



Department of Environmental Protection

Jeb Bush
Governor

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

David B. Struhs
Secretary

October 31, 2000

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Gus Cepero, Authorized Representative
Okeelanta Power Limited Partnership
P.O. Box 9
South Bay, FL 33493

Re: Project No. 0990332-011-AC
Permit No. PSD-FL-196K
Okeelanta Power L.P. - Cogeneration Plant
Request to Extend Operation of Sugar Mill Boilers as Standby Units

Okeelanta Power L.P. operates a biomass cogeneration plant located near Highway 27, approximately 6 miles south of South Bay in Palm Beach County, Florida. Okeelanta Corporation operates a sugar mill and refinery at an adjacent location. For the purposes of the Department's Prevention of Significant Deterioration (PSD) and Title V operating permit programs, the two plants are considered to be a single facility. Based on the applicant's request, the initial PSD permit required permanent shutdown of the existing sugar mill boilers (except for refinery Boiler No. 16) to offset emissions from the new cogeneration boilers. This federally enforceable permit condition allowed emissions of carbon monoxide, lead, nitrogen oxides, and particulate matter to escape PSD applicability. It also allowed emissions of volatile organic compounds to escape a LAER determination. During the first 12 months of commercial operation, the permit allowed limited simultaneous operation and operation of the sugar mill boilers as standby units if all cogeneration boilers were shutdown. The Department has previously issued several modifications to these conditions related to establishing commercial operation of the cogeneration boilers as well as the ability to provide a reliable source of steam to the sugar mill.

On September 28, 1999, Okeelanta Power L.P. applied to the Department for a modification of Permit No. PSD-FL-196, which would extend the operation of the sugar mill boilers as standby units for the existing sugar mill. The Department has reviewed the modification request, the compliance history, the permitting history, and other additional information provided by Okeelanta Power L.P. The Department approves the request to operate the sugar mill boilers as standby units, but only for electrical or mechanical failure of all three cogeneration boilers. The Department denies the request for any simultaneous operation of the sugar mill boilers (except for refinery Boiler No. 16) with the cogeneration boilers. This modification also includes the addition of mechanical dust collectors that were previously approved by the Department on December 22, 1999. As summarized in the attached Final Determination, only minor changes were made to the Draft Permit. The referenced permit is hereby modified as follows:

Add the following text to the emissions unit description:

"Mechanical dust collectors are installed prior to each electrostatic precipitator to remove large particulate matter."

"More Protection, Less Process"

Printed on recycled paper.

Revise specific condition No. 5 as follows:

- “5. Each boiler shall be equipped with a(n):
- Mechanical dust collectors consisting of four, large diameter, multi-tube modules with airfoil vanes or equivalent equipment. The mechanical dust collectors shall be installed and maintained as pre-control devices prior to each electrostatic precipitator and designed for a removal efficiency of at least 85% of the particulate matter greater than 10 microns in size (assuming a specific gravity of 2.00);
 - Electrostatic precipitator (ESP) designed for at least 98 percent removal of particulate matter;
 - Selective non-catalytic reduction (SNCR) system designed for at least 40 percent removal of NO_x; and
 - Carbon injection system (or equivalent) for mercury emissions control.”

Replace specific condition Nos. 17 and 18 with the following revised conditions:

“17. Standby Operation: The sugar mill boilers shall comply with the following requirements as well as Specific Condition No. 18.

- a. Sugar Mill Boiler Nos. 4, 5, 6, 10, 11, 12, 14, and 15 may be retained for emergency standby operation until April 1, 2002. These boilers shall only operate in the event of electrical or mechanical failure of all three of the cogeneration boilers. Simultaneous operation of any of these sugar mill boilers with any of the cogeneration boilers is prohibited. Sugar Mill Boiler Nos. 4, 5, 6, 10, 11, 12, 14, and 15 shall be permanently shutdown and rendered incapable of operation no later than October 1, 2002.
- b. Sugar Mill Boiler No. 16 shall be retained as a standby boiler for the cogeneration plant and shall operate only when one or more of the cogeneration boilers are shut down, or in the process of immediately shutting down. For each incident of standby use, the permittee shall record the hours of operation and which of the cogeneration boilers was shutdown.
- c. Each sugar mill boiler shall comply with its most recent air construction and operation permit, including all emissions performance, testing, and monitoring requirements as well as any applicable Alternate Sampling Procedures approved by the Department. The sugar mill boilers shall only fire fuels approved in the most recent permits.

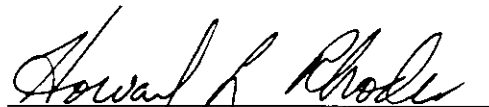
18. Notification of Standby Operation:

- a. Within 24 hours of any electrical or mechanical failure that prevents operation of all three cogeneration boilers, the permittee shall notify Department's South District Office and the Palm Beach County Health Department. The notification shall include a description of the problems, the planned corrective actions, and an estimate of the time the cogeneration boilers will be down.
- b. Within 24 hours of restarting any sugar mill boiler (other than Boiler No. 16), the permittee shall notify the Department's South District Office and the Palm Beach County Health Department. The notification shall include an estimate of the time the sugar mill boiler will be operated and the corrective actions being taken to restore operation of the cogeneration boilers.
- c. For any sugar mill boiler operated or intended to be operated more than 400 hours, the permittee shall schedule and perform all required emissions performance tests. The permittee shall provide at least 48 hours advance notice for any test to the Department's South District Office and the Palm Beach County Health Department.

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 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 days after this order is filed with the clerk of the Department.

Executed in Tallahassee, Florida.



Howard L. Rhodes, Director
Division of Air Resources Management

CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this permit modification (including the Final Determination) was sent by certified mail (*) and copies were mailed by U.S. Mail before the close of business on 11/6/00 to the person(s) listed:

Mr. Gus Cepero, Okeelanta Power L.P.*
Mr. James Meriwether, Okeelanta Power L.P.
Mr. Ricardo Lima, Okeelanta Corporation
Mr. David Dee, Landers & Parsons
Mr. David Buff, Golder Associates

Mr. James Stormer, PBCHD
Mr. Ray Blackburn, SD
Mr. Gregg Worley, EPA
Mr. John Bunyak, NPS

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.

Charlotte Hayes 11/6/00
(Clerk) (Date)

7099 3400 0000 1452 9993

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

Article Sent To:
Mr. Gus Cepero

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

Name (Please Print Clearly) to be completed by mailer:
Mr. Gus Cepero
 Street, Apt. No., or PO Box No.
PO Box 9
 City, State, ZIP+4
South Bay, FL 33493

PS Form 3800, July 1999 See Reverse for Instructions

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:

Mr. Gus Cepero
Okeelanta Power Limited Partnership
PO Box 9
South Bay, FL 33493

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) **Kathy Yorkes** B. Date of Delivery **11/9/00**
 C. Signature

Kathy Yorkes Agent Addressee

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

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

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number (Copy from service label)
7099 3400 0000 1452 9993

FINAL DETERMINATION
Okeelanta Power L.P. - Cogeneration Plant
Request to Extend Operation of Sugar Mill Boilers as Standby Units

PUBLICATION

The Department distributed a public notice package on September 26, 2000 to Okeelanta Power L.P. for the biomass cogeneration plant located near Highway 27, approximately 6 miles south of South Bay in Palm Beach County, Florida. The permit authorizes a two-year extension to operate the existing sugar mill boilers as emergency standby units for the cogeneration boilers. The applicant published the Public Notice of Intent to Issue in The Palm Beach Post on September 30, 2000.

COMMENTS AND CHANGES

The Department received no comments from the applicant, the public, the National Park Service, EPA Region 4, the South District Office, or the Palm Beach County Health Department.

CONCLUSION

The final action of the Department is to issue the final permit with only changes to correct minor typographical errors.

Florida Department of
Environmental Protection

Memorandum

TO: Howard Rhodes
THROUGH Clair Fancy *[Signature]*
Al Linero *[Signature]* 10/31
FROM: *[Signature]* Jeff Koerner, Project Engineer
DATE: October 30, 2000
SUBJECT: Project No. 0990332-011-AC
Permit No. PSD-FL-196K
Okeelanta Power L.P. – Cogeneration Plant
Extension of Emergency Standby Operation for Sugar Mill Boilers
Final Permit

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Okeelanta Power L.P. operates a biomass cogeneration plant located near Highway 27, approximately 6 miles south of South Bay in Palm Beach County, Florida. Okeelanta Corporation operates a sugar mill and refinery at an adjacent location. For the purposes of the Department's PSD preconstruction review and Title V operating permit programs, the two plants are considered to be a single facility. The original PSD permit for the cogeneration plant allowed very limited simultaneous operation of the existing sugar mill boilers with the new units in order to demonstrate commercial operation. The original PSD permit also required permanent shutdown of the sugar mill boilers by January 1, 1999, which was later extended to April 1, 2001.

A Final Permit is attached for your approval and signature for a project that authorizes a two year extension to operate the existing sugar mill boilers as emergency standby units for the cogeneration boilers. The draft permit prohibits simultaneous operation of any of these sugar mill boilers with any of the cogeneration boilers. In addition, the mill boilers must be shut down and rendered incapable of operation no later than October 1, 2002. Because simultaneous operation of the sugar mill boilers with the cogeneration boilers is restricted, there are no changes to the previous modeling impacts that were relied upon to permit the existing sugar mill boilers or to permit the cogeneration plant. The additional two years should provide enough time for the permittee to determine whether or not there is sufficient need to "re-permit" any sugar mill boilers for further standby and/or simultaneous operation.

The Public Notice of Intent to Issue was published in The Palm Beach Post on September 30, 2000. No comments were received from the applicant, the public, the National Park Service, EPA Region 4, the South District Office, or the Palm Beach County Health Department. Only minor changes to typographical errors were made to the Draft Permit modification.

Day 90 of the permit processing time clock is December 7, 2000. I recommend your approval and signature.

jfk

Attachments