



September 21, 1998

Mr. Al Linero, P.E.
Division of Air Resource Management
Florida Department of Environmental Protection
2600 Blair Stone Rd.
Tallahassee, Florida 32399-2400

Dear Mr. Linero:

Re: FPC Anclote Facility, Natural Gas Co-Firing Project
DEP Permit No. 1010017-004-AC

Enclosed please find the notarized proof of publication received from the Pasco Times for the Florida Department of Environmental Protection *Notice of Intent to Issue Construction Permit* referenced to the above request. The notice was published on September 10, 1998.

It is our understanding that a final permit could be issued by the Department as early as October 12, 1998, assuming no adverse comments were received.

If you should have any questions concerning this correspondence, please do not hesitate to contact me at (727) 826-4258.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott H. Osbourn", is written over a horizontal line.

Scott H. Osbourn
Senior Environmental Engineer

cc: Bill Thomas, DEP SW District (w/attach)

Attachment

982600346

STATE OF FLORIDA }
COUNTY OF PASCO } S.S.

pasco times
Published Daily
Port Richey, Pasco County, Florida

Before the undersigned authority personally appeared M. Hipple
who on oath says that he is Legal Clerk
of the Pasco Times - South Edition
a daily newspaper published at Port Richey, in Pasco County, Florida: that the
attached copy of advertisement, being a Legal Notice
in the matter RE: Public Notice of Intent

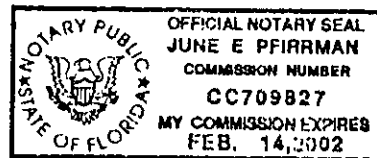
_____ in the _____ Court
was published in said newspaper in the issues of September 10, 1998

Affiant further says the said Pasco Times is a newspaper
published at Port Richey, in said Pasco County, Florida, and that the said newspa-
per has heretofore been continuously published in said Pasco County, Florida,
each day and has been entered as second class mail matter at the post office in
New Port Richey, in said Pasco County, Florida, for a period of one year next
preceding the first publication of the attached copy of advertisement; and affiant
further says that he has neither paid nor promised any person, firm, or corpora-
tion any discount, rebate, commission or refund for the purpose of securing
this advertisement for publication in the said newspaper.

Sworn to and subscribed before
me this 17th day of
September, A.D. 1998

June E. Pfirman
Notary Public

My commission expires _____ 19 _____



LEGAL NOTICE

PUBLIC NOTICE OF INTENT TO ISSUE CONSTRUCTION PERMIT
STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
DRAFT Permit No.: 1010017-004-AC

Florida Power Corporation
Anclore Power Plant Units 1 and 2
Pasco County

The Department of Environmental Protection (Department) gives notice of its intent to issue a construction permit to Florida Power Corporation for a project to install natural gas co-firing capability at the Anclore Power Plant Units 1 and 2 located at _____

PERSONALLY KNOWN Y
PRODUCED IDENTIFICATION
TYPE OF IDENTIFICATION P



RECEIVED

SEP 04 1998

BUREAU OF
AIR REGULATION

August 31, 1998

Mr. Clair Fancy, P.E.
Chief, Bureau of Air Regulation
Florida Department of Environmental Protection
2600 Blair Stone Rd.
Tallahassee, Florida 32399-2400

Dear Mr. Fancy:

Re: FPC's Anclote Plant Natural Gas Co-Firing Project
Pollution Control Project Exemption

This letter serves to provide the additional information requested during our telephone conversation of August 31, 1998. Specifically, you had requested that Florida Power Corporation (FPC) submit data for the Anclote Plant relating to annual average fuel oil sulfur levels and annual capacity factors for the years 1993 through 1997. The data summarized below was obtained from the Annual Operating Reports for the years requested.

Annual average fuel sulfur levels are as follows: 1993 - 1.56%; 1994 - 1.34%; 1995 - 1.49%; 1996 - 1.36%; 1997 - 1.08%. Although the allowable fuel oil sulfur level at Anclote Plant is 2.5%, FPC has historically burned fuel oils with a sulfur content of 2.0% or less. Recently, the fuel oil sulfur levels have been much lower in order that FPC could qualify for SO₂ bonus allowances under EPA's Acid Rain program (see attached letter). The levels for 1996 and 1997 were lower than normal because there was uncertainty regarding which year EPA would use as the baseline for determining eligibility. Now that FPC has qualified for the allowances, there is no continuing requirement.

Annual capacity factor is determined by dividing total heat input (or fuel use) for each year by the total potential heat input or fuel use, assuming the units could operate at full load for 8,760 hours per year. The figures are as follows: 1993 - 40%; 1994 - 33%; 1995 - 33%; 1996 - 39%; 1997 - 44%.

If you should have any questions concerning the above, please do not hesitate to contact me at (727) 826-4258.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott H. Osbourn", is written over a horizontal line.

Scott H. Osbourn
Senior Environmental Engineer

Attachment



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

RECEIVED

AUG 07 1998

Environmental Policy
Department

OFFICE OF
AIR AND RADIATION

AUG 3 1998

Mr. W. Jeffrey Pardue
Florida Power Corporation
P.O. Box 14042
MAC H2G
St. Petersburg, FL 33733

Re: Determination of Eligibility under §73.19 For Anclote Units 1 & 2

Dear Mr. Pardue:

EPA's review of data in the National Allowance Data Base (NADB) and Supplemental Data File (SDF) confirms that Anclote units 1 and 2 meet the requirements for eligibility both under existing §73.19(a) and under the revised §73.19(a) that EPA intends to promulgate as a final rule in the 1998 allocation revision rulemaking. Under either version of §73.19(a) a unit's 1997 SO₂ emission rate can be used to determine eligibility.

To determine 1997 SO₂ emission rate, EPA used quality assured data submitted in accordance with 40 CFR Part 75. For Anclote 1, continuous emissions monitoring showed a heat input of 21,786,765 mmBtu and emissions of 11,695 tons of SO₂. The calculated emission rate was 1.0736 lb/mmBtu. For Anclote 2, monitoring showed a heat input of 24,467,624 mmBtu and emissions of 14,294 tons of SO₂. The calculated emission rate is 1.1684 lb/mmBtu. Both units' calculated emission rate of SO₂ is less than 1.2 lb/mmBtu, so the units are eligible to receive allowance allocations under §73.19, which implements section 405(i)(2) of the Act. An attachment is provided which documents the emission rate calculations.

In summary, EPA has determined that Anclote units 1 and 2 are eligible to receive allowances under §73.19. If you have questions about the calculations or the provision, please contact Kathy Barylski of my staff at (202) 564-9074.

Sincerely,

Brian J. McLean, Director
Acid Rain Division



Recycled/Recyclable
Printed with Soy/Canola Ink on paper that
contains at least 50% recycled fiber

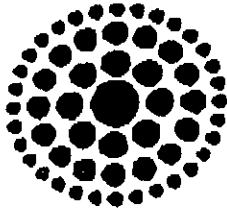
Calculation of SO₂ Emission Rate

The formula for calculating the SO₂ emission rate is:

$$SO_2 \text{ Rate (lb/mmBtu)} = 2000 \text{ lb/tons} \times SO_2 \text{ Emissions (tons)} / \text{Heat Input (mmBtu)}$$

For 1997, the quality assured data under Part 75 and calculated emission rate are:

	SO ₂ Emissions	Heat Input	SO ₂ Emission Rate
Anclote 1	11,695	21,786,765	1.0736
Anclote 2	14,294	24,467,624	1.1684



**Florida
Power**
CORPORATION



Environmental Services Department

FAX COVER SHEET

DATE: 9/4/98

TO: AL Livers / Clair

FAX # (850) 922-6979

COMPANY: DEP

FROM: Scott Osborn

PHONE # (727) 826-4258

FAX # _____

NUMBER OF PAGES TRANSMITTED 5

Please call number listed above for any transmission problems.

COMMENTS:

Please review and call me
to discuss



AIR CONSTRUCTION PERMIT: No. 1010017-004-AC

SECTION III SPECIFIC CONDITIONSA. General Operation Requirements

1. **Applicable Regulations:** Unless otherwise indicated in this permit, the construction and operation of the subject emission unit(s) shall be in accordance with the capacities and specifications stated in the application and supplemental information referenced in Section I, Subsection C with the exception of used oil firing. The facility is subject to all applicable provisions of Chapter 403, F.S. and Florida Administrative Code Chapters 62-4, 62-103, 62-204, 62-210, 62-212, 62-213, 62-214, 62-296, and 62-297. Issuance of this permit does not relieve the facility owner or operator from compliance with any applicable federal, state, or local permitting requirements or regulations. [Rule 62-210.300, F.A.C.]
2. Unit 1 is authorized to fire fuel oils No. 1 through No. 6 with a maximum heat input of 4964 MMBtu per hour. Unit 2 is authorized to fire fuel oils No. 1 through No. 6 with a maximum heat input of 4850 MMBtu per hour. Pipeline quality natural gas may be fired alone or cofired with fuel oil in either boiler and shall be limited to a maximum heat input of 44% of the total heat input per boiler. Unit 1 is authorized to co-fire natural gas with fuel oils No. 1 through No. 6 with a maximum heat input of 5073 MMBtu per hour. Unit 2 is authorized to co-fire natural gas with fuel oils No. 1 through No. 6 with a maximum heat input of 4957 MMBtu per hour. *revised to allow all gas at < 40mw*
need HI clarifying language
3. Anclote Power Plant Units 1 and 2 may operate continuously (i.e., 8760 hours per year). *INSDT (X)*
4. Only pipeline quality natural gas or No. 1 - 6 fuel oils with ^{an as-fired} maximum sulfur content of 1.8% by weight shall be fired in Units 1 and 2. *OK*
5. **Plant Operation - Problems:** If temporarily unable to comply with any of the conditions of the permit due to breakdown of equipment or destruction by fire, wind or other cause, the owner or operator shall notify the Permitting Authority as soon as possible, but at least within (1) working day, excluding weekends and holidays. The notification shall include: pertinent information as to the cause of the problem; the steps being taken to correct the problem and prevent future recurrence; and where applicable, the owner's intent toward reconstruction of destroyed facilities. Such notification does not release the Permittee from any liability for failure to comply with the conditions of this permit and the regulations. [Rule 62-4.130, F.A.C.]
6. **Operating Procedures:** Operating procedures shall include good operating practices and proper training of all operators and supervisors. The good operating practices shall meet the guidelines and procedures as established by the equipment manufacturers. [Rule 62-4.070(3), F.A.C.]

Mr. Fancy
August 27, 1998
Page 2

measurements, using the heat value of the fuel determined by the fuel vendor or the owner or operator, to calculate average hourly heat input during the test.

Also, the Department added the following language to each permit condition titled Permitted Capacity:

(X) (Permitting note: The heat input limitations have been placed in each permit to identify the capacity of each unit for the purposes of confirming that emissions testing is conducted within 90 to 100 percent of the unit's rated capacity (or to limit future operation to 110 percent of the test load), to establish appropriate emission limits and to aid in determining future rule applicability.)

Accordingly, FPC requests that this language regarding heat input be added to all of FPC's Title V permits currently being processed by the Department. FPC intends to notify the Department as soon as possible after formalizing its position on the remainder of periodic monitoring issues. If you should have any questions concerning the above, please do not hesitate to contact me at (727) 826-4258.

Sincerely,



Scott H. Osbourn
Senior Environmental Engineer

cc: Robert Manning, HGS&S

AIR CONSTRUCTION PERMIT: No. 1010017-004-AC

SECTION III. SPECIFIC CONDITIONS

B. Emission Limits and Standards

1. The following is a summary of emission limits applicable to Units 1 and 2:

Table 1. Emission Limits

Pollutant	Standard
SO ₂	1.5% sulfur content by weight, based upon 12 month rolling average
PM/PM ₁₀	0.1 lb/MMBtu
Visible Emissions	40 percent opacity

2. Visible Emissions. Visible emissions (VE) shall not exceed 40 percent opacity. Owners or operators shall conduct a compliance test for particulate matter emissions and opacity annually. Failure to demonstrate compliance with the particulate matter standard or the opacity standard of this condition shall constitute grounds for immediate revocation of this 40% standard in which case the standard from Rule 62-296.405(1)(a) F.A.C. shall apply (20% opacity limit except for one six-minute period per hour during which opacity shall not exceed 27%). [Rule 62-296.405(1)(a), F.A.C.; and, OGC File Nos. 86-1574 and 86-1575/Orders dated December 11, 1986.]

[Handwritten signature/initials]

3. Visible Emissions - Soot Blowing and Load Change. Excess emissions from existing fossil fuel steam generators resulting from boiler cleaning (soot blowing) and load change shall be permitted provided the duration of such excess emissions shall not exceed 3 hours in any 24-hour period and visible emissions shall not exceed 60 percent opacity, and providing (1) best operational practices to minimize emissions are adhered to and (2) the duration of excess emissions shall be minimized. A load change occurs when the operational capacity of a unit is in the 10 percent to 100 percent capacity range, other than startup or shutdown, which exceeds 10 percent of the unit's rated capacity and which occurs at a rate of 0.5 percent per minute or more. Visible emissions above 60 percent opacity shall be allowed for not more than 4, six (6)-minute periods, during the 3-hour period of excess emissions allowed by this subparagraph, for boiler cleaning and load changes on Units 1 and 2 which are required to operate continuous opacity monitors. [40 CFR 75 and Rule 62-210.700(3), F.A.C.]

4. Sulfur Dioxide. The sulfur content of fuel oils burned shall not exceed 1.8% by weight, *as received as-fired* at the plant. The 12 month rolling average shall not exceed 1.5% by weight.

5. Particulate Matter. Particulate matter emissions shall not exceed 0.1 lb/MMBtu as measured by Method 5 or Method 17. Particulate matter emissions shall not exceed an average of 0.3 pound per million Btu heat input during the 3-hours in any 24-hour period of excess emissions allowed for boiler cleaning (soot blowing) or load change.

AIR CONSTRUCTION PERMIT: No. 1010017-004-AC

SECTION III. SPECIFIC CONDITIONS

Co-firing natural gas with fuel oil having more than 1.8% sulfur content by weight is prohibited. (Rules 62-213.440(1), 62-4.070(3), 62-296.405(1)(e)3., 62-296.405(1)(f)1.b., 62-297.440, F.A.C., and FPC's letter dated 8/1/98). *9/1/98 OK*

4. An initial test for CO is required while co-firing No. 6 fuel oil and natural gas at the design maximum capacity for gas operation (approximately 40% to 44% of total heat input) and at within *90%* ~~10%~~ of the permitted overall heat input rate for each unit. The initial CO test results shall be the average of three valid one-hour runs using EPA method 10. A second test for CO shall be conducted firing only No. 6 fuel oil at within ~~10%~~ of the overall heat input rate for comparison. This test is not required annually. *90 yes*

5. All fuel oil delivered to the facility shall be analyzed using ASTM D240-76 (or equivalent) to record the gross heating value (HHV). Analysis may be performed by the owner or operator, a service contractor retained by the owner or operator, the fuel vendor, or any other qualified agency.

6. Compliance with the liquid fuel sulfur limit shall be verified by a fuel analysis provided by the vendor or performed by FPC upon each fuel delivery with the following exception: in cases where No. 6 fuel oil is received with a sulfur content exceeding 1.5% by weight, and blending is required to obtain a fuel mix equal to the applicable percent sulfur limit, an analysis of a fuel sample representative of fuel from the fuel storage tanks shall be performed by FPC prior to firing oil at the plant. Reports of percent sulfur content of these analyses shall be maintained at the power plant facility.

The owner or operator shall maintain records of the ~~as-fired~~ fuel oil heating value, density or specific gravity, and the percent sulfur content. fuel sulfur content, percent by weight, for liquid fuels shall be determined by either ASTM D2622-94, ASTM D4294-90 (93), ASTM D1552-95, ASTM D1266-91, or both ASTM D4057-88 and ASTM D129-95 (or latest editions) to analyze a representative sample of the fuel oil.

[Rules 62-213.440, 62-296.405(1)(e)3., 62-296.405(1)(f)1.b. and 62-297.440, F.A.C., and applicant agreement with DEP on September 1, 1998.

E. Notification, Reporting and Recordkeeping

1. All measurements, records, and other data required to be maintained by FPC shall be retained for at least five (5) years following the date on which such measurements, records, or data are recorded. These records shall be made available to DEP representatives upon request.

2. Compliance Test Reports: A test report indicating the results of the required compliance tests shall be filed with the DEP Southwest District Office as soon as practical, but no later than 45 days after the last sampling run is completed. The test report shall provide sufficient detail on the tested emission unit and the procedures used to allow the Department to determine if the test was properly conducted and if the test results were properly computed. At a minimum, the test report shall provide the applicable information listed in Rule 62-297.310(8), F.A.C.