



Department of Environmental Protection

Jeb Bush
Governor

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

David B. Struhs
Secretary

April 5, 2000

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

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

Re: DEP File No. 0990332-011-AC (PSD-FL-196K)
Okeelanta Power L.P. – Cogeneration Plant
Requested Standby Operation

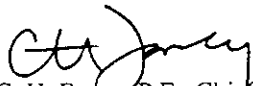
Dear Mr. Cepero:

Enclosed is one copy of the Draft PSD Permit Modification to extend emergency standby operation of the sugar mill boilers for the cogeneration plant located in Palm Beach County, Florida. The Department's Technical Evaluation and Preliminary Determination, the Intent to Issue Air Construction Permit Modification and the Public Notice of Intent to Issue Air Construction Permit Modification are also included.

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

Please submit any written comments you wish to have considered concerning the Department's proposed action to A. A. Linero, P.E., Administrator, New Source Review Section at the above letterhead address. If you have any other questions, please contact Jeff Koerner at 850/414-7268.

Sincerely,


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

CHF/jfk
Enclosures

"More Protection, Less Process"

Printed on recycled paper.

In the Matter of an
Application for Permit by:

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

Air Permit No. 0990332-011-AC
PSD Permit No. PSD-FL-196K
Standby Operation of Sugar Mill Boilers
Palm Beach County

INTENT TO ISSUE AIR CONSTRUCTION PERMIT MODIFICATION

The Department of Environmental Protection (Department) gives notice of its intent to issue an air construction permit (copy of Draft permit attached) for the proposed project, detailed in the application specified above and the enclosed Technical Evaluation and Preliminary Determination, for the reasons stated below.

The applicant, Okeelanta Power L.P., applied on September 28, 1999 to the Department for an air construction permit modification to extend standby operation of the sugar mill boilers. 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. The original PSD permit allowed limited simultaneous operation of the sugar mill boilers with the cogeneration boilers to achieve commercial operation of the new units and then permanent shutdown of the sugar mill boilers. The proposed draft permit extends emergency standby operation of the sugar mill boilers for an additional two years only for electrical or mechanical failure of all three cogeneration boilers. The Department has permitting jurisdiction under the provisions of Chapter 403, Florida Statutes (F.S.), and Chapters 62-4, 62-210, and 62-212 of the Florida Administrative Code (F.A.C.). The above actions are not exempt from permitting procedures. The Department has determined that an air construction permit is required to perform proposed work.

The Department intends to issue this air construction permit based on the belief that reasonable assurances have been provided to indicate that operation of these emission units will not adversely impact air quality, and the emission units will comply with all appropriate provisions of Chapters 62-4, 62-204, 62-210, 62-212, 62-296, and 62-297, 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 Modification. 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 and requests for public meetings concerning the proposed permit issuance action for a period of 30 (thirty) days from the date of publication of Public Notice of Intent to Issue Air Permit Modification. Written comments and requests for public meetings 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 written 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.



C. H. Fancy, P.E., 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 Modification (including the Public Notice of Intent to Issue Air Construction Permit Modification, 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 4-11-00 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 Stermer, Palm Beach County Health Department
- Mr. David Knowles, South District Office DEP
- Mr. Gregg Worley, EPA
- Mr. John Bunyak, NPS
- Mr. Dan Thompson, Berger, Davis & Singerman

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.

Keri Joben
(Clerk)

4-11-00
(Date)

Z 031 391 941

US Postal Service
Receipt for Certified Mail

No Insurance Coverage Provided.

Do not use for International Mail (See reverse)

Sent to	
Sus Cepero	
Street & Number	
Okelanta Power	
Post Office, State, & ZIP Code	
South Bay FL	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, & Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	
4-11-00	
0990332-0011-AC	
P50-F1-196K	

PS Form 3800, April 1995

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:
 Sus Cepero, VP
 Okelanta Power, LP
 P O Box 9
 South Bay, FL
 33493

2. Article Number (Copy from service label)

Z 031 391 941

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly)	B. Date of Delivery
K. YERKES	4/14/00
C. Signature	
X K. Yerkies	<input type="checkbox"/> Addressee
D. Is delivery address different from item 1? <input type="checkbox"/> Yes	
If YES, enter delivery address below: <input type="checkbox"/> No	
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.
4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	

PUBLIC NOTICE OF INTENT TO ISSUE AIR CONSTRUCTION PERMIT MODIFICATION

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

Draft Permit No. 0990332-011-AC (PSD-FL-196K)

Okeelanta Power L.P.
Palm Beach County

The Department of Environmental Protection (Department) gives notice of its intent to issue an air construction permit modification to Okeelanta Power L.P. to extend emergency standby operation of the sugar mill boilers. 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. 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 achieve commercial operation. The PSD permit also required permanent shutdown of the sugar mill boilers by January 1, 1999, which was later extended to April 1, 2001. The applicant requested an additional two-year extension with the capability of simultaneous operation of the sugar mill boilers with the cogeneration boilers. The proposed draft permit extends emergency standby operation of the sugar mill boilers for an additional two years, but only for electrical or mechanical failure of all three cogeneration boilers. In accordance with the original PSD permit, the draft permit allows refinery Boiler No. 16 to operate simultaneously if one or more of the cogeneration boilers is shutdown. The applicant's authorized representative is Mr. Gus Cepero, Vice President of Okeelanta Power L.P. The applicant's mailing address is Okeelanta Power Limited Partnership, P.O. Box 9, South Bay, FL 33493.

Because simultaneous operation of the sugar mill boilers with the cogeneration boilers will not be allowed, 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 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 and requests for public meetings concerning the proposed permit issuance action for a period of 30 (thirty) days from the date of publication of this Public Notice of Intent to Issue Air Construction Permit. Written comments and requests for public meetings 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 written 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 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.

NOTICE TO BE PUBLISHED IN THE NEWSPAPER

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:

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

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

The complete project file includes the application, technical evaluations, Draft Permit, and the information submitted by the responsible official, exclusive of confidential records under Section 403.111, F.S. Interested persons may contact Al Linero, Administrator of the New Source Review Section, or the Department's reviewing engineer for this project, Jeff Koerner, at 111 South Magnolia Drive, Suite 4, Tallahassee, Florida 32301, or call 850/488-0114, for additional information.

DRAFT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

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

Re: DEP File No. 0990332-011-AC (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. The permit allowed limited simultaneous operation during the first 12 months of commercial 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 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. 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."

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 as pre-control devices prior to each electrostatic precipitator and designed and maintained 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 NOx; and
 - Carbon injection system (or equivalent) for mercury emissions control.”

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

- “17. Emergency Standby Operation: The sugar mill boilers may be retained for standby operation until April 1, 2002. During this period, the existing sugar mill boilers shall comply with the following conditions.
- a. Sugar Mill Boiler Nos. 4, 5, 6, 10, 11, 12, 14, and 15 shall only operate in the event of electrical or mechanical failure of all three of the cogeneration boilers. Simultaneous operation of any of the sugar mill boilers with any of the cogeneration boilers is prohibited.
 - b. Refinery Boiler No. 16 shall only operate when one or more of the cogeneration boilers are shut down, or in the process of immediately shutting down.
 - c. Each existing 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.
 - d. The sugar mill boilers shall be permanently shutdown and rendered incapable of operation no later than October 1, 2002. To reestablish routine operation of any sugar mill boiler, the permittee shall obtain air construction permits from the Department.
18. Notification of Standby Operation:
- a. Within 24 hours of any electrical or mechanical failure that prevents operation of any cogeneration boiler, 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 boiler will be down.
 - b. Within 24 hours of restarting any sugar mill boiler, 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.

(DRAFT)

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 was sent by certified mail (*) and copies were mailed by U.S. Mail before the close of business on _____ 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, Palm Beach County Health Department
Mr. David Knowles, South District Office DEP
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.

(Clerk)

(Date)

1.0 APPLICATION INFORMATION

1.1 Applicant

DEP File No. 0990332-011-AC
PSD Permit No. PSD-FL-196K

Okeelanta Power Limited Partnership
P.O. Box 9
South Bay, FL 33493

Authorized Representative:

Mr. Gus Cepero, Vice President

1.2 Processing Schedule

- 09/28/99 Department received the PSD air pollution construction permit application.
- 10/18/99 Department received comments from Palm Beach County Health Department.
- 10/21/99 Department requested additional information.
- 01/04/00 Department received additional information.
- 01/21/00 Department met with representatives of OkPLP to discuss remaining additional information.
- 01/31/00 Department mailed a letter that summarized the meeting and identified remaining items of incompleteness.
- 02/13/00 Department received email identifying specific requests by OkPLP.
- 03/02/00 Department received letter from OkPLP responding to Department's 01/31/00 letter; application deemed complete.

2.0 FACILITY DESCRIPTION

For more than thirty years, the Okeelanta Corporation has owned and operated a sugar mill and refinery operation just south of South Bay in Palm Beach County, Florida. Sugarcane is harvested from nearby fields and transported to the mill by truck. In the mill, sugarcane is cut into small pieces and passed through a series of presses to squeeze the juice from the cane. The cane juice undergoes clarification, separation, evaporation, and crystallization to produce raw, unrefined sugar. In the refinery, raw sugar is decolorized, concentrated, crystallized, dried, conditioned, screened, packaged, stored, and distributed as refined sugar. The fibrous byproduct remaining from the sugarcane is called bagasse and is burned as boiler fuel to provide steam and heating requirements for the mill and refinery. The primary air pollution sources consist of eight bagasse-fired boilers, which incorporate wet scrubbers for particulate matter control. The refinery operates a package boiler fired with low sulfur distillate oil.

In September of 1992, the Department received an application for an air permit from Flo-Energy, Inc. to construct a cogeneration plant next to the Okeelanta Corporation's sugar mill and refinery. The application proposed three new biomass-fired boilers that would provide enough steam energy for the needs of the sugar mill and refinery as well as generate up to 74.9 MW of electricity to be sold to the Florida Power & Light Company (FPL). "Biomass" would consist of bagasse and waste wood materials such as clean dry wood, yard trimmings, land clearing debris, and other vegetative matter. Two-thirds of the annual heat input would be provided by bagasse with the remaining third coming from the waste wood materials. Low sulfur distillate oil would be used as a startup and supplemental fuel. Coal was originally included as an emergency fuel in order to secure financial backing for the project. Flo-Energy stated that it never intended to burn coal at this facility. No coal handling facilities were ever constructed or installed. Because Flo-Energy and Okeelanta Corporation

TECHNICAL EVALUATION AND PRELIMINARY DETERMINATION (DRAFT)

shared investors, owners, and corporate officers, the Department determined that the two plants were under common control and would be considered a single facility. Flo-Energy later became Okeelanta Power Limited Partnership (OkPLP).

The new cogeneration boilers would minimize CO and VOC emissions by high temperature, thermally efficient combustion. Urea injection would be used to reduce NOx emissions through selective non-catalytic reduction (SNCR). An electrostatic precipitator would control particulate matter emissions. Activated carbon injection would be used to reduce mercury emissions. Although the project was permitted as a new plant, the applicant used the Department's "single facility" determination to net out of PSD review for several pollutants by including emissions from the existing sugar mill boilers as decreases because they would be shutdown.

3.0 APPLICANT'S REQUEST

Okeelanta Power L.P. has requested a fourth revision to specific condition nos. 17 and 18 in order to extend operation of the existing sugar mill boilers as standby units for the cogeneration boilers until April 1, 2002 with permanent shutdown no later than April 1, 2003. The request includes the capability of operating the existing sugar mill boilers simultaneously with the cogeneration boilers. The applicant also requests an extension to operate refinery Boiler No. 16 until April 1, 2003. OkPLP believes there is a need for simultaneous standby operation due to the uncertainty caused by the FPL litigation and the bankruptcy case.

4.0 DEPARTMENT'S REVIEW

As summarized in Attachment A, the Department reviewed the permitting history of the cogeneration plant. The most important item for consideration is the applicant's original intent described in the following excerpt from page 2-5 of the air construction permit application.

"... The existing boilers will be shut down upon commercial operation of the proposed cogeneration facility. During the first three years of cogeneration facility operation, the existing boilers may be operated only at times when all three boilers of the new cogeneration facility are shut down for repair or maintenance. After this time, the existing Boiler Nos. 4, 5, 6, 10, 11, 12, 14, and 15 will be permanently disabled and made incapable of operation. The recently constructed Boiler No. 16, which is permitted to burn only low sulfur No. 2 fuel oil, will be retained as a standby boiler for the cogeneration facility. This boiler would be operated only for black start purposes or when one of the cogeneration boilers is down."

From these statements, it is clear that the applicant fully intended to permanently retire the existing sugar mill boilers. In fact, the applicant only desired the capability to operate the existing sugar mill boilers as emergency standby units *when all three cogeneration boilers were shut down for repair or maintenance* during the first three years of commercial operation. The intent to permanently shutdown the existing sugar mill boilers is also evidenced in the applicant's PSD applicability analysis that shows a net decrease in emissions for the project. The following table summarizes the baseline emissions, project emissions, significant net emissions increases and PSD applicability presented by the applicant.

Regulated Pollutant	Baseline ^a Emissions TPY	New Project ^b Emissions TPY	Net Emissions Change ^c TPY	Significant Emissions Rate, Table 62-212.400-2 TPY	PSD Applies?
PM	473.7	177.3	-296.6	25	No
PM10	426.3	174.4	-252.0	15	No
SO2	748.3	1700	+951.7	40	Yes
NOx	888.7	862.5	-26.2	40	No
CO	10,388.0	2012.5	-8375.5	100	No
VOC	401.9	345	-56.9	40	No
Pb	0.28	0.19	-0.09	0.6	No
Hg	0.0256	0.0262	+0.0006	0.1	No
Be	0.0004	0.008	+0.0076	0.0004	Yes
Fl	0.04	32.5	+32.5	3	Yes
SAM	22.4	51.2	+28.8	7	Yes

TECHNICAL EVALUATION AND PRELIMINARY DETERMINATION (DRAFT)

- ^a - Baseline emissions were calculated based on the actual operation of Okeelanta Corporation during 1990 through 1992.
- ^b - The new project emissions were based on the proposed worst-case emission limits after control for continuous operation.
- ^c - The net emissions change was based on the shutdown of Okeelanta Corporation's bagasse boilers.

As shown in the above table, only sulfur dioxide, sulfuric acid mist, beryllium, and fluoride were subject to PSD after control by the proposed equipment and considering shutdown of the existing bagasse boilers at Okeelanta Corporation. These pollutants could not escape PSD primarily due to the applicant's request to fire low sulfur coal. Again, coal handling and storage equipment was never installed. The Department issued the initial air construction permit, which made shutdown of the existing sugar mill boilers a federally enforceable requirement as follows.

Initial Air Construction Permit No. AC50-219413 (PSD-FL-196) Issued 09/27/93

"17. During the first three years of commercial cogeneration facility operation, the existing Boilers Nos. 4, 5, 6, 10, 11, 12, 14, and 15 (Permit Nos. A050-169210, 190690, 175414, 190693, 175411, 169215, 189904, and 209094, respectively) may be retained for standby operation. During the period from initial firing to commercial operation, all three cogeneration boilers can be operated simultaneously with the existing boilers. Only biomass and No. 2 fuel oil may be used in the cogeneration boilers during this period. If more than 910,836 lb/hr steam is generated in the cogeneration boilers, steam in excess of 910,836 lb/hr must be sent to the Okeelanta sugar mill, and the existing boiler's steam production reduced by an equivalent amount. This period shall not exceed a total duration of 12 months. During this 12-month period, simultaneous operation of the existing boilers and the cogeneration boilers shall not occur on more than a total of 90 calendar days. After the first year of cogeneration facility operation, the existing boilers may be operated only when all three cogeneration boilers are shutdown. During operation, the existing boilers must meet all requirements in the most recent construction and operation permits for the boilers. These existing boilers shall be shutdown and rendered incapable of operation within three (3) years of commercial startup of the cogeneration facility, but no later than January 1, 1999.

18. Boiler No. 16 (AC50-191876) may be retained as a standby boiler for the cogeneration facility provided its permit is amended to authorize standby use. Boiler No. 16 may be operated during initial startup, debugging, and testing of the cogeneration facility for a period not to exceed 12 months following initial firing of fuel in the new boilers. After the first year of cogeneration operation, this boiler may be operated only when one or more of the three cogeneration boilers are shutdown. During operation, this boiler must meet all requirements in the current construction or operating permit for the boiler."

{Note: After the first year of commercial operation of the cogeneration boilers, the permittee could only operate the existing sugar mill boilers if all three cogeneration boilers were shut down. Refinery Boiler No. 16 could be operated if one or more cogeneration boilers were shut down.}

The project experienced various difficulties with fuel handling equipment and the steam interconnection with the sugar mill, which delayed the ability to provide reliable steam for sugarcane milling. In addition, a legal dispute between OkPLP and Florida Power & Light (FPL) resulted in reduced payments to OkPLP. In turn, this caused OkPLP to file for bankruptcy. Consequently, the permittee requested three modifications related to "standby" and "simultaneous" operation of the existing sugar mill boilers. The following excerpts are from these permit modifications.

Air Permit Modification No. 0990332-002-AC (PSD-FL-196B) Issued 06/14/96

"17. During the first three years of commercial cogeneration facility operation, the existing Boilers Nos. 4, 5, 6, 10, 11, 12, 14, and 15 (Permit Nos. AO 50-169210, 190690, 175414, 190693, 175411, 169215, 189904, and 209094, respectively) may be retained for standby operation. During the period from initial firing until April 1, 1997, all three cogeneration boilers can be operated simultaneously with the existing boilers. Only biomass and No. 2 fuel oil may be used in the cogeneration boilers during periods of

TECHNICAL EVALUATION AND PRELIMINARY DETERMINATION (DRAFT)

simultaneous operation. If more than 910,836 lb/hr steam is generated in the cogeneration boilers, steam in excess of 910,836 lb/hr must be sent to the Okeelanta sugar mill, and the existing boiler's steam production reduced by an equivalent amount. After April 1, 1997, the cogeneration boilers may be operated only when the existing sugar mill boilers are shutdown or in the process of immediately shutting down. During operation, the existing boilers must meet all requirements in the most recent construction and operation permits for the boilers. These existing boilers shall be shutdown and rendered incapable of operation within three (3) years of commercial startup of the cogeneration facility, but no later than January 1, 1999.

18. Boiler No. 16 (AC 50-191876) may be retained as a standby boiler for the cogeneration facility provided its permit is amended to authorize standby use. Boiler No. 16 may be operated during startup, debugging, and testing of the cogeneration facility. After April 1, 1997, this boiler may be operated only when one or more of the three cogeneration boilers are shutdown. During operation, this boiler must meet all requirements in the current construction or operating permit for the boiler."

{Note: In effect, this permitting action replaced the term "commercial operation" with a deadline of April 1, 1997. The date "April 1" is important because it signifies the end of the sugarcane milling season.}

Air Permit Modification No. 0990332-005-AC (PSD-FL-196E) Issued 04/05/97

"17. During the first three years of commercial cogeneration facility operation, the existing Boilers Nos. 4, 5, 6, 10, 11, 12, 14, and 15 (Permit Nos. AO50-169210, 190690, 175414, 190693, 175411, 169215, 189904, and 209094, respectively) may be retained for standby operation. During the period from initial firing until April 1, 1998 all three cogeneration boilers can be operated simultaneously with the existing boilers. Only biomass and No. 2 fuel oil may be used in the cogeneration boilers during periods of simultaneous operation. If more than 910,836 lb/hr steam is generated in the cogeneration boilers, steam in excess of 910,836 lb/hr must be sent to the Okeelanta sugar mill, and the existing boiler's steam production reduced by an equivalent amount. After April 1, 1998 the cogeneration boilers may be operated only when the existing sugar mill boilers are shutdown or in the process of immediately shutting down. During operation, the existing sugar mill boilers must meet all requirements in the most recent construction and operation permits for the boilers. These existing boilers shall be shutdown and rendered incapable of operation within three (3) years of commercial startup of the cogeneration facility, but no later than January 1, 1999.

18. Boiler No. 16 (AC50-191876) may be retained as a standby boiler for the sugar refinery and sugar mill in accordance with its existing permit. Boiler No. 16 may be operated during startup, debugging, and testing of the cogeneration facility. After April 1, 1998 this boiler may be operated only when one or more of the three cogeneration boilers are shutdown. During operation, this boiler must meet all requirements in the current construction or operating permit for the boiler."

{Note: This permitting action extended simultaneous "standby" operation from April 1, 1997 to April 1, 1998.}

Air Permit No. 0990332-009-AC (PSD-FL-196I) Issued 06/16/98

"17. The existing Boilers Nos. 4, 5, 6, 10, 11, 12, 14, and 15 (Permit Nos. AO50-169210, 190690, 175414, 190693, 175411, 169215, 189904, and 209094, respectively) may be retained for standby operation until the interconnections (bagasse fuel and steam systems) between the cogeneration facility and the sugar mill are commercially and operationally reliable, but no later than April 1, 2000. During the period from initial firing until April 1, 2000 all three cogeneration boilers can be operated simultaneously with the existing boilers. Only biomass and No. 2 fuel oil may be used in the cogeneration boilers during periods of simultaneous operation. If more than 910,836 lb/hr steam is generated in the cogeneration boilers, steam in excess of 910,836 lb/hr must be sent to the Okeelanta sugar mill, and the existing boilers' steam production reduced by an equivalent amount. After April 1, 2000, the cogeneration boilers may be operated only when the existing sugar mill boilers are shutdown or in the process of immediately shutting down. During operation, the existing sugar mill boilers must meet all requirements in the most recent construction and

TECHNICAL EVALUATION AND PRELIMINARY DETERMINATION (DRAFT)

operation permits for the boilers. These existing boilers shall be shutdown and rendered incapable of operation when the interconnected operations are commercially and operationally reliable, but no later than April 1, 2001.

18. Boiler No. 16 (AC50-191876) may be retained as a standby boiler for the sugar refinery and sugar mill in accordance with its existing permit. Boiler No. 16 may be operated during startup, debugging, and testing of the cogeneration facility. After April 1, 2000, this boiler may be operated only when one or more of the three cogeneration boilers are shutdown. During operation, this boiler must meet all requirements in the current construction or operating permit for the boiler.

26. Stack monitoring, fuel usage, fuel analysis data, and the status of the interconnections between the sugar mill and the cogeneration facility shall be reported to the Department's South and Southeast District Offices and to the Palm Beach County Health Unit on a quarterly basis commencing with the start of commercial operation in accordance with 40 CFR, Part 60, Sections 60.7 and 60.49a, and in accordance with Section 17-297.500, F.A.C."

{Note: This permitting action extended simultaneous "standby" operation from April 1, 1998 to April 1, 2000 and permanent shutdown from January 1, 1999 to April 1, 2001.}

The Department also considered the following information:

- Palm Beach County was designated as nonattainment for ozone in 1993, which would have required a LAER determination for VOC.
- The cogeneration boilers established commercial operation in 1996 and operated almost exclusively during the 1998/1999 and 1999/2000 sugarcane seasons. (AI received 01/04/00)
- Existing sugar mill Boiler Nos. 6, 11, 15, and 16 were tested during the 1998/1999 sugar cane season. Existing sugar mill Boiler Nos. 4, 5, 10, 12 and 14 were last tested during the 1997/1998 sugar cane season. The most recent test data suggests the existing sugar mill boilers were in compliance with the emissions standards when last operated. (AI received 01/04/00)
- Florida's major source inventory no longer includes Okeelanta Corporation's sugar mill boilers. In other words, current projects are modeled and reviewed for PSD major source impacts do not consider these emissions. For example, the Department has recently received applications for permit modifications from U.S. Sugar and Atlantic Sugar Association, which omit these emissions.
- OkPLP states, "The cogeneration boilers are fully functional and, based on operating experience with the interconnection, are capable of delivering steam to the sugar mill." (AI received 01/04/00)
- OkPLP states, "The boilers at the sugar mill are not being used and Okeelanta does not plan to use them again in the future ... Okeelanta would like to be able to use these other sugar mill boilers as standby boilers in the event that one or more cogeneration boilers are shutdown due to unanticipated problems. Although unlikely to occur, catastrophic events have occurred at power generation facilities which render a unit inoperable for a period of time, in some cases for 6 months or more."
- OkPLP states, "Only a shutdown due to mechanical failure, or due to the consequences of the FP&L lawsuit and bankruptcy proceedings, will necessitate operating the sugar mill boilers (other than Boiler No. 16)."
- The only modeling for air quality impacts related to simultaneous operation was performed in 1993. This was a limited analysis intended to support the "worst case" scenario of operating two cogeneration boilers simultaneously with existing sugar mill boilers for up to *90 days during the first year of commercial operation*. It does not appear that a comprehensive air quality impact analysis was ever performed for the simultaneous operation of the cogeneration boilers with the existing sugar mill boilers.

TECHNICAL EVALUATION AND PRELIMINARY DETERMINATION (DRAFT)

- The Palm Beach County Health Department has performed recent inspections of both plants. Because of the inactivity of the existing sugar mill boilers, it appears that a substantial amount of maintenance will be necessary before reactivating these boilers.
- OkPLP has indicated a trial date set for September of 2000, which may last up to five months.

5.0 CONCLUSION

Based on the available information, the Department approves the request to extend operation of the existing sugar mill boilers as *emergency* standby units for two years subject to the revised specific conditions in the proposed Draft Permit. However, the Department rejects the applicant's request for the capability to simultaneously operate the existing sugar mill boilers with any of the cogeneration boilers. The cogeneration boilers have achieved commercial operation and been established as a reliable source of steam for the sugar mill. Apparently, OkPLP would now like to retain the existing sugar mill boilers as auxiliary units, however, OkPLP rejected this option during the initial planning for this project. Instead, OkPLP elected to shutdown all of the sugar mill boilers and thereby avoid BACT determinations for emissions of CO, Pb, NO_x, PM, PM₁₀, and a LAER determination for VOC. In consideration of problems with fuel handling equipment and the steam interconnection with the sugar mill, the Department approved previous similar requests. However, these conditions no longer exist. Further, it is important to note that new projects are being evaluated based on the "shutdown emissions".

The revised permit conditions will only allow operation of the existing sugar mill boilers as a result of some catastrophic electrical or mechanical failure of all three cogeneration boilers. Because simultaneous operation will not be allowed, 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. To resume routine operation of the sugar mill boilers, or to establish these as standby units with the capability of simultaneous operation with the cogeneration boilers, OkPLP must obtain new construction permits. The Department believes the two year extension affords OkPLP sufficient time to consider various future standby operations or plan for permanent shutdown. Jeff Koerner is the permitting engineer responsible for reviewing the application, recommending this determination, and drafting the permit.

ATTACHMENT A

Air Permit No. 0990332-001-AC (PSD-FL-196A): OkPLP requested a limit on yard trash of 30% by weight to avoid most of the applicable requirements of 40 CFR 60, Subpart Ea. Department issued modification on 02/20/96, which added specific condition 12A.

Air Permit No. 0990332-002-AC (PSD-FL-196B): OkPLP requested an extension of time for the simultaneous operation of the cogeneration boilers with the sugar mill boilers in order to perfect the steam interconnection. Department issued modification on 06/14/96. Specific condition nos. 17 and 18 were revised to extend simultaneous operation beyond the first year of commercial startup of the cogeneration boilers to April 1, 1997. The permit required the sugar mill boilers to be rendered incapable of operation no later than January 1, 1999.

Air Permit No. 0990332-003-AC (PSD-FL-196C): OkPLP requested approval to fire tire derived fuel. Department issued modification on 01/22/97 to allow for a demonstration period to collect emissions data.

Air Permit No. 0990332-004-AC (PSD-FL-196D): OkPLP requested a revision to the emission standard and testing requirements for sulfuric acid mist. Department issued modification on 04/18/97, which retained the emission standard, but revised the test method to 8 (modified).

Air Permit No. 0990332-005-AC (PSD-FL-196E): OkPLP requested an extension of time for the simultaneous operation of the cogeneration boilers with the sugar mill boilers in order to perfect the steam interconnection. Department issued modification on 04/05/97. Specific condition nos. 17 and 18 were revised to extend simultaneous operation to April 1, 1998. The permit required the sugar mill boilers to be rendered incapable of operation no later than January 1, 1999.

Air Permit No. 0990332-006-AC (PSD-FL-196F): OkPLP requested a modification of the emissions standards for carbon monoxide, lead, and mercury. Department issued modification on 10/24/97.

Air Permit No. 0990332-007-AC (PSD-FL-196G): OkPLP requested amendment to specific condition #11 to clarify the performance test schedule. Department issued modification on 05/08/97.

Air Permit No. 0990332-008-AC (PSD-FL-196H): OkPLP requested a revision to the 24-hour rolling average for determining peak electrical generation. Application was withdrawn on 02/03/97.

Air Permit No. 0990332-009-AC (PSD-FL-196I): OkPLP requested an extension of time for the simultaneous operation of the cogeneration boilers with the sugar mill boilers in order to provide additional time to ensure that the interconnections (bagasse fuel and steam systems) were commercially and operationally reliable. Department issued modification on 06/16/98. Specific condition nos. 17 and 18 were revised to extend simultaneous operation to April 1, 2000. The permit required the sugar mill boilers to be rendered incapable of operation no later than April 1, 2001.

Air Permit No. 0990332-010-AC (PSD-FL-196J): OkPLP requested a revision to the CO emissions standard. Department issued modification of the CO averaging period on 06/24/99.

Air Permit No. 0990332-011-AC (PSD-FL-196K): OkPLP requested a modification to extend operation of Okeelanta Corporation's sugar mill boilers as standby units for the cogeneration boilers due to litigation with FPL. This is the current request under review and is pending.

Air Permit No. 0990332-012-AC (PSD-FL-196L): OkPLP requested approval to install particulate dust collectors prior to the electrostatic precipitators. Department issued approval on 12/22/99.

**Berger
Davis &
Singerman**
Professional Association

*al
M...*

215 South Monroe Street Suite 705
Tallahassee, Florida 32301
Phone: 904.561.3010
Fax: 904.561.3013

HL
claim
Howard

RECEIVED

JUN 30 1997

Division of Air
RESOURCES MANAGEMENT

June 27, 1997

Mr. Howard Rhodes, Director
Division of Air Resources Management
Department of Environmental Protection
Twin Towers Office Building
2600 Blair Stone Road, MS-5500
Tallahassee, Florida 32399-2400

Re: Request for Notice of Agency Action: Okeelanta Power Limited Partnership
and Osceola Power Limited Partnership

Dear Howard:

Pursuant to Section 120.60(3), Florida Statutes, I hereby request notice of any decision that may constitute agency action or intended agency action by the Department regarding any request, by permit application, notice of general permit or otherwise, made by Okeelanta Power Limited Partnership or Osceola Power Limited Partnership (collectively, "OPLP") regarding construction, operation or modification of either of the OPLP facilities location in Palm Beach County. The request includes but is not limited to:

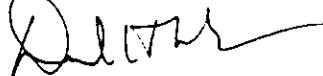
1. Renewal, extension or modification of any permit or permit condition for any of the activities now addressed in air construction permit number AC-50-219413/PSD-FL196.
2. Renewal, extension, or modification of any permit or permit condition for any of the activities now addressed in air construction permit number AC-50-21975/PDS-FL-197.
3. Renewal, extension or modification of any permission to burn tire derived fuel.
4. Any agency action regarding the OPLP Title V permit applications currently pending at the District.

Page Two
June 27, 1997

I also request notification of any determination by the Department that any such activities by OPLP are exempt from permitting or any other regulatory requirements of the Department. This request applies to those activities that are being or will be considered by the Division of Air Resources Management. To the extent any of these activities require action by the Department's South District Office, I am making a similar request to the District Office.

Please let me know if you have any problems or questions regarding this request. Thank you for your consideration.

Your truly,



Daniel H. Thompson

DHT/eam

cc: Peggy Highsmith

Berger Davis & Singerman

215 South Monroe Street Suite 705 Tallahassee, Florida 32301 Phone: 904.561.3010 Fax: 904.561.3013

Memorandum

Florida Department of Environmental Protection

TO: Clair Fancy, Chief – Bureau of Air Regulation
THROUGH Al Linero, Administrator - New Source Review Section
FROM: Jeff Koerner, Project Engineer - New Source Review Section *JLK*
DATE: April 3, 2000
SUBJECT: Okeelanta Power L.P.
Extension of Emergency Standby Operation for Sugar Mill Boilers

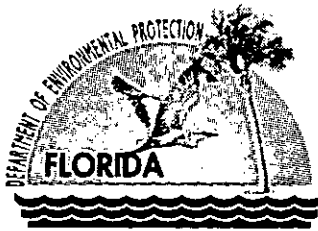
Okeelanta Power L.P. operates a biomass cogeneration plant located near Highway 27, approximately 6 miles south of South Bay in Palm Beach County, Florida. Okeelanta Corporation operates a sugar mill and refinery at an adjacent location. For the purposes of the Department's Prevention of Significant Deterioration (PSD) and Title V operating permit programs, the two plants are considered to be a single facility. 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.

The applicant requested an additional two-year extension with the capability of simultaneous operation of the sugar mill boilers with the cogeneration boilers. The proposed draft permit extends emergency standby operation of the sugar mill boilers for an additional two years, but only for electrical or mechanical failure of all three cogeneration boilers. In accordance with the original PSD permit, the draft permit allows refinery Boiler No. 16 to operate simultaneously if one or more of the cogeneration boilers is shutdown. The draft permit prohibits simultaneous operation of any other sugar mill boilers with any of the cogeneration boilers. Because simultaneous operation of the sugar mill boilers with the cogeneration boilers will not be allowed, 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 decide on whether or not there is sufficient need to "re-permit" any sugar mill boilers for further standby and/or simultaneous operation.

Day #74 is May 14, 2000. I recommend your approval of the attached Intent to Issue package for this project.

JFK

Attachments



Department of Environmental Protection

Jeb Bush
Governor

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

David B. Struhs
Secretary

P.E. CERTIFICATION STATEMENT

PERMITTEE

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

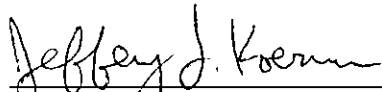
ARMS Permit No.	0990332-011-AC
PSD Permit No.	PSD-FL-196K
SIC No.	4911
Emissions Units:	001, 002, and 003

PROJECT DESCRIPTION

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. 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.

The applicant requested an additional two-year extension with the capability of simultaneous operation of the sugar mill boilers with the cogeneration boilers. The proposed draft permit extends emergency standby operation of the sugar mill boilers for an additional two years, but only for electrical or mechanical failure of all three cogeneration boilers. In accordance with the original PSD permit, the draft permit allows refinery Boiler No. 16 to operate simultaneously if one or more of the cogeneration boilers is shutdown. The draft permit prohibits simultaneous operation of any other sugar mill boilers with any of the cogeneration boilers. Because simultaneous operation of the sugar mill boilers with the cogeneration boilers will not be allowed, 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 decide on whether or not there is sufficient need to "re-permit" any sugar mill boilers for further standby and/or simultaneous operation.

I HEREBY CERTIFY that the engineering features described in the above referenced application and subject to the proposed permit conditions provide reasonable assurance of compliance with applicable provisions of Chapter 403, Florida Statutes, and Florida Administrative Code Chapters 62-4 and 62-204 through 62-297. However, I have not evaluated and I do not certify aspects of the proposal outside of my area of expertise (including but not limited to the electrical, mechanical, structural, hydrological, and geological features).


Jeffery F. Koerner, P.E.

Registration Number: 49441

4-3-00
Date

Department of Environmental Protection
Bureau of Air Regulation, New Source Review Section
111 South Magnolia Drive, Suite 4
Tallahassee, Florida 32301

"More Protection, Less Process"

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