired Steam Generator No. 2 (Unit 2) is a wall-fired, dry bottom boiler, firing pulverized coal as the primary fuel and Fuel Oil No. 6 for purposes of startup and flame stabilization. It began commercial operation on June 1, 1996. The maximum heat input rate is 4,286 mmBtu per hour with a nominal generating capacity of 468 MW. Particulate matter emissions are controlled by an electrostatic precipitator. SO ₂ emissions are controlled by a limestone scrubber. NO _x emissions are controlled by Low-NO _x Burners and an SCR ammonia injection system. It is a Phase II Acid Rain Unit. The following parameters are continuously monitored for this unit: NO _x , opacity, SO ₂ , CO ₂ , and stack gas flow.

ADMINISTRATIVE REQUIREMENTS

1. Previous Permit Conditions: This permit authorizes the replacement of the superheater tubing for existing Unit 2. The following conditions are in addition to those of any other air construction or operation permits. [Rule 62-4.210, F.A.C.]

CONSTRUCTION ACTIVITIES

2. Primary Superheat Tube Banks Replacement: The permittee is authorized to replace the primary superheat tube banks in Unit 2. In general, this consists of a shutdown of the unit and an outage of approximately four weeks. After the unit cools, the existing primary superheat tube banks will be removed. They will be replaced with fabricated tube banks made of a more corrosion resistant material (SA213T11).[Applicant Request]
3. Unconfined Particulate Emissions: During the construction period, unconfined particulate emissions shall be minimized by dust suppressing techniques such as covering, enclosing, applying water or chemicals to the affected areas, or any combination of techniques, as necessary. [Rule 62-296.320(4)(c), F.A.C.]

NOTIFICATIONS AND REPORTS

4. Notifications: Within one week of beginning construction, the permittee shall notify the Compliance Authority that the project has commenced and provide a general schedule of construction activities. Within one week of completing construction, the permittee shall notify the Compliance Authority that the project has concluded and provide a general schedule of bringing the unit back on line. [Rule 62-4.210, F.A.C.]
5. PSD Applicability Report: The permittee shall maintain information demonstrating that the project did not result in any significant net emissions increase, which is defined in Rule 62-212.400(2)(e), F.A.C. as follows:

SECTION III. EMISSIONS UNIT SPECIFIC CONDITIONS

EU 002. Unit 2 – 468 MW Fossil Fuel Fired Steam Generator

Net Emissions Increase. A modification to a facility results in a net emissions increase when, for a pollutant regulated under the Act, the sum of all of the contemporaneous creditable increases and decreases in the actual emissions of the facility, including the increase in emissions of the modification itself and any increases and decreases in quantifiable fugitive emissions, is greater than zero.

Significant Net Emissions Increase. A significant net emissions increase of a pollutant regulated under the Act is a net emissions increase equal to or greater than the applicable significant emission rate listed in Table 212.400-2, Regulated Air Pollutants – Significant Emission Rates.

The permittee shall submit an annual report to the Department of such information for a period of 5 years representative of normal post-change operations of the unit (within the period not longer than 10 years following the change). For an existing electric utility steam-generating unit, actual emissions of the unit following a physical or operational change shall equal the representative actual annual emissions of the unit following the physical or operational change. The following definition of “representative actual annual emissions” found in 40 CFR 52.21(b)(33) is adopted and incorporated by reference in Rule 62-204.800, F.A.C.:

Representative actual annual emissions means the average rate, in tons per year, at which the source is projected to emit a pollutant for the two-year period after a physical change or change in the method of operation of a unit, (or a different consecutive two-year period within 10 years after that change, where the Administrator determines that such period is more representative of normal source operations), considering the effect any such change will have on increasing or decreasing the hourly emissions rate and on projected capacity utilization. In projecting future emissions the Administrator shall:

- (i) Consider all relevant information, including but not limited to, historical operational data, the company's own representations, filings with the State or Federal regulatory authorities, and compliance plans under title IV of the Clean Air Act; and
- (ii) Exclude, in calculating any increase in emissions that results from the particular physical change or change in the method of operation at an electric utility steam generating unit, that portion of the unit's emissions following the change that could have been accommodated during the representative baseline period and is attributable to an increase in projected capacity utilization at the unit that is unrelated to the particular change, including any increased utilization due to the rate of electricity demand growth for the utility system as a whole.”

Each required annual report shall be submitted to the Department prior to August 1st and shall quantify operations for the previous calendar year(s).

[Rules 62-204.800, 62-210.200(11) and 62-212.400(2), F.A.C.; and 40 CFR 52.21(b)(33)]

SECTION IV. EMISSIONS UNIT SPECIFIC CONDITIONS

Appendix GC - Construction Permit General Conditions

- G.1 The terms, conditions, requirements, limitations, and restrictions set forth in this permit are "Permit Conditions" and are binding and enforceable pursuant to Sections 403.161, 403.727, or 403.859 through 403.861, Florida Statutes. The permittee is placed on notice that the Department will review this permit periodically and may initiate enforcement action for any violation of these conditions.
- G.2 This permit is valid only for the specific processes and operations applied for and indicated in the approved drawings or exhibits. Any unauthorized deviation from the approved drawings or exhibits, specifications, or conditions of this permit may constitute grounds for revocation and enforcement action by the Department.
- G.3 As provided in Subsections 403.087(6) and 403.722(5), Florida Statutes, the issuance of this permit does not convey and vested rights or any exclusive privileges. Neither does it authorize any injury to public or private property or any invasion of personal rights, nor any infringement of federal, state or local laws or regulations. This permit is not a waiver or approval of any other Department permit that may be required for other aspects of the total project which are not addressed in the permit.
- G.4 This permit conveys no title to land or water, does not constitute State recognition or acknowledgment of title, and does not constitute authority for the use of submerged lands unless herein provided and the necessary title or leasehold interests have been obtained from the State. Only the Trustees of the Internal Improvement Trust Fund may express State opinion as to title.
- G.5 This permit does not relieve the permittee from liability for harm or injury to human health or welfare, animal, or plant life, or property caused by the construction or operation of this permitted source, or from penalties therefore; nor does it allow the permittee to cause pollution in contravention of Florida Statutes and Department rules, unless specifically authorized by an order from the Department.
- G.6 The permittee shall properly operate and maintain the facility and systems of treatment and control (and related appurtenances) that are installed or used by the permittee to achieve compliance with the conditions of this permit, as required by Department rules. This provision includes the operation of backup or auxiliary facilities or similar systems when necessary to achieve compliance with the conditions of the permit and when required by Department rules.
- G.7 The permittee, by accepting this permit, specifically agrees to allow authorized Department personnel, upon presentation of credentials or other documents as may be required by law and at a reasonable time, access to the premises, where the permitted activity is located or conducted to:
- (a) Have access to and copy and records that must be kept under the conditions of the permit;
 - (b) Inspect the facility, equipment, practices, or operations regulated or required under this permit, and,
 - (c) Sample or monitor any substances or parameters at any location reasonably necessary to assure compliance with this permit or Department rules.

Reasonable time may depend on the nature of the concern being investigated.

- G.8 If, for any reason, the permittee does not comply with or will be unable to comply with any condition or limitation specified in this permit, the permittee shall immediately provide the Department with the following information:
- (a) A description of and cause of non-compliance; and
 - (b) The period of noncompliance, including dates and times; or, if not corrected, the anticipated time the non-compliance is expected to continue, and steps being taken to reduce, eliminate, and prevent recurrence of the non-compliance.

SECTION IV. EMISSIONS UNIT SPECIFIC CONDITIONS

Appendix GC - Construction Permit General Conditions

The permittee shall be responsible for any and all damages, which may result and may be subject to enforcement action by the Department for penalties or for revocation of this permit.

- G.9 In accepting this permit, the permittee understands and agrees that all records, notes, monitoring data and other information relating to the construction or operation of this permitted source which are submitted to the Department may be used by the Department as evidence in any enforcement case involving the permitted source arising under the Florida Statutes or Department rules, except where such use is prescribed by Sections 403.73 and 403.111, Florida Statutes. Such evidence shall only be used to the extent it is consistent with the Florida Rules of Civil Procedure and appropriate evidentiary rules.
- G.10 The permittee agrees to comply with changes in Department rules and Florida Statutes after a reasonable time for compliance, provided, however, the permittee does not waive any other rights granted by Florida Statutes or Department rules.
- G.11 This permit is transferable only upon Department approval in accordance with Florida Administrative Code Rules 62-4.120 and 62-730.300, F.A.C., as applicable. The permittee shall be liable for any non-compliance of the permitted activity until the transfer is approved by the Department.
- G.12 This permit or a copy thereof shall be kept at the work site of the permitted activity.
- G.13 This permit also constitutes:
- (a) Determination of Best Available Control Technology (not applicable to project);
 - (b) Determination of Prevention of Significant Deterioration (not applicable to project); and
 - (c) Compliance with New Source Performance Standards (not applicable to project).
- G.14 The permittee shall comply with the following:
- (a) Upon request, the permittee shall furnish all records and plans required under Department rules. During enforcement actions, the retention period for all records will be extended automatically unless otherwise stipulated by the Department.
 - (b) The permittee shall hold at the facility or other location designated by this permit records of all monitoring information (including all calibration and maintenance records and all original strip chart recordings for continuous monitoring instrumentation) required by the permit, copies of all reports required by this permit, and records of all data used to complete the application or this permit. These materials shall be retained at least three years from the date of the sample, measurement, report, or application unless otherwise specified by Department rule.
 - (c) Records of monitoring information shall include:
 - 1. The date, exact place, and time of sampling or measurements;
 - 2. The person responsible for performing the sampling or measurements;
 - 3. The dates analyses were performed;
 - 4. The person responsible for performing the analyses;
 - 5. The analytical techniques or methods used; and
 - 6. The results of such analyses.
- G.15 When requested by the Department, the permittee shall within a reasonable time furnish any information required by law, which is needed to determine compliance with the permit. If the permittee becomes aware that relevant facts were not submitted or were incorrect in the permit application or in any report to the Department, such facts or information shall be corrected promptly.

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <input checked="" type="checkbox"/> <i>Frederick F. Haddad, Jr.</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) _____ C. Date of Delivery MAR 8 2005</p>
<p>1. Article Addressed to:</p> <p>Mr. Frederick F. Haddad, Jr. Vice President, Power Resources Business Unit Orlando Utilities Commission 500 South Orange Avenue Orlando, Florida 32802</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>2. Article Number (Transfer from service label)</p>	<p>7000 1670 0013 3109 9038</p>
<p>PS Form 3811, August 2001 Domestic Return Receipt 102595-02-M-1540</p>	

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

9038 3109 0013 1670 0000

Postage	\$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		
To	Mr. Frederick F. Haddad, Jr.	
Sen	Vice President, Power Resources	
Stre	Business Unit	
City	Orlando Utilities Commission	
	500 South Orange Avenue	
	Orlando, Florida 32802	

PS Form 3800, May 2000 See Reverse for Instructions

Florida Department of
Environmental Protection

Memorandum

TO: Michael G. Cooke
FROM: A. A. Linero 
DATE: March 2, 2005
SUBJECT: Final Air Construction Permit No. 0950137-008-AC
Orlando Utilities Commission (OUC)
Curtis H. Stanton Energy Center
Unit 2 Primary Superheat Tube Banks Replacement Project

The Final Permit for this project is attached for your approval and signature, which authorizes the replacement of the primary superheat tube banks for Unit 2 at the OUC Stanton Energy Center in Orlando, Orange County. The project did not require a PSD permit.

We conducted a detailed PSD applicability review that was distributed with the draft permit. There are no substantive changes between the draft permit that was reviewed by Trina Vielhauer and this final version.

For reference this is a well-controlled unit. It was the first in Florida to use selective catalytic reduction in a conventional coal-fired power plant. It has a modern scrubber for acid gases and an electrostatic precipitator.

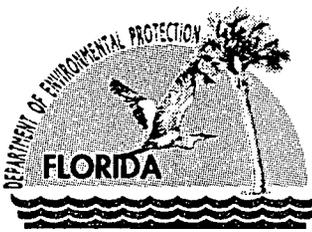
The material originally used for the superheat tube banks was subject to accelerated corrosion. The replacement is identical to the original tube banks according to OUC except for the specification of 1.25% (SA213T11) instead of 1% chromium in the steel.

They have an outage planned this month and would like to proceed with this project.

I recommend your approval of the attached Final Permit.

Attachments

AAL



Jeb Bush
Governor

Department of Environmental Protection

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

Colleen M. Castille
Secretary

February 15, 2005

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. Frederick F. Haddad, Jr.
Vice President, Power Resources Business Unit
Orlando Utilities Commission
500 South Orange Avenue
Post Office Box 3193
Orlando, Florida 32802

Re: DEP File No. 0950137-008-AV
Curtis H. Stanton Energy Center
Unit 2 Primary Superheat Tube Banks Replacement Project

Dear Mr. Haddad:

Enclosed is one copy of the Draft Permit and the Technical Evaluation and Preliminary Determination for the superheater tube replacement project for Unit 2 at the OUC Curtis H. Stanton Energy Center in Orange County. The Department's Intent to Issue Air Construction Permit and the "Public Notice of Intent to Issue Air Construction Permit" are also included.

The Public Notice must be published one time only as soon as possible in a newspaper of general circulation in the area affected, pursuant to Chapter 50, Florida Statutes. Proof of publication, i.e., newspaper affidavit, must be provided to the Department's Bureau of Air Regulation office within 7 (seven) days of publication. Failure to publish the notice and provide proof of publication within the allotted time may result in the denial of the permit.

Please submit any other written comments you wish to have considered concerning the Department's proposed action to me at the above letterhead address. If you have any questions please call Al Linero at 850/921-9523.

Sincerely,

Trina L. Vielhauer, Chief
Bureau of Air Regulation

TLV/al

Enclosures

"More Protection, Less Process"

Printed on recycled paper.

In the Matter of an
Application for Permit by:

Mr. Frederick F. Haddad, Jr.
Vice President, Power Resources Business Unit
Orlando Utilities Commission
500 South Orange Avenue
Orlando, Florida 32802

DEP File No. 0950137-008-AV
OUC Curtis H. Stanton Energy Center - Unit 2
Primary Superheat Tube Banks Replacement Project
Orange County

INTENT TO ISSUE AIR CONSTRUCTION PERMIT

The Department of Environmental Protection (Department) gives notice of its intent to issue an Air Construction Permit to Orlando Utilities Commission (OUC) for the proposed project, detailed in the application specified above and the attached Technical Evaluation and Preliminary Determination, for the reasons stated below.

OUC submitted an application on February 9, 2005 to the Department for the replacement of the primary superheat tube banks on Unit 2 at the OUC Curtis H. Stanton Energy Center in Orange County.

The Department has permitting jurisdiction under the provisions of Chapter 403, Florida Statutes (F.S.), Florida Administrative Code (F.A.C.) Chapters 62-4, 62-210, and 62-212. The above actions are not exempt from permitting procedures. Although no significant net emissions increases are projected to result from the proposed project, the Department has determined that an Air Construction Permit is required.

The Department intends to issue this air construction permit based on the belief that reasonable assurances have been provided to indicate that project will not cause significant net emissions increases from the unit that would otherwise require a review under the rules for the Prevention of Significant Deterioration under Chapters 62-212.400, F.A.C.

Pursuant to Section 403.815, F.S., and Rule 62-110.106(7)(a)1., F.A.C., you (the applicant) are required to publish at your own expense the enclosed Public Notice of Intent to Issue Air Construction Permit. The notice shall be published one time only in the legal advertisement section of a newspaper of general circulation in the area affected. Rule 62-110.106(7)(b), F.A.C., requires that the applicant cause the notice to be published as soon as possible after notification by the Department of its intended action. For the purpose of these rules, "publication in a newspaper of general circulation in the area affected" means publication in a newspaper meeting the requirements of Sections 50.011 and 50.031, F.S., in the county where the activity is to take place. If you are uncertain that a newspaper meets these requirements, please contact the Department at the address or telephone number listed below. The applicant shall provide proof of publication to the Department's Bureau of Air Regulation, at 2600 Blair Stone Road, Mail Station #5505, Tallahassee, Florida 32399-2400 (Telephone: 850/488-0114; Fax 850/ 922-6979). You must provide proof of publication within seven days of publication, pursuant to Rule 62-110.106(5), F.A.C. No permitting action for which published notice is required shall be granted until proof of publication of notice is made by furnishing a uniform affidavit in substantially the form prescribed in section 50.051, F.S. to the office of the Department issuing the permit. Failure to publish the notice and provide proof of publication may result in the denial of the permit pursuant to Rules 62-110.106(9) & (11), F.A.C.

The Department will issue the final permit with the attached conditions unless a response received in accordance with the following procedures results in a different decision or significant change of terms or conditions.

The Department will accept written comments concerning the proposed permit issuance action for a period of 14 (fourteen) days from the date of publication of the enclosed Public Notice. Written comments should be provided to the Department's Bureau of Air Regulation at 2600 Blair Stone Road, Mail Station #5505, Tallahassee, FL 32399-2400. Any written comments filed shall be made available for public inspection. If comments received result in a significant change in the proposed agency action, the Department shall revise the proposed permit and require, if applicable, another Public Notice.

The Department will issue the permit with the attached conditions unless a timely petition for an administrative hearing is filed pursuant to sections 120.569 and 120.57 F.S., before the deadline for filing a petition. The procedures for petitioning for a hearing are set forth below.

A person whose substantial interests are affected by the proposed permitting decision may petition for an administrative proceeding (hearing) under sections 120.569 and 120.57 of the Florida Statutes. The petition must contain the information set forth below and must be filed (received) in the Office of General Counsel of the Department at 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida, 32399-3000. Petitions filed by the permit applicant or any of the parties listed below must be filed within fourteen days of receipt of this notice of intent. Petitions filed by any persons other than those entitled to written notice under section 120.60(3) of the Florida Statutes must be filed within fourteen days of publication of the public notice or within fourteen days of receipt of this notice of intent, whichever occurs first. Under section 120.60(3), however, any person who asked the Department for notice of agency action may file a petition within fourteen days of receipt of that notice, regardless of the date of publication. A petitioner shall mail a copy of the petition to the applicant at the address indicated above at the time of filing. The failure of any person to file a petition within the appropriate time period shall constitute a waiver of that person's right to request an administrative determination (hearing) under sections 120.569 and 120.57 F.S., or to intervene in this proceeding and participate as a party to it. Any subsequent intervention will be only at the approval of the presiding officer upon the filing of a motion in compliance with Rule 28-106.205 of the Florida Administrative Code.

A petition that disputes the material facts on which the Department's action is based must contain the following information: (a) The name and address of each agency affected and each agency's file or identification number, if known; (b) The name, address, and telephone number of the petitioner, the name, address, and telephone number of the petitioner's representative, if any, which shall be the address for service purposes during the course of the proceeding; and an explanation of how the petitioner's substantial interests will be affected by the agency determination; (c) A statement of how and when petitioner received notice of the agency action or proposed action; (d) A statement of all disputed issues of material fact. If there are none, the petition must so indicate; (e) A concise statement of the ultimate facts alleged, including the specific facts the petitioner contends warrant reversal or modification of the agency's proposed action; (f) A statement of the specific rules or statutes the petitioner contends require reversal or modification of the agency's proposed action; and (g) A statement of the relief sought by the petitioner, stating precisely the action petitioner wishes the agency to take with respect to the agency's proposed action.

A petition that does not dispute the material facts upon which the Department's action is based shall state that no such facts are in dispute and otherwise shall contain the same information as set forth above, as required by Rule 28-106.301.

Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means that the Department's final action may be different from the position taken by it in this notice. Persons whose substantial interests will be affected by any such final decision of the Department on the application have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above. Mediation is not available in this proceeding.

In addition to the above, a person subject to regulation has a right to apply for a variance from or waiver of the requirements of particular rules, on certain conditions, under Section 120.542 F.S. The relief provided by this state statute applies only to state rules, not statutes, and not to any federal regulatory requirements. Applying for a variance or waiver does not substitute or extend the time for filing a petition for an administrative hearing or exercising any other right that a person may have in relation to the action proposed in this notice of intent.

The application for a variance or waiver is made by filing a petition with the Office of General Counsel of the Department, 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000. The petition must specify the following information: (a) The name, address, and telephone number of the petitioner; (b) The name, address, and telephone number of the attorney or qualified representative of the petitioner, if any; (c) Each rule or portion of a rule from which a variance or waiver is requested; (d) The citation to the statute underlying (implemented by) the rule identified in (c) above; (e) The type of action requested; (f) The specific facts that would justify a variance or waiver for the petitioner; (g) The reason why the variance or waiver would serve the purposes of the underlying statute (implemented by the rule); and (h) A statement whether the variance or waiver is permanent or temporary and, if temporary, a statement of the dates showing the duration of the variance or waiver requested.

The Department will grant a variance or waiver when the petition demonstrates both that the application of the rule would create a substantial hardship or violate principles of fairness, as each of those terms is defined in Section 120.542(2) F.S., and that the purpose of the underlying statute will be or has been achieved by other means by the petitioner.

Persons subject to regulation pursuant to any federally delegated or approved air program should be aware that Florida is specifically not authorized to issue variances or waivers from any requirements of any such federally delegated or approved program. The requirements of the program remain fully enforceable by the Administrator of the EPA and by any person under the Clean Air Act unless and until the Administrator separately approves any variance or waiver in accordance with the procedures of the federal program.

Executed in Tallahassee, Florida.



Trina L. Vielhauer, Chief
Bureau of Air Regulation

CERTIFICATE OF SERVICE

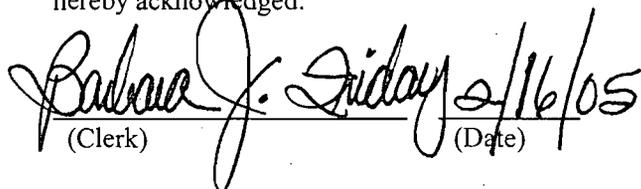
The undersigned duly designated deputy agency clerk hereby certifies that this Intent to Issue Air Construction Permit (including the Technical Evaluation and Preliminary Determination and the DRAFT permit) was sent by certified mail (*) and copies were mailed by U.S. Mail before the close of business on 2/16/05 to the persons listed:

Frederick F. Haddad, Jr., OUC*
Denise Stalls, OUC
Kay Prince, EPA
Beverly Spagg, EPA

Scott Osbourn, Golder Associates
Len Kozlov, DEP CD
Marie Driscoll, Orange County EPD

Clerk Stamp

FILING AND ACKNOWLEDGMENT FILED, on this date, pursuant to §120.52, Florida Statutes, with the designated Department Clerk, receipt of which is hereby acknowledged.


(Clerk) 2/16/05 (Date)

PUBLIC NOTICE OF INTENT TO ISSUE AIR CONSTRUCTION PERMIT

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

DEP File No. 0950137-008-AV

Orlando Utilities Commission, Curtis H. Stanton Energy Center Unit 2
Primary Superheat Tube Banks Replacement Project

Orange County

The Department of Environmental Protection (Department) gives notice of its intent to issue an Air Construction Permit to Orlando Utilities Commission (OUC). The permit will authorize replacement of the primary superheat tube banks on Unit 2 at the OUC Curtis H. Stanton Energy Center in Orange County. A Best Available Control Technology (BACT) determination was not required. The applicant's name and address are Orlando Utilities Commission, 500 South Orange Avenue, Post Office Box 3193, Orlando, Florida 32802.

OUC Stanton Unit 2 is a nominal 468-megawatt coal-fired unit that began commercial operation in March 1996. Pollution control equipment includes: an electrostatic precipitator for particulate matter; a scrubber for sulfur dioxide; and low NOx burners and a selective catalytic reduction system for nitrogen oxides. According to the company, metallurgical analyses indicate advanced and irreparable erosion. OUC advised that the news tubes will be functionally-equivalent or a like-kind replacement although the type of alloy proposed will be slightly different and more corrosion resistant. The primary superheat tube banks will be replaced during a four-week outage beginning in March 2005 at a cost of approximately \$5,000,000.

The Department has reasonable assurance that the project will not result in significant net emission increases from the unit that would otherwise require a review under the Rules for the Prevention of Significant Deterioration (PSD) at Paragraph 62-212.400, F.A.C. or 40 CFR 52.21. The Department has incorporated provisions in the draft permit requiring submittal of information on an annual basis for a period of 5 years to confirm that the project did not cause significant net emission increases in actual emissions.

The Department will issue the FINAL Permit, in accordance with the conditions of the DRAFT Permit, unless a response received in accordance with the following procedures results in a different decision or significant change of terms or conditions.

The Department will accept written comments concerning the proposed permit issuance action for a period of 14 (fourteen) days from the date of publication of this Public Notice of Intent to Issue Air Construction Permit. Written comments should be provided to the Department's Bureau of Air Regulation at 2600 Blair Stone Road, Mail Station #5505, Tallahassee, FL 32399-2400. Any written comments filed shall be made available for public inspection. If comments received result in a significant change in the proposed agency action, the Department shall revise the proposed permit and require, if applicable, another Public Notice.

The Department will issue the permit with the attached conditions unless a timely petition for an administrative hearing is filed pursuant to sections 120.569 and 120.57 F.S., before the deadline for filing a petition. The procedures for petitioning for a hearing are set forth below. Mediation is not available in this proceeding.

A person whose substantial interests are affected by the proposed permitting decision may petition for an administrative proceeding (hearing) under sections 120.569 and 120.57 of the Florida Statutes. The petition must contain the information set forth below and must be filed (received) in the Office of General Counsel of the Department at 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida, 32399-3000. Petitions filed by the permit applicant or any of the parties listed below must be filed within

Notice for Newspaper

fourteen days of receipt of this notice of intent. Petitions filed by any persons other than those entitled to written notice under section 120.60(3) of the Florida Statutes must be filed within fourteen days of publication of the public notice or within fourteen days of receipt of this notice of intent, whichever occurs first. Under section 120.60(3), however, any person who asked the Department for notice of agency action may file a petition within fourteen days of receipt of that notice, regardless of the date of publication. A petitioner shall mail a copy of the petition to the applicant at the address indicated above at the time of filing. The failure of any person to file a petition within the appropriate time period shall constitute a waiver of that person's right to request an administrative determination (hearing) under sections 120.569 and 120.57 F.S., or to intervene in this proceeding and participate as a party to it. Any subsequent intervention will be only at the approval of the presiding officer upon the filing of a motion in compliance with Rule 28-106.205 of the Florida Administrative Code.

A petition that disputes the material facts on which the Department's action is based must contain the following information: (a) The name and address of each agency affected and each agency's file or identification number, if known; (b) The name, address, and telephone number of the petitioner, the name, address, and telephone number of the petitioner's representative, if any, which shall be the address for service purposes during the course of the proceeding; and an explanation of how the petitioner's substantial interests will be affected by the agency determination; (c) A statement of how and when petitioner received notice of the agency action or proposed action; (d) A statement of all disputed issues of material fact. If there are none, the petition must so indicate; (e) A concise statement of the ultimate facts alleged, including the specific facts the petitioner contends warrant reversal or modification of the agency's proposed action; (f) A statement of the specific rules or statutes the petitioner contends require reversal or modification of the agency's proposed action; and (g) A statement of the relief sought by the petitioner, stating precisely the action petitioner wishes the agency to take with respect to the agency's proposed action.

A petition that does not dispute the material facts upon which the Department's action is based shall state that no such facts are in dispute and otherwise shall contain the same information as set forth above, as required by Rule 28-106.301

Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means that the Department's final action may be different from the position taken by it in this notice. Persons whose substantial interests will be affected by any such final decision of the Department on the application have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above.

A complete project file is available for public inspection during normal business hours, 8:00 a.m. to 5:00 p.m., Monday through Friday, except legal holidays, at:

Dept. of Environmental Protection
Bureau of Air Regulation
111 S. Magnolia Drive, Suite 4
Tallahassee, Florida 32301
Telephone: 850/488-0114
Fax: 850/922-6979

Dept. of Environmental Protection
Central District Office
3319 Maguire Boulevard, Suite 232
Orlando, Florida 32803-3767
Telephone: 407/894-7555
Fax: 407/897-5963

Orange County Environmental
Protection Dept. - Air Program
800 Mercy Drive, Suite 4
Orlando, Florida 32808
Telephone: 407/836-1400
Fax: 407/836-1499

The complete project file includes the technical evaluation and the Draft Permit, and the information submitted by OUC, exclusive of confidential records under Section 403.111, F.S. Interested persons may contact the Program Administrator, South Permitting Section at 111 South Magnolia Drive, Suite 4, Tallahassee, Florida 32301, or call 850/488-0114, for additional information. The draft permit and technical evaluation can be accessed at www.dep.state.fl.us/Air/permitting/construction.htm

Notice for Newspaper

PERMITTEE

Orlando Utilities Commission
500 South Orange Avenue
Post Office Box 3193
Orlando, Florida 32802

Permit No. 0950137-008-AV Expires: July 1, 2005 Facility ID No. 0950137 (SIC No. 4911) Unit 2 Primary Superheat Tube Banks Replacement Project
--

PROJECT AND LOCATION

This permit authorizes the replacement of the primary superheat tube banks for Unit 2 at the Curtis H. Stanton Energy Center. The facility is located at 5100 Alafaya Trail, Orlando, Orange County. The map coordinates are: UTM Zone 17, 484.00 km East and 3150.50 km North; and Latitude: 28° 28' 50" North and Longitude: 81° 09' 40" West.

STATEMENT OF BASIS

This air pollution construction permit is issued under the provisions of Chapter 403 of the Florida Statutes (F.S.), and Chapters 62-4, 62-204, 62-210, 62-212, 62-296, and 62-297 of the Florida Administrative Code (F.A.C.). The permittee is authorized to conduct the work specified in accordance with the conditions of this permit and as described in the application, approved drawings, plans, and other documents on file with the Department. This permit supplements all other air construction and operation permits for the subject emissions unit and does not alter any requirements from such previously issued air permits.

APPENDICES

The following appendices are attached as part of this permit.

Appendix GC - Construction Permit General Conditions

Michael G. Cooke, Director
Division of Air Resource Management

FACILITY DESCRIPTION

This facility consists of two coal-fired boilers (Acid Rain Phase II Units), two oil-fired combustion turbines used to drive two separate peaking generators driven by a single jet engine, and two gas-fired combustion turbines serving a single steam-electrical generator (Acid Rain Phase II Units).

There are storage and handling facilities for solid fuels, fly ash, limestone, gypsum, slag, and bottom ash.

Units Nos. 1 and 2 each consist of one Babcock and Wilcox boiler/steam generator (Model RB 611) and steam turbine, which drives a generator with a nameplate rating of 468 Megawatts. Each boiler/steam generator is a coal-fueled, wall fired, dry bottom unit that uses No. 6 fuel oil used for startup and flame stabilization. Each unit has a stack. Each unit is equipped with an electrostatic precipitator for control of particulate matter (PM/PM₁₀) and a limestone scrubber for sulfur dioxide (SO₂) control. Additionally, Unit 2 is equipped with a selective catalytic reduction (SCR) system for nitrogen oxides (NO_x) control. Units 1 and 2 began commercial operation in 1987 and 1996, respectively.

The 640 MW combined cycle unit is comprised of two 170 MW General Electric 7FA combustion turbine-electrical generators, fired with pipeline natural gas or diesel and equipped with evaporative coolers on the inlet air system, two supplementary fired heat recovery steam generators, each with a 160 ft. stack, and one steam turbine-electrical generator rated at approximately 300 MW. The winter capacity of this unit is approximately 700 MW. The combustion turbines are equipped with Dry Low NO_x combustors as well as an SCR in order to control NO_x. SO₂ and PM/PM₁₀ are controlled by use of inherently clean natural gas and low sulfur fuel oil.

PROJECT

The proposed project affects the following existing emissions unit:

ID No.	Emission Unit Description
002	Fossil Fuel Fired Steam Generator No.2 is a 4,286 mmBtu/hr, wall fired, dry bottom unit, firing pulverized coal as the primary fuel and No. 2 Fuel Oil for startup and stabilization.

REGULATORY CLASSIFICATION

Title III: Based on the initial Title V permit, the facility is a major source of hazardous air pollutants.

Title IV: The facility operates emissions units that are subject to the Phase II, Federal Acid Rain Program.

Title V: The facility is classified as a “major” source of air pollution with respect to Title V of the Clean Air Act because emissions of at least one regulated criteria air pollutant exceeds 100 tons per year.

PSD: The project is located in an area designated as “attainment” or “unclassifiable” for each pollutant subject to a National Ambient Air Quality Standard. The facility is considered a “fossil fuel fired steam electric plant of more than 250 million BTU per hour of heat input”, which is one of the 28 PSD source categories with the lower PSD applicability threshold of 100 tons per year. Potential emissions

SECTION I. FACILITY INFORMATION (DRAFT)

of at least one regulated pollutant exceed 100 tons per year. Therefore, the facility is classified as a PSD-major source of air pollution with respect to Rule 62-212.400, F.A.C., the Prevention of Significant Deterioration (PSD) of Air Quality. The three units were built pursuant to PSD permits and determinations of best available control technology (BACT).

NSPS: Units 1 and 2 are subject to Subpart Da and the combined cycle unit is subject to Subparts GG and Db of the New Source Performance Standards in 40 CFR 60.

RELEVANT DOCUMENTS

- Application received on February 9, 2005 for Unit 2 primary superheat tube banks replacement project;
- Permits PSD-FL-084 and PSD-FL-084A issued by EPA for the construction of Units 1 and 2;
- Current Title V Air Operation Permit Renewal No. 0950137-006-AV; and
- Department's Technical Evaluation and Preliminary Determination dated February 15, 2005.

SECTION II. ADMINISTRATIVE REQUIREMENTS

GENERAL AND ADMINISTRATIVE REQUIREMENTS

1. Permitting Authority: All documents related to applications for permits to construct, modify or operate this emissions unit shall be submitted to the Bureau of Air Regulation (BAR), Florida Department of Environmental Protection (DEP), at 2600 Blair Stone Road, Tallahassee, Florida 32399-2400 and phone number 850/488-0114. Copies of these documents shall be submitted to the Compliance Authority.
2. Compliance Authority: All documents related to compliance activities such as reports, tests, and notifications should be submitted to the Central District Office at 3319 Maguire Boulevard, Suite 232, Orlando Florida 32803-3767. The phone number is 407/894-7555 and the fax number is 407/897-2966.
3. General Conditions: The owner and operator are subject to, and shall operate under, the attached General Conditions listed in *Appendix GC* of this permit. General Conditions are binding and enforceable pursuant to Chapter 403 of the Florida Statutes. [Rule 62-4.160, F.A.C.]
4. Applicable Regulations, Forms and Application Procedures: Unless otherwise indicated in this permit, the construction and operation of this project shall be in accordance with the capacities and specifications stated in the application. The facility is subject to all applicable provisions of: Chapter 403 of the Florida Statutes (F.S.); and Chapters 62-4, 62-204, 62-210, 62-212, 62-213, 62-296, and 62-297 of the Florida Administrative Code (F.A.C.). The permittee shall use the applicable forms listed in Rule 62-210.900, F.A.C. and follow the application procedures in Chapter 62-4, F.A.C. Issuance of this permit does not relieve the facility owner or operator from compliance with any applicable federal, state, or local permitting or regulations. [Rules 62-204.800, 62-210.300 and 62-210.900, F.A.C.]
5. Permit Expiration: For good cause, the permittee may request that this air construction permit be extended. Such a request shall be submitted to the Department's Bureau of Air Regulation at least sixty (60) days prior to the expiration of this permit. [Rules 62-4.070(4), 62-4.080, and 62-210.300(1), F.A.C.]
6. New or Additional Conditions: For good cause shown and after notice and an administrative hearing, if requested, the Department may require the permittee to conform to new or additional conditions. The Department shall allow the permittee a reasonable time to conform to the new or additional conditions, and on application of the permittee, the Department may grant additional time. [Rule 62-4.080, F.A.C.]
7. Modifications: No emissions unit or facility subject to this permit shall be constructed or modified without obtaining an air construction permit from the Department. Such permit shall be obtained prior to beginning construction or modification. [Rules 62-210.300(1) and 62-212.300(1)(a), F.A.C.]
8. Title V Permit: This permit authorizes construction of the proposed project and initial operation to determine compliance with Department rules. This project involves no changes in the descriptions, applicable requirements, or conditions of the facility Title V Operation Permit. The permittee is not required to apply for a revised Title V operation permit following completion of the project.

SECTION III. EMISSIONS UNIT SPECIFIC CONDITIONS

EU 002. Unit 2 – 468 MW Fossil Fuel Fired Steam Generator

The proposed project affects the following existing unit:

ID No.	Emission Unit Description
002	Fossil Fuel Fired Steam Generator No. 2 (Unit 2) is a wall-fired, dry bottom boiler, firing pulverized coal as the primary fuel and Fuel Oil No. 6 for purposes of startup and flame stabilization. It began commercial operation on June 1, 1996. The maximum heat input rate is 4,286 mmBtu per hour with a nominal generating capacity of 468 MW. Particulate matter emissions are controlled by an electrostatic precipitator. SO ₂ emissions are controlled by a limestone scrubber. NO _x emissions are controlled by Low-NO _x Burners and an SCR ammonia injection system. It is a Phase II Acid Rain Unit. The following parameters are continuously monitored for this unit: NO _x , opacity, SO ₂ , CO ₂ , and stack gas flow.

ADMINISTRATIVE REQUIREMENTS

1. Previous Permit Conditions: This permit authorizes the replacement of the superheater tubing for existing Unit 2. The following conditions are in addition to those of any other air construction or operation permits. [Rule 62-4.210, F.A.C.]

CONSTRUCTION ACTIVITIES

2. Primary Superheat Tube Banks Replacement: The permittee is authorized to replace the primary superheat tube banks in Unit 2. In general, this consists of a shutdown of the unit and an outage of approximately four weeks. After the unit cools, the existing primary superheat tube banks will be removed. They will be replaced with fabricated tube banks made of a more corrosion resistant material (SA213T11). [Applicant Request]
3. Unconfined Particulate Emissions: During the construction period, unconfined particulate emissions shall be minimized by dust suppressing techniques such as covering, enclosing, applying water or chemicals to the affected areas, or any combination of techniques, as necessary. [Rule 62-296.320(4)(c), F.A.C.]

NOTIFICATIONS AND REPORTS

4. Notifications: Within one week of beginning construction, the permittee shall notify the Compliance Authority that the project has commenced and provide a general schedule of construction activities. Within one week of completing construction, the permittee shall notify the Compliance Authority that the project has concluded and provide a general schedule of bringing the unit back on line. [Rule 62-4.210, F.A.C.]
5. PSD Applicability Report: The permittee shall maintain information demonstrating that the project did not result in any significant net emissions increase, which is defined in Rule 62-212.400(2)(e), F.A.C. as follows:

SECTION III. EMISSIONS UNIT SPECIFIC CONDITIONS

EU 002. Unit 2 – 468 MW Fossil Fuel Fired Steam Generator

Net Emissions Increase. A modification to a facility results in a net emissions increase when, for a pollutant regulated under the Act, the sum of all of the contemporaneous creditable increases and decreases in the actual emissions of the facility, including the increase in emissions of the modification itself and any increases and decreases in quantifiable fugitive emissions, is greater than zero.

Significant Net Emissions Increase. A significant net emissions increase of a pollutant regulated under the Act is a net emissions increase equal to or greater than the applicable significant emission rate listed in Table 212.400-2, Regulated Air Pollutants – Significant Emission Rates.

The permittee shall submit an annual report to the Department of such information for a period of 5 years representative of normal post-change operations of the unit (within the period not longer than 10 years following the change). For an existing electric utility steam-generating unit, actual emissions of the unit following a physical or operational change shall equal the representative actual annual emissions of the unit following the physical or operational change. The following definition of “representative actual annual emissions” found in 40 CFR 52.21(b)(33) is adopted and incorporated by reference in Rule 62-204.800, F.A.C.:

Representative actual annual emissions means the average rate, in tons per year, at which the source is projected to emit a pollutant for the two-year period after a physical change or change in the method of operation of a unit, (or a different consecutive two-year period within 10 years after that change, where the Administrator determines that such period is more representative of normal source operations), considering the effect any such change will have on increasing or decreasing the hourly emissions rate and on projected capacity utilization. In projecting future emissions the Administrator shall:

- (i) Consider all relevant information, including but not limited to, historical operational data, the company's own representations, filings with the State or Federal regulatory authorities, and compliance plans under title IV of the Clean Air Act; and
- (ii) Exclude, in calculating any increase in emissions that results from the particular physical change or change in the method of operation at an electric utility steam generating unit, that portion of the unit's emissions following the change that could have been accommodated during the representative baseline period and is attributable to an increase in projected capacity utilization at the unit that is unrelated to the particular change, including any increased utilization due to the rate of electricity demand growth for the utility system as a whole.”

Each required annual report shall be submitted to the Department prior to August 1st and shall quantify operations for the previous calendar year(s).

[Rules 62-204.800, 62-210.200(11) and 62-212.400(2), F.A.C.; and 40 CFR 52.21(b)(33)]

SECTION IV. EMISSIONS UNIT SPECIFIC CONDITIONS (DRAFT)

Appendix GC - Construction Permit General Conditions

- G.1 The terms, conditions, requirements, limitations, and restrictions set forth in this permit are "Permit Conditions" and are binding and enforceable pursuant to Sections 403.161, 403.727, or 403.859 through 403.861, Florida Statutes. The permittee is placed on notice that the Department will review this permit periodically and may initiate enforcement action for any violation of these conditions.
- G.2 This permit is valid only for the specific processes and operations applied for and indicated in the approved drawings or exhibits. Any unauthorized deviation from the approved drawings or exhibits, specifications, or conditions of this permit may constitute grounds for revocation and enforcement action by the Department.
- G.3 As provided in Subsections 403.087(6) and 403.722(5), Florida Statutes, the issuance of this permit does not convey and vested rights or any exclusive privileges. Neither does it authorize any injury to public or private property or any invasion of personal rights, nor any infringement of federal, state or local laws or regulations. This permit is not a waiver or approval of any other Department permit that may be required for other aspects of the total project which are not addressed in the permit.
- G.4 This permit conveys no title to land or water, does not constitute State recognition or acknowledgment of title, and does not constitute authority for the use of submerged lands unless herein provided and the necessary title or leasehold interests have been obtained from the State. Only the Trustees of the Internal Improvement Trust Fund may express State opinion as to title.
- G.5 This permit does not relieve the permittee from liability for harm or injury to human health or welfare, animal, or plant life, or property caused by the construction or operation of this permitted source, or from penalties therefore; nor does it allow the permittee to cause pollution in contravention of Florida Statutes and Department rules, unless specifically authorized by an order from the Department.
- G.6 The permittee shall properly operate and maintain the facility and systems of treatment and control (and related appurtenances) that are installed or used by the permittee to achieve compliance with the conditions of this permit, as required by Department rules. This provision includes the operation of backup or auxiliary facilities or similar systems when necessary to achieve compliance with the conditions of the permit and when required by Department rules.
- G.7 The permittee, by accepting this permit, specifically agrees to allow authorized Department personnel, upon presentation of credentials or other documents as may be required by law and at a reasonable time, access to the premises, where the permitted activity is located or conducted to:
- (a) Have access to and copy and records that must be kept under the conditions of the permit;
 - (b) Inspect the facility, equipment, practices, or operations regulated or required under this permit, and;
 - (c) Sample or monitor any substances or parameters at any location reasonably necessary to assure compliance with this permit or Department rules.

Reasonable time may depend on the nature of the concern being investigated.

- G.8 If, for any reason, the permittee does not comply with or will be unable to comply with any condition or limitation specified in this permit, the permittee shall immediately provide the Department with the following information:
- (a) A description of and cause of non-compliance; and
 - (b) The period of noncompliance, including dates and times; or, if not corrected, the anticipated time the non-compliance is expected to continue, and steps being taken to reduce, eliminate, and prevent recurrence of the non-compliance.

SECTION IV. EMISSIONS UNIT SPECIFIC CONDITIONS (DRAFT)

Appendix GC - Construction Permit General Conditions

The permittee shall be responsible for any and all damages, which may result and may be subject to enforcement action by the Department for penalties or for revocation of this permit.

- G.9 In accepting this permit, the permittee understands and agrees that all records, notes, monitoring data and other information relating to the construction or operation of this permitted source which are submitted to the Department may be used by the Department as evidence in any enforcement case involving the permitted source arising under the Florida Statutes or Department rules, except where such use is prescribed by Sections 403.73 and 403.111, Florida Statutes. Such evidence shall only be used to the extent it is consistent with the Florida Rules of Civil Procedure and appropriate evidentiary rules.
- G.10 The permittee agrees to comply with changes in Department rules and Florida Statutes after a reasonable time for compliance, provided, however, the permittee does not waive any other rights granted by Florida Statutes or Department rules.
- G.11 This permit is transferable only upon Department approval in accordance with Florida Administrative Code Rules 62-4.120 and 62-730.300, F.A.C., as applicable. The permittee shall be liable for any non-compliance of the permitted activity until the transfer is approved by the Department.
- G.12 This permit or a copy thereof shall be kept at the work site of the permitted activity.
- G.13 This permit also constitutes:
- (a) Determination of Best Available Control Technology (not applicable to project);
 - (b) Determination of Prevention of Significant Deterioration (not applicable to project); and
 - (c) Compliance with New Source Performance Standards (not applicable to project).
- G.14 The permittee shall comply with the following:
- (a) Upon request, the permittee shall furnish all records and plans required under Department rules. During enforcement actions, the retention period for all records will be extended automatically unless otherwise stipulated by the Department.
 - (b) The permittee shall hold at the facility or other location designated by this permit records of all monitoring information (including all calibration and maintenance records and all original strip chart recordings for continuous monitoring instrumentation) required by the permit, copies of all reports required by this permit, and records of all data used to complete the application or this permit. These materials shall be retained at least three years from the date of the sample, measurement, report, or application unless otherwise specified by Department rule.
 - (c) Records of monitoring information shall include:
 - 1. The date, exact place, and time of sampling or measurements;
 - 2. The person responsible for performing the sampling or measurements;
 - 3. The dates analyses were performed;
 - 4. The person responsible for performing the analyses;
 - 5. The analytical techniques or methods used; and
 - 6. The results of such analyses.
- G.15 When requested by the Department, the permittee shall within a reasonable time furnish any information required by law, which is needed to determine compliance with the permit. If the permittee becomes aware that relevant facts were not submitted or were incorrect in the permit application or in any report to the Department, such facts or information shall be corrected promptly.

TECHNICAL EVALUATION
AND
PRELIMINARY DETERMINATION

Orlando Utilities Commission
Curtis H. Stanton Energy Center Unit 2

Primary Superheat Tube Banks Replacement Project

Orange County

DEP File No. 0950137-008-AV

Department of Environmental Protection
Division of Air Resource Management
Bureau of Air Regulation

February 15, 2005

BACKGROUND

On February 9, 2005 the Department received an application from Orlando Utilities Commission (OUC) to replace the primary superheat tube banks at the Curtis H. Stanton Energy Center Unit 2 (Stanton Unit 2) in Orange County. The application included the project specifications which are actually to design, fabricate and install the primary superheat tube banks. It also included annual emission, heat input, and generation summaries as well as recent continuous heat input graphs. OUC also submitted a rule evaluation in support of its request.

Stanton Unit 2 is a nominal 468-megawatt coal-fired unit that was constructed pursuant to certification by the Florida Power Plant Siting Board and a permit issued under the Rules for the Prevention of Significant Deterioration issued by EPA. Pollution control equipment consists of: an electrostatic precipitator for particulate matter (PM/PM₁₀); a scrubber for sulfur dioxide (SO₂); and low NO_x burners and a selective catalytic reduction (SCR) system for nitrogen oxides (NO_x) control. The unit began commercial operation in March 1996.

According to the information provided, the primary superheat tube banks on Unit 2 have experienced significant corrosion due to a number of reasons. The company has determined that it is necessary to replace the primary superheat banks because metallurgical analyses indicate advanced and irreparable erosion. The degradation has not yet caused a derate of the unit. The replacement tubes are made of more corrosion resistant steel (SA213 T11) with greater chromium content (1.25 versus 1.0 percent). The project will be conducted during a planned four-week outage that begins in early March 2005. The project cost is estimated at \$5 million.

The first issue is whether the project is a modification under the Department's definitions of a at Sections 62-210, F.A.C. The definition of modification at Section 62-210.200, F.A.C. states:

169. "Modification" - Any physical change in, change in the method of operation of, or addition to a facility which would result in an increase in the actual emissions of any air pollutant subject to regulation under the Act, including any not previously emitted, from any emissions unit or facility. (Emphasis added.)

POSSIBLE EXCLUSION: ROUTINE MAINTENANCE, REPAIR OR REPLACEMENT

The project is clearly a physical change and thus is eligible for consideration as a modification. The Department considered whether the project is excluded from the definition of modification as provided in Section 62-210.200(169)(a), F.A.C. This provision states:

A physical change or change in method of operation shall not include: 1. Routine maintenance, repair, or replacement of component parts of an emission unit. (Emphasis added.)

It is not immediately obvious to Department experts whether the project described constitutes routine maintenance, repair, or replacement of component parts. The project appears large in terms of cost, the length of the outage, and scope as a complete replacement of the primary superheat tube banks. The project also includes installation of 4000 18-inch straight tube shields. A narrow interpretation of the rule would suggest that the project is not eligible for the possible exemption.

There have been some recent legal decisions that OUC believes support its contention that the project constitutes routine repair, replacement, or maintenance. These include the Ohio Edison and Duke Power decisions in 2003. These decisions have some contradictory elements and have not yet been memorialized in any EPA regulations. Furthermore, and in contrast to the earlier WEPCO decision discussed below, EPA has not issued any State Implementation Plan (SIP)

calls requiring approved programs to update their regulations to reflect these decisions. Therefore, the Department will, at least for now, continue to evaluate such projects under its present standards and procedures.

SIGNIFICANT NET EMISSIONS INCREASES

OUC claims that the project will have no effect on the emission rate of the unit (presumably in pounds per hour) or utilization of the unit. The Company also claims that there will be no “net emissions increase” caused by the project.

The Department has determined that an air construction permit is required for the non-routine project described above. The question then becomes whether any increase would result in a “significant net emissions increase” that would constitute a modification subjecting the project to the Rules for Prevention of Significant Deterioration of Air Quality (PSD Rules) at Section 62-212.400, F.A.C. or 40 CFR 52.21.

The Department rule at Section 62-212.400(2)(e), F.A.C., (Emissions Increases), states:

1. *Net Emissions Increase. A modification to a facility results in a net emissions increase when, for a pollutant regulated under the Act, the sum of all of the contemporaneous creditable increases and decreases in the actual emissions of the facility, including the increase in emissions of the modification itself is greater than zero.*
2. *Significant Net Emissions Increase. A significant net emissions increase of a pollutant regulated under the Act is a net emissions increase equal to or greater than the applicable significant emission rate listed in Table 212.400-2, Regulated Air Pollutants - Significant Emission Rates.*

In making the determination whether or not there will be a significant net emissions increase, it is necessary to compare actual emissions before and after the project. The Department rule at Section 62-210.200(11), F.A.C. (Actual Emissions), states:

- (a) *In general, actual emission as of a particular date shall equal the average rate, in tons per year, at which the emissions unit actually emitted the pollutant during a two-year period which precedes the particular date and which is representative of the normal operation of the emissions unit. The Department may allow the use of a different time period upon a determination that it is more representative of the normal operation of the emissions unit. Actual emissions shall be calculated using the emissions unit's actual operating hours, production rates and types of materials processed, stored, or combusted during the selected time period. (Emphasis added.)*

The definition above relates to the “past emissions” that are compared to the future emissions in calculating whether there will be a net emissions increase. With respect to selection of a time period, it is clear from the provision that the most recent two-year period *should* be used although the Department may allow the use of a different time period. Future emissions for certain electric steam utility units (subject to WEPCO) are uniquely defined within the same section as:

- (d) *For an electric utility steam generating unit (other than a new unit or replacement of an existing unit) actual emissions of the unit following a physical or operational change shall equal the representative actual annual emissions of the unit following the physical or operational change, provided the owner or operator maintains and submits to the Department on an annual basis, for a period of 5 years representative of normal post-change operations of the unit, information demonstrating that the physical or operational change did*

not result in an emissions increase. The definition of "representative actual annual emissions" found in 40 C.F.R. 52.21(b)(33) is adopted and incorporated by reference in Rule 62-204.800, F.A.C. (Emphasis added.)

Federal regulation 40 CFR 52.21(b)(33) states:

Representative actual annual emissions means the average rate, in tons per year, at which the source is projected to emit a pollutant for the 2-year period after a physical change or change in the method of operation of a unit, (or a different consecutive 2-year period within 10 years after that change, where the Administrator determines that such period is more representative of normal source operations), considering the effect any such change will have on increasing or decreasing the hourly emissions rate and on projected capacity utilization. In projecting future emissions the Administrator shall:

- (i) Consider all relevant information, including but not limited to, historical operational data, the company's own representations, filings with the State or Federal regulatory authorities, and compliance plans under Title IV of the Clean Air Act; and*
- (ii) Exclude, in calculating any increase in emissions that results from the particular physical change or change in the method of operation at an electric utility steam generating unit, that portion of the unit's emissions following the change that could have been accommodated during the representative baseline period and is attributable to an increase in projected capacity utilization at the unit that is unrelated to the particular change, including any increased utilization due to the rate of electricity demand growth for the utility system as a whole.*

ACTUAL EMISSIONS PRECEDING PHYSICAL CHANGE

OUC chose a 24-month period (September, 1998 through August, 2000) during the past five years as representative of normal operation. Actually, according to the applicable rule, it is the Department that makes the final decision on this matter and may allow a time period different than the two years immediately preceding the physical change. Normally, the Department insists on the use of the most recent two years. However, if an applicant makes and substantiates a claim that another two-year period is more representative, the Department may concur.

There is specific electrical utility case law related to this prior two-year assumption and the Department generally allows use of a different two-year period within the past five years.

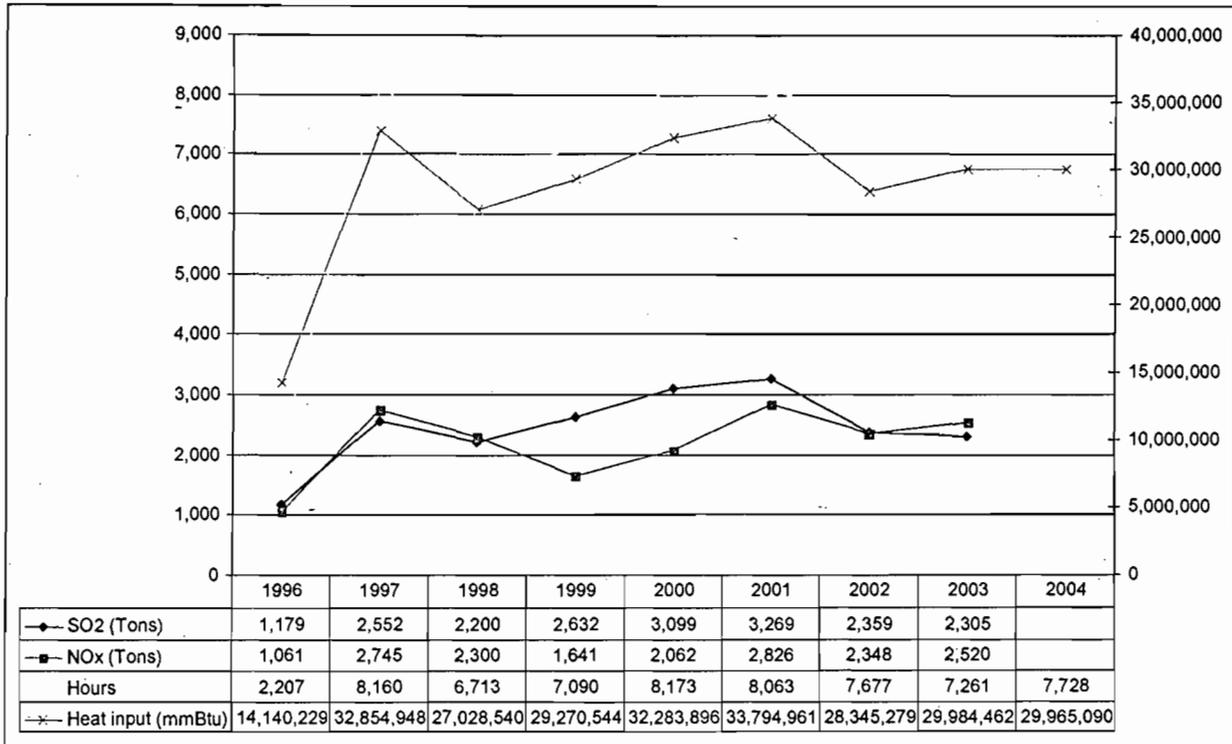
"Under the proposed action, the Administrator would presume that any 2 consecutive years within the 5 years prior to the proposed change is representative of normal source operations for a utility."¹ (Emphasis added.)

OUC has proposed that the Department use 2000-2001 as the 2 consecutive-year period. This meets the criterion above as "any 2 consecutive year period". The Department accepts the time period for the purpose of two-years of normal operation.

The first following chart on the following page tracks annual SO₂ and NO_x emissions as well as annual hours of utilization and heat input. Utilization rapidly increased after startup and then dipped. By 2000-2001, the unit was back to expected utilization but utilization has since declined. Nevertheless, it is still reasonable for the Department to presume that 2000-2001 is an appropriate 2-year period to use as the measure of past actual utilization (or emissions).

¹ Federal Register. WEPCO Final Rulemaking. Promulgated July 21, 1992.

Emissions From and Utilization of OUC Stanton Unit 2. 1996-2004. EPA, OUC.



ACTUAL EMISSIONS FOLLOWING PHYSICAL CHANGE

In evaluating future emissions, electrical utilities can use representative actual annual emissions. One method to determine representative actual annual emissions is to compare past normal operation to future expected utilization. If there is an increase in utilization, then it is necessary to determine if it was caused by the change, such as the proposed project.

According to the previously cited case law regarding electrical utilities:

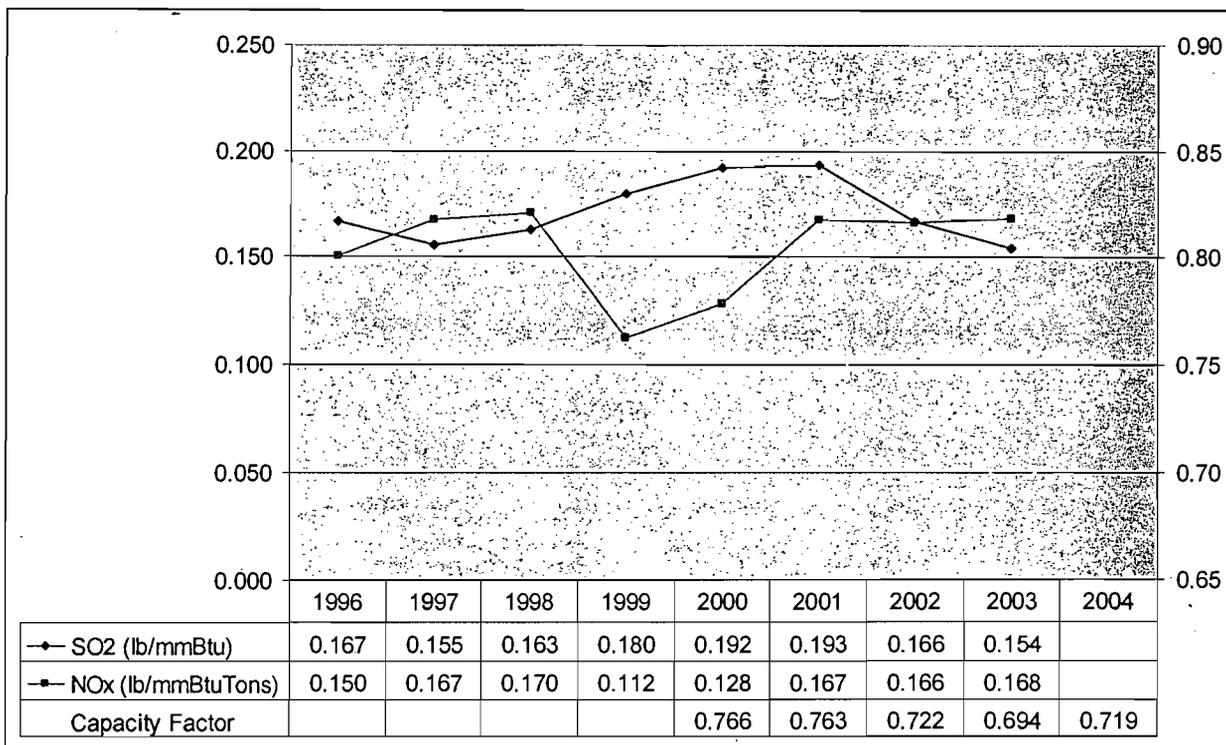
“Where the change does not increase the unit's emissions factor, i.e., the amount of pollution emitted by a source after control per unit of fuel combusted (such as pounds of SO₂ emitted per ton of coal burned), the utility may submit annual utilization data, rather than emissions data, as a method of tracking post-change emissions. If annual utilization data show that the unit increased utilization above baseline levels, the permitting authority should determine whether the increase resulted from the change. Where a causal link exists between the change and the increase in utilization, the permitting authority should then determine whether emissions have also increased as a result of the change.” (Emphasis added.)

The unit is subject to NO_x and SO₂ emission limits that were set by a best available control technology (BACT) determination conducted by EPA under the PSD permitting process. The NO_x and SO₂ limits are 0.17 and 0.25 lb/mmBtu on a 30-day basis. Control is achieved by injection of reagents (limestone and ammonia) to levels very close to the allowable emissions. Also the nature of the change is not one that one would expect to cause changes in emission factors. Thus it is reasonable to conclude that emission factors from Unit 2 are not expected to increase due to the change.

The following chart on the following page includes annual emission factors based on emissions and heat input continuously recorded and periodically reported to EPA. The chart also includes

estimated capacity factors based on annual electrical energy generation reported by OUC, and the unit capacity and allowable hours of operation.

Emission and Capacity Factors, OUC Stanton Unit 2. 1996-2004. EPA, OUC



The annual NO_x emission factors according to the EPA Air Markets website ranged from 0.15 to 0.17 lb/mmBtu whereas the factors calculated from annual emissions and heat rate ranged from 0.11 to 0.17. The factor during 2000 was 0.17 lb/mmBtu according to the EPA Air Markets website. This equates to 2,744 tons, which is substantially greater than the value of 2,062 tons reported in the EPA data. The NO_x emission factors in the above chart were calculated from the reported annual NO_x emissions and heat input. It is clear that the calculated factors for 1999-2000 do not agree with those reported in the EPA website or those reported or calculated previous or subsequent years.

The 2000-2001 baseline hours and heat input are determined to be 8,120 hours and 33,040,000 mmBtu respectively. According to the application submitted by OUC, the company projects 7,887 hours of operation per year and 31,139,600 mmBtu per year during the period 2005-2006. The predictions were made using the company's production cost models.

The 2000-2001 baseline SO₂ emissions are determined by the Department to be 3,184 TPY. The 2000-2001 baseline NO_x emissions are determined to be 2,785 TPY based on reported tonnage during 2001 and using a factor of 0.17 lb/mmBtu together with reported heat input to estimate 2000 emissions.

OUC also submitted a summary of emission data previously submitted to DEP as Annual Operating Reports (AOR's). These are typically developed using actual fuel sulfur content and fuel use, NO_x emission factors, annual particulate and carbon monoxide tests stack tests.

Year of Operation	NO _x (TPY)	SO ₂ (TPY)	CO (TPY)	PM (TPY)	PM ₁₀ (TPY)	VOC (TPY)
1999	2,450	2,640	265	215	135	32
2000	2,741	3,096	390	110	69	45
2001	2,811	3,236	383	67	42	44
2002	2,583	2,359	371	102	64	43
2003	2,420	2,368	359	95	64	41
Highest 2-yr Avg 2000-2001	2,776	3,166	386	163 (1999-2000)	102 (1999-2000)	45

The baseline emission estimates submitted by OUC for SO₂ and NO_x are very close to the calculations made by the Department following correction for the apparent error in the EPA figures. The Department believes, however that the correct baseline years for PM/PM₁₀ emissions should be the same as those of the other pollutants unless an error is detected (such as found in the NO_x factor). Therefore the baseline PM/PM₁₀ emissions are 89/56 TPY. It would take emissions of 114/71 averaged over a two-year period to trigger PSD if the constant emission factor assumption is not used.

The Department believes that emission factors for volatile organic compounds (VOC), carbon monoxide (CO) and particulate matter (PM/PM₁₀) emitted from Unit 2 will not change because of the primary superheat tube banks project. The nature of PM emissions is that they are much more variable than NO_x and SO₂ emissions, particularly when the latter pollutants are controlled by injection of reagents (such as ammonia or limestone). However, even the highest estimate for PM emissions (from 1999) would reflect a value of 0.015 lb/mmBtu, which is less than the applicable BACT limit of 0.02 lb/mmBtu.

Thus utilization is a proper parameter to track and is also a proper surrogate for emissions from this very well controlled unit.

OUC also provided the chart located on the following page from the third quarter of 2004. It demonstrates that Unit 2 consistently achieves its short-term capacity heat input limits as it follows demand each day. The replacement of the primary superheat tube banks will not change the short-term operating profile such as maximum heat input. It will not replace lost short term capacity and the permit limitations will continue to cap maximum heat input.

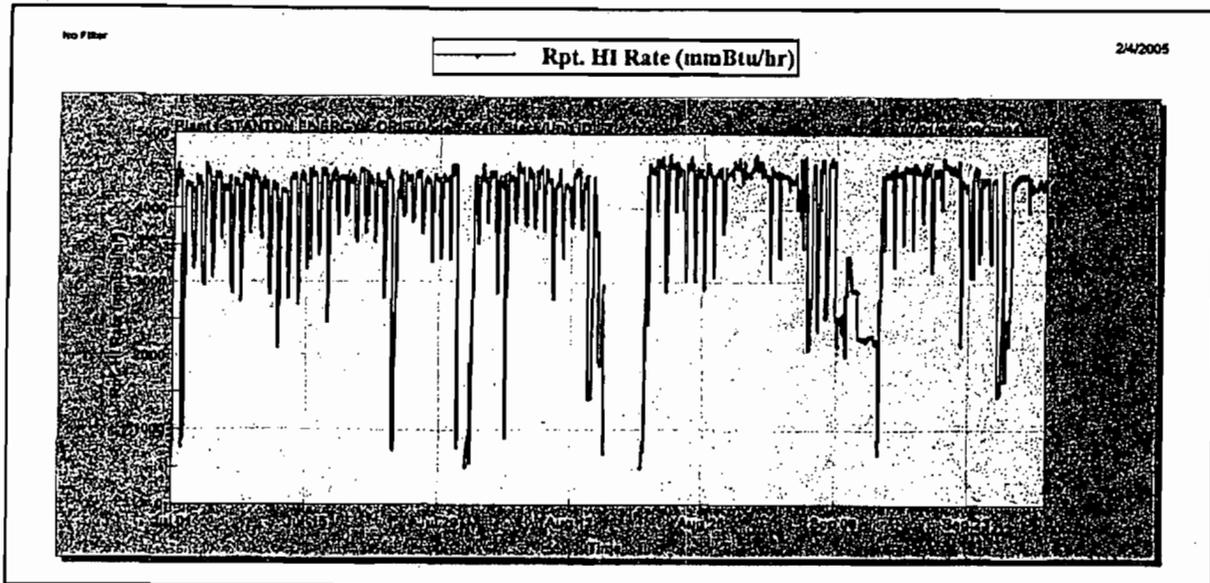
ACTUAL ANNUAL REPRESENTATIVE EMISSIONS AFTER THE PHYSICAL CHANGE

OUC predicts utilization in 2005-2006 is likely to be less than during 2001-2002. No projections were provided beyond 2005-2006.

Emissions increases and utilization beyond a return to baseline levels might occur beyond 2005-2006 but can possibly be excluded based on the federal definition incorporated in the Department rules cited above. It is worth reiterating that the Department must:

“Exclude, in calculating any increase in emissions that results from the particular physical change or change in the method of operation at an electric utility steam generating unit, that portion of the unit's emissions following the change that could have been accommodated during the representative baseline period and is attributable to an increase in projected capacity utilization at the unit that is unrelated to the particular change, including any increased utilization due to the rate of electricity demand growth for the utility system as a whole.”

Continuous Heat Input Chart, July 1 – September 30, 2004. OUC.



ADDITIONAL CONSIDERATIONS

Stanton Unit 2 is one of the most recent coal units built in the United States. It has modern PM, SO₂, and NO_x control equipment that served as models for SO₂ and NO_x BACT determinations nationwide for subsequent years.

The unit is not near its useful lifetime and appears to have been well maintained. The project appears to a correction (albeit non-routine) in materials specifications that will decrease corrosion rather than any attempt to increase the inherent capacity of the unit.

Even if emissions tend to increase, OUC has the ability to moderately increase reagent use so that such increases will not be significant after correction for system-wide demand growth, etc.

DETERMINATION WHETHER THERE WILL BE A SIGNIFICANT NET EMISSIONS INCREASE

The Department does not expect NO_x or SO₂ emissions changes from Stanton Unit 2, as defined for electric utility steam generators, to exceed 40 tons per year. Also the Department does not expect emission changes to exceed 100 tons per year of CO or 15/25 TPY of PM/PM₁₀. Thus it is not subject to PSD review or a requirement to conduct another BACT determination.

ADDITIONAL REQUIREMENTS APPLICABLE TO OUC

The Department requires a permit for OUC to proceed with the planned work. However the permit does not require incorporation of additional emission limitations for this specific project. The preamble to the WEPCO rule states:

"The EPA does not, however, agree with comments that post-change emissions estimates must always be made into permanent federally-enforceable permit conditions. To do so would permanently restrict a utility's legally allowable emission limits to its pre-change actual emissions level unless it subsequently underwent NSR, and would fail to account for the very real possibility that emissions might increase over baseline levels in the future for reasons unrelated to the physical or operational change in question."

The Department will require OUC Power to submit the information described in the definition of actual emissions at Section 62-210.200(11)(d), F.A.C., which is clearly an applicable requirement. OUC should also include the applicable requirement in its next Title V Operation permit revision or renewal application.

According to the preamble to the WEPCO rule:

“Appropriate records are to be submitted to the permitting agency on an annual basis for a period of 5 years from the date the unit begins operations (i.e., post-change operations after an initial shakedown period). A longer period, not to exceed 10 years, may be required by the permitting agency where it has determined that no period within the first 5 years following the change is representative of source operations.

Since it is expected that utilities will submit the same data normally used to report emissions or operational levels under existing Federal, State or local air pollution control agency requirements, EPA does not expect that documentation of post-change actual annual emissions will impose any additional data collection burden on the part of a utility.”

LIMITATIONS OF DEPARTMENT’S OPINION

The Department’s preliminary determination is based only on the facts presented by OUC, independent EPA data, the few Department rules sufficient to evaluate the proposed project, and the Federal regulations upon which they were clearly based.

The Department’s opinion does not consider any other conceivable past projects that when aggregated with the present one could result in significant net emissions increases. It does not serve as a shield against any conceivable actions contemplated (to which the Department is not privy) by EPA as a result of any inquiries via the Section 114 process into past projects by OUC at the Stanton Energy Center.

Furthermore the Department’s determination is strictly limited to this specific case and should not be used as a precedent for other cases, or lead to unintended consequences construed from the language contained in this determination. Ultimately, it is the Department that interprets its own regulations and opinions.

A. A. Linero, P.E., Program Administrator, South Permitting Section

APPENDIX GC
GENERAL PERMIT CONDITIONS [RULE 62-4.160, F.A.C.]

- G.1 The terms, conditions, requirements, limitations, and restrictions set forth in this permit are "Permit Conditions" and are binding and enforceable pursuant to Sections 403.161, 403.727, or 403.859 through 403.861, Florida Statutes. The permittee is placed on notice that the Department will review this permit periodically and may initiate enforcement action for any violation of these conditions.
- G.2 This permit is valid only for the specific processes and operations applied for and indicated in the approved drawings or exhibits. Any unauthorized deviation from the approved drawings or exhibits, specifications, or conditions of this permit may constitute grounds for revocation and enforcement action by the Department.
- G.3 As provided in Subsections 403.087(6) and 403.722(5), Florida Statutes, the issuance of this permit does not convey and vested rights or any exclusive privileges. Neither does it authorize any injury to public or private property or any invasion of personal rights, nor any infringement of federal, state or local laws or regulations. This permit is not a waiver or approval of any other Department permit that may be required for other aspects of the total project which are not addressed in the permit.
- G.4 This permit conveys no title to land or water, does not constitute State recognition or acknowledgment of title, and does not constitute authority for the use of submerged lands unless herein provided and the necessary title or leasehold interests have been obtained from the State. Only the Trustees of the Internal Improvement Trust Fund may express State opinion as to title.
- G.5 This permit does not relieve the permittee from liability for harm or injury to human health or welfare, animal, or plant life, or property caused by the construction or operation of this permitted source, or from penalties therefore; nor does it allow the permittee to cause pollution in contravention of Florida Statutes and Department rules, unless specifically authorized by an order from the Department.
- G.6 The permittee shall properly operate and maintain the facility and systems of treatment and control (and related appurtenances) that are installed or used by the permittee to achieve compliance with the conditions of this permit, as required by Department rules. This provision includes the operation of backup or auxiliary facilities or similar systems when necessary to achieve compliance with the conditions of the permit and when required by Department rules.
- G.7 The permittee, by accepting this permit, specifically agrees to allow authorized Department personnel, upon presentation of credentials or other documents as may be required by law and at a reasonable time, access to the premises, where the permitted activity is located or conducted to:
- (a) Have access to and copy and records that must be kept under the conditions of the permit;
 - (b) Inspect the facility, equipment, practices, or operations regulated or required under this permit, and,
 - (c) Sample or monitor any substances or parameters at any location reasonably necessary to assure compliance with this permit or Department rules.
- Reasonable time may depend on the nature of the concern being investigated.
- G.8 If, for any reason, the permittee does not comply with or will be unable to comply with any condition or limitation specified in this permit, the permittee shall immediately provide the Department with the following information:
- (a) A description of and cause of non-compliance; and
 - (b) The period of noncompliance, including dates and times; or, if not corrected, the anticipated time the non-compliance is expected to continue, and steps being taken to reduce, eliminate, and prevent recurrence of the non-compliance.

The permittee shall be responsible for any and all damages which may result and may be subject to enforcement action by the Department for penalties or for revocation of this permit.

APPENDIX GC
GENERAL PERMIT CONDITIONS [RULE 62-4.160, F.A.C.]

- G.9 In accepting this permit, the permittee understands and agrees that all records, notes, monitoring data and other information relating to the construction or operation of this permitted source which are submitted to the Department may be used by the Department as evidence in any enforcement case involving the permitted source arising under the Florida Statutes or Department rules, except where such use is prescribed by Sections 403.73 and 403.111, Florida Statutes. Such evidence shall only be used to the extent it is consistent with the Florida Rules of Civil Procedure and appropriate evidentiary rules.
- G.10 The permittee agrees to comply with changes in Department rules and Florida Statutes after a reasonable time for compliance, provided, however, the permittee does not waive any other rights granted by Florida Statutes or Department rules.
- G.11 This permit is transferable only upon Department approval in accordance with Florida Administrative Code Rules 62-4.120 and 62-730.300, F.A.C., as applicable. The permittee shall be liable for any non-compliance of the permitted activity until the transfer is approved by the Department.
- G.12 This permit or a copy thereof shall be kept at the work site of the permitted activity.
- G.13 This permit also constitutes:
- (a) Determination of Best Available Control Technology ();
 - (b) Determination of Prevention of Significant Deterioration (); and
 - (c) Compliance with New Source Performance Standards ().
- G.14 The permittee shall comply with the following:
- (a) Upon request, the permittee shall furnish all records and plans required under Department rules. During enforcement actions, the retention period for all records will be extended automatically unless otherwise stipulated by the Department.
 - (b) The permittee shall hold at the facility or other location designated by this permit records of all monitoring information (including all calibration and maintenance records and all original strip chart recordings for continuous monitoring instrumentation) required by the permit, copies of all reports required by this permit, and records of all data used to complete the application or this permit. These materials shall be retained at least three years from the date of the sample, measurement, report, or application unless otherwise specified by Department rule.
 - (c) Records of monitoring information shall include:
 - 1. The date, exact place, and time of sampling or measurements;
 - 2. The person responsible for performing the sampling or measurements;
 - 3. The dates analyses were performed;
 - 4. The person responsible for performing the analyses;
 - 5. The analytical techniques or methods used; and
 - 6. The results of such analyses.
- G.15 When requested by the Department, the permittee shall within a reasonable time furnish any information, required by law, which is needed to determine compliance with the permit. If the permittee becomes aware that relevant facts were not submitted or were incorrect in the permit application or in any report to the Department, such facts or information shall be corrected promptly.

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <input checked="" type="checkbox"/> <i>Frederick F. Haddad, Jr.</i> <input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p>B. Received by (Printed Name) <i>Frederick F. Haddad, Jr.</i> C. Date of Delivery <i>FEB 22 2005</i></p>
<p>1. Article Addressed to:</p> <p>Mr. Frederick F. Haddad, Jr. Vice President, Power Resources Business Unit Orlando Utilities Commission 500 South Orange Avenue Post Office Box 3193 Orlando, Florida 32802</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p> <p>3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>2. Article Number (Transfer from service label) 7000 2870 0000 7027 9881 </p>	
<p>PS Form 3811, August 2001 Domestic Return Receipt 102595-02-M-1540</p>	

U.S. Postal Service CERTIFIED MAIL RECEIPT (Domestic Mail Only; No Insurance Coverage Provided)	
Mr. Frederick F. Haddad, Jr., Vice President	
Postage \$ Certified Fee Return Receipt Fee (Endorsement Required) Restricted Delivery Fee (Endorsement Required) Total Postage & Fees \$	Postmark Here
Sent To Mr. Frederick F. Haddad, Jr., Vice President Street, Apt. No.; or PO Box No. 500 South Orange Avenue, P.O. Box 3193 City, State, ZIP+4 Orlando, Florida 32802	
PS Form 3800, May 2000 See Reverse for Instructions.	

7000 2870 0000 7027 9881

Orlando Utilities Commission
500 South Orange Avenue
P.O. Box 3193
Orlando, Florida 32802
Phone: 407.423.9100
Administrative Fax: 407.236.9616
Purchasing Fax: 407.384.4141
Website: www.ouc.com



The *Reliable One*®

RECEIVED

FEB 11 2005

BUREAU OF AIR REGULATION

February 7, 2005

Mr. Al Linero
South Permitting Section
DARM/BAR
Florida Department of Environmental Protection
2600 Blair Stone Rd.
Tallahassee, Florida 32399-2400

**RE: OUC STANTON ENERGY CENTER, UNIT 2
PLANNED OUTAGE- SUPERHEATER TUBE REPLACEMENT 0950137-008-AC**

Dear Mr. Linero:

This letter serves to transmit additional information with respect to the upcoming outage scheduled for Stanton Unit 2 and the necessity of obtaining a construction permit for certain planned activities. Specifically, the outage is scheduled to begin on March 5, 2005 and the activity of interest is the repair and replacement of damaged tubing in the unit's primary superheater.

Stanton Unit 2 is a nominal 468 MW steam generator with a nominal heat input of 4,286 MMBtu/hr. This unit is fired primarily on bituminous coal. The unit is also equipped to fire No. 6 fuel oil, pipeline quality natural gas, on-spec used oil and landfill gas. Unit 2 is categorized as a dry bottom wall-fired unit consisting of a Babcock and Wilcox boiler/steam generator, Model RB 621. Best Available Control Technology (BACT) has been applied for all pollutants. Particulate emissions are controlled by a dry electrostatic precipitator, SO₂ emissions are controlled by a flue gas desulfurization system, and NO_x emissions are controlled by a selective catalytic reduction system. This unit began commercial operation on June 1, 1996.

A superheater tube change out is planned for the upcoming March 5, 2005 outage. Tubes will be repaired and replaced because metallurgical analyses indicate advanced and irreparable erosion. The new replacement tubes are characterized, as functionally equivalent or a "like-kind" replacement, although the type of alloy proposed to be used in the replacement areas will be slightly different from the existing material. Specifically, the replacement material (SA213 T11) will have a slightly higher chromium content (1.25 percent) than the existing material (SA210 T12 at 1.0 percent chromium). This is the first time that this type of repair and replacement activity has been conducted on this unit. Further, it is not anticipated that this will be a recurring activity, due to the higher corrosion resistance of the replacement material. The project cost is estimated at \$5.0 million and will require about 4 weeks to complete.

The first issue is whether the project is exempt in accordance with the Department's definition of a modification under existing rules (Florida Section 62-210, F.A.C.). The project is arguably a physical change and thus is eligible for consideration as a modification.

However, it should be considered whether the project is exempt from the definition of modification as provided in Section 62-210.200(169)(a), F.A.C. This provision states:

A physical change or change in method of operation shall not include: Routine maintenance, repair, or replacement of component parts of an emission unit. (Emphasis added.)

This exemption is dependent on the definition of "routine". Two recent court cases, of some relevance to these planned activities, have resulted in differing interpretations with respect to the meaning of routine. The *Ohio Edison* ruling (August 7, 2003) maintained that the meaning of "routine" was with respect to activities for a particular emission unit. The *Duke Power* ruling (August 26, 2003) was that "routine" was relative to an entire source category (i.e., is the activity routine in the industry). Superheater repairs and replacements are typically required during the life of an electric utility steam generating unit (EUSGU) and such repairs and replacements are routine within the industry.

Not with standing whether the proposed activity is routine repair and replacement, a modification can only occur if it would result in an increase in actual emissions for the facility. In making a comparison of whether an increase in actual emissions has occurred, the utilization before and after the change is the most important indicator, especially if the change did not by itself affect the emission rate of the unit. While the superheater tube repair and replacement could affect long-term utilization and, possibly the short-term heat input of a unit, it could not affect the emission rate in terms of pounds per million Btu (lb/MMBtu) of heat input. The following paragraphs provide additional information with respect to both short-term impacts (i.e., affect on heat input rate) and long-term impacts (i.e., annual utilization).

Short-term impacts can be assessed in terms of the unit's fuel flow or heat input, expressed as million Btu per hour (MMBtu/hr). This parameter, combined with pollutant emission rates in lb/MMBtu, yields a pollutant mass emission rate of pounds per hour (lb/hr). This analysis is based on the assumption that, as long as the short-term heat input is not affected by the proposed activity, then short-term pollutant emission rates are similarly unaffected. This is because comparison of actual emissions are confounded by several factors, including the availability of continuous emission monitoring data, data reporting procedures, fuel quality and sampling variability. Taken together, comparisons of emissions would have to account for a variety of factors in order to draw conclusions with regard to whether or not emissions have increased as a result of a physical or operational change. The short-term measure of heat input rate (MMBtu/hr) is currently provided as a nominal rating in the Unit 2 permit to 4,286 MMBtu/hr. While Acid Rain monitoring data are not used for compliance with the permitted heat input rating, as it tends to over-estimate heat input, this data provides a good indicator of unit capacity. Historical data was obtained for the most recently available operating quarter (3rd Quarter, 2004), plotted and compared to the unit's maximum rated capacity (Permit Application, Attachment 2). It is clear that unit operation has not degraded with respect to maximum achievable capacity and that activities planned for the upcoming outage are not for the purpose of restoring or otherwise impacting the short-term heat input rate.

Long-term impacts, or annual utilization, can be measured in several ways. Stanton Unit 2 is characterized as a base load unit, which means that it is designed to be operated at a high capacity factor. Operation is based on system wide electricity demand, which can vary annually due to weather conditions and the availability of other units. This would be evidenced by utilization of the unit for the most recent 5-year period (2000 to 2004). To evaluate whether an increase in utilization is anticipated to occur as a result of the planned outage activity, the highest 2-year average of historical use (2000-2001) is compared to projected future utilization for the 2-year period following the outage. OUC obtains future utilization estimates from the production cost models that are used to project fuel requirements.

A comparison of average utilization rates before and after the planned outage shows that no increase is projected to occur. The utilization comparison was made for three parameters that are considered representative of annual operating measurements: 1) heat input in million Btu per year (MMBtu/yr), 2) net generation in MW-hours (net, MW-hrs) and 3) hours of operation per year. These data are summarized below in tabular form.

Year of Operation	Heat Input (MMBtu/yr)	Generation (net, MW-hrs)	Hours Operated
2000	32,108,068	3,259,043	8,112
2001	31,854,316	3,247,567	8,036
2002	30,392,586	3,072,127	7,671
2003	28,477,649	2,956,008	7,261
2004	30,203,431	3,062,770	7,728
<i>Highest 2-yr Avg</i> 2000-2001	31,981,192	3,253,305	8,074
2005-2006 (2-yr Avg)*	31,139,600	3,160,377	7,887

* Projected based on production cost models that are used to project future requirements

As stated, Unit 2 is a base load unit and already highly utilized. Any anticipated increase in future utilization, though currently not predicted, would be due to system-wide demand growth and unrelated to the repair and replacement activities planned for the upcoming outage. The comparisons of short-term (heat input rate) and long-term impacts (annual utilization) both before and after the proposed outage activities provide reasonable assurance that no change in the method of operation or in emission impacts is anticipated to occur as a result of the planned outage activities.

OUC believes, based on the above project summary, that no construction permit is necessary for the planned outage activity. However, due to current regulatory uncertainty with respect to proper treatment of equipment repair and replacement projects, as well as discussions with the Department, this letter serves to transmit an application for a construction permit for the described activities.

Mr. Linero
February 7, 2005
Page 4

The application includes the following three attachments: 1) Attachment 1- summary tables of annual utilization (Table 1) and annual emissions (Table 2), 2) Attachment 2- graphical depiction of hourly heat input and 3) Attachment 3- the scope of work issued for bid for the activities to be performed.

OUC appreciates your consideration of the above and requests your timely processing of the subject permit. If you should have any questions, please do not hesitate to contact either Scott Osbourn at (813) 287-1717 or me at (407) 737-4236.

Sincerely,



Denise M. Stalls
Director, Environmental Division

Attachments

Cc: Scott Osbourn, P.E., Golder Associates Inc.
Leonard T. Kozlov, P.E., DEP Central District

Adams, Patty

From: Linero, Alvaro
Sent: Thursday, February 10, 2005 12:13 PM
To: Adams, Patty
Subject: FW: Stanton Unit 2 Permit Application

Patty:

Can you log in and give me an AC number for this OUC project?

Thanks.

Al.

-----Original Message-----

From: Osbourn, Scott [mailto:sosbourn@golder.com]
Sent: Wednesday, February 09, 2005 1:06 PM
To: Linero, Alvaro
Cc: dstalls@ouc.com; lbrown@ouc.com
Subject: Stanton Unit 2 Permit Application

As discussed, please find attached a letter providing background with respect to the upcoming superheater tube replacement and repair project, as well as an application for a permit to construct. The application includes three attachments for: 1) annual utilization and emissions data, 2) hourly heat input and 3) a scope of work for the proposed activities. We will follow up with a hard copy, but wanted to transmit this to you as soon as possible in order that permit processing could proceed. Please don't hesitate to call me at the number below if you should have any questions.

Thanks in advance for your timely consideration of this request.

Scott Osbourn, P.E.
Golder Associates, Inc
5100 West Lemon St., Suite 114
Tampa, FL 33609
Tel: (813) 287-1717
Fax: (813) 287-1716
E-mail: sosbourn@golder.com

ATTORNEY/CLIENT COMMUNICATION OR WORK PRODUCT**Disclaimer Notice:**

This email message is intended solely for the use of the individual to whom it is addressed and may contain information that is privileged, confidential, or otherwise exempt from disclosure under applicable law. If the reader of this email is not the intended recipient, you are hereby notified that any dissemination, distribution, or copying of this communication is strictly prohibited. If you have received this communication in error, please immediately notify us by sending this message back to us and delete the original message. Thank you.



Department of Environmental Protection

Division of Air Resource Management

APPLICATION FOR AIR PERMIT - LONG FORM

Purpose of Application

This application for air permit is submitted to obtain: (Check one)

Air Construction Permit

Air construction permit.

Air Operation Permit

Initial Title V air operation permit.

Title V air operation permit revision.

Title V air operation permit renewal.

Initial federally enforceable state air operation permit (FESOP) where professional engineer (PE) certification is required.

Initial federally enforceable state air operation permit (FESOP) where professional engineer (PE) certification is not required.

Air Construction Permit and Revised/Renewal Title V Air Operation Permit (Concurrent Processing)

Air construction permit and Title V permit revision, incorporating the proposed project.

Air construction permit and Title V permit renewal, incorporating the proposed project.

Note: By checking one of the above two boxes, you, the applicant, are requesting concurrent processing pursuant to Rule 62-213.405, F.A.C. In such case, you must also check the following box:

I hereby request that the department waive the processing time requirements of the air construction permit to accommodate the processing time frames of the Title V air operation permit.

Application Comment

This application serves to transmit additional information with respect to the upcoming outage scheduled for Stanton Unit 2 to repair and replace damaged tubing in the unit's primary superheater. Stanton Unit 2 is a nominal 468 MW steam generator with a nominal heat input of 4,286 MMBtu/hr. This unit began commercial operation on March 29, 1996.

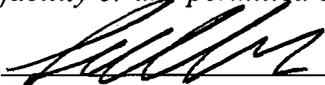
A superheater tube change out is planned for the upcoming March 5, 2005 outage. Tubes will be repaired and replaced because metallurgical analyses indicate advanced and irreparable erosion. The new replacement tubes are characterized, as functionally equivalent or a "like-kind" replacement, although the type of alloy proposed to be used in the replacement areas will be slightly different from the existing material. Specifically, the replacement material (SA213 T11) will have a slightly higher chromium content (1.25 percent) than the existing material (SA210 T12 at 1.0 percent chromium). This is the first time that this type of repair and replacement activity has been conducted on this unit. Further, it is not anticipated that this will be a recurring activity, due to the higher corrosion resistance of the replacement material. The project cost is estimated at \$5.0 million and will require about 4 weeks to complete.

Unit 2 is a base load unit and already highly utilized. Any anticipated increase in future utilization, though currently not predicted, would be due to system-wide demand growth and unrelated to the repair and replacement activities planned for the upcoming outage. The comparisons of short-term (heat input rate) and long-term impacts (annual utilization) both before and after the proposed outage activities provide reasonable assurance that no change in the method of operation or in emission impacts is anticipated to occur as a result of the planned outage activities.

Attachment 1 provides a summary of annual utilization over the most recent 5-year period (Table 1), as well as a summary of the most recent 5-year period of annual emissions estimates. *Attachment 2* graphically depicts hourly heat input readings (as recorded by the Acid Rain CEMS) for the most recent available quarter (3rd quarter, 2004). *Attachment 3* provides the scope of work issued for bid for the superheater tube replacement.

Owner/Authorized Representative Statement

Complete if applying for an air construction permit or an initial FESOP.

1. Owner/Authorized Representative Name : Frederick F. Haddad, Jr. VP, Power Resource Business Unit
2. Owner/Authorized Representative Mailing Address... Organization/Firm: Orlando Utilities Commission Street Address: P.O. Box 3193 City: Orlando State: FL Zip Code: 32802
3. Owner/Authorized Representative Telephone Numbers... Telephone: (407) 244 - 8732 ext. Fax: (407) 275 - 4120
4. Owner/Authorized Representative Email Address: <u>fhaddad@ouc.com</u>
5. Owner/Authorized Representative Statement: <i>I, the undersigned, am the owner or authorized representative of the facility addressed in this air permit application. I hereby certify, based on information and belief formed after reasonable inquiry, that the statements made in this application are true, accurate and complete and that, to the best of my knowledge, any estimates of emissions reported in this application are based upon reasonable techniques for calculating emissions. The air pollutant emissions units and air pollution control equipment described in this application will be operated and maintained so as to comply with all applicable standards for control of air pollutant emissions found in the statutes of the State of Florida and rules of the Department of Environmental Protection and revisions thereof and all other requirements identified in this application to which the facility is subject. I understand that a permit, if granted by the department, cannot be transferred without authorization from the department, and I will promptly notify the department upon sale or legal transfer of the facility or any permitted emissions unit.</i>  _____ Signature 2/8/05 _____ Date

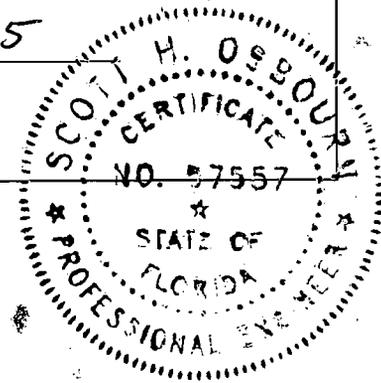
Application Responsible Official Certification

Complete if applying for an initial/revise/renewal Title V permit or concurrent processing of an air construction permit and a revised/renewal Title V permit. If there are multiple responsible officials, the “application responsible official” need not be the “primary responsible official.”

1. Application Responsible Official Name:
2. Application Responsible Official Qualification (Check one or more of the following options, as applicable): <input type="checkbox"/> For a corporation, the president, secretary, treasurer, or vice-president of the corporation in charge of a principal business function, or any other person who performs similar policy or decision-making functions for the corporation, or a duly authorized representative of such person if the representative is responsible for the overall operation of one or more manufacturing, production, or operating facilities applying for or subject to a permit under Chapter 62-213, F.A.C. <input type="checkbox"/> For a partnership or sole proprietorship, a general partner or the proprietor, respectively. <input type="checkbox"/> For a municipality, county, state, federal, or other public agency, either a principal executive officer or ranking elected official. <input type="checkbox"/> The designated representative at an Acid Rain source.
3. Application Responsible Official Mailing Address... Organization/Firm: Street Address: City: State: Zip Code:
4. Application Responsible Official Telephone Numbers... Telephone: () - ext. Fax: () -
5. Application Responsible Official Email Address:
6. Application Responsible Official Certification: <i>I, the undersigned, am a responsible official of the Title V source addressed in this air permit application. I hereby certify, based on information and belief formed after reasonable inquiry, that the statements made in this application are true, accurate and complete and that, to the best of my knowledge, any estimates of emissions reported in this application are based upon reasonable techniques for calculating emissions. The air pollutant emissions units and air pollution control equipment described in this application will be operated and maintained so as to comply with all applicable standards for control of air pollutant emissions found in the statutes of the State of Florida and rules of the Department of Environmental Protection and revisions thereof and all other applicable requirements identified in this application to which the Title V source is subject. I understand that a permit, if granted by the department, cannot be transferred without authorization from the department, and I will promptly notify the department upon sale or legal transfer of the facility or any permitted emissions unit. Finally, I certify that the facility and each emissions unit are in compliance with all applicable requirements to which they are subject, except as identified in compliance plan(s) submitted with this application.</i> _____ Signature _____ Date

Professional Engineer Certification

1. Professional Engineer Name: Scott Osbourn Registration Number: 57557
2. Professional Engineer Mailing Address... Organization/Firm: Golder Associates Inc. Street Address: 5100 West Lemon St., Suite 114 City: Tampa State: FL Zip Code: 33609
3. Professional Engineer Telephone Numbers... Telephone: (813) 287 - 1717 ext. 211 Fax: (813) 287 - 1716
4. Professional Engineer Email Address: sosbourn@golder.com
5. Professional Engineer Statement: <i>I, the undersigned, hereby certify, except as particularly noted herein*, that:</i> <i>(1) To the best of my knowledge, there is reasonable assurance that the air pollutant emissions unit(s) and the air pollution control equipment described in this application for air permit, when properly operated and maintained, will comply with all applicable standards for control of air pollutant emissions found in the Florida Statutes and rules of the Department of Environmental Protection; and</i> <i>(2) To the best of my knowledge, any emission estimates reported or relied on in this application are true, accurate, and complete and are either based upon reasonable techniques available for calculating emissions or, for emission estimates of hazardous air pollutants not regulated for an emissions unit addressed in this application, based solely upon the materials, information and calculations submitted with this application.</i> <i>(3) If the purpose of this application is to obtain a Title V air operation permit (check here <input type="checkbox"/> , if so), I further certify that each emissions unit described in this application for air permit, when properly operated and maintained, will comply with the applicable requirements identified in this application to which the unit is subject, except those emissions units for which a compliance plan and schedule is submitted with this application.</i> <i>(4) If the purpose of this application is to obtain an air construction permit (check here <input checked="" type="checkbox"/> , if so) or concurrently process and obtain an air construction permit and a Title V air operation permit revision or renewal for one or more proposed new or modified emissions units (check here <input type="checkbox"/> , if so), I further certify that the engineering features of each such emissions unit described in this application have been designed or examined by me or individuals under my direct supervision and found to be in conformity with sound engineering principles applicable to the control of emissions of the air pollutants characterized in this application.</i> <i>(5) If the purpose of this application is to obtain an initial air operation permit or operation permit revision or renewal for one or more newly constructed or modified emissions units (check here <input type="checkbox"/> , if so), I further certify that, with the exception of any changes detailed as part of this application, each such emissions unit has been constructed or modified in substantial accordance with the information given in the corresponding application for air construction permit and with all provisions contained in such permit.</i> _____ Signature _____ Date 2/9/05 (seal)



* Attach any exception to certification statement.

ATTACHMENT 1

Annual Utilization

Attachment 1. Data Summary

This attachment is a supplement to the construction permit application for OUC Stanton Unit 2. Table 1 provides annual utilization data (past and future projected). Table 2 provides a summary of the most recent 5-years of reported annual emissions data.

The utilization comparison (Table 1) was made for three parameters that are considered representative of annual operating measurements: 1) heat input in million Btu per year (MMBtu/yr), 2) net generation in MW-hours (net, MW-hrs) and 3) hours of operation per year. These data are summarized below in tabular form.

Table 1. Annual Utilization Summary

Year of Operation	Heat Input (MMBtu/yr)	Generation (net, MW-hrs)	Hours Operated
2000	32,108,068	3,259,043	8,112
2001	31,854,316	3,247,567	8,036
2002	30,392,586	3,072,127	7,671
2003	28,477,649	2,956,008	7,261
2004	30,203,431	3,062,770	7,728
<i>Highest 2-yr Avg</i> 2000-2001	31,981,192	3,253,305	8,074
2005-2006 (2-yr avg)*	31,139,600	3,160,377	7,887

* Projected based on production cost models that are used to project future requirements

A summary of annual reported emissions for all criteria pollutants is presented below in Table 2. The summary was obtained from AOR data as reported for the most recent 5-year period (1999 through 2003).

Table 2. Annual Emissions Summary

Year of Operation	NOx (TPY)	SO2 (TPY)	CO (TPY)	PM (TPY)	PM10 (TPY)	VOC (TPY)
1999	2,450	2,640	265.4	215.4	134.7	31.9
2000	2,741	3,096	389.9	109.5	69.0	45.0
2001	2,811	3,236	382.6	66.9	42.4	44.4
2002	2,583	2,359	370.8	101.5	63.8	42.8
2003	2,420	2,368	358.5	95.2	64.3	40.8
<i>Highest 2-yr Avg</i> 2000-2001	2,776	3,166	386.3	162.5	101.9	44.7

* Based on AOR data. Highest 2-yr avg for PM/PM₁₀ was 1999-2000.

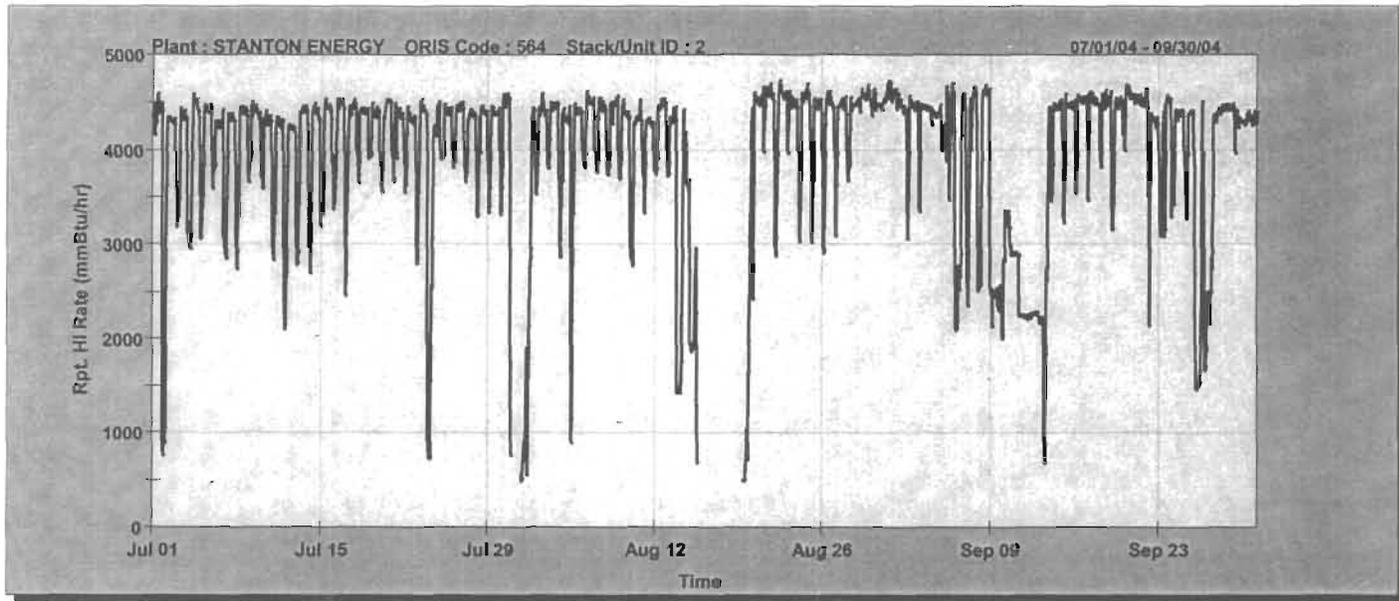
ATTACHMENT 2

Hourly Heat Input

No Filter

Rpt. HI Rate (mmBtu/hr)

2/4/2005



ATTACHMENT 3

Superheater Tube Replacement Scope of Work

**ORLANDO UTILITIES COMMISSION
ORLANDO, FLORIDA**

**Request for Proposals
For**

**SEC Unit 2 Boiler
Primary Superheat Tube Banks Replacement**

Bid No. 1756 OQ

COMMISSIONERS

TOMMY BOROUGHS

President

LONNIE C. BELL

First Vice President

KATIE PORTA

Second Vice President

TICO PEREZ

Immediate Past President

BUDDY DYER

Mayor

KENNETH P. KSIONEK

**Interim General Manager &
Chief Executive Officer**

SPECIFICATIONS

SCOPE OF WORK

The objective of this proposal is to solicit competitive proposals from Contractors who can provide design and erection of a new Primary Superheat Tube Banks for Stanton Energy Center Unit No. 2 B&W Radiant Reheat Boiler.

- A. Inspect Boiler with "Owner approved" Boiler Inspector. This includes penthouse, windboxes, furnace, back-end of boiler to air preheater, bottom ash pit, pulverizers and hot air ducts. Inspections shall be performed at the start of the outage. Inspection shall include two inspectors for seven ten-hour (or longer) days. Report to Owner shall be in an electronic format and include pictures of findings. Formal report shall be provided to Owner within two weeks from end of inspection. Daily punch list shall be provided to Owner. Contractor shall provide experienced supervisory personnel to follow boiler inspectors to help with inspections, note location of findings and discuss corrective actions that will be need to take place.
- B. Design and Fabricate Primary Superheat Tube Banks.
1. Design a replacement Primary Superheat Tube Banks using SA213T11. Performance guarantees must be provided with design. Source of material and quality control methods shall be provided at bid opening. Tube material tests shall be provided (in English) to OUC Engineering for review and approval prior to shipment.
 2. Fabricate to equivalent dimensions in Stanton Energy Center Unit 2. Weld joints shall be in full compliance with ASME codes. Both sides of weld joints should have no more than 1/16" difference between the ID's and OD's of the adjacent materials.
 3. Meet or exceed existing design criteria, tubes shall not rub the wall tubes during operation and balanced steam flows between circuits are required.
 4. Tube Alignment brackets, spacer bars/clips (or equiv), and support attachments shall be included.
 5. Contractor is responsible for all dimensions associated with this proposal.
- C. Install Primary Superheat Banks.
1. All miscellaneous materials shall be included as required for proper installation
 2. Provide OUC all weld procedures to be used.
 3. Contractor/Subcontractor must hold "R" stamp for boiler work and follow all boiler codes.
 4. All welds will be radiologically examined for quality control. Contractor shall provide a AWS Certified Welding Inspector. Contractor shall submit qualifications of the inspectors to engineering for review. Owner may request NDE testing to be repeated when a defect is suspected, expense of retest is responsibility of contractor. Copies of the inspection, non-destructive testing, stress relieving and material certifications shall be provided to Owner.
 5. All OUC property and equipment that is removed or moved to allow for installation will be put back in original condition, which includes lagging, sootblowers and painting if needed.

D. Scaffold, Sandblast and Inspect Secondary Superheat Outlet Tube Bank.

Scaffold around Secondary Superheat Outlet Tube Bank for access to all of tube bank. Sandblast to white metal, and perform NOTIS (B&W Patent) or equivalent life expectancy testing. If equivalent is used, specifications shall be given to engineer prior to awarding of bid.

E. Install Tube Shields and Miscellaneous Repairs.

Install 4000 18" straight tube shields in the Primary Superheat Section, Secondary Superheat and Reheat Section (back end) using OUC supplied tube shields. Include 2000 hours of punch list repairs from the boiler inspection. Rate sheet will need to be provided showing cost breakdown.

F. Material Removal

1. All removed metal material shall be cut up and placed inside metal dumpster supplied by OUC. Contractor's request for placement shall be given 2 weeks in advance. OUC will supply barrels for non-metal material and dispose of it on a daily basis at designated locations.
2. All loose material in boiler shall be cleaned out, this includes: dust, welding rods, broken glass, loose insulation etc....
3. All ash on tubes shall be pressure washed clean prior to removal.

G. Owner-Contractor Interface.

The Contractor shall provide all equipment, material and labor to perform the work unless otherwise specified. Tool loans are prohibited.

1. High voltage electrical hookup requirements shall be made at Bid Opening.
2. Contractor shall bring their own lighting needs and GFI's for 110 volt outlets.
3. Contractor shall give Owner 24 hour advance notice for high voltage hook-up/removal or operational support (includes Red-Tag request).
4. Contractor may use house air service, which has "THOR" fittings with locking rings. Contractor shall furnish adapters if needed. (not for sandblasting)
5. Hoist located by unit 1 elevator may be used by contractor, Owner has precedence, if needed. Owner is not liable for condition of hoist, Contractor should inspect it before use or provide own equipment. Owner is not liable for elevator operation.
6. Contractor shall pressure wash ash off of boiler tubes before removing tube banks outside of boiler.

MISCELLANEOUS INFORMATION

- A. Boiler is classified as "confined space" Contractor shall abide by the rules for confined space entry.
- B. Detailed Schedule shall be provided with the proposal. Schedule will show details from start to finish with dates of the items listed in specification.
- C. Work shall begin when Owner gives notice to contractor.
- D. Boiler will be available in March of 2005 for four (4) weeks. OUC will give a schedule four (4) weeks prior to outage.

Orlando Utilities Commission
500 South Orange Avenue
P.O. Box 3193
Orlando, Florida 32802
Phone: 407.423.9100
Administrative Fax: 407.236.9616
Purchasing Fax: 407.384.4141
Website: www.ouc.com



The Reliable One

February 7, 2005

Mr. Al Linero
South Permitting Section
DARM/BAR
Florida Department of Environmental Protection
2600 Blair Stone Rd.
Tallahassee, Florida 32399-2400

**RE: OUC STANTON ENERGY CENTER, UNIT 2
PLANNED OUTAGE- SUPERHEATER TUBE REPLACEMENT**

Dear Mr. Linero:

This letter serves to transmit additional information with respect to the upcoming outage scheduled for Stanton Unit 2 and the necessity of obtaining a construction permit for certain planned activities. Specifically, the outage is scheduled to begin on March 5, 2005 and the activity of interest is the repair and replacement of damaged tubing in the unit's primary superheater.

Stanton Unit 2 is a nominal 468 MW steam generator with a nominal heat input of 4,286 MMBtu/hr. This unit is fired primarily on bituminous coal. The unit is also equipped to fire No. 6 fuel oil, pipeline quality natural gas, on-spec used oil and landfill gas. Unit 2 is categorized as a dry bottom wall-fired unit consisting of a Babcock and Wilcox boiler/steam generator, Model RB 621. Best Available Control Technology (BACT) has been applied for all pollutants. Particulate emissions are controlled by a dry electrostatic precipitator, SO₂ emissions are controlled by a flue gas desulfurization system, and NO_x emissions are controlled by a selective catalytic reduction system. This unit began commercial operation on June 1, 1996.

A superheater tube change out is planned for the upcoming March 5, 2005 outage. Tubes will be repaired and replaced because metallurgical analyses indicate advanced and irreparable erosion. The new replacement tubes are characterized, as functionally equivalent or a "like-kind" replacement, although the type of alloy proposed to be used in the replacement areas will be slightly different from the existing material. Specifically, the replacement material (SA213 T11) will have a slightly higher chromium content (1.25 percent) than the existing material (SA210 T12 at 1.0 percent chromium). This is the first time that this type of repair and replacement activity has been conducted on this unit. Further, it is not anticipated that this will be a recurring activity, due to the higher corrosion resistance of the replacement material. The project cost is estimated at \$5.0 million and will require about 4 weeks to complete.

The first issue is whether the project is exempt in accordance with the Department's definition of a modification under existing rules (Florida Section 62-210, F.A.C.). The project is arguably a physical change and thus is eligible for consideration as a modification.

Mr. Linero
February 7, 2005
Page 2

However, it should be considered whether the project is exempt from the definition of modification as provided in Section 62-210.200(169)(a), F.A.C. This provision states:

A physical change or change in method of operation shall not include: Routine maintenance, repair, or replacement of component parts of an emission unit. (Emphasis added.)

This exemption is dependent on the definition of "routine". Two recent court cases, of some relevance to these planned activities, have resulted in differing interpretations with respect to the meaning of routine. The *Ohio Edison* ruling (August 7, 2003) maintained that the meaning of "routine" was with respect to activities for a particular emission unit. The *Duke Power* ruling (August 26, 2003) was that "routine" was relative to an entire source category (i.e., is the activity routine in the industry). Superheater repairs and replacements are typically required during the life of an electric utility steam generating unit (EUSGU) and such repairs and replacements are routine within the industry.

Not with standing whether the proposed activity is routine repair and replacement, a modification can only occur if it would result in an increase in actual emissions for the facility. In making a comparison of whether an increase in actual emissions has occurred, the utilization before and after the change is the most important indicator, especially if the change did not by itself affect the emission rate of the unit. While the superheater tube repair and replacement could affect long-term utilization and, possibly the short-term heat input of a unit, it could not affect the emission rate in terms of pounds per million Btu (lb/MMBtu) of heat input. The following paragraphs provide additional information with respect to both short-term impacts (i.e., affect on heat input rate) and long-term impacts (i.e., annual utilization).

Short-term impacts can be assessed in terms of the unit's fuel flow or heat input, expressed as million Btu per hour (MMBtu/hr). This parameter, combined with pollutant emission rates in lb/MMBtu, yields a pollutant mass emission rate of pounds per hour (lb/hr). This analysis is based on the assumption that, as long as the short-term heat input is not affected by the proposed activity, then short-term pollutant emission rates are similarly unaffected. This is because comparison of actual emissions are confounded by several factors, including the availability of continuous emission monitoring data, data reporting procedures, fuel quality and sampling variability. Taken together, comparisons of emissions would have to account for a variety of factors in order to draw conclusions with regard to whether or not emissions have increased as a result of a physical or operational change. The short-term measure of heat input rate (MMBtu/hr) is currently provided as a nominal rating in the Unit 2 permit to 4,286 MMBtu/hr. While Acid Rain monitoring data are not used for compliance with the permitted heat input rating, as it tends to over-estimate heat input, this data provides a good indicator of unit capacity. Historical data was obtained for the most recently available operating quarter (3rd Quarter, 2004), plotted and compared to the unit's maximum rated capacity (Permit Application, Attachment 2). It is clear that unit operation has not degraded with respect to maximum achievable capacity and that activities planned for the upcoming outage are not for the purpose of restoring or otherwise impacting the short-term heat input rate.

Mr. Linero
February 7, 2005
Page 3

Long-term impacts, or annual utilization, can be measured in several ways. Stanton Unit 2 is characterized as a base load unit, which means that it is designed to be operated at a high capacity factor. Operation is based on system wide electricity demand, which can vary annually due to weather conditions and the availability of other units. This would be evidenced by utilization of the unit for the most recent 5-year period (2000 to 2004). To evaluate whether an increase in utilization is anticipated to occur as a result of the planned outage activity, the highest 2-year average of historical use (2000-2001) is compared to projected future utilization for the 2-year period following the outage. OUC obtains future utilization estimates from the production cost models that are used to project fuel requirements.

A comparison of average utilization rates before and after the planned outage shows that no increase is projected to occur. The utilization comparison was made for three parameters that are considered representative of annual operating measurements: 1) heat input in million Btu per year (MMBtu/yr), 2) net generation in MW-hours (net, MW-hrs) and 3) hours of operation per year. These data are summarized below in tabular form.

Year of Operation	Heat Input (MMBtu/yr)	Generation (net, MW-hrs)	Hours Operated
2000	32,108,068	3,259,043	8,112
2001	31,854,316	3,247,567	8,036
2002	30,392,586	3,072,127	7,671
2003	28,477,649	2,956,008	7,261
2004	30,203,431	3,062,770	7,728
Highest 2-yr Avg 2000-2001	31,981,192	3,253,305	8,074
2005-2006 (2-yr Avg)*	31,139,600	3,160,377	7,887

* Projected based on production cost models that are used to project future requirements.

As stated, Unit 2 is a base load unit and already highly utilized. Any anticipated increase in future utilization, though currently not predicted, would be due to system-wide demand growth and unrelated to the repair and replacement activities planned for the upcoming outage. The comparisons of short-term (heat input rate) and long-term impacts (annual utilization) both before and after the proposed outage activities provide reasonable assurance that no change in the method of operation or in emission impacts is anticipated to occur as a result of the planned outage activities.

OUC believes, based on the above project summary, that no construction permit is necessary for the planned outage activity. However, due to current regulatory uncertainty with respect to proper treatment of equipment repair and replacement projects, as well as discussions with the Department, this letter serves to transmit an application for a construction permit for the described activities.

Mr. Linero
February 7, 2005
Page 4

The application includes the following three attachments: 1) Attachment 1- summary tables of annual utilization (Table 1) and annual emissions (Table 2), 2) Attachment 2- graphical depiction of hourly heat input and 3) Attachment 3- the scope of work issued for bid for the activities to be performed.

OUC appreciates your consideration of the above and requests your timely processing of the subject permit. If you should have any questions, please do not hesitate to contact either Scott Osbourn at (813) 287-1717 or me at (407) 737-4236.

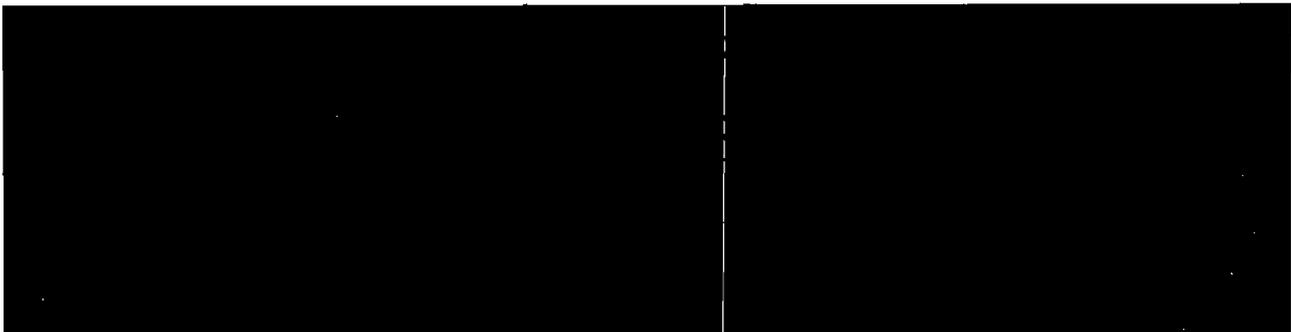
Sincerely,



Denise M. Stalls
Director, Environmental Division

Attachments

Cc: Scott Osbourn, P.E., Golder Associates Inc.
Leonard T. Kozlov, P.E., DEP Central District





Department of Environmental Protection

Division of Air Resource Management

APPLICATION FOR AIR PERMIT - LONG FORM

Purpose of Application

This application for air permit is submitted to obtain: (Check one)

Air Construction Permit

Air construction permit.

Air Operation Permit

Initial Title V air operation permit.

Title V air operation permit revision.

Title V air operation permit renewal.

Initial federally enforceable state air operation permit (FESOP) where professional engineer (PE) certification is required.

Initial federally enforceable state air operation permit (FESOP) where professional engineer (PE) certification is not required.

Air Construction Permit and Revised/Renewal Title V Air Operation Permit (Concurrent Processing)

Air construction permit and Title V permit revision, incorporating the proposed project.

Air construction permit and Title V permit renewal, incorporating the proposed project.

Note: By checking one of the above two boxes, you, the applicant, are requesting concurrent processing pursuant to Rule 62-213.405, F.A.C. In such case, you must also check the following box:

I hereby request that the department waive the processing time requirements of the air construction permit to accommodate the processing time frames of the Title V air operation permit.

Application Comment

This application serves to transmit additional information with respect to the upcoming outage scheduled for Stanton Unit 2 to repair and replace the unit's primary superheater. Stanton Unit 2 is a nominal 468 MW steam generator with a nominal heat input of 4,286 MMBtu/hr. This unit began commercial operation on March 29, 1996.

A superheater tube changeout is planned for the upcoming March 5, 2005 outage. Tubes will be repaired and replaced because metallurgical analyses indicate advanced and irreparable erosion. The new replacement tubes are characterized as functionally equivalent or a "like-kind" replacement, although the type of alloy proposed to be used in the replacement areas will be slightly different from the existing material. Specifically, the replacement material (SA213 T11) will have a slightly higher chromium content (1.25 percent) than the existing material (SA210 T12 at 1.0 percent chromium). This is the first time that this type of repair and replacement activity has been conducted on this unit. Further, it is not anticipated that this will be a recurring activity, due to the higher corrosion resistance of the replacement material. The project cost is estimated at \$5.0 million and will require about 4 weeks to complete.

Unit 2 is a base load unit and already highly utilized. Any anticipated increase in future utilization, though currently not predicted, would be due to system-wide demand growth and unrelated to the repair and replacement activities planned for the upcoming outage. The comparisons of short-term (heat input rate) and long-term impacts (annual utilization) both before and after the proposed outage activities provide reasonable assurance that no change in the method of operation or in emission impacts is anticipated to occur as a result of the planned outage activities.

Attachment 1 provides a summary of annual utilization over the most recent 5-year period (Table 1), as well as a summary of the most recent 5-year period of annual emissions estimates. *Attachment 2* graphically depicts hourly heat input readings (as recorded by the Acid Rain CEMS) for the most recent available quarter (3rd quarter, 2004). *Attachment 3* provides the scope of work issued for bid for the superheater replacement.

Scope of Application

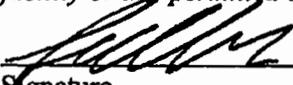
Emissions Unit ID Number	Description of Emissions Unit	Air Permit Type	Air Permit Proc. Fee
002	Fossil Fuel Steam Generator Unit No. 2	AC	

Application Processing Fee

Check one: Attached - Amount: \$ _____ Not Applicable

Owner/Authorized Representative Statement

Complete if applying for an air construction permit or an initial FESOP.

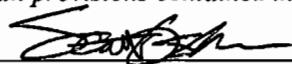
1. Owner/Authorized Representative Name : Frederick F. Haddad, Jr. VP, Power Resource Business Unit
2. Owner/Authorized Representative Mailing Address... Organization/Firm: Orlando Utilities Commission Street Address: P.O. Box 3193 City: Orlando State: FL Zip Code: 32802
3. Owner/Authorized Representative Telephone Numbers... Telephone: (407) 244 - 8732 ext. Fax: (407) 275 - 4120
4. Owner/Authorized Representative Email Address: <u>fhaddad@ouc.com</u>
5. Owner/Authorized Representative Statement: <i>I, the undersigned, am the owner or authorized representative of the facility addressed in this air permit application. I hereby certify, based on information and belief formed after reasonable inquiry, that the statements made in this application are true, accurate and complete and that, to the best of my knowledge, any estimates of emissions reported in this application are based upon reasonable techniques for calculating emissions. The air pollutant emissions units and air pollution control equipment described in this application will be operated and maintained so as to comply with all applicable standards for control of air pollutant emissions found in the statutes of the State of Florida and rules of the Department of Environmental Protection and revisions thereof and all other requirements identified in this application to which the facility is subject. I understand that a permit, if granted by the department, cannot be transferred without authorization from the department, and I will promptly notify the department upon sale or legal transfer of the facility or any permitted emissions unit.</i>  Signature 2/8/05 Date

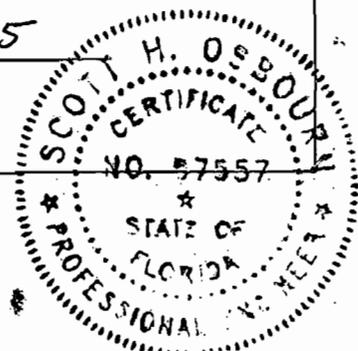
Application Responsible Official Certification

Complete if applying for an initial/revised/renewal Title V permit or concurrent processing of an air construction permit and a revised/renewal Title V permit. If there are multiple responsible officials, the "application responsible official" need not be the "primary responsible official."

1. Application Responsible Official Name:			
2. Application Responsible Official Qualification (Check one or more of the following options, as applicable):			
<input type="checkbox"/> For a corporation, the president, secretary, treasurer, or vice-president of the corporation in charge of a principal business function, or any other person who performs similar policy or decision-making functions for the corporation, or a duly authorized representative of such person if the representative is responsible for the overall operation of one or more manufacturing, production, or operating facilities applying for or subject to a permit under Chapter 62-213, F.A.C.			
<input type="checkbox"/> For a partnership or sole proprietorship, a general partner or the proprietor, respectively.			
<input type="checkbox"/> For a municipality, county, state, federal, or other public agency, either a principal executive officer or ranking elected official.			
<input type="checkbox"/> The designated representative at an Acid Rain source.			
3. Application Responsible Official Mailing Address...			
Organization/Firm:			
Street Address:			
City:	State:	Zip Code:	
4. Application Responsible Official Telephone Numbers...			
Telephone: () - ext. Fax: () -			
5. Application Responsible Official Email Address:			
6. Application Responsible Official Certification:			
<i>I, the undersigned, am a responsible official of the Title V source addressed in this air permit application. I hereby certify, based on information and belief formed after reasonable inquiry, that the statements made in this application are true, accurate and complete and that, to the best of my knowledge, any estimates of emissions reported in this application are based upon reasonable techniques for calculating emissions. The air pollutant emissions units and air pollution control equipment described in this application will be operated and maintained so as to comply with all applicable standards for control of air pollutant emissions found in the statutes of the State of Florida and rules of the Department of Environmental Protection and revisions thereof and all other applicable requirements identified in this application to which the Title V source is subject. I understand that a permit, if granted by the department, cannot be transferred without authorization from the department, and I will promptly notify the department upon sale or legal transfer of the facility or any permitted emissions unit. Finally, I certify that the facility and each emissions unit are in compliance with all applicable requirements to which they are subject, except as identified in compliance plan(s) submitted with this application.</i>			
_____ Signature		_____ Date	

Professional Engineer Certification

1. Professional Engineer Name: Scott Osbourn Registration Number: 57557
2. Professional Engineer Mailing Address... Organization/Firm: Golder Associates Inc. Street Address: 5100 West Lemon St., Suite 114 City: Tampa State: FL Zip Code: 33609
3. Professional Engineer Telephone Numbers... Telephone: (813) 287 - 1717 ext. 211 Fax: (813) 287 - 1716
4. Professional Engineer Email Address: <u>sosbourn@golder.com</u>
5. Professional Engineer Statement: <i>I, the undersigned, hereby certify, except as particularly noted herein*, that:</i> <i>(1) To the best of my knowledge, there is reasonable assurance that the air pollutant emissions unit(s) and the air pollution control equipment described in this application for air permit, when properly operated and maintained, will comply with all applicable standards for control of air pollutant emissions found in the Florida Statutes and rules of the Department of Environmental Protection; and</i> <i>(2) To the best of my knowledge, any emission estimates reported or relied on in this application are true, accurate, and complete and are either based upon reasonable techniques available for calculating emissions or, for emission estimates of hazardous air pollutants not regulated for an emissions unit addressed in this application, based solely upon the materials, information and calculations submitted with this application.</i> <i>(3) If the purpose of this application is to obtain a Title V air operation permit (check here <input type="checkbox"/> , if so), I further certify that each emissions unit described in this application for air permit, when properly operated and maintained, will comply with the applicable requirements identified in this application to which the unit is subject, except those emissions units for which a compliance plan and schedule is submitted with this application.</i> <i>(4) If the purpose of this application is to obtain an air construction permit (check here <input checked="" type="checkbox"/> , if so) or concurrently process and obtain an air construction permit and a Title V air operation permit revision or renewal for one or more proposed new or modified emissions units (check here <input type="checkbox"/> , if so), I further certify that the engineering features of each such emissions unit described in this application have been designed or examined by me or individuals under my direct supervision and found to be in conformity with sound engineering principles applicable to the control of emissions of the air pollutants characterized in this application.</i> <i>(5) If the purpose of this application is to obtain an initial air operation permit or operation permit revision or renewal for one or more newly constructed or modified emissions units (check here <input type="checkbox"/> , if so), I further certify that, with the exception of any changes detailed as part of this application, each such emissions unit has been constructed or modified in substantial accordance with the information given in the corresponding application for air construction permit and with all provisions contained in such permit.</i> Signature <u></u> Date <u>2/9/05</u> (seal)



* Attach any exception to certification statement.

ATTACHMENT 1

Annual Utilization

Attachment 1. Data Summary

This attachment is a supplement to the construction permit application for OUC Stanton Unit 2. Table 1 provides annual utilization data (past and future projected). Table 2 provides a summary of the most recent 5-years of reported annual emissions data.

The utilization comparison (Table 1) was made for three parameters that are considered representative of annual operating measurements: 1) heat input in million Btu per year (MMBtu/yr), 2) net generation in MW-hours (net, MW-hrs) and 3) hours of operation per year. These data are summarized below in tabular form.

Table 1. Annual Utilization Summary

Year of Operation	Heat Input (MMBtu/yr)	Generation (net, MW-hrs)	Hours Operated
2000	32,108,068	3,259,043	8,112
2001	31,854,316	3,247,567	8,036
2002	30,392,586	3,072,127	7,671
2003	28,477,649	2,956,008	7,261
2004	30,203,431	3,062,770	7,728
Highest 2-yr Avg 2000-2001	31,981,192	3,253,305	8,074
2005-2006 (2-yr avg)*	31,139,600	3,160,377	7,887

* Projected based on production cost models that are used to project future requirements

A summary of annual reported emissions for all criteria pollutants is presented below in Table 2. The summary was obtained from AOR data as reported for the most recent 5-year period (1999 through 2003).

Table 2. Annual Emissions Summary

Year of Operation	NOx (TPY)	SO ₂ (TPY)	CO (TPY)	PM (TPY)	PM ₁₀ (TPY)	VOC (TPY)
1999	2,450	2,640	265.4	215.4	134.7	31.9
2000	2,741	3,096	389.9	109.5	69.0	45.0
2001	2,811	3,236	382.6	66.9	42.4	44.4
2002	2,583	2,359	370.8	101.5	63.8	42.8
2003	2,420	2,368	358.5	95.2	64.3	40.8
Highest 2-yr Avg 2000-2001	2,776	3,166	386.3	162.5	101.9	44.7

* Based on AOR data. Highest 2-yr avg for PM/PM₁₀ was 1999-2000.

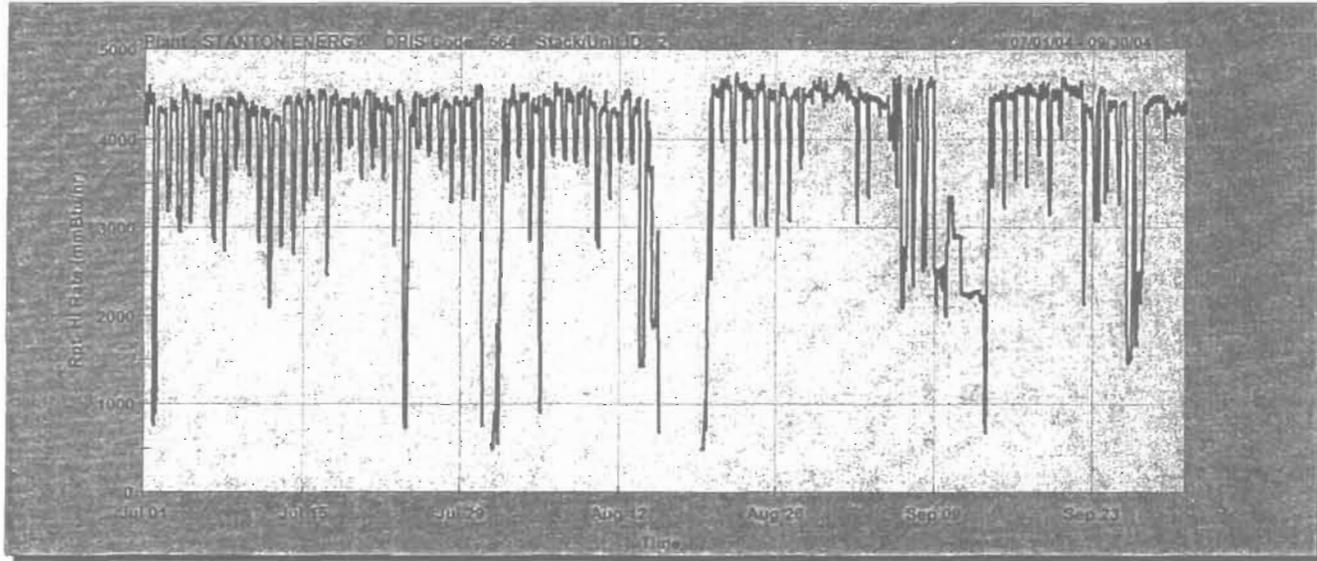
ATTACHMENT 2

Hourly Heat Input

No Filter

Rpt. HI Rate (mmBtu/hr)

2/4/2005



ATTACHMENT 3

Superheater Tube Replacement Scope of Work

**ORLANDO UTILITIES COMMISSION
ORLANDO, FLORIDA**

Request for Proposals
For

**SEC Unit 2 Boiler
Primary Superheat Tube Banks Replacement**

Bid No. 1756 OQ

COMMISSIONERS

TOMMY BOROUGHS	President
LONNIE C. BELL	First Vice President
KATIE PORTA	Second Vice President
TICO PEREZ	Immediate Past President
BUDDY DYER	Mayor
KENNETH P. KSIONEK	Interim General Manager & Chief Executive Officer

SPECIFICATIONS

SCOPE OF WORK

The objective of this proposal is to solicit competitive proposals from Contractors who can provide design and erection of a new Primary Superheat Tube Banks for Stanton Energy Center Unit No. 2 B&W Radiant Reheat Boiler.

- A. Inspect Boiler with "Owner approved" Boiler Inspector. This includes penthouse, windboxes, furnace, back-end of boiler to air preheater, bottom ash pit, pulverizers and hot air ducts. Inspections shall be performed at the start of the outage. Inspection shall include two inspectors for seven ten-hour (or longer) days. Report to Owner shall be in an electronic format and include pictures of findings. Formal report shall be provided to Owner within two weeks from end of inspection. Daily punch list shall be provided to Owner. Contractor shall provide experienced supervisory personnel to follow boiler inspectors to help with inspections, note location of findings and discuss corrective actions that will be need to take place.
- B. Design and Fabricate Primary Superheat Tube Banks.
1. Design a replacement Primary Superheat Tube Banks using SA213T11. Performance guarantees must be provided with design. Source of material and quality control methods shall be provided at bid opening. Tube material tests shall be provided (in English) to OUC Engineering for review and approval prior to shipment.
 2. Fabricate to equivalent dimensions in Stanton Energy Center Unit 2. Weld joints shall be in full compliance with ASME codes. Both sides of weld joints should have no more than 1/16" difference between the ID's and OD's of the adjacent materials.
 3. Meet or exceed existing design criteria, tubes shall not rub the wall tubes during operation and balanced steam flows between circuits are required.
 4. Tube Alignment brackets, spacer bars/clips (or equiv), and support attachments shall be included.
 5. Contractor is responsible for all dimensions associated with this proposal.
- C. Install Primary Superheat Banks.
1. All miscellaneous materials shall be included as required for proper installation
 2. Provide OUC all weld procedures to be used.
 3. Contractor/Subcontractor must hold "R" stamp for boiler work and follow all boiler codes.
 4. All welds will be radiologically examined for quality control. Contractor shall provide a AWS Certified Welding Inspector. Contractor shall submit qualifications of the inspectors to engineering for review. Owner may request NDE testing to be repeated when a defect is suspected, expense of retest is responsibility of contractor. Copies of the inspection, non-destructive testing, stress relieving and material certifications shall be provided to Owner.
 5. All OUC property and equipment that is removed or moved to allow for installation will be put back in original condition, which includes lagging, sootblowers and painting if needed.

D. Scaffold, Sandblast and Inspect Secondary Superheat Outlet Tube Bank.

Scaffold around Secondary Superheat Outlet Tube Bank for access to all of tube bank. Sandblast to white metal, and perform NOTIS (B&W Patent) or equivalent life expectancy testing. If equivalent is used, specifications shall be given to engineer prior to awarding of bid.

E. Install Tube Shields and Miscellaneous Repairs.

Install 4000 18" straight tube shields in the Primary Superheat Section, Secondary Superheat and Reheat Section (back end) using OUC supplied tube shields. Include 2000 hours of punch list repairs from the boiler inspection. Rate sheet will need to be provided showing cost breakdown.

F. Material Removal

1. All removed metal material shall be cut up and placed inside metal dumpster supplied by OUC. Contractor's request for placement shall be given 2 weeks in advance. OUC will supply barrels for non-metal material and dispose of it on a daily basis at designated locations.
2. All loose material in boiler shall be cleaned out, this includes: dust, welding rods, broken glass, loose insulation etc....
3. All ash on tubes shall be pressure washed clean prior to removal.

G. Owner-Contractor Interface.

The Contractor shall provide all equipment, material and labor to perform the work unless otherwise specified. Tool loans are prohibited.

1. High voltage electrical hookup requirements shall be made at Bid Opening.
2. Contractor shall bring their own lighting needs and GFI's for 110 volt outlets.
3. Contractor shall give Owner 24 hour advance notice for high voltage hook-up/removal or operational support (includes Red-Tag request).
4. Contractor may use house air service, which has "THOR" fittings with locking rings. Contractor shall furnish adapters if needed. (not for sandblasting)
5. Hoist located by unit 1 elevator may be used by contractor, Owner has precedence, if needed. Owner is not liable for condition of hoist, Contractor should inspect it before use or provide own equipment. Owner is not liable for elevator operation.
6. Contractor shall pressure wash ash off of boiler tubes before removing tube banks outside of boiler.

MISCELLANEOUS INFORMATION

- A. Boiler is classified as "confined space" Contractor shall abide by the rules for confined space entry.
- B. Detailed Schedule shall be provided with the proposal. Schedule will show details from start to finish with dates of the items listed in specification.
- C. Work shall begin when Owner gives notice to contractor.
- D. Boiler will be available in March of 2005 for four (4) weeks. OUC will give a schedule four (4) weeks prior to outage.