



Department of Environmental Protection

Lawton Chiles
Governor

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

Virginia B. Wetherell
Secretary

May 26, 1998

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. A. K. Sharma,
Director of Power Supply
Kissimmee Utility Authority
1701 West Carroll Street
Kissimmee, Florida 34741

Re: DEP File No. 0970043-005-AC (PSD-FL-182)
Cane Island Facility - Unit 1

Dear Mr. Sharma:

The Department has reviewed Kissimmee Utility Authority's (KUA) letter received on April 16, 1998, requesting a modification to its construction permit for Cane Island Unit 1. We also discussed the matter with Jeff Ling during a meeting about the planned Cane Island Unit 3. Based on our review of the letter and our discussions we have the following understanding and information requirements:

- The LM6000PA model installed at Cane Island has been discontinued by GE, and there are no plans to improve the "PA."
- The "PD" model (the DLN combustor version of the "PC") became commercially available in late 1997.
- There is a possibility of upgrading the Cane Island LM6000PA to an LM6000PD when going to a Dual Fuel DLE system.
- The expected commercial introduction of the dual fuel PD machine (if the 15/42 ppm emission levels are technically achievable and economically feasible based on performance tests conducted in 1998) will not occur before the year 2000.

Please advise if KUA has plans to upgrade the PA machine to a PD machine (if this machine meets NO_x emission expectations) in the near future. Since the actual operating hours of Unit 1 have been less than 800 hours per year, would KUA consider a reduction in hours of operation of this Unit to the level of a peaking unit (~1500 hours /yr) for the life of the project? If so, please provide any information available to you regarding typical emission limits for new, small aeroderivative units when used as peaking units. At a previous meeting, Ms. Carlson of Black and Veatch said she could probably provide such information.

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Mr. A. K. Sharma
May 26, 1998
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The application is incomplete per our discussion with your representatives. If you have any questions regarding this matter, please contact Ms. Teresa Heron at (850)921-9529.

Sincerely,



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

cc: Mr. Jeff Ling, KUA
Ms. Amy Carlson, B & V
Mr. Brian Beals, EPA
Mr. John Bunyak, NPS
Mr. Len Kozlov, CD

AAL/th/t