

Jeb Bush
Governor

Department of Environmental Protection

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

David B. Struhs
Secretary

November 26, 2002

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

A.K. Sharma, Vice President Power Supply
Kissimmee Utility Authority
P.O. Box 423219
Kissimmee, FL 34742-3219
Re: DEP File No. PSD-FL-254, PA 98-38
KUA Cane Island Unit No. 3

Dear Mr. Sharma:

The Department reviewed your request to modify the PSD Permit relative to start-up emissions. As a result of this review, the Department has concluded that a permit modification may be granted. Accordingly, this request is acceptable as indicated herein.

Permit PSD-FL-254 is hereby modified as follows:

29. Excess emissions resulting from startup, shutdown, or malfunction shall be permitted provided that best operational practices are adhered to and the duration of excess emissions shall be minimized. Excess emissions occurrences shall in no case exceed two hours in any 24-hour period ~~except during both "cold start up" to or shutdowns from combined cycle plant operation. During start up to simple cycle operation, up to one hour of excess emissions are allowed. During cold start up to combined cycle operation, up to four hours of excess emissions are allowed. During shutdowns from combined cycle operation, up to three hours of excess emissions are allowed. Cold start up is defined as a startup to combined cycle operation following a complete shutdown lasting at least 48 hours. During any calendar day in which a start-up or shutdown occurs with natural gas as the exclusively fired fuel, an alternative NO_x limit of 86 lb/hr (310 lb/hr if fuel oil is fired during the calendar day) on the basis of a 24-hour average shall apply.~~ [Applicant Request, G.E. Combined Cycle Startup Curves Data and Rule 62-210.700, F.A.C.].
44. Continuous Monitoring System: The permittee shall install, calibrate, maintain, and operate a continuous emission monitor in the stack to measure and record the nitrogen from these units. Periods when NO_x emissions (ppmvd @ 15% oxygen) are above the permitted limits, listed in Specific Condition No. 24 (other than those allowed for in Specific Condition No. 29), shall be reported to the DEP Central District Office within one working day (verbally) followed up by a written explanation not later than three (3) working days (alternatively by facsimile within one working day). [Rules 62-204.800, 62-210.700, 62-4.130, 62-4.160(8), F.A.C and 40 CFR 60.7 (1998 version)].

"More Protection, Less Process"

Printed on recycled paper.

Mr. A. K. Sharma
November 26, 2002

No other changes to the permit are authorized by this action.

A copy of this letter shall be filed with the referenced permit and shall become part of the permit. This permit modification is issued pursuant to Chapter 403, Florida Statutes. Any party to this order (permit modification) has the right to seek judicial review of it under Section 120.68, F.S., by the filing of 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 of Appeal must be filed within (thirty) days after this Notice is filed with the Clerk of the Department.

Executed in Tallahassee, Florida.

Sincerely,



Howard L. Rhodes, Director
Division of Air Resources
Management

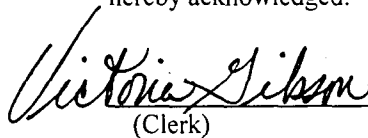
CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this PSD Permit Modification was sent by certified mail (*) and copies were mailed by U.S. Mail before the close of business on 11/27/02 to the person(s) listed:

Mr. A. K. Sharma, KUA *
Mr. Jerome J. Guidry, P.E., Perigee Technical Services, Inc.
Mr. Gregg Worley, EPA
Mr. John Bunyak, NPS
Mr. Len Kozlov, CD
Mr. Buck Oven, DEP

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.

 November 27, 2002
(Clerk) (Date)

Florida Department of
Environmental Protection

Memorandum

TO: Howard L. Rhodes

THRU: Trina Vielhauer ✓
Al Linero *aj* 11/27

FROM: Michael P. Halpin *MH*

DATE: November 26, 2002

SUBJECT: KUA Cane Island Unit 3 PSD Permit Modification

Attached for approval and signature is a PSD permit modification for the subject (existing) facility. The emissions unit is a gas/oil combined cycle electrical generator, which is additionally permitted for intermittent simple cycle operation. On July 10th, the applicant had requested that the Department increase the authorized period to 5 hours per cold startup for excess emissions of NO_x. Additionally, a request to redefine cold startup was made, in such a fashion that most startups would appear to be definable as "cold startup".

As you are aware, we are normally hesitant to increase the excess emissions allowance beyond two hours allowed during any 24-hour period, which is the allowance authorized by State Rule. For combined cycle units, we have authorized up to four hours for cold startups, but have strictly defined such a startup. Accordingly, KUA's request defied both conventions by which we had issued many other permits, and additionally was inconsistent with input we had received from EPA concerning the establishment of emission limits for startup and shutdown.

As a result, an alternate emission limit for NO_x has been established. The establishment of such a limit is consistent with the manner in which we recently resolved startup emissions issues at Lakeland's McIntosh combined cycle unit, and also fits within EPA's guidance.

I recommend your approval and signature.

Attachments

/mph

SENDER: COMPLETE THIS SECTION

- 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.

1. Article Addressed to:

A.K. Sharma
 Vice President
 Kissimmee Utility Authority / Power Supply
 P.O. Box 423219
 Kissimmee, FL 34742-3219

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) *H. BOLIVAR* B. Date of Delivery *12.2.02*

C. Signature *X H. Bolivar* Agent Addressee

D. Is delivery address different from item 1? Yes No
 If YES, enter delivery address below:

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

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PS Form 3811, July 1999

Domestic Return Receipt

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Sent To *A.K. Sharma*
 Street, Apt. No. or PO Box No. *PO Box 423219*
 City, State, ZIP+4 *Kissimmee, FL 34742-3219*

PS Form 3800, January 2001

See Reverse for Instructions