

Friday, Barbara

From: Quillian, Ann [Ann.Quillian@pgnmail.com]
Sent: Monday, July 16, 2007 5:22 PM
To: Friday, Barbara
Cc: Hamilton, Suzanne
Subject: RE: DRAFT Air Permit No. 1010017-009-AC/1010017-010-AV - Florida Power Corporation dba Progress Energy Florida, Inc. - Anclote Power Plant

Your e-mail was received.

-----Original Message-----

From: Friday, Barbara [mailto:Barbara.Friday@dep.state.fl.us]
Sent: Monday, July 09, 2007 1:51 PM
To: Swartz, Jeffrey; Quillian, Ann; Halpin, Mike; Zhang-Torres; Forney.Kathleen@epamail.epa.gov
Cc: Branum, Corrie
Subject: DRAFT Air Permit No. 1010017-009-AC/1010017-010-AV - Florida Power Corporation dba Progress Energy Florida, Inc. - Anclote Power Plant

Dear Sir/Madam:

Please send a "reply" message verifying receipt of the attached document(s); this may be done by selecting "Reply" on the menu bar of your e-mail software and then selecting "Send". We must receive verification of receipt and your reply will preclude subsequent e-mail transmissions to verify receipt of the document(s).

The document(s) may require immediate action within a specified time frame. Please open and review the document(s) as soon as possible.

The document is in Adobe Portable Document Format (pdf). Adobe Acrobat Reader can be downloaded for free at the following internet site: <http://www.adobe.com/products/acrobat/readstep.html>.

The Bureau of Air Regulation is issuing electronic documents for permits, notices and other correspondence in lieu of hard copies through the United States Postal System, to provide greater service to the applicant and the engineering community. Please advise this office of any changes to your e-mail address or that of the Engineer-of-Record.

Thank you,

DEP, Bureau of Air Regulation

Friday, Barbara

From: Quillian, Ann [Ann.Quillian@pgnmail.com]
To: Friday, Barbara
Sent: Monday, July 16, 2007 5:20 PM
Subject: Read: DRAFT Air Permit No. 1010017-009-AC/1010017-010-AV - Florida Power Corporation dba Progress Energy Florida, Inc. - Anclote Power Plant

Your message

To: Ann.Quillian@pgnmail.com
Subject:

was read on 7/16/2007 5:20 PM.

Friday, Barbara

From: Hamilton, Suzanne [Suzanne.Hamilton@pgnmail.com]
Sent: Wednesday, July 11, 2007 9:28 AM
To: Friday, Barbara
Cc: Quillian, Ann; Jackson, Rufus; Swartz, Jeffrey
Subject: RE: DRAFT Air Permit No. 1010017-009-AC/1010017-010-AV - Florida Power Corporation dba Progress Energy Florida, Inc. - Anclote Power Plant

The attached documents have been received.

Thank you,

Suzanne Hamilton
Senior Environmental Specialist
PEF-Anclote Plant

(727) 943-3001 office
VNet: 220-3001
(727) 580-6673 cell
(727) 943-3050 fax
suzanne.hamilton@pgnmail.com

-----Original Message-----

From: Friday, Barbara [mailto:Barbara.Friday@dep.state.fl.us]
Sent: Monday, July 09, 2007 1:51 PM
To: Swartz, Jeffrey; Quillian, Ann; Halpin, Mike; Zhang-Torres; Forney.Kathleen@epamail.epa.gov
Cc: Branum, Corrie
Subject: DRAFT Air Permit No. 1010017-009-AC/1010017-010-AV - Florida Power Corporation dba Progress Energy Florida, Inc. - Anclote Power Plant

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Thank you,

7/11/2007

Friday, Barbara

To: jeffrey.swartz@pgnmail.com; Quillian, Ann; Halpin, Mike; Zhang-Torres; Forney.Kathleen@epamail.epa.gov

Cc: Branum, Corrie

Subject: DRAFT Air Permit No. 1010017-009-AC/1010017-010-AV - Florida Power Corporation dba Progress Energy Florida, Inc. - Anclote Power Plant

Attachments: 1010017009010CoverLetter.pdf; 1010017-009-AC Draft Permit.pdf; 1010017-009-AC TEPD.pdf; 1010017-010-AV 1 Page TV Revision.pdf; 1010017-010-AV Statement of Basis.pdf; 1010017-010-AV History.pdf; 1010017-010-AVIntent.pdf

Dear Sir/Madam:

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Thank you,

DEP, Bureau of Air Regulation

7/9/2007

Friday, Barbara

From: System Administrator
To: Halpin, Mike
Sent: Monday, July 09, 2007 1:52 PM
Subject: Delivered:DRAFT Air Permit No. 1010017-009-AC/1010017-010-AV - Florida Power Corporation dba Progress Energy Florida, Inc. - Anclote Power Plant

Your message

To: 'jeffrey.swartz@pgnmail.com'; 'Quillian, Ann'; Halpin, Mike; Zhang-Torres; 'Forney.Kathleen@epamail.epa.gov'
Cc: Branum, Corrie
Subject: DRAFT Air Permit No. 1010017-009-AC/1010017-010-AV - Florida Power Corporation dba Progress Energy Florida, Inc. - Anclote Power Plant
Sent: 7/9/2007 1:51 PM

was delivered to the following recipient(s):

Halpin, Mike on 7/9/2007 1:51 PM

Friday, Barbara

From: System Administrator
To: Zhang-Torres
Sent: Monday, July 09, 2007 1:52 PM
Subject: Delivered:DRAFT Air Permit No. 1010017-009-AC/1010017-010-AV - Florida Power Corporation dba Progress Energy Florida, Inc. - Anclote Power Plant

Your message

To: 'jeffrey.swartz@pgnmail.com'; 'Quillian, Ann'; Halpin, Mike; Zhang-Torres; 'Forney.Kathleen@epamail.epa.gov'
Cc: Branum, Corrie
Subject: DRAFT Air Permit No. 1010017-009-AC/1010017-010-AV - Florida Power Corporation dba Progress Energy Florida, Inc. - Anclote Power Plant
Sent: 7/9/2007 1:51 PM

was delivered to the following recipient(s):

Zhang-Torres on 7/9/2007 1:51 PM

Friday, Barbara

From: Mail Delivery System [MAILER-DAEMON@mseive01.rtp.epa.gov]
Sent: Monday, July 09, 2007 1:51 PM
To: Friday, Barbara
Subject: Successful Mail Delivery Report

Attachments: Delivery report; Message Headers



Delivery report.txt
(489 B)



Message
Headers.txt (2 KB)

This is the mail system at host mseive01.rtp.epa.gov.

Your message was successfully delivered to the destination(s) listed below. If the message was delivered to mailbox you will receive no further notifications. Otherwise you may still receive notifications of mail delivery errors from other systems.

The mail system

<Forney.Kathleen@epamail.epa.gov>: delivery via 127.0.0.1[127.0.0.1]:10025: 250
OK, sent 46927591_20781_2496_2

Friday, Barbara

From: Forney.Kathleen@epamail.epa.gov
Sent: Monday, July 09, 2007 1:57 PM
To: Friday, Barbara
Subject: Re: DRAFT Air Permit No. 1010017-009-AC/1010017-010-AV - Florida Power Corporation dba Progress Energy Florida, Inc. - Anclote Power Plant

Attachments: 1010017009010CoverLetter.pdf; 1010017-009-AC Draft Permit.pdf; 1010017-009-AC TEPD.pdf; 1010017-010-AV 1 Page TV Revision.pdf; 1010017-010-AV Statement of Basis.pdf; 1010017-010-AV History.pdf; 1010017-010-AVIntent.pdf



1010017009010CoverLetter.pdf (...
1010017-009-AC Draft Permit.p...
1010017-009-AC TEPD.pdf (66 KB...
1010017-010-AV 1 Page TV Revi...
1010017-010-AV Statement of B...
1010017-010-AV History.pdf (40...
1010017-010-AVIntent.pdf (8 MB...

Thanks.

Katy R. Forney
Air Permits Section
EPA - Region 4
61 Forsyth St., SW
Atlanta, GA 30024

Phone: 404-562-9130
Fax: 404-562-9019

"Friday,
Barbara"
<Barbara.Friday@
dep.state.fl.us>

07/09/2007 01:51
PM

To
<jeffrey.swartz@pgnmail.com>,
"Quillian, Ann"
<Ann.Quillian@pgnmail.com>,
"Halpin, Mike"
<Mike.Halpin@dep.state.fl.us>,
"Zhang-Torres"
<Cindy.Zhang-Torres@dep.state.fl.
us>, Kathleen
Forney/R4/USEPA/US@EPA

cc

"Branum, Corrie"
<Corrie.Branum@dep.state.fl.us>
Subject

DRAFT Air Permit No.
1010017-009-AC/1010017-010-AV -
Florida Power Corporation dba
Progress Energy Florida, Inc. -
Anclote Power Plant

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Thank you,
DEP, Bureau of Air Regulation
(See attached file: 1010017009010CoverLetter.pdf) (See attached file:
1010017-009-AC Draft Permit.pdf) (See attached file: 1010017-009-AC TEPD.pdf) (See attached
file: 1010017-010-AV 1 Page TV Revision.pdf) (See attached file: 1010017-010-AV Statement
of Basis.pdf) (See attached
file: 1010017-010-AV History.pdf) (See attached file:
1010017-010-AVIntent.pdf)

Friday, Barbara

From: Halpin, Mike
To: Friday, Barbara
Sent: Monday, July 09, 2007 2:01 PM
Subject: Read: DRAFT Air Permit No. 1010017-009-AC/1010017-010-AV - Florida Power Corporation dba Progress Energy Florida, Inc. - Anclote Power Plant

Your message

To: 'jeffrey.swartz@pgnmail.com'; 'Quillian, Ann'; Halpin, Mike; Zhang-Torres; 'Forney.Kathleen@epamail.epa.gov'
Cc: Branum, Corrie
Subject: DRAFT Air Permit No. 1010017-009-AC/1010017-010-AV - Florida Power Corporation dba Progress Energy Florida, Inc. - Anclote Power Plant
Sent: 7/9/2007 1:51 PM

was read on 7/9/2007 2:00 PM.

Friday, Barbara

From: Zhang-Torres
To: Friday, Barbara
Sent: Monday, July 09, 2007 2:08 PM
Subject: Read: DRAFT Air Permit No. 1010017-009-AC/1010017-010-AV - Florida Power Corporation dba Progress Energy Florida, Inc. - Anclote Power Plant

Your message

To: 'jeffrey.swartz@pgnmail.com'; 'Quillian, Ann'; Halpin, Mike; Zhang-Torres; 'Forney.Kathleen@epamail.epa.gov'
Cc: Branum, Corrie
Subject: DRAFT Air Permit No. 1010017-009-AC/1010017-010-AV - Florida Power Corporation dba Progress Energy Florida, Inc. - Anclote Power Plant
Sent: 7/9/2007 1:51 PM

was read on 7/9/2007 2:08 PM.

Friday, Barbara

From: Zhang-Torres
Sent: Monday, July 09, 2007 2:08 PM
To: Friday, Barbara
Subject: RE: DRAFT Air Permit No. 1010017-009-AC/1010017-010-AV - Florida Power Corporation dba Progress Energy Florida, Inc. - Anclote Power Plant

We got it.

Thanks.

Cindy

From: Friday, Barbara
Sent: Monday, July 09, 2007 1:51 PM
To: 'jeffrey.swartz@pgnmail.com'; 'Quillian, Ann'; Halpin, Mike; Zhang-Torres; 'Forney.Kathleen@epamail.epa.gov'
Cc: Branum, Corrie
Subject: DRAFT Air Permit No. 1010017-009-AC/1010017-010-AV - Florida Power Corporation dba Progress Energy Florida, Inc. - Anclote Power Plant

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Thank you,

DEP, Bureau of Air Regulation

7/9/2007

Memorandum

Florida Department of Environmental Protection

TO: Trina Vielhauer, Bureau of Air Regulation
THROUGH: Jeff Koerner, Air Permitting North Program *JK*
FROM: Corrie Branum, Air Permitting North Program *CB*
DATE: July 5, 2007
SUBJECT: Draft Air Permit No. 1010017-010-AV, Title V Permit Revision
Draft Air Permit No. 1010017-009-AC, Concurrent Air Construction Permit Revision
Florida Power Corporation dba Progress Energy Florida, Inc.
Anclote Power Plant, SO₂ Revisions

Attached for your review are the following items:

- Intent to Issue Permit and Public Notice Package;
- Statement of Basis;
- Technical Evaluation and Preliminary Determination;
- Draft Permits; and
- PE Certification

The purpose of this draft permit package is to revise the SO₂ monitoring requirements in air construction Permit No. 1010017-004-AC and to revise Title V air operation permit accordingly. The Statement of Basis summarizes the facility, equipment, controls, primary rule applicability and describes the changes. The Technical Evaluation and Preliminary Determination summarizes the minor revisions to specific conditions from the air construction permit. The P.E. certification briefly summarizes the proposed project. I recommend your approval of the attached draft permits for this project.

Attachments

TV/clb

P.E. CERTIFICATION STATEMENT

PERMITTEE

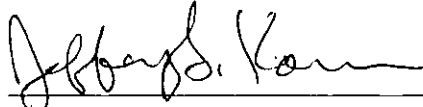
Florida Power Corporation dba Progress Energy Florida, Inc.
1729 Baillies Bluff Road
Holiday, Florida 34691

Draft Air Permit No. 1010017-009-AC
Draft Air Permit No. 1010017-010-AV
Anclote Power Plant, SO₂ Revision
Pasco County, Florida

PROJECT DESCRIPTION

The purpose of this project is to revise Air Permit No. 1010017-004-AC and concurrently revise Air Permit No. 1010017-008-AV. Presently, the sulfur dioxide (SO₂) monitoring compliance for Units 1 and 2 require that a continuous emissions monitoring system be installed and operated, even though compliance with the SO₂ standards may be demonstrated by either continuous emissions monitoring or fuel sampling and analysis. These units are also subject to acid rain monitoring provisions (Appendix D in 40 CFR 75) and do not rely upon control equipment to comply with the SO₂ standards, but rather sulfur compliant fuels. This is also true for Rule 62-296.405(5)b, F.A.C. which allows fuel sampling and analysis as an alternative sampling procedure for emissions units not having an operating flue gas desulfurization device. Therefore, the revisions will reflect continuous fuel sampling, analysis, and monitoring to show compliance with the SO₂ monitoring standards in lieu of installing and operating a continuous emissions monitoring system.

I HEREBY CERTIFY that the air pollution control 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, geological, and meteorological features).



Jeffery F. Koerner, P.E.
Registration Number: 49441

7-2-07

(Date)



Florida Department of Environmental Protection

Bob Martinez Center
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

Charlie Crist
Governor

Jeff Kottkamp
Lt. Governor

Michael W. Sole
Secretary

July 9, 2007

Mr. Jeffrey Swartz, Plant Manager
Florida Power Corporation dba Progress Energy Florida, Inc.
1729 Baillies Bluff Road
Holiday, Florida 34691

Re: Draft Air Permit No. 1010017-010-AV, Title V Permit Revision
Draft Air Permit No. 1010017-009-AC, Concurrent Air Construction Permit Revision
Anclote Power Plant

Dear Mr. Swartz:

Enclosed is a permit package to revise the Title V air operation permit and the air construction permit for the Anclote Power Plant. The facility is located in Pasco County at 1729 Baillies Bluff Road, Holiday, Florida. The permit package includes the following documents:

- The Statement of Basis, which summarizes the facility, the equipment, the primary rule applicability, and the changes since the last Title V revision.
- The Technical Evaluation and Preliminary Determination, which summarizes the minor revisions to specific conditions from existing air construction permits.
- The draft air construction permit revision and the draft Title V air operation permit, which include the specific conditions that regulate the emissions units covered by the proposed project.
- The Written Notice of Intent to Issue Air Permit, which provides: the Department's written notice of intent to issue an air permit for the proposed project; the requirements for publishing a Public Notice of the Department's intent to issue an air permit; the procedures for submitting comments on the Draft Permit; the process for filing a petition for an administrative hearing; and the availability of mediation.
- The Public Notice of Intent to Issue Air Permit, which is the actual notice that you must have published in the legal advertisement section of a newspaper of general circulation in the area affected by this project.

If you have any questions, please contact the project engineer, Jeff Koerner, at 850/921-9536.

Sincerely,

Trina Vielhauer, Chief
Bureau of Air Regulation

Enclosures

WRITTEN NOTICE OF INTENT TO ISSUE AIR PERMITS

*In the Matter of an
Application for Air Permits by:*

Florida Power Corporation dba Progress Energy Florida, Inc.
Anclote Power Plant
1729 Baillies Bluff Road
South Bay, Florida 33493

Air Permit No. 1010017-010-AV
Title V Permit Revision
Air Permit No. 1010017-009-AC
Concurrent Air Construction Permit Revision
Anclote Power Plant

Responsible Official:
Mr. Jeffrey Swartz, Plant Manager

Facility Location: Florida Power Corporation dba Progress Energy Florida, Inc. operates an existing electrical generating power plant (SIC No. 4911) located in Pasco County at 1729 Baillies Bluff Road in Holiday, Florida. The UTM coordinates are Zone 17, 324.4 km east and 3118.7 km north.

Project: The purpose of this project is to revise air Permit No. 1010017-004-AC and concurrently revise air Permit No. 1010017-008-AV. Currently a sulfur dioxide (SO₂) continuous emissions monitoring system (CEMS) is required to be installed and operated even though compliance may be demonstrated by sampling. These units are also subject to acid rain monitoring provisions (Appendix D in 40 CFR 75) and do not rely upon control equipment to comply with the SO₂ standards, but rather sulfur compliant fuels. This is also true for Rule 62-296.405(5)b, F.A.C. which allows fuel sampling and analysis as an alternative sampling procedure for emissions units not having an operating flue gas desulfurization device. Therefore, the revisions will reflect continuous fuel sampling, analysis, and monitoring to show compliance with the SO₂ monitoring standards in lieu of installing and operating a CEMS.

Permitting Authority: Applications for air construction permits are subject to review in accordance with 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.). Applications for Title V air operation permits are subject to review in accordance with the provisions of Chapter 403, F.S. and Chapters 62-4, 62-210 and 62-213, F.A.C. The projects are not exempt from the permitting procedures for air construction and Title V air operation permits. The Florida Department of Environmental Protection's Bureau of Air Regulation is the Permitting Authority responsible for making a permit determination for this project. The Bureau of Air Regulation's physical address is 111 South Magnolia Drive, Suite 4, Tallahassee, Florida 32301 and the mailing address is 2600 Blair Stone Road, MS #5505, Tallahassee, Florida 32399-2400. The Bureau of Air Regulation's phone number is 850/488-0114.

Project File: A complete project file is available for public inspection during the normal business hours of 8:00 a.m. to 5:00 p.m., Monday through Friday (except legal holidays), at address indicated above for the Permitting Authority. The complete project file includes the Draft Permits, the Statement of Basis, the Technical Evaluation and Preliminary Determination, the application, and the additional information submitted by the applicant, exclusive of confidential records under Section 403.111, F.S. Interested persons may contact the Permitting Authority's project review engineer for additional information at the address and phone number listed above.

Notice of Intent to Issue Permits: The Permitting Authority gives notice of its intent to issue a renewed Title V air operation permit and a concurrent air construction permit revision for the project described above. The applicant has provided reasonable assurance that operation of the facility will not adversely impact air quality and that the project will comply with all applicable provisions of Chapters 62-4, 62-204, 62-210, 62-212, 62-213, 62-296, and 62-297, F.A.C. The permitting authority will issue a final air construction permit revision and a proposed Title V air operation permit renewal (and subsequent final Title V air operation permit renewal) in accordance with the conditions of the Draft Permits unless a timely petition for an administrative hearing is filed under Sections 120.569 and 120.57, F.S. or unless public comment received in accordance with this notice results in a different decision or a significant change of terms or conditions.

Public Notice: Pursuant to Section 403.815, F.S. and Rules 62-110.106 and 62-210.350, F.A.C., you (the applicant) are required to publish at your own expense the enclosed Public Notice of Intent to Issue Air Permit (Public Notice). The Public Notice shall be published one time only as soon as possible in the legal advertisement section of a newspaper of general circulation in the area affected by this project. The newspaper used must meet 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 Permitting Authority at the address or phone

Florida Power Corporation dba Progress Energy Florida, Inc.
Anclote Power Plant

Draft Air Permit No. 1010017-010-AV
Draft Air Permit No. 1010017-009-AC

WRITTEN NOTICE OF INTENT TO ISSUE AIR PERMITS

number listed above. Pursuant to Rule 62-110.106(5) and (9), F.A.C., the applicant shall provide proof of publication to the Permitting Authority at the above address within seven days of publication. Failure to publish the notice and provide proof of publication may result in the denial of the permit pursuant to Rule 62-110.106(11), F.A.C.

Comments on the Draft Air Construction Permit Revision: The Permitting Authority will accept written comments concerning the proposed Draft Air Construction Permit Revision for a period of 14 days from the date of publication of the Public Notice. Written comments received must be post-marked by the Permitting Authority at the above address by 5:00 p.m. on or before the end of the 14-day comment period. If written comments result in a significant change to the Draft Permit, the Permitting Authority will issue a revised Draft Permit and require, if applicable, another Public Notice. All comments filed will be made available for public inspection.

Comments on the Draft Title V Air Operation Permit Renewal: The Permitting Authority will accept written comments concerning the draft Title V air operation permit for a period of 30 days from the date of publication of the Public Notice. Written comments received must be post-marked by the Permitting Authority at the above address by 5:00 p.m. on or before the end of the 30-day period. As part of his or her comments, any person may also request that the Permitting Authority hold a public meeting on the Title V permitting action. If the Permitting Authority determines there is sufficient interest for a public meeting, it will publish notice of the time, date, and location in the Florida Administrative Weekly and in a newspaper of general circulation in the area affected by the permitting action. For additional information, contact the Permitting Authority at the above address or phone number. If written comments or comments received at a public meeting result in a significant change to the Draft Permit, the Permitting Authority will issue a revised Draft Permit and require, if applicable, another Public Notice. All comments filed will be made available for public inspection.

Petitions: A person whose substantial interests are affected by the proposed permitting decisions may petition for an administrative hearing in accordance with Sections 120.569 and 120.57, F.S. The petition must contain the information set forth below and must be filed with (received by) the Department's Agency Clerk in the Office of General Counsel of the Department of Environmental Protection, 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000 (Telephone: 850/245-2241; Fax: 850/245-2303). Petitions filed by the applicant or any of the parties listed below must be filed within 14 days of receipt of this Written Notice of Intent to Issue Air Permit. Petitions filed by any persons other than those entitled to written notice under Section 120.60(3), F.S., must be filed within 14 days of publication of the attached Public Notice or within fourteen 14 days of receipt of this Written Notice of Intent to Issue Air Permit, whichever occurs first. Under Section 120.60(3), F.S., however, any person who asked the Permitting Authority for notice of agency action may file a petition within 14 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 (in a proceeding initiated by another party) will be only at the approval of the presiding officer upon the filing of a motion in compliance with Rule 28-106.205, F.A.C.

A petition that disputes the material facts on which the Permitting Authority'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 when and how each petitioner received notice of the agency action or proposed decision; (d) A statement of all disputed issues of material fact; (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 including an explanation of how the alleged facts relate to the specific rules or statutes; and, (g) A statement of the relief sought by the petitioner, stating precisely the action the 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 Permitting Authority'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, F.A.C.

WRITTEN NOTICE OF INTENT TO ISSUE AIR PERMITS

Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means that the Permitting Authority's final action may be different from the position taken by it in this Written Notice of Intent to Issue Air Permits. Persons whose substantial interests will be affected by any such final decision of the Permitting Authority on the application have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above.

Mediation: Mediation is not available in this proceeding.

Objections to the Draft Title V Air Operation Permit: Finally, pursuant to 42 United States Code (U.S.C.) Section 7661d(b)(2), any person may petition the Administrator of the EPA within 60 days of the expiration of the Administrator's 45-day review period as established at 42 U.S.C. Section 7661d(b)(1), to object to issuance of any Title V permit. Any petition shall be based only on objections to the Title V permit that were raised with reasonable specificity during the 30 (thirty) day public comment period provided in this notice, unless the petitioner demonstrates to the Administrator of the EPA that it was impracticable to raise such objections within the comment period or unless the grounds for such objection arose after the comment period. Filing of a petition with the Administrator of the EPA does not stay the effective date of any Title V permit properly issued pursuant to the provisions of Chapter 62-213, F.A.C. Petitions filed with the Administrator of EPA must meet the requirements of 42 U.S.C. Section 7661d(b)(2) and must be filed with the Administrator of the EPA at: U.S. EPA, 401 M Street, S.W., Washington, D.C. 20460.

Executed in Tallahassee, Florida.



Trina Vielhauer, Chief
Bureau of Air Regulation

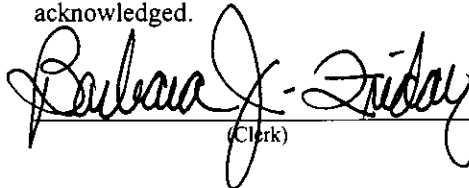
CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this Written Notice of Intent to Issue Air Permit package (including the Written Notice of Intent to Issue Air Permits, the Public Notice of Intent to Issue Air Permits, the Statement of Basis, the Technical Evaluation and Preliminary Determination, the Draft Title V Air Operation Permit and the Draft Air Construction Permit Revision) was sent by electronic mail with received receipt requested before the close of business on 7/9/07 to the persons listed below.

- Mr. Jeffrey Swartz, Progress Energy Florida, Inc. (jeffrey.swartz@pgnmail.com)
- Ms. Ann Quillian, Progress Energy Florida, Inc. (ann.quillian@pgnmail.com)
- Mr. Mike Halpin, Siting Office (Halpin_M@dep.state.fl.us)
- Ms. Cindy Zhang-Torres, Southwest District Office (Cindy.Zhang-Torres@dep.state.fl.us)
EPA Region 4 (posted)
- Ms. Kathleen Forney, EPA Region 4 (forney.kathleen@epa.gov)

Clerk Stamp

FILING AND ACKNOWLEDGMENT FILED, on this date, pursuant to Section 120.52(7), Florida Statutes, with the designated agency clerk, receipt of which is hereby acknowledged.

 7/9/07
(Clerk) (Date)

PUBLIC NOTICE OF INTENT TO ISSUE AIR PERMITS

Florida Department of Environmental Protection

Draft Air Permit No. 1010017-010-AV, Title V Air Operation Permit Revision
Draft Air Permit No. 1010017-009-AC, Concurrent Air Construction Permit Revision

Anclote Power Plant
Pasco County, Florida

Applicant: The applicant for this project is the Florida Power Corporation dba Progress Energy Florida, Inc. the applicant's responsible official is Mr. Jeffrey Swartz, Plant Manager. The applicant's mailing address is 1729 Baillies Bluff Road, Holiday, Florida 34691.

Facility Location: Florida Power Corporation dba Progress Energy Florida, Inc. operates an existing electrical generating power plant (SIC No. 4911) located in Pasco County at 1729 Baillies Bluff Road in Holiday, Florida. The UTM coordinates are Zone 17, 324.4 km east and 3118.7 km north.

Project: The purpose of this project is to revise air Permit No. 1010017-004-AC and concurrently revise air Permit No. 1010017-008-AV. Currently, a sulfur dioxide (SO₂) continuous emissions monitoring system (CEMS) is required to be installed and operated even though compliance may be demonstrated by sampling. These units are also subject to acid rain monitoring provisions (Appendix D in 40 CFR 75) and do not rely upon control equipment to comply with the SO₂ standards, but rather sulfur compliant fuels. This is also true for Rule 62-296.405(5)b, F.A.C. which allows fuel sampling and analysis as an alternative sampling procedure for emissions units not having an operating flue gas desulfurization device. Therefore, the revisions will reflect continuous fuel sampling, analysis, and monitoring to show compliance with the SO₂ monitoring standards in lieu of installing and operating CEMS.

Permitting Authority: Applications for air construction permits are subject to review in accordance with 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.). Applications for Title V air operation permits are subject to review in accordance with the provisions of Chapter 403, F.S. and Chapters 62-4, 62-210 and 62-213, F.A.C. The projects are not exempt from the permitting procedures for air construction and Title V air operation permits. The Florida Department of Environmental Protection's Bureau of Air Regulation is the Permitting Authority responsible for making a permit determination for this project. The Bureau of Air Regulation's physical address is 111 South Magnolia Drive, Suite 4, Tallahassee, Florida 32301 and the mailing address is 2600 Blair Stone Road, MS #5505, Tallahassee, Florida 32399-2400. The Bureau of Air Regulation's phone number is 850/488-0114.

Project File: A complete project file is available for public inspection during the normal business hours of 8:00 a.m. to 5:00 p.m., Monday through Friday (except legal holidays), at address indicated above for the Permitting Authority. The complete project file includes the Draft Permits, the Statement of Basis, the Technical Evaluation and Preliminary Determination, the application, and the additional information submitted by the applicant, exclusive of confidential records under Section 403.111, F.S. Interested persons may contact the Permitting Authority's project review engineer for additional information at the address and phone number listed above.

Notice of Intent to Issue Permits: The Permitting Authority gives notice of its intent to issue a renewed Title V air operation permit and a concurrent air construction permit revision for the project described above. The applicant has provided reasonable assurance that operation of the facility will not adversely impact air quality and that the project will comply with all applicable provisions of Chapters 62-4, 62-204, 62-210, 62-212, 62-213, 62-296, and 62-297, F.A.C. The permitting authority will issue a final air construction permit revision and a proposed Title V air operation permit renewal (and subsequent final Title V air operation permit renewal) in accordance with the conditions of the Draft Permits unless a timely petition for an administrative hearing is filed under Sections 120.569 and 120.57, F.S. or unless public comment received in accordance with this notice results in a different decision or a significant change of terms or conditions.

Comments on the Draft Air Construction Permit Revision: The Permitting Authority will accept written comments concerning the proposed Draft Air Construction Permit Revision for a period of 14 days from the date of publication of the Public Notice. Written comments received must be post-marked by the Permitting Authority at the above address by 5:00 p.m. on or before the end of the 14-day comment period. If written comments result in a significant change to the Draft Permit, the Permitting Authority will issue a revised Draft Permit and require, if applicable, another Public Notice. All comments filed will be made available for public inspection.

(Public Notice to be Published in the Newspaper)

PUBLIC NOTICE OF INTENT TO ISSUE AIR PERMITS

Comments on the Draft Title V Air Operation Permit Renewal: The Permitting Authority will accept written comments concerning the draft Title V air operation permit for a period of 30 days from the date of publication of the Public Notice. Written comments received must be post-marked by the Permitting Authority at the above address by 5:00 p.m. on or before the end of the 30-day period. As part of his or her comments, any person may also request that the Permitting Authority hold a public meeting on the Title V permitting action. If the Permitting Authority determines there is sufficient interest for a public meeting, it will publish notice of the time, date, and location in the Florida Administrative Weekly and in a newspaper of general circulation in the area affected by the permitting action. For additional information, contact the Permitting Authority at the above address or phone number. If written comments or comments received at a public meeting result in a significant change to the Draft Permit, the Permitting Authority will issue a revised Draft Permit and require, if applicable, another Public Notice. All comments filed will be made available for public inspection.

Petitions: A person whose substantial interests are affected by the proposed permitting decisions may petition for an administrative hearing in accordance with Sections 120.569 and 120.57, F.S. The petition must contain the information set forth below and must be filed with (received by) the Department's Agency Clerk in the Office of General Counsel of the Department of Environmental Protection, 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000 (Telephone: 850/245-2241; Fax: 850/245-2303). Petitions filed by the applicant or any of the parties listed below must be filed within 14 days of receipt of this Written Notice of Intent to Issue Air Permit. Petitions filed by any persons other than those entitled to written notice under Section 120.60(3), F.S., must be filed within 14 days of publication of the attached Public Notice or within fourteen 14 days of receipt of this Written Notice of Intent to Issue Air Permit, whichever occurs first. Under Section 120.60(3), F.S., however, any person who asked the Permitting Authority for notice of agency action may file a petition within 14 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 (in a proceeding initiated by another party) will be only at the approval of the presiding officer upon the filing of a motion in compliance with Rule 28-106.205, F.A.C.

A petition that disputes the material facts on which the Permitting Authority'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 when and how each petitioner received notice of the agency action or proposed decision; (d) A statement of all disputed issues of material fact; (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 including an explanation of how the alleged facts relate to the specific rules or statutes; and, (g) A statement of the relief sought by the petitioner, stating precisely the action the 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 Permitting Authority'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, F.A.C.

Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means that the Permitting Authority's final action may be different from the position taken by it in this Written Notice of Intent to Issue Air Permits. Persons whose substantial interests will be affected by any such final decision of the Permitting Authority on the application have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above.

Mediation: Mediation is not available in this proceeding.

Objections to the Draft Title V Air Operation Permit: Finally, pursuant to 42 United States Code (U.S.C.) Section 7661d(b)(2), any person may petition the Administrator of the EPA within 60 days of the expiration of the Administrator's 45-day review period as established at 42 U.S.C. Section 7661d(b)(1), to object to issuance of any Title V permit. Any petition shall be based only on objections to the Title V permit that were raised with reasonable specificity during the 30 (thirty) day public comment period provided in this notice, unless the petitioner demonstrates to the Administrator of the EPA that it was impracticable to raise such objections within the comment

(Public Notice to be Published in the Newspaper)

PUBLIC NOTICE OF INTENT TO ISSUE AIR PERMITS

period or unless the grounds for such objection arose after the comment period. Filing of a petition with the Administrator of the EPA does not stay the effective date of any Title V permit properly issued pursuant to the provisions of Chapter 62-213, F.A.C. Petitions filed with the Administrator of EPA must meet the requirements of 42 U.S.C. Section 7661d(b)(2) and must be filed with the Administrator of the EPA at: U.S. EPA, 401 M Street, S.W., Washington, D.C. 20460.

(Public Notice to be Published in the Newspaper)

STATEMENT OF BASIS

FACILITY DESCRIPTION

Florida Power Corporation dba Progress Energy Florida, Inc. operates the Anclote Power Plant, which is located in Pasco County at 1729 Baillies Bluff Road in Holiday, Florida. This existing electrical generating plant (SIC No. 4911) consists of two fossil fuel fired steam electric generating units, two mechanical draft helper cooling towers, relocatable diesel fired generators, and miscellaneous unregulated and insignificant emissions units and/or activities. Unit 1 (EU-001) consists of a controlled circulation, radiant reheat steam generator manufactured by Combustion Engineering, Inc. with a maximum heat input rate of 5073 MMBtu per hour. Unit 1 provides steam to a steam turbine-electrical generator set with a nameplate rating of 535 MW (summer) and 540 MW (winter). Unit 2 (EU-002) consists of a controlled circulation, radiant reheat steam generator manufactured by Combustion Engineering, Inc. with a maximum heat input rate of 4957 MMBtu per hour. Unit 2 provides steam to a steam turbine-electrical generator set with a nameplate rating of 525 MW (summer) and 530 MW (winter). Units No. 1 and No. 2 share a common stack.

PRIMARY REGULATORY REQUIREMENTS

The compliance assurance monitoring (CAM) provisions does not apply to any emission units at this facility.

Based on the Title V Air Operation Permit Revision application received May 4, 2007 this facility is a major source of hazardous air pollutants (HAP).

Emissions Units 1 and 2 of this facility are regulated by the following regulations:

- Chapter 62-296.405, F.A.C., Fossil Fuel Steam Gravity Units >250 MMBtu per hour
- Chapter 62-297.401, F.A.C., Compliance Test Methods
- 40 CFR 75 Federal Acid Rain Program

PROJECT DESCRIPTION

On May 4, 2007, the Florida Power Corporation dba Progress Energy Florida, Inc. submitted an application to revise air Permit No. 1010017-004-AC and concurrently revise air Permit No. 1010017-008-AV. The applicant requested removal of the requirements to install and operate a continuous monitoring system for SO₂ emissions on Units 1 and 2 and clarification that compliance with SO₂ standards will be based on the fuel sampling, analysis, and monitoring provisions of the Acid Rain Program specified in Appendix D of 40 CFR 75. The proposed changes affect Specific Conditions A.14.2, A.19, A.20.3, and A32.2 of air Permit No. 1010017-008-AV.

REVISIONS

Units 1 and 2 are authorized to fire natural gas and a variety of fuel oils. Although compliance with the SO₂ standards may be demonstrated by either continuous emissions monitoring or fuel sampling and analysis, air Permit No. 1010017-004-AC requires the installation and operation of continuous emissions monitoring systems for these units. However, the units are also subject to the acid rain provisions and do not rely upon control equipment to comply with the SO₂ standards, but rather sulfur-compliant fuels. Therefore, the applicant requests that the permit conditions specifying installation and operation of the SO₂ continuous emissions monitoring systems be removed and the other conditions clarified to allow continuous fuel sampling, analysis, and monitoring pursuant to Appendix D in 40 CFR 75.

Rule 62-296.405(1)(c)1.j., F.A.C. specifies an SO₂ standard of 2.75 lb per MMBtu heat input for emissions units burning liquid fuel in Pasco County. This standard applies to Units 1 and 2 and is specified in the current Title V air operation permit. In addition, Permit No. 1010017-004-AC limits SO₂ emissions from firing fuel oil by restricting the maximum fuel sulfur content to no more than 1.8% by weight at any time and 1.5% by weight based on a 12-month rolling average. This is equivalent to 1.97 lb SO₂ per MMBtu and 1.64 lb SO₂ per MMBtu respectively.

STATEMENT OF BASIS

In addition to the continuous monitoring of SO₂ emissions from the stack, Rule 62-296.405(5)b, F.A.C. allows fuel sampling and analysis as an alternative sampling procedure for emissions units not having an operating flue gas desulfurization device. This is also true for the acid rain monitoring provisions of Appendix D in 40 CFR 75. Since the plant commits to firing only sulfur-compliant fuels, the Department has reasonable assurance of compliance with the standards provided the provisions for continuous fuel sampling, analysis, and monitoring will be met. Therefore, the Department approved the request and revised air Permit No. 1010017-004-AC accordingly.

Since the underlying applicable requirements from the air construction permit were changed, the following conditions in the Title V permit were revised: A.14.1, A.14.2, A.19, A.20.3, and A.32.2. See draft Title V permit for this project. Changes are shown in a strikethrough underline format.

CONCLUSION

This project revises Title V air operation permit No. 1010017-008-AV, which was issued on December 21, 2006. This Title V Air Operation Permit Revision is issued under the provisions of Chapter 403, F.S., and Chapters 62-4, 62-210 and 62-213, F.A.C. In accordance with the terms and conditions of this permit, the above named permittee is hereby authorized to operate the facility as shown on the application and approved drawings, plans, and other documents, on file with the permitting authority.

DRAFT TITLE V PERMIT REVISION

This permitting action will revise the following specific conditions in current Title V air operating Permit No. 1010017-008-AV as follows.

A.14.1. Sulfur Dioxide. The permittee elected to demonstrate compliance by accepting a liquid fuel sulfur limit that will be verified with a by fuel analysis provided by the vendor. This protocol is allowed because the emissions units do not have an operating flue gas desulfurization device. See specific conditions A.10., A.19. and A.20.

[Rule 62-296.405(1)(f)1.b., F.A.C.; Appendix D of 40 CFR 75]

A.14.2. Units 1 and 2 shall comply with the acid rain monitoring procedures in Appendix D of 40 CFR 75, "Optional SO₂ Emissions Data Protocol for Gas-Fired and Oil-Fired Units". ~~The following monitoring schedule for No. 1—6 fuel oil shall be followed:~~ For all shipments of fuel oil received for at the Anclote Power Plant Station, the permittee shall retain an analysis which reports the sulfur and ash content and heat content (HHV) of the fuel shipment. The analysis shall be provided by the fuel vendor, permittee or other sources which follow the appropriate fuel test methods listed in Specific Condition A.20.1. The analysis record shall specify the origin of the fuel sample, the methods by which the analyses were conducted, the person conducting the sampling and analysis, and the date of sampling and analysis.

[1010017-004-AC, Specific Condition F.2.; Appendix D of 40 CFR 75]

A.19. Sulfur Dioxide. The test methods for sulfur dioxide emissions shall be EPA Methods 6, 6A, 6B, or 6C, incorporated by reference in Chapter 62-297, F.A.C. Fuel sampling and analysis may be used as an alternate sampling procedure if such a procedure is incorporated into the operation permit for the emissions unit. If the emissions unit obtains an alternate procedure under the provisions of Rule 62-297.620, F.A.C., the procedure shall become a condition of the emissions unit's permit. The Department will retain the authority to require EPA Method 6 or 6C if it has reason to believe that exceedances of the sulfur dioxide emissions limiting standard are occurring. Results of an approved fuel sampling and analysis program shall have the same effect as EPA Method 6 test results for purposes of demonstrating compliance or noncompliance with sulfur dioxide standards. **The permittee may use the EPA test methods, referenced above, to demonstrate compliance; however, as an alternate sampling procedure authorized by permit, the permittee elected to demonstrate compliance by accepting a liquid fuel sulfur limit that will be verified with a by fuel analysis and the monitoring provisions of Appendix D in 40 CFR 75 provided by the vendor upon each fuel delivery. Data substitution techniques shall not be used to determine compliance with the fuel oil sulfur limits of this section.** See specific conditions A.9., A.10. and A.20.

[Rules 62-213.440, 62-296.405(1)(e)3. and 62-297.401, F.A.C.; ~~and~~ Permits 1010017-001-AO and AO 51-254492A.; and Appendix D of 40 CFR 75]

A.20.3. Compliance with the liquid fuel sulfur limit shall be verified by fuel analysis and the monitoring provisions of Appendix D in 40 CFR 75. Data substitution techniques shall not be used to determine compliance with the fuel oil sulfur limits of this section. ~~a fuel analysis provided by the vendor or obtained by Progress Energy Florida, Inc. (PEF) 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 obtained by PEF prior to firing oil at the plant. Reports of percent sulfur content of these analyses shall be maintained at the power plant facility.

[1010017-004-AC, Specific Condition D.6.; and Appendix D of 40 CFR 75]

A.32.2. The permittee shall install, calibrate, maintain, and operate continuous ~~emission monitor in the stack~~ monitoring systems to measure and record the nitrogen oxides emissions, sulfur dioxide emissions, and opacity from Units 1 and 2. The continuous emissions monitoring systems must comply with the certification and quality assurance, and other applicable requirements from 40 CFR 75. For SO₂ emissions monitoring, the permittee elected to demonstrate compliance by using the procedures of Appendix D in 40 CFR 75, "Optional SO₂ Emissions Data Protocol for Gas-Fired and Oil-Fired Units", which are based on fuel monitoring sampling and analyses. Periods of startup, shutdown, malfunction, and fuel switching shall be monitored, recorded, and reported as excess emissions when emission levels exceed the standards in Specific Conditions **A.5.**, **A.7.**, and **A.10.** following the format of 40 CFR 60.7.

[1010017-004-AC, Specific Condition F.1.; and Appendix D of 40 CFR 75]

**APPENDIX H-1
PERMIT HISTORY/ID NUMBER CHANGES**

Permit History

ID No.	Description	Permit No.	Issue Date	Expiration Date	Extended Date ^{1,2}	Revised Date
001	Fossil Fuel Fired Steam Generator # 1	AO51-254492	03/7/1995	03/6/1999		
		AO51-254492A	1/31/1996	03/6/2000		
		1010017-004-AC	10/13/98	12/1/1999		
		1010017-003-AV	1/1/2000	12/31/2004		
		1010017-006-AV	1/1/2005	12/31/2009		
		1010017-009-AC	DRAFT	Revision		
		1010017-010-AV	DRAFT	DRAFT		
002	Fossil Fuel Fired Steam Generator # 2	AO51-169340	12/21/1989	12/18/1994	08/14/1996	01/31/1996
		1010017-001-AO	01/31/1996	12/31/2004		
		1010017-004-AC	10/13/98	12/1/1999		
		1010017-003-AV	1/1/2000	12/31/2004		
		1010017-006-AV	1/1/2005	12/31/2009		
		1010017-009-AC	DRAFT	Revision		
		1010017-010-AV	DRAFT	DRAFT		
007	Helper Cooling Towers	1010017-007-AC	10/17/2006	11/1/2009		
		1010017-008-AV	12/13/2006	12/31/2009		

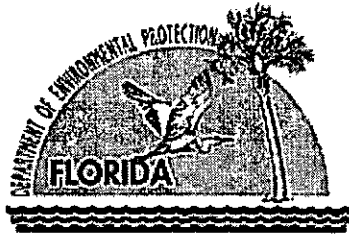
Notes:

1. AO permit automatic extensions in Rule 62-210.300(2)(a)3.a., F.A.C., effective 03/21/96.
2. AC permits automatic extensions in Rule 62-213.420(1)(a)4., F.A.C., effective 03/20/96.
3. Rule 62-213.420(1)(b)2., F.A.C., allows Title V Sources to operate under existing valid permits that were in effect at the time of application until the Title V permit becomes effective.

ID Number Changes

Original Facility ID No. 40TPA510017

Revised Facility ID No. 1010017



**TECHNICAL EVALUATION
&
PRELIMINARY DETERMINATION**

APPLICANT

Florida Power Corporation dba Progress Energy Florida, Inc.
299 First Avenue North, MAC PEF-903
Saint Petersburg, FL 33701

Anclote Power Plant
ARMS Facility ID No. 1010017

PROJECT

Draft Permit No. 1010017-009-AC
SO₂ Monitoring Revision

COUNTY

Pasco County, Florida

PERMITTING AUTHORITY

Florida Department of Environmental Protection
Division of Air Resource Management
Bureau of Air Regulation
Air Permitting North Section
2600 Blair Stone Road, MS#5505
Tallahassee, Florida 32399-2400

July 5, 2007

1. GENERAL PROJECT INFORMATION

Facility Description and Location

Florida Power Corporation dba Progress Energy Florida, Inc. operates an existing electrical generating power plant (SIC No. 4911) located in Pasco County at 1729 Baillies Bluff Road in Holiday, Florida. The UTM coordinates are Zone 17, 324.4 km east and 3118.7 km north. This facility consists of two fossil fuel fired steam electric generating units, two mechanical draft helper cooling towers, relocatable diesel fired generators, and miscellaneous unregulated and insignificant emissions units and/or activities. Unit 1 (EU-001) consists of a controlled circulation, radiant reheat steam generator manufactured by Combustion Engineering, Inc. with a maximum heat input rate of 5073 MMBtu per hour. Unit 1 provides steam to a steam turbine-electrical generator set with a nameplate rating of 535 MW (summer) and 540 MW (winter). Unit 2 (EU-002) consists of a controlled circulation, radiant reheat steam generator manufactured by Combustion Engineering, Inc. with a maximum heat input rate of 4957 MMBtu per hour. Unit 2 provides steam to a steam turbine-electrical generator set with a nameplate rating of 525 MW (summer) and 530 MW (winter). Units No. 1 and No. 2 share a common stack.

Primary Regulatory Categories

- The facility is a major source of hazardous air pollutants (HAP).
- The facility operates units subject to the acid rain provisions of the Clean Air Act.
- The facility is a Title V major source of air pollution in accordance with Chapter 213, F.A.C.
- The facility is a major stationary source in accordance with Rule 62-212.400 (PSD), F.A.C.

Project Description

On May 4, 2007, the applicant submitted an application to revise the air Permit No. 1010017-004-AC as follows:

- Remove the requirements to install and operate a continuous monitoring system for SO₂ emissions on Units 1 and 2.
- Clarify that compliance with the SO₂ standards will be based on the fuel sampling, analysis, and monitoring provisions of the Acid Rain Program specified in Appendix D of 40 CFR 75.

The proposed changes would affect Specific Conditions D6, F1, and F2 of air Permit No. 1010017-004-AC.

2. APPLICABLE REGULATIONS

State Regulations

This project is subject to the applicable environmental laws specified in Section 403 of the Florida Statutes (F.S.). The Florida Statutes authorize the Department of Environmental Protection to establish rules and regulations regarding air quality as part of the Florida Administrative Code (F.A.C.). This project is subject to the applicable rules and regulations defined in the following Chapters of the F.A.C.: 62-4 (Permitting Requirements); 62-204 (Ambient Air Quality Requirements, Prevention of Significant Deterioration (PSD) Increments, and Federal Regulations Adopted by Reference); 62-210 (Permits Required, Public Notice, Reports, Stack Height Policy, Circumvention, Excess Emissions, and Forms); 62-212 (Preconstruction Review, PSD Review and BACT, and Non-attainment Area Review and LAER); 62-213 (Title V Air Operation Permits for Major Sources of Air Pollution); 62-296 (Emission Limiting Standards); and 62-297 (Test Methods and Procedures, Continuous Monitoring Specifications, and Alternate Sampling Procedures). PSD applicability and the preconstruction review requirements of Rule 62-212.400, F.A.C. are discussed in Section 2 of this report. Additional details of the other state regulations are provided in Section 3 of this report.

TECHNICAL EVALUATION AND PRELIMINARY DETERMINATION

Federal Regulations

The Environmental Protection Agency establishes air quality regulations in Title 40 of the Code of Federal Regulations (CFR). Part 60 identifies New Source Performance Standards (NSPS) for a variety of industrial activities. Part 61 specifies National Emissions Standards for Hazardous Air Pollutant (NESHAP) based on specific pollutants. Part 63 specifies NESHAP provisions based on the Maximum Achievable Control Technology (MACT) for given source categories. Part 75 specifies the Acid Rain monitoring provisions. Federal regulations are adopted in Rule 62-204.800, F.A.C. Additional details of the applicable federal regulations are provided in Section 3 of this report.

3. PSD APPLICABILITY REVIEW

General PSD Applicability

The Department regulates major stationary sources in accordance with Florida's PSD program pursuant to Rule 62-212.400, F.A.C. PSD preconstruction review is required in areas that are currently in attainment with the state and federal Ambient Air Quality Standards (AAQS) or areas designated as "unclassifiable" for these regulated pollutants. As defined in Rule 62-210.200, F.A.C., a facility is considered a "major stationary source" if it emits or has the potential to emit 5 tons per year of lead, 250 tons per year or more of any PSD pollutant, or 100 tons per year or more of any PSD pollutant and the facility belongs to one of the 28 listed PSD major facility categories.

For major stationary sources, PSD applicability is based on emissions thresholds known as the "significant emission rates" as defined in Rule 62-210.200, F.A.C. Emissions of PSD pollutants from a project exceeding these rates are considered "significant" and the Best Available Control Technology (BACT) must be employed to minimize emissions of each PSD pollutant. Although a facility may be "major" for only one PSD pollutant, a project must include BACT controls for any PSD pollutant that exceeds the corresponding significant emission rate. In addition, applicants must provide an Air Quality Analysis that evaluates the predicted air quality impacts resulting from the project for each PSD pollutant.

PSD Applicability for the Project

The project is located in Pasco County, which is in an area that is currently in attainment with the state and federal AAQS or otherwise designated as unclassifiable. The facility is a fossil fuel-fired steam electric plant of more than 250 MMBtu per hour, which is one of the 28 listed PSD major facility categories, and emits or has the potential to emit 100 tons per year or more of at least one PSD pollutant. Therefore, the facility is a major stationary source and the project is subject to a PSD applicability review. The requested revision does not result in any emissions increases and the project is not subject to PSD preconstruction review.

4. DEPARTMENT'S PROJECT REVIEW

Units 1 and 2 are authorized to fire natural gas and a variety of fuel oils. Although compliance with the SO₂ standards may be demonstrated by either continuous emissions monitoring or fuel sampling and analysis, air Permit No. 1010017-004-AC requires the installation and operation of continuous emissions monitoring systems for these units. However, the units are also subject to the acid rain provisions and do not rely upon control equipment to comply with the SO₂ standards, but rather sulfur-compliant fuels. Therefore, the applicant requests that the permit conditions specifying installation and operation of the SO₂ continuous emissions monitoring systems be removed and the other conditions clarified to allow continuous fuel sampling, analysis, and monitoring pursuant to Appendix D in 40 CFR 75.

Rule 62-296.405(1)(c)1.j., F.A.C. specifies an SO₂ standard of 2.75 lb per MMBtu heat input for emissions units burning liquid fuel in Pasco County. This standard applies to Units 1 and 2 and is specified in the current Title V air operation permit. In addition, Permit No. 1010017-004-AC limits SO₂ emissions from firing fuel oil by restricting the maximum fuel sulfur content to no more than 1.8% by weight at any time and 1.5% by weight

TECHNICAL EVALUATION AND PRELIMINARY DETERMINATION

based on a 12-month rolling average. This is equivalent to 1.97 lb SO₂ per MMBtu and 1.64 lb SO₂ per MMBtu respectively.

In addition to the continuous monitoring of SO₂ emissions from the stack, Rule 62-296.405(5)b, F.A.C. allows fuel sampling and analysis as an alternative sampling procedure for emissions units not having an operating flue gas desulfurization device. This is also true for the acid rain monitoring provisions of Appendix D in 40 CFR 75. Units 1 and 2 are not subject to any SO₂ standards resulting from PSD preconstruction review. Since the plant commits to firing only sulfur-compliant fuels, the Department has reasonable assurance of compliance with the standards provided the provisions for continuous fuel sampling, analysis, and monitoring will be met. Therefore, the Department approves the request and will revise the permit accordingly. This revision does not result in any emissions increases and does not trigger any new state or federal regulations.

5. PRELIMINARY DETERMINATION

The Department makes a preliminary determination that the proposed project will comply with all applicable state and federal air pollution regulations as conditioned by the Draft Permit. This determination is based on a technical review of the complete application, reasonable assurances provided by the applicant, and the conditions specified in the Draft Permit. Corrie Branum is the project engineer responsible for reviewing the application and drafting the permit changes. Additional details of this analysis may be obtained by contacting the project engineer at the Department's Bureau of Air Regulation at Mail Station #5505, 2600 Blair Stone Road, Tallahassee, Florida 32399-2400.

DRAFT PERMIT

PERMITTEE

Anclote Power Plant
1729 Baillies Bluff Road
South Bay, Florida 33493

Authorized Representative:
Mr. Jeffrey Swartz

Air Permit No. 1010017-009-AC Anclote Power Plant Facility ID No. 1010017 SO ₂ Monitoring Revision Pasco County, Florida

PROJECT

Florida Power Corporation dba Progress Energy Florida, Inc. operates an existing electrical generating power plant (SIC No. 4911) located in Pasco County at 1729 Baillies Bluff Road in Holiday, Florida. The UTM coordinates are Zone 17, 324.4 km east and 3118.7 km north. This air construction permit modification revises Permit No. 1010017-004-AC to specify that fuel sulfur sampling and analysis is an acceptable method for determining compliance with the Acid Rain provisions as well as the fuel sulfur restrictions and SO₂ standards of the permit.

This air pollution construction permit is issued under the provisions of Chapter 403 of the Florida Statutes (F.S.), and Chapters 62-4, 62-204, 62-210, 62-212, 62-296, and 62-297 of the Florida Administrative Code (F.A.C.). The permittee is authorized to conduct the proposed work in accordance with the conditions of this permit and as described in the application, approved drawings, plans, and other documents on file with the Department.

Executed in Tallahassee, Florida

(DRAFT)

Joseph Kahn, Director
Division of Air Resource Management

(Date)

REVISED PERMIT CONDITIONS DRAFT

Air Permit No. 1010017-004-AC is hereby revised as follows:

- D.6** Compliance with the liquid fuel sulfur limit shall be verified by fuel analysis and the monitoring provisions of Appendix D of 40 CFR 75, "Optimal SO₂ Emissions Data Protocol for Gas-Fired and Oil-Fired Units" ~~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 mixed 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 (95), 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.

[40 CFR 75, 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]

- F.1** The permittee shall install, calibrate, maintain, and operate a continuous ~~emission monitor in the stack monitoring systems~~ to measure and record the nitrogen oxides, sulfur dioxide emissions, and opacity from Units 1 and 2. The continuous emission monitoring systems must comply with the certification and quality assurance, and other applicable requirements from 40 CFR 75. For SO₂ emissions monitoring, the permittee elected to demonstrate compliance by using the procedures of Appendix D in 40 CFR 75, "Optimal SO₂ Emissions Data Protocol for Gas-Fired and Oil-Fired Units", which are based on fuel monitoring, sampling, and analyses. Periods of startup, shutdown, malfunction, and fuel switching shall be monitored, recorded, and reported as excess emissions when emission levels exceed the standards in Table 1 following the format of 40 CFR 60.7 (1998 version).
- F.2** Units 1 and 2 shall comply with the acid rain monitoring procedures in Appendix D of 40 CFR 75, "Optional SO₂ Emissions Data Protocol for Gas-Fired and Oil-Fired Units". The following monitoring schedule for No. 1 — 6 fuel oil shall be followed: For shipments of fuel oil received at the Anclote Power Plant Station, the permittee shall retain an analysis which reports the sulfur and ash content and heat content (HHV) of the fuel shipment. The analysis shall be provided by the fuel vendor, permittee, or other sources which follow the appropriate fuel test methods listed in Specific Conditions ~~D1-D6~~. The analysis record shall specify the origin of the fuel sample, the methods by which the analyses were conducted, the person conducting the sampling, and analysis, and date of sampling and analysis.