

Memorandum

Florida Department of Environmental Protection

TO: Trina Vielhauer, Bureau of Air Regulation
THROUGH: Syed Arif, New Source Review Air Permitting Section
FROM: Bruce Thomas, New Source Review Air Permitting Section
DATE: September 10, 2008
SUBJECT: Project No. 1010373-009-AC (PSD-FL-280A)
Project No. 1010373-010-AV
Shady Hills Generating Station
Combustion Turbine Heat Input Increases

This project is a minor revision to the original air construction permit for these units with a concurrent revision of the Title V air operation permit. Attached for your review are the following items:

- Written Notice of Intent to Issue Air Permit;
- Public Notice of Intent to Issue Air Permit;
- Technical Evaluation and Preliminary Determination;
- Statement of Basis;
- The Draft Title V permit revisions;
- The Draft Air Construction permit revisions; and,
- P.E. Certification.

The Technical Evaluation and Preliminary Determination provide a detailed description of the project and the rationale for issuance. The P.E. certification briefly summarizes the proposed project. I recommend your approval of the attached Draft Permit.

Attachments

P.E. CERTIFICATION STATEMENT

PERMITTEE

Shady Hills Power Company, LLC
120 Long Ridge Road
Stamford, Connecticut 06927

Draft Permit No. 1010373-009-AC
Draft Permit No. 1010373-010-AV
Combustion Turbine Heat Input Increases
Shady Hills Generating Station
Pasco County, Florida

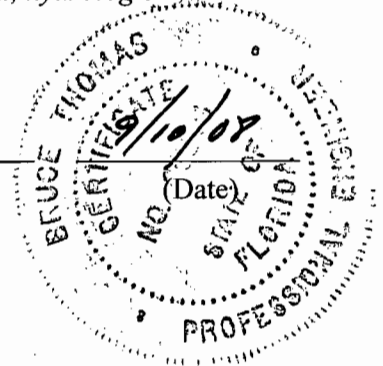
PROJECT DESCRIPTION

The purpose of this project is to revise the original air construction permit 1010373-001/PSD-FL-280 and concurrently revise Title V air operation permit No. 1010373-006-AV to incorporate the specific conditions of air construction Permit No. 1010373-009-AC to allow increases for the three 170 megawatt (MW) simple cycle units (EU-001, EU-002 and EU-003) from 1,612 to 1,704 million Btu per hour (MMBtu/hr) when firing natural gas and an increase from 1,806 to 1,889 MMBtu/hr when firing distillate oil. The increases are requested to correct estimates provided by the gas turbine vendor that underestimate the actual performance of the installed turbines. No physical changes are necessary to realize the requested heat input increases. No increase in the emissions standards (concentrations or mass emissions rates) are requested to accommodate the change. The applicant does not expect any increased utilization as a result of the change. The emissions units will continue to comply with all applicable provisions of the air construction and operation permits.

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).



Bruce Thomas, P.E.
Registration No. 60278



NSR



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

September 15, 2008

Mr. Roy S. Belden, Vice President
Shady Hills Power Company, LLC
120 Long Ridge Road
Stamford, Connecticut 06927

Re: Draft Air Construction Permit No. 1010373-009-AC (PSD-FL-280A)
Draft Title V Air Operation Permit Revision No. 1010373-010-AV
Shady Hills Generating Station

Dear Mr. Belden:

On June 23, 2008, Shady Hills Power Company, LLC, submitted an application to revise Air Permit No. 1010373-001-AC (PSD-FL-280) and concurrently revise Title V air operation Permit No. 1010373-006-AV. The project will authorize nominal increases in the heat input rates for the three existing combustion turbines. The facility is located in Pasco County at 14240 Merchant Energy Way, Spring Hill, Florida. The UTM coordinates are Zone 17, 347 km East, and 3139 km North. Enclosed are the following documents:

- The Written Notice of Intent to Issue Air Permits;
- The Public Notice of Intent to Issue Air Permits (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);
- The Technical Evaluation and Preliminary Determination for the air construction permit revisions;
- The Statement of Basis for the Title V Permit revisions;
- The Draft Air Construction Permit revisions and the Draft Title V Permit revisions.

If you have any questions, please contact the Project Engineer, Bruce Thomas, at 850/488-0114.

Sincerely,

Trina Vielhauer, Chief
Bureau of Air Regulation

Enclosures

TLV/jfk/bt

WRITTEN NOTICE OF INTENT TO ISSUE AIR PERMITS

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

Shady Hills Power Company, LLC
120 Long Ridge Road
Stamford, Connecticut 06927

Authorized Representative:
Mr. Roy S. Belden, Vice President

Project No. 1010373-009-AC
Project No. 1010373-010-AV
Heat Input Increases for
Shady Hills Generating Station
Pasco County, Florida

Facility Location: The applicant, Shady Hills Power Company, LLC operates the existing Shady Hills Generating Station which is located in Pasco County at 14240 Merchant Energy Way in Spring Hill, Florida.

Project: The purpose of this project is to revise the original air construction permit 1010373-001-AC/PSD-FL-280 and concurrently revise Title V air operation permit No. 1010373-006-AV to incorporate the specific conditions of air construction Permit No. 1010373-009-AC to allow increases for the three 170 megawatt (MW) simple cycle units (Emissions Unit (EU)-001, EU-002 and EU-003) from 1,612 to 1,704 million Btu per hour (MMBtu/hr) when firing natural gas and an increase from 1,806 to 1,889 MMBtu/hr when firing distillate oil. The increases are requested to correct estimates provided by the gas turbine vendor that underestimate the actual performance of the installed turbines. No physical changes are necessary to realize the requested heat input increases. No increase in the emissions standards (concentrations or mass emissions rates) are requested to accommodate the change. The applicant does not expect any increased utilization as a result of the change. The emissions units will continue to comply with all applicable provisions of the air construction and operation permits.

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, 62-204, 62-210, 62-212, 62-296 and 62-297 of the Florida Administrative Code (F.A.C.). Applications for Title V air operation permits are subject to review in accordance with provisions of Chapter 403, F.S. and Chapters 62-4, 62-210, 62-213 and 62-214 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 Permit, the Technical Evaluation and Preliminary Determination, the application, and the 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 Air Permit: The Permitting Authority gives notice of its intent to issue a revised 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 proposed equipment 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, 62-214, 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 revision (and subsequent final Title V air operation permit revision) in accordance with the conditions of the proposed 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

WRITTEN NOTICE OF INTENT TO ISSUE AIR PERMITS

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 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 7 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 Draft Air Construction Permit Revision for a period of 14 days from the date of publication of the Public Notice. Written comments must be received by the close of business (5:00 p.m.), on or before the end of this 14-day period by the Permitting Authority at the above address. 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 Revision: The Permitting Authority will accept written comments concerning the Draft Permit for a period of 30 days from the date of publication of the Public Notice. Written comments must be received by the close of business (5:00 p.m.), on or before the end of this 30-day period by the Permitting Authority at the above address. As part of his or her comments, any person may also request that the Permitting Authority hold a public meeting on this 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 decision 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.

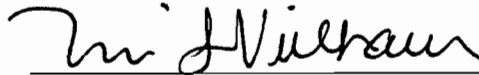
WRITTEN NOTICE OF INTENT TO ISSUE AIR PERMITS

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 Permit. 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.

Executed in Tallahassee, Florida.



Trina Vielhauer, Chief
Bureau of Air Regulation

WRITTEN NOTICE OF INTENT TO ISSUE AIR PERMITS

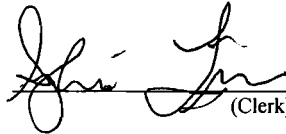
CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this Notice of Intent to Issue Air Permit package (including the Written Notice of Intent to Issue Air Permit, the Public Notice of Intent to Issue Air Permit, the Technical Evaluation and Preliminary Determination, and the Draft Permit Revisions) was sent by electronic mail or a link to these documents made available electronically on a publicly accessible server with received receipt requested before the close of business on 9/16/08 to the persons listed below.

- Mr. Roy S. Belden, Shady Hills Power Company, LLC (Roy.Belden@GE.com)
- Mr. Scott Osbourn, Golder Associates, Inc. (SOSbourn@golder.com)
- Ms. Cindy Zhang-Torres, Southwest District Office (Cindy.Zhang-Torres@dep.state.fl.us)
- 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.



(Clerk)

9/16/08
(Date)

PUBLIC NOTICE OF INTENT TO ISSUE AIR PERMITS

Florida Department of Environmental Protection
Division of Air Resource Management, Bureau of Air Regulation

Draft Air Construction Permit No. 1010373-009-AC, Air Construction Permit Revision
Draft Permit No. 1010373-010-AV, Concurrent Title V Air Operation Permit Revision

Shady Hills Generating Station
Pasco County

Applicant: The applicant for this project is Shady Hills Power Company, LLC. The applicant's authorized representative and mailing address is: Mr. Roy S. Beldon, 120 Long Ridge Road, Stamford, Connecticut 06927.

Facility Location: The Shady Hills Power Company, LLC operates an existing electrical generating power plant in Pasco County located at 14240 Merchant Energy Way located in Spring Hill, Florida.

Project: The purpose of this project is to revise the original air construction permit 1010373-001-AC/PSD-FL-280 and concurrently revise Title V air operation permit No. 1010373-006-AV to incorporate the specific conditions of air construction Permit No. 1010373-009-AC to allow increases for the three 170 megawatt (MW) simple cycle units (Emissions Unit (EU)-001, EU-002 and EU-003) from 1,612 to 1,704 million Btu per hour (MMBtu/hr) when firing natural gas and an increase from 1,806 to 1,889 MMBtu/hr when firing distillate oil. The increases are requested to correct estimates provided by the gas turbine vendor that underestimate the actual performance of the installed turbines. No physical changes are necessary to realize the requested heat input increases. No increase in the emissions standards (concentrations or mass emissions rates) are requested to accommodate the change. The applicant does not expect any increased utilization as a result of the change. The emissions units will continue to comply with all applicable provisions of the air construction and operation permits.

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, 62-204, 62-210, 62-212, 62-296 and 62-297 of the Florida Administrative Code (F.A.C.). Applications for Title V air operation permits are subject to review in accordance with provisions of Chapter 403, F.S. and Chapters 62-4, 62-210, 62-213 and 62-214 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.

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Notice of Intent to Issue Air Permit: The Permitting Authority gives notice of its intent to issue an air permit to the applicant for the project described above. The applicant has provided reasonable assurance that operation of the proposed equipment 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, 62-214, 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 revision (and subsequent final Title V air operation permit revision) in accordance with the conditions of the proposed 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 Draft Air Construction Permit Revision for a period of 14 days from the date of

(Public Notice to be Published in the Newspaper)

PUBLIC NOTICE OF INTENT TO ISSUE AIR PERMITS

publication of the Public Notice. Written comments must be received by the close of business (5:00 p.m.), on or before the end of this 14-day period by the Permitting Authority at the above address. 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.

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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 Public Notice of Intent to Issue Air Permit. 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.

(Public Notice to be Published in the Newspaper)

PUBLIC NOTICE OF INTENT TO ISSUE AIR PERMITS

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.



**TECHNICAL EVALUATION
&
PRELIMINARY DETERMINATION**

APPLICANT

Shady Hills Power Company, LLC
120 Long Ridge Road
Stamford, CT 06927

Shady Hills Generating Station
ARMS Facility ID No. 1010373

PROJECT

Draft Permit No. PSD-FL-280A
Project No. 1010373-009-AC
Combustion Turbine Heat Input Increases

COUNTY

Pasco County, Florida
Combustion Turbine Heat Input Increases

PERMITTING AUTHORITY

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

September 15, 2008

1. GENERAL PROJECT INFORMATION

Facility Description and Location

The facility is an electrical generating power plant with a Standard Industrial Classification Code of SIC No. 4911. The facility is located in Pasco County at 14240 Merchant Energy Way, Spring Hill, Florida. The UTM coordinates are Zone 17, 347 km East, and 3139 km North.

This facility consists of three, dual-fuel, nominal 170 megawatt (MW) General Electric Frame 7FA combustion turbine-electrical generators (Model PG7241 7FA), three exhaust stacks that are 18 feet in diameter and 75 feet tall, and one 2.8-million gallon distillate fuel oil storage tank. The combustion turbine units can operate in simple-cycle mode and intermittent duty mode. The units are equipped with Dry Low-nitrogen oxides (NO_x) combustors and water injection capability. The three combustion turbines are regulated under Phase II of the Federal Acid Rain Program. This facility operates during peak hours of electrical use.

Primary Regulatory Categories

- The facility is not a major source of hazardous air pollutants (HAP).
- The facility has 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, Florida Administrative Code (F.A.C.).
- The facility is a major stationary source in accordance with Rule 62-212.400, F.A.C

Project Description

The applicant requests a heat input rate increase for the three 170 MW simple cycle units (Emissions Unit (EU)-001, EU-002 and EU-003) from 1,612 to 1,704 million Btu per hour (MMBtu/hr) when firing natural gas and an increase from 1,806 to 1,889 MMBtu/hr when firing distillate oil. The increases are requested to correct estimates provided by the gas turbine vendor that underestimate the actual performance of the installed turbines. No physical changes are necessary to realize the requested heat input increases. No increase in the emissions standards (concentrations or mass emissions rates) are requested to accommodate the change. The applicant does not expect any increased utilization as a result of the change. The emissions units will continue to comply with all applicable provisions of the air construction and operation permits.

Processing Schedule

June 23, 2008 Department received the application, application complete.

2. APPLICABLE REGULATIONS

State Regulations

This project is subject to the applicable rules and regulations defined in the following F.A.C. Chapters: 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 3 of this report. This project will not result in any newly applicable state regulations.

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

TECHNICAL EVALUATION AND PRELIMINARY DETERMINATION

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. Federal regulations are adopted in Rule 62-204.800, F.A.C.

This project will trigger applicability of NSPS Subpart KKKK, Standards of Performance for Stationary Combustion Turbines. This applicability is due to the fact that this request constitutes a change in the actual hourly emission rate of a regulated pollutant, commencing after February 18, 2005. This NSPS regulates sulfur dioxide (SO₂) and nitrogen oxides (NO_x). The facility uses pipeline quality natural gas as its primary fuel and distillate oil containing less than 0.05 percent sulfur, which will enable the turbines to meet the SO₂ limits with a large margin of compliance. The NSPS NO_x emissions limit is less stringent than the current permit limit. Therefore the facility, as permitted, will meet the allowable requirements in the NSPS. The recordkeeping and testing requirements of Subpart KKKK are attached as Appendix NKKKK in Section 5.

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. PSD pollutants include: carbon monoxide (CO); nitrogen oxides (NO_x); sulfur dioxide (SO₂); particulate matter (PM); particulate matter with a mean particle diameter of 10 microns or less (PM₁₀); volatile organic compounds (VOC); lead (Pb); Fluorides (Fl); sulfuric acid mist (SAM); hydrogen sulfide (H₂S); total reduced sulfur (TRS), including H₂S; reduced sulfur compounds, including H₂S; municipal waste combustor organics measured as total tetra- through octa-chlorinated dibenzo-p-dioxins and dibenzofurans; municipal waste combustor metals measured as particulate matter; municipal waste combustor acid gases measured as SO₂ and hydrogen chloride (HCl); municipal solid waste landfills emissions measured as nonmethane organic compounds (NMOC); and mercury (Hg).

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 the 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 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 existing plant emits or has the potential to emit 250 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 applicant provided the following data to summarize the projected NO_x emissions increases based on the highest past actual 2-year average annual emissions and the requested 6 percent heat input limit increase:

TECHNICAL EVALUATION AND PRELIMINARY DETERMINATION

Emission Unit	Highest 2 Year Average (TPY)	Projected Increase (TPY)
EU-001, EU-002 and EU-003, 170 MW Simple Cycle Units	153.9	9.2

The Department reviewed emissions test data for the last seven years conducted at or near 100% of the current maximum heat input rates. The following table summarizes the projected NO_x emissions increases based on this data, the requested heat input rate increases of 92 MMBtu/hr when firing natural gas and 83 MMBtu/hr when firing distillate oil, 2390 hours per year of natural gas firing and 1000 hours per year of distillate oil firing.

Emission Unit	NO _x Test Data (lb/MMBtu)		Potential NO _x Increase (TPY)
	Gas	Oil	
EU-001	41.3	309.5	10.0
EU-002	43.8	313.5	10.3
EU-003	40.0	294.6	9.5

The estimated potential emissions increase of 29.8 tons per year is well below the PSD significant emissions rate of 40 tons/year. The use of pipeline natural gas as the primary fuel source with No. 2 distillate fuel oil serving as a backup fuel will insure any potential emissions increases of CO, PM/PM₁₀/PM_{2.5}, SO₂ and VOC would also be well below the PSD significant emissions rates. Therefore, the draft permit will authorize the requested revised heat input rates.

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. Bruce Thomas 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.

PERMITTEE

Shady Hills Power Company, LLC
120 Long Ridge Road
Stamford, CT 06927

Responsible Official:

Mr. Roy S. Beldon, Vice President

Draft Permit No. 1010373-009-AC
Shady Hills Generating Station
Facility ID No. 1010373
Combustion Turbine Heat Input
Increases

FACILITY AND LOCATION

This permit revises the original air construction Permit No. 1010373-001-AC/PSD-FL-280 and concurrently revises Title V air operation Permit No. 1010373-006-AV to allow nominal increases to the heat input rates for the three existing 170 megawatt (MW) simple cycle combustion turbines. The facility is located in Pasco County at 14240 Merchant Energy Way, Spring Hill, Florida. The UTM coordinates are Zone 17, 347 km East, and 3139 km North.

STATEMENT OF BASIS

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.) and Title 40, Parts 60 and 63 of the Code of Federal Regulations (CFR).

(DRAFT)

Joseph Kahn, Director
Division of Air Resource Management

Effective Date

AIR CONSTRUCTION PERMIT REVISIONS

This permitting action will revise the following specific conditions in Permit No. 1010373-001-AC/PSD-FL-280. Deletions are shown in strikethrough; additions are shown in double-underline.

SECTION III. EMISSIONS UNIT SPECIFIC CONDITIONS

8. Capacity: The maximum heat input rates, based on the lower heating value (LHV) of each fuel to each unit (-001, -002, and -003), ambient conditions of 59°F temperature, 60% relative humidity, 100% load and 14.7 psi pressure, shall not exceed ~~1,612~~ 1,704 million Btu per hour (MMBtu/hr) when firing natural gas, nor ~~1,806~~ 1,889 MMBtu/hr when firing No. 2 or superior grade of distillate fuel oil. These maximum heat input rates will vary depending upon ambient conditions and the combustion turbine characteristics. Manufacturer's curves corrected for site conditions or equations for correction to other ambient conditions shall be provided to the Compliance Authority within 45 days of completing the initial compliance testing. [Rule 62-210.200(PTE), F.A.C.; and 1010373-0019-AC/PSD-FL-280A]

13. Maximum allowable hours: The stationary gas turbines shall only operate up to 3,390 hours per unit, including an average of up to 1,000 hours on fuel oil per unit during any calendar year. No single combustion turbine shall operate more than 5,000 hours in a single year. [Rules 62-210.200(PTE) and 62-212.400(BACT), F.A.C.; 1010373-0019-AC/PSD-FL-280A and 1010373-006-AV]

19. Reduction Plan. The permittee shall develop a NO_x reduction plan when the hours of oil firing reach the ~~allowable limit of~~ 1,000 hours per year on any combustion turbine. This plan shall include a testing protocol designed to establish the maximum water injection rate and the lowest NO_x emissions possible without affecting the actual performance of the gas turbine. The testing protocol shall set a range of water injection rates and attempt to quantify the corresponding NO_x emissions for each rate and noting any problems with performance. Based on the test results, the plan shall recommend a new NO_x emissions limiting standard and shall be submitted to the Department's Bureau of Air Regulation and Compliance Authority for review. If the Department determines that a lower NO_x emissions standard is warranted for oil firing, this permit shall be revised. To date, not one single emissions unit has fired fuel oil for 1,000 hours in a year. [1010373-0019-AC/PSD-FL-280A]

29. Annual Compliance Tests. Unless otherwise indicated, *annual* compliance tests shall be performed during every federal fiscal year (October 1 - September 30) pursuant to Rule 62-297.310(7), F.A.C., on each unit by using the following reference methods as described in 40 CFR 60, Appendix A, and adopted by reference in Rule 62-204.800, F.A.C. No other test methods may be used for compliance testing unless prior Departmental approval is received in writing. Additional compliance tests shall also be conducted for all pollutants, except for PM/PM₁₀ (VE surrogate), after any modification (and shake down period not to exceed 100 days after re-starting the combustion turbine) of the unit or air pollution control equipment ~~such as change or tuning of combustors~~; and these tests are allowed to be conducted at a single load in lieu of the four loads.

- EPA Reference Method 9, "Visual Determination of the Opacity of Emissions from Stationary Sources".
- EPA Reference Method 10, "Determination of Carbon Monoxide Emissions from Stationary Sources". Compliance testing for CO may be conducted at less than capacity when compliance testing is conducted concurrent with the annual Relative Accuracy and Test Audit (RATA) testing for the NO_x CEMS required pursuant to 40 CFR 75.
- EPA Reference Method ~~20-7E~~, "Determination of Oxides of Nitrogen Oxide, Sulfur Dioxide and Diluent Emissions from Stationary Gas Turbines."
- EPA Reference Method 18, 25 and/or 25A, "Determination of Volatile Organic Concentrations." Initial test only.

[1010373-0019-AC/PSD-FL-280A; and 1010373-001-AC/PSD-FL-280 amendment]

Livingston, Sylvia

From: Belden, Roy S (GE Comm Fin) [roy.belden@ge.com]
Sent: Tuesday, September 16, 2008 7:25 PM
To: Livingston, Sylvia
Cc: SOSbourn@golder.com; Zhang-Torres; forney.kathleen@epa.gov; Walker, Elizabeth (AIR); Friday, Barbara; Gibson, Victoria
Subject: RE: CONCURRENT AC/AV Draft Permit for SHADY HILLS GENERATING STATION; 1010373-009-AC (PSD-FL-280A) & Title V Permit No. 1010373-010-AV

Ms. Livingston,

I can view the documents. Regards, Roy

Roy S. Belden
Shady Hills Power Company, LLC
c/o GE Energy Financial Services
120 Long Ridge Road
Stamford, CT 06927
203-357-6820
roy.belden@ge.com

From: Livingston, Sylvia [mailto:Sylvia.Livingston@dep.state.fl.us]
Sent: Tuesday, September 16, 2008 4:05 PM
To: Belden, Roy S (GE Comm Fin)
Cc: SOSbourn@golder.com; Zhang-Torres; forney.kathleen@epa.gov; Walker, Elizabeth (AIR); Friday, Barbara; Gibson, Victoria
Subject: CONCURRENT AC/AV Draft Permit for SHADY HILLS GENERATING STATION; 1010373-009-AC (PSD-FL-280A) & Title V Permit No. 1010373-010-AV

Dear Sir/Madam:

Attached is the official *Written Notice of Intent to Issue* for the project referenced below. Click on the link displayed below to access the permit project documents and send a "reply" message verifying receipt of the document(s) provided in the link; this may be done by selecting "Reply" on the menu bar of your e-mail software, *noting that you can view the documents*, and then selecting "Send". **We must receive verification that you are able to access the documents.** Your immediate reply will preclude subsequent e-mail transmissions to verify accessibility of the document(s).

Click on the following link to access the permit project documents:

http://ARM-PERMIT2K.dep.state.fl.us/adh/prod/pdf_permit_zip_files/1010373.009.AC.D_pdf.zip

Owner/Company Name: SHADY HILLS POWER COMPANY, L.L.C.
Facility Name: SHADY HILLS GENERATING STATION
Project Number: 1010373-009-AC (PSD-FL-280A)/ 1010373-010-AV
Permit Status: DRAFT
Permit Activity: CONSTRUCTION/ TITLE V
Facility County: PASCO
Processor: Bruce Thomas

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. Access these documents by clicking on the link provided above, or search for other project documents using the "Air Permit Documents Search" website at <http://www.dep.state.fl.us/air/eproducts/apds/default.asp>.

Permit project documents are addressed in this email may require immediate action within a specified time frame.

9/17/2008

Livingston, Sylvia

From: Osbourn, Scott [Scott_Osbourn@golder.com]
To: undisclosed-recipients
Sent: Tuesday, September 16, 2008 4:37 PM
Subject: Read: CONCURRENT AC/AV Draft Permit for SHADY HILLS GENERATING STATION;
1010373-009-AC (PSD-FL-280A) & Title V Permit No. 1010373-010-AV

Your message

To: Scott_Osbourn@golder.com
Subject:

was read on 9/16/2008 4:37 PM.

Livingston, Sylvia

From: Mail Delivery System [MAILER-DAEMON@mseive01.rtp.epa.gov]
Sent: Tuesday, September 16, 2008 4:07 PM
To: Livingston, Sylvia
Subject: Successful Mail Delivery Report

Attachments: Delivery report; Message Headers



Delivery report.txt (487 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@epa.gov>: delivery via 127.0.0.1[127.0.0.1]:10025: 250 OK,
sent 48D011EB_25911_14190_8 BE54A443E6

Message Headers.txt

Received: from tlhexsprot2.floridadep.net (tlhexsprot2.floridadep.net [199.73.152.8])
by mseive01.rtp.epa.gov (Postfix) with ESMTP id 4B572443F9
for <forney.kathleen@epa.gov>; Tue, 16 Sep 2008 16:05:23 -0400 (EDT)
Content-Transfer-Encoding: 7bit
Importance: normal
Priority: normal
Received: from tlhexsmb4.floridadep.net ([172.20.30.47]) by tlhexsprot2.floridadep.net with Microsoft
SMTPSVC(5.0.2195.6713); Tue, 16 Sep 2008 16:05:07 -0400
X-MimeOLE: Produced By Microsoft MimeOLE V6.00.2800.1896
Content-Class: urn:content-classes:message
Return-Receipt-To: "Livingston, Sylvia" <Sylvia.Livingston@dep.state.fl.us>
MIME-Version: 1.0
Content-Type: multipart/mixed;
boundary="----_NextPart_001_01C91837.81360911"
Disposition-Notification-To: "Livingston, Sylvia" <Sylvia.Livingston@dep.state.fl.us>
Subject: CONCURRENT AC/AV Draft Permit for SHADY HILLS GENERATING STATION; 1010373-009-AC
(PSD-FL-280A) & Title V Permit No. 1010373-010-AV
Date: Tue, 16 Sep 2008 16:05:02 -0400
Message-ID: <864D0E673032DD47ABE8B4EE542DF7CAC71D99@tlhexsmb4.floridadep.net>
X-MS-Has-Attach: yes
X-MS-TNEF-Correlator:
Thread-Topic: CONCURRENT AC/AV Draft Permit for SHADY HILLS GENERATING STATION;
1010373-009-AC (PSD-FL-280A) & Title V Permit No. 1010373-010-AV
thread-index: AckYN4FCn/BVUCI5SgWBMLa5Kbc81Q==
From: "Livingston, Sylvia" <Sylvia.Livingston@dep.state.fl.us>
To: <Roy.Belden@GE.com>
Cc: <SOsbourn@golder.com>,
"Zhang-Torres" <Cindy.Zhang-Torres@dep.state.fl.us>,
<forney.kathleen@epa.gov>,
"Walker, Elizabeth \ (AIRI)" <Elizabeth.Walker@dep.state.fl.us>,
"Friday, Barbara" <Barbara.Friday@dep.state.fl.us>,
"Gibson, Victoria" <Victoria.Gibson@dep.state.fl.us>
X-OriginalArrivalTime: 16 Sep 2008 20:05:07.0370 (UTC) FILETIME=[840110A0:01C91837]

Delivery report.txt

Reporting-MTA: dns; mseive01.rtp.epa.gov
X-Postfix-Queue-ID: 4B572443F9
X-Postfix-Sender: rfc822; Sylvia.Livingston@dep.state.fl.us
Arrival-Date: Tue, 16 Sep 2008 16:05:23 -0400 (EDT)

Final-Recipient: rfc822; forney.kathleen@epa.gov
Original-Recipient: rfc822;forney.kathleen@epa.gov
Action: relayed
Status: 2.0.0
Remote-MTA: dns; 127.0.0.1
Diagnostic-Code: smtp; 250 OK, sent 48D011EB_25911_14190_8 BE54A443E6

Livingston, Sylvia

From: Zhang-Torres
To: Livingston, Sylvia
Sent: Wednesday, September 17, 2008 8:36 AM
Subject: Read: CONCURRENT AC/AV Draft Permit for SHADY HILLS GENERATING STATION;
1010373-009-AC (PSD-FL-280A) & Title V Permit No. 1010373-010-AV

Your message

To: 'Roy.Belden@GE.com'
Cc: 'SOsbourn@golder.com'; Zhang-Torres; 'forney.kathleen@epa.gov'; Walker, Elizabeth (AIR); Friday, Barbara; Gibson, Victoria
Subject: CONCURRENT AC/AV Draft Permit for SHADY HILLS GENERATING STATION; 1010373-009-AC (PSD-FL-280A) & Title V Permit No.
1010373-010-AV
Sent: 9/16/2008 4:05 PM

was read on 9/17/2008 8:35 AM.

**Shady Hills Power Company, L.L.C.
120 Long Ridge Road, Stamford, CT 06927**

October 2, 2008

Via Federal Express

Mr. Bruce Thomas
Florida Department of Environmental Protection
Bureau of Air Regulation – MS 5505
2600 Blair Stone Road
Tallahassee, FL 32399-2400

RECEIVED

OCT 03 2008

BUREAU OF AIR REGULATION

Re: Shady Hills Power Company L.L.C.
Draft Air Permit Nos. 1010373-009-AC (PSD-FL-280A), 1010373-010-AV
Proof of Public Notice

Dear Mr. Thomas:

Enclosed please find proof of publication for the Public Notice of Intent to Issue Air Permits for Shady Hills Power Company, L.L.C. The notice was published in *The St. Petersburg Times* on September 26, 2008.

If you have any questions or require additional information, please do not hesitate to call Mr. Phillip Carlotta, Facility Manager, at 727/857-1787.

Sincerely,



Rick Waggoner
Principal
Compliance Opportunities Group, LLC

Enclosures

cc: Roy Belden – GE Energy Financial Services
Bill Stevens – GE Energy Financial Services
Phillip Carlotta – Shady Hills Power Company

002843273

PASCO TIMES

An Edition of the St. Petersburg Times

Published Daily

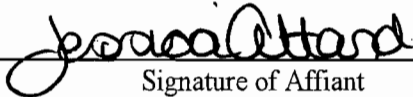
Port Richey, Pasco County, Florida

STATE OF FLORIDA COUNTY OF PASCO:


Before the undersigned authority personally appeared Jessica Attard who on oath says that she is Legal Clerk of the Pasco Times a daily newspaper published at Port Richey, in Pasco County, Florida; that the attached copy of advertisement, being a Legal Notice in the matter of RE: Public Notice of Intent to Issue Air Permits Shady Hills Power Company, LLC

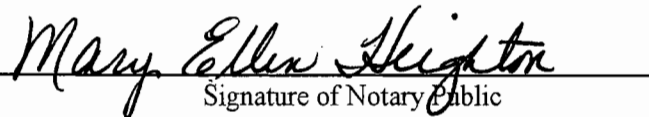
in the _____ Court was published in said newspaper in the issues of September 26, 2008

Affiant further says the said Pasco Times is a newspaper published at Port Richey, in said Pasco County, Florida, and that the said newspaper 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 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 she has neither paid nor promised any person, firm, or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.


Signature of Affiant

Sworn to and subscribed before me this 26th day of September, 2008.

 **Mary Ellen Heigton**
Commission # DD503972
Expires January 4, 2010
Bonded Troy Paul 16642306 for 901-586-7019


Signature of Notary Public

Personally known X or produced identification _____

PUBLIC NOTICE OF INTENT TO ISSUE AIR

Florida Department of Environmental
Division of Air Resource Management, Bureau

Draft Air Construction Permit No. 1010373-009-AC, Air C
Draft Permit No. 1010373-010-AV, Concurrent Title V Air

Shady Hills Generating Station
Pasco County

Applicant: The applicant for this project is Shady Hills Power Company, LLC. The applicant's authority is located at Ridge Road, Stamford, Connecticut 06927.

Facility Location: The Shady Hills Power Company, LLC operates an existing electrical generating plant located in Spring Hill, Florida.

Project: The purpose of this project is to revise the original air construction permit 1010373-001-AC/1010373-006-AV to incorporate the specific conditions of air construction Permit No. 1010373-009-AC/1010373-006-AV (Emissions Unit (EU)-001, EU-002 and EU-003) from 1,612 to 1,704 million Btu per hour (MMBtu/hr) with firing distillate oil. The increases are requested to correct estimates provided by the gas turbine vendor. No physical changes are necessary to realize the requested heat input increases. No increase in the requested to accommodate the change. The applicant does not expect any increased utilization as all applicable provisions of the air construction and operation permits.

Permitting Authority: Applications for air construction permits are subject to review in accordance with 62-4, 62-204, 62-210, 62-212, 62-296 and 62-297 of the Florida Administrative Code (F.A.C.). Applications are subject to the provisions of Chapter 403, F.S. and Chapters 62-4, 62-210, 62-213 and 62-214 F.A.C. The projects are not Title V air operation permits. The Florida Department of Environmental Protection's Bureau of Air Regulation physical address is 111 South Magnolia Street, Tallahassee, Florida 32399-2400. The Bureau of Air Regulation's phone number is 904-498-3100.

Project File: A complete project file is available for public inspection during the normal business hours at the address indicated above for the Permitting Authority. The complete project file includes the Determination, the application, and the information submitted by the applicant, exclusive of confidential information. The Permitting Authority's project review engineer for additional information at the address and phone number listed above.

Notice of Intent to Issue Air Permit: The Permitting Authority gives notice of its intent to issue an air permit. The Permitting Authority has provided reasonable assurance that operation of the proposed equipment will not adversely affect the health, safety or general welfare of the community. The Permitting Authority gives notice of its intent to issue an air permit. The Permitting Authority gives notice of its intent to issue an air permit. The Permitting Authority gives notice of its intent to issue an air permit.

Comments on the Draft Air Construction Permit Revision: The Permitting Authority will accept written comments on the Draft Air Construction Permit Revision. The Permitting Authority will accept written comments on the Draft Air Construction Permit Revision. The Permitting Authority will accept written comments on the Draft Air Construction Permit Revision.

Comments on the Draft Title V Air Operation Permit Revision: The Permitting Authority will accept written comments on the Draft Title V Air Operation Permit Revision. The Permitting Authority will accept written comments on the Draft Title V Air Operation Permit Revision. The Permitting Authority will accept written comments on the Draft Title V Air Operation Permit Revision.

Petitions: A person whose substantial interests are affected by the proposed permitting decision may file a petition with the Permitting Authority. The petition must contain the information set forth below and must be filed with the Office of General Counsel, of the Department of Environmental Protection, 3900 Commonwealth Boulevard, Tallahassee, Florida 32310. Petitions filed by any persons other than those entitled to written notice within 14 days of publication of this Public Notice or receipt of a written notice, whichever occurs first, will not be considered. The Permitting Authority for notice of agency action may file a petition within 14 days of receipt of that of the petition to the applicant at the address indicated above, at the time of filing. The failure of a person to file a petition within 14 days of receipt of that of the petition to the applicant at the address indicated above, at the time of filing, shall constitute a waiver of that person's right to request an administrative determination (hearing) on this proceeding and participate as a party to it. Any subsequent intervention (in a proceeding initiated 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 include the following information: (a) The name, address, and telephone number of the petitioner or the petitioner's representative, if any, which shall be the address for service purposes; (b) The number of the petitioner's substantial interests will be affected by the agency determination; (c) A statement of the facts of the agency action or proposed decision; (d) A statement of all disputed issues of material fact; (e) A statement of the petitioner's proposed action, including an explanation of how the petitioner contends warrant reversal or modification of the agency's proposed action; (f) A statement of the relief sought by the petitioner, stating precisely the action the petitioner wishes that does not dispute the material facts upon which the Permitting Authority's action is based; and (g) 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 does not constitute a stay of the agency action. Persons who are aggrieved by the Permitting Authority's decision on the application have the right to petition to become a party to the proceeding.

Mediation: Mediation is not available in this proceeding.

Objections to the Draft Title V Air Operation Permit: Finally, pursuant to 42 United States Code (42 U.S.C.) 1702, the Administrator of the EPA has established a 45-day review period as established in the EPA's Title V permit rule. Any petition shall be based only on objections to the Title V permit that were raised with reasonable notice, unless the petitioner demonstrates to the Administrator of the EPA that it was impracticable to raise such objections before the comment period. Filing of a petition with the Administrator of the EPA is not a prerequisite for filing a petition with the Administrator of the EPA at: U.S. EPA, 401 M Street, S.W., Washington, D.C. 20460.

PASCO TIMES

An Edition of the St. Petersburg Times

Published Daily

Port Richey, Pasco County, Florida

STATE OF FLORIDA COUNTY OF PASCO:

Before the undersigned authority personally appeared Jessica Attard who on oath says that she is Legal Clerk of the Pasco Times a daily newspaper published at Port Richey, in Pasco County, Florida; that the attached copy of advertisement, being a Legal Notice in the matter of RE: Public Notice of Intent to Issue Air Permits Shady Hills Power Company, LLC

_____ in the _____ Court was published in said newspaper in the issues of September 26, 2008

Affiant further says the said Pasco Times is a newspaper published at Port Richey, in said Pasco County, Florida, and that the said newspaper 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 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 she has neither paid nor promised any person, firm, or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

Jessica Attard
Signature of Affiant

Sworn to and subscribed before me this 26th day of September, 2008

Mary Ellen Skipton
Signature of Notary Public

Personally known X or produced identification _____

Type of identification produced _____

RECEIVED

OCT 03 2008

BUREAU OF AIR REGULATION

PUBLIC NOTICE OF INTENT TO ISSUE

Florida Department of Environment
Division of Air Resource Management,

Draft Air Construction Permit No. 1010373-009-AV
Draft Permit No. 1010373-010-AV, Concurrent Title V

Shady Hills Generating Station
Pasco County

Applicant: The applicant for this project is Shady Hills Power Company, LLC. The applicant's address is 1010373-009-AV, Ridge Road, Stamford, Connecticut 06927.

Facility Location: The Shady Hills Power Company, LLC operates an existing electrical generating station located in Spring Hill, Florida.

Project: The purpose of this project is to revise the original air construction permit 1010373-009-AV to incorporate the specific conditions of air construction permit No. 1010373-010-AV (Emissions Unit (EU)-001, EU-002 and EU-003) from 1,612 to 1,704 million Btu per hour (MMBtu/hr) firing distillate oil. The increases are requested to correct estimates provided by the gas turbine. No physical changes are necessary to realize the requested heat input increases. No increase requested to accommodate the change. The applicant does not expect any increased utilization of all applicable provisions of the air construction and operation permits.

Permitting Authority: Applications for air construction permits are subject to review in accordance with Chapters 62-4, 62-210, 62-212, 62-296 and 62-297 of the Florida Administrative Code (F.A.C.). Applications for Title V air operation permits are subject to review in accordance with Chapters 62-4, 62-210, 62-212, 62-213, 62-214, 62-296 and 62-297 F.A.C. The projects are located in Spring Hill, Florida. The Florida Department of Environmental Protection's Bureau of Air Regulation is located at 111 South M. Blair Stone Road, MS #5505, Tallahassee, Florida 32399-2400. The Bureau of Air Regulation's physical address is 111 South M. Blair Stone Road, MS #5505, Tallahassee, Florida 32399-2400. The Bureau of Air Regulation's physical address is 111 South M. Blair Stone Road, MS #5505, Tallahassee, Florida 32399-2400. The Bureau of Air Regulation's physical address is 111 South M. Blair Stone Road, MS #5505, Tallahassee, Florida 32399-2400.

Project File: A complete project file is available for public inspection during the normal business hours (Monday through Friday, 8:30 a.m. to 5:00 p.m., excluding public holidays), at address indicated above for the Permitting Authority. The complete project file includes the application, the information submitted by the applicant, exclusive of the Permitting Authority's project review engineer for additional information at the address indicated above.

Notice of Intent to Issue Air Permit: The Permitting Authority gives notice of its intent to issue a permit for the proposed operation of the proposed equipment will not adversely affect the health, safety or general welfare of the community. The proposed Title V air operation permit revision (and subsequent final Title V air operation permit) unless a timely petition for an administrative hearing is filed under Sections 120.569 and 120.57, F.S. 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 comments on the Draft Air Construction Permit Revision within a period of 14 days from the date of publication of the Public Notice. Written comments must be submitted to the Permitting Authority at the above address. If written comments result in a revised Draft Permit and require, if applicable, another Public Notice. All comments filed will be considered.

Comments on the Draft Title V Air Operation Permit Revision: The Permitting Authority will accept comments on the Draft Title V Air Operation Permit Revision within a period of 14 days from the date of publication of the Public Notice. Written comments must be received by the Permitting Authority at the above address. As part of his or her comments, any person may request a permit revision. If the Permitting Authority determines there is sufficient interest for a public hearing, the Permitting Authority will schedule a public hearing. A statement of the Permitting Authority will be published in the Florida Administrative Weekly and in a newspaper of general circulation in the county in which the facility is located. If written comments or comments on the Draft Permit, the Permitting Authority will issue a revised Draft Permit and require, if applicable, another Public Notice.

Petitions: A person whose substantial interests are affected by the proposed permitting decision may file a petition with the Permitting Authority for a hearing on the proposed permitting decision. The petition must contain the information set forth below and must be filed with the Office of General Counsel of the Department of Environmental Protection, 3900 Commonwealth Boulevard, Tallahassee, Florida 32310-1201; Fax: 850/245-2303. Petitions filed by any persons other than those entitled to file a petition must be filed within 14 days of publication of this Public Notice or receipt of a written notice, whichever occurs later. The Permitting Authority for notice of agency action may file a petition within 14 days of receipt of the petition to the applicant at the address indicated above, at the time of filing. The failure to file a petition within 14 days of the date of publication of this Public Notice or receipt of a written notice shall constitute a waiver of that person's right to request an administrative determination (hearing) on the proposed permitting decision and participate as a party to it. Any subsequent intervention (in a proceeding) 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 shall be filed within 14 days of the date of publication of the Public Notice. The petition shall include: (a) The name, address and telephone number of the petitioner; (b) The name, address and telephone number of the petitioner's representative, if any, which shall be the address for service purposes; (c) A statement of the petitioner's substantial interests will be affected by the agency determination; (d) A statement of the agency action or proposed decision; (e) A statement of all disputed issues of material fact; (f) A statement of the relief sought by the petitioner, stating precisely the action the petitioner wishes the agency to take; and (g) A statement of the relief sought by the petitioner, stating precisely the action the petitioner wishes the agency to take. The petitioner shall also provide a copy of the petition to the applicant at the address indicated above, at the time of filing. The failure to provide a copy of the petition to the applicant shall constitute a waiver of that person's right to request an administrative determination (hearing) on the proposed permitting decision and participate as a party to it. Any subsequent intervention (in a proceeding) upon the filing of a motion in compliance with Rule 28-106.301, F.A.C.

Because the administrative hearing process is designed to formulate final agency action, the Permitting Authority's decision on the application have the right to petition to become a party to the proceeding.

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.) 7605, any person who has a substantial interest in the proposed permitting decision may file a petition with the Administrator of the EPA within 60 days of the expiration of the Administrator's 45-day review period as established in 40 CFR 101.106. Any petition shall be based only on objections to the Title V permit that were raised with respect to this notice, unless the petitioner demonstrates to the Administrator of the EPA that it was impractical to raise such objections after the comment period. Filing of a petition with the Administrator of the EPA shall not constitute a waiver of the petitioner's right to request an administrative determination (hearing) on the proposed permitting decision and participate as a party to it. Any subsequent intervention (in a proceeding) upon the filing of a motion in compliance with Rule 28-106.301, F.A.C. Petitions filed with the Administrator of the EPA at: U.S. EPA, 401 M Street, S.W., Washington, D.C. 20460.

PUBLIC NOTICE OF INTENT TO ISSUE AIR PERMITS

Florida Department of Environmental Protection
Air Resource Management, Bureau of Air Regulation

Permit No. 1010373-009-AC, Air Construction Permit Revision
0373-010-AV, Concurrent Title V Air Operation Permit Revision

Shady Hills Generating Station
Pasco County

Company, LLC. The applicant's authorized representative and mailing address is: Mr. Roy S. Beldon, 120 Long

an existing electrical generating power plant in Pasco County located at 14240 Merchant Energy Way

struction permit 1010373-001-AC/PSD-FL-280 and concurrently revise Title V air operation permit No. 1010373-009-AC to allow increases for the three 170 megawatt (MW) simple cycle units 1100 Btu per hour (MMBtu/hr) when firing natural gas and an increase from 1,806 to 1,889 MMBtu/hr when es provided by the gas turbine vendor that underestimate the actual performance of the installed turbines. nput increases. No increase in the emissions standards (concentrations or mass emissions rates) are pect any increased utilization as a result of the change. The emissions units will continue to comply with nits.

e subject to review in accordance with the provisions of Chapter 403, Florida Statutes (F.S.) and Chapters strative Code (F.A.C.). Applications for Title V air operation permits are subject to review in accordance with d 62-214 F.A.C. The projects are not exempt from the permitting procedures for air construction and Title V ction's Bureau of Air Regulation is the Permitting Authority responsible for making a permit cal address is 111 South Magnolia Drive, Suite 4, Tallahassee, Florida 32301 and the mailing address is 2600 ureau of Air Regulation's phone number is 850/488-0114.

on during the normal business hours of 8:00 a.m. to 5:00 p.m., Monday through Friday (except legal e. The complete project file includes the Draft Permit, the Technical Evaluation and Preliminary the applicant, exclusive of confidential records under Section 403.111, F.S. Interested persons may contact rformation at the address and phone number listed above.

es notice of its intent to issue an air permit to the applicant for the project described above. The applicant d equipment will not adversely impact air quality and that the project will comply with all applicable 2-296 and 62-297 F.A.C. The Permitting Authority will issue a final air construction permit revision and a al Title V air operation permit revision) in accordance with the conditions of the proposed Draft Permits r Sections 120.569 and 120.57, F.S. or unless public comment received in accordance with this notice results is.

ermitting Authority will accept written comments concerning the Draft Air Construction Permit Revision for e. Written comments must be received by the close of business (5:00 p.m.), on or before the end of this 14- rten comments result in a significant change to the Draft Permit, the Permitting Authority will issue a ce. All comments filed will be made available for public inspection.

ne Permitting Authority will accept written comments concerning the Draft Permit for a period of 30 days s must be received by the close of business (5:00 p.m.), on or before the end of this 30-day period by the mments, any person may also request that the Permitting Authority hold a public meeting on this fficient interest for a public meeting, it will publish notice of the time, date, and of general circulation in the area affected by the permitting action. For additional information, contact the rten comments or comments received at a public meeting result in a significant change to Permit and require, if applicable, another Public Notice. All comments filed will be made available for

e proposed permitting decision may petition for an administrative hearing in accordance with Sections et forth below and must be filed with (received by) the Department's Agency Clerk in the ction, 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000 (Telephone: er than those entitled to written notice under Section 120.60(3), F.S., must be filed ritten notice, whichever occurs first. Under Section 120.60(3), F.S., however, any person who asked the r within 14 days of receipt of that notice, regardless of the date of publication. A petitioner shall mail a copy he time of filing. The failure of any person to file a petition within the appropriate time period shall ve determination (hearing) under Sections 120.569 and 120.57, F.S., or to intervene in rvention (in a proceeding initiated by another party) will be only at the approval of the presiding officer C.


Authority's action is based must contain the following information: (a) The name and address of each known; (b) The name, address, and telephone number of the petitioner; the name, address and telephone e address for service purposes during the course of the proceeding; and an explanation of how the rmination; (c) A statement of when and how each petitioner received notice isputed issues of material fact; (e) A concise statement of the ultimate facts alleged, including the specific he agency's proposed action; (f) A statement of the specific rules or statutes the petitioner contends including an explanation of how the alleged facts relate to the specific rules or statutes; and, (g) A he action the petitioner wishes the agency to take with respect to the agency's proposed action. A petition Authority's action is based shall state that no such facts are in dispute and otherwise shall contain the 1, F.A.C.

ate final agency action, the filing of a petition means that the Permitting Authority's final action may be t to issue Air Permit. Persons whose substantial interests will be affected by any such final ght to petition to become a party to the proceeding, in accordance with the requirements set forth above.

uant to 42 United States Code (U.S.C.) Section 7661d(b)(2), any person may petition the administrator of ay review period as established at 42 U.S.C. Section 7661d(b)(1), to object to issuance of any Title V permit. that were raised with reasonable specificity during the 30 (thirty) day public comment period provided in r of the EPA that it was impracticable to raise such objections within the comment period or unless the of a petition with the Administrator of the EPA does not stay the effective date of any Title V permit . Petitions filed with the Administrator of EPA must meet the requirements of 42 U.S.C. Section 7661d(b)(2), 11 M Street, S.W., Washington, D.C. 20460, (202)433-7721, 09/25/09

Memorandum

Florida Department of Environmental Protection

TO: Joseph Kahn, Director, DARM
THROUGH: Trina L. Vielhauer, Chief, BAR 
FROM: Syed Arif, New Source Review Section
DATE: November 12, 2008
SUBJECT: Project No. 1010373-009-AC/PSD-FL-280A
Shady Hills Power Company, LLC, Shady Hills Generating Station
Combustion Turbine Heat Input Increases

Attached is the final Prevention of Significant Deterioration (PSD) permit revision, which allows increases for the three 170 megawatt (MW) simple cycle units [Emissions Unit (EU)-001, EU-002 and EU-003] from 1,612 to 1,704 million Btu per hour (MMBtu/hr) when firing natural gas and an increase from 1,806 to 1,889 MMBtu/hr when firing distillate oil. The increases are requested to correct estimates provided by the gas turbine vendor that underestimate the actual performance of the installed turbines. No physical changes are necessary to realize the requested heat input increases. No increase in the emissions standards (concentrations or mass emissions rates) are requested to accommodate the change. The applicant does not expect any increased utilization as a result of the change. The emissions units will continue to comply with all applicable provisions of the air construction and operation permits.

No comments were received from the EPA or the public. We recommend your approval of the attached final permit.

Attachments

JK/tv/sa

FINAL DETERMINATION

PERMITTEE

Shady Hills Power Company, LLC
120 Long Ridge Road
Stamford, Connecticut 06927

PERMITTING AUTHORITY

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

PROJECT

Project No. 1010373-009-AC
PSD Permit Revision No. PSD-FL-280A
Shady Hills Generating Station

Facility Location: The applicant, Shady Hills Power Company, LLC operates the existing Shady Hills Generating Station which is located in Pasco County at 14240 Merchant Energy Way in Spring Hill, Florida.

Purpose: The purpose of this project is to revise the original air construction permit 1010373-001-AC/PSD-FL-280 and concurrently revise Title V air operation permit No. 1010373-006-AV to incorporate the specific conditions of air construction Permit No. 1010373-009-AC to allow increases for the three 170 megawatt (MW) simple cycle units (Emissions Unit (EU)-001, EU-002 and EU-003) from 1,612 to 1,704 million Btu per hour (MMBtu/hr) when firing natural gas and an increase from 1,806 to 1,889 MMBtu/hr when firing distillate oil. The increases are requested to correct estimates provided by the gas turbine vendor that underestimate the actual performance of the installed turbines. No physical changes are necessary to realize the requested heat input increases. No increase in the emissions standards (concentrations or mass emissions rates) are requested to accommodate the change. The applicant does not expect any increased utilization as a result of the change. The emissions units will continue to comply with all applicable provisions of the air construction and operation permits.

NOTICE AND PUBLICATION

The Department distributed the Intent to Issue Permit package on September 16, 2008. The applicant published the Public Notice of Intent to Issue in The St. Petersburg Times on September 26, 2008. The Department received the proof of publication on October 3, 2008.

COMMENTS

No comments on the Draft Permit were received from the public, the Department's Southwest District Office, the EPA Region 4 Office, or the applicant.

CONCLUSION

The final action of the Department is to issue the permit as drafted.

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

NOTICE OF FINAL PERMIT

In the Matter of an
Application for Permit by:

Shady Hills Power Company, LLC
120 Long Ridge Road
Stamford, Connecticut 06927

Responsible Official:

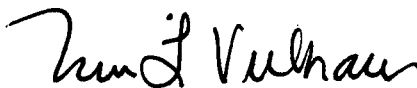
Mr. Roy S. Belden, Vice President

Air Permit No. PSD-FL-280A
Project No. 1010373-009-AC
Shady Hills Generating Station
Facility ID No. 1010373
Combustion Turbine Heat Input
Increases

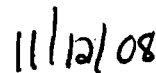
The purpose of this project is to revise the original air construction permit 1010373-001-AC/PSD-FL-280 and concurrently revise Title V air operation permit No. 1010373-006-AV to incorporate the specific conditions of air construction Permit No. 1010373-009-AC/PSD-FL-280A to allow increases for the three 170 megawatt (MW) simple cycle units (Emissions Unit (EU)-001, EU-002 and EU-003) from 1,612 to 1,704 million Btu per hour (MMBtu/hr) when firing natural gas and an increase from 1,806 to 1,889 MMBtu/hr when firing distillate oil. The increases are requested to correct estimates provided by the gas turbine vendor that underestimate the actual performance of the installed turbines. No physical changes are necessary to realize the requested heat input increases. No increase in the emissions standards (concentrations or mass emissions rates) are requested to accommodate the change. The applicant does not expect any increased utilization as a result of the change. The emissions units will continue to comply with all applicable provisions of the air construction and operation permits.

This permit is issued pursuant to Chapter 403, Florida Statutes (F.S.). Any party to this order (permit) has the right to seek judicial review of the permit pursuant to Section 120.68, F.S. by filing a Notice of Appeal pursuant to Rule 9.110 of the Florida Rules of Appellate Procedure, with the Clerk of the Department of Environmental Protection in the Office of General Counsel (Mail Station #35, 3900 Commonwealth Boulevard, Tallahassee, Florida, 32399-3000); and by filing a copy of the Notice of Appeal accompanied by the applicable filing fees with the appropriate District Court of Appeal. The Notice of Appeal must be filed within 30 days from the date this order is filed with the Clerk of the Department.

Executed in Tallahassee, Florida



Trina L. Vielhauer, Chief
Bureau of Air regulation



(Date)

NOTICE OF FINAL PERMIT

CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this Notice of Final Permit (including the Final Determination and the Final Permit) was sent by electronic mail (or a link to these documents made available electronically on a publicly accessible server) with received receipt requested before the close of business on 11/13/08 to the persons listed below.

Mr. Roy S. Belden, Shady Hills Power Company, LLC (Roy.Belden@GE.com)

Mr. Scott Osbourn, Golder Associates, Inc. (SOsbourn@golder.com)


Ms. Cindy Zhang-Torres, Southwest District Office (Cindy.Zhang-Torres@dep.state.fl.us)

Ms. Kathleen Forney, EPA Region 4 (forney.kathleen@epa.gov)

Ms. Vickie Gibson, DEP-BAR (victoria.gibson@dep.state.fl.us) (for read file)

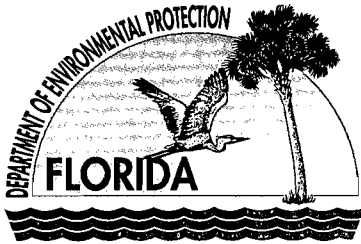
Clerk Stamp

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.



(Clerk)

11/13/08
(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

PERMITTEE

Shady Hills Power Company, LLC
120 Long Ridge Road
Stamford, Connecticut 06927

Responsible Official:

Mr. Roy S. Belden, Vice President

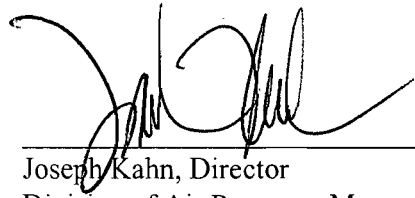
Air Permit No. PSD-FL-280A
Project No. 1010373-009-AC
Shady Hills Generating Station
Facility ID No. 1010373
Combustion Turbine Heat Input
Increases

FACILITY AND LOCATION

This permit revises the original air construction Permit No. 1010373-001-AC/PSD-FL-280 and concurrently revises Title V air operation Permit No. 1010373-006-AV to allow nominal increases to the heat input rates for the three existing 170 megawatt (MW) simple cycle combustion turbines. The facility is located in Pasco County at 14240 Merchant Energy Way, Spring Hill, Florida. The UTM coordinates are Zone 17, 347 km East, and 3139 km North.

STATEMENT OF BASIS

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.) and Title 40, Parts 60 and 63 of the Code of Federal Regulations (CFR).



Joseph Kahn, Director
Division of Air Resource Management

11/12/08
Effective Date

AIR CONSTRUCTION PERMIT REVISIONS

This permitting action will revise the following specific conditions in Permit No. 1010373-001-AC/PSD-FL-280.

SECTION III. EMISSIONS UNIT SPECIFIC CONDITIONS

8. Capacity: The maximum heat input rates, based on the lower heating value (LHV) of each fuel to each unit (-001, -002, and -003), ambient conditions of 59°F temperature, 60% relative humidity, 100% load and 14.7 psi pressure, shall not exceed 1,704 million Btu per hour (MMBtu/hr) when firing natural gas, nor 1,889 MMBtu/hr when firing No. 2 or superior grade of distillate fuel oil. These maximum heat input rates will vary depending upon ambient conditions and the combustion turbine characteristics. Manufacturer's curves corrected for site conditions or equations for correction to other ambient conditions shall be provided to the Compliance Authority within 45 days of completing the initial compliance testing. [Rule 62-210.200(PTE), F.A.C.; and 1010373-009-AC/PSD-FL-280A]

13. Maximum allowable hours: The stationary gas turbines shall only operate up to 3,390 hours per unit, including an average of 1,000 hours on fuel oil per unit during any calendar year. No single combustion turbine shall operate more than 5,000 hours in a single year. [Rules 62-210.200(PTE) and 62-212.400(BACT), F.A.C.; 1010373-009-AC/PSD-FL-280A and 1010373-006-AV]

19. Reduction Plan. The permittee shall develop a NO_x reduction plan when the hours of oil firing reach the 1,000 hours per year on any combustion turbine. This plan shall include a testing protocol designed to establish the maximum water injection rate and the lowest NO_x emissions possible without affecting the actual performance of the gas turbine. The testing protocol shall set a range of water injection rates and attempt to quantify the corresponding NO_x emissions for each rate and noting any problems with performance. Based on the test results, the plan shall recommend a new NO_x emissions limiting standard and shall be submitted to the Department's Bureau of Air Regulation and Compliance Authority for review. If the Department determines that a lower NO_x emissions standard is warranted for oil firing, this permit shall be revised. To date, not one single emissions unit has fired fuel oil for 1,000 hours in a year. [1010373-009-AC/PSD-FL-280A]

29. Annual Compliance Tests. Unless otherwise indicated, *annual* compliance tests shall be performed during every federal fiscal year (October 1 - September 30) pursuant to Rule 62-297.310(7), F.A.C., on each unit by using the following reference methods as described in 40 CFR 60, Appendix A, and adopted by reference in Rule 62-204.800, F.A.C. No other test methods may be used for compliance testing unless prior Departmental approval is received in writing. Additional compliance tests shall also be conducted for all pollutants, except for PM/PM₁₀ (VE surrogate), after any modification (and shake down period not to exceed 100 days after re-starting the combustion turbine) of the unit or air pollution control equipment and these tests are allowed to be conducted at a single load in lieu of the four loads.

- EPA Reference Method 9, "Visual Determination of the Opacity of Emissions from Stationary Sources".
- EPA Reference Method 10, "Determination of Carbon Monoxide Emissions from Stationary Sources". Compliance testing for CO may be conducted at less than capacity when compliance testing is conducted concurrent with the annual Relative Accuracy and Test Audit (RATA) testing for the NO_x CEMS required pursuant to 40 CFR 75.
- EPA Reference Method 7E, "Determination of Oxides of Nitrogen Oxide Emissions from Stationary Gas Turbines."
- EPA Reference Method 18, 25 and/or 25A, "Determination of Volatile Organic Concentrations." Initial test only.

[1010373-009-AC/PSD-FL-280A; and 1010373-001-AC/PSD-FL-280 amendment]

sylvia.livingston@dep.state.fl.us

Note: The attached 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>> .

Tracking:

Recipient

- ✓ 'Roy.Belden@GE.com'
- ✓ 'SOsbourn@golder.com'
- ✓ Zhang-Torres
- ✓ 'forney.kathleen@epa.gov'
- ✓ Gibson, Victoria
- ✓ Arif, Syed
- ✓ Walker, Elizabeth (AIR)
- ✓ 'abrams.heather@epamail.epa.gov'

Delivery

Delivered: 11/13/2008 2:51 PM

Livingston, Sylvia

From: Livingston, Sylvia
Sent: Thursday, November 13, 2008 2:51 PM.
To: 'Roy.Belden@GE.com'
Cc: 'SOsbourn@golder.com'; Zhang-Torres; 'forney.kathleen@epa.gov'; Gibson, Victoria; Arif, Syed; Walker, Elizabeth (AIR); 'abrams.heather@epamail.epa.gov'
Subject: SHADY HILLS GENERATING STATION; 1010373-009-AC (PSD-FL-280A)
Attachments: 1010373-009-AC Final.pdf

Dear Sir/ Madam:

Attached is the official **Notice of Final Permit** for the project referenced below. Click on the link displayed below to access the permit project documents and send a "reply" message verifying receipt of the document(s) provided in the link; this may be done by selecting "Reply" on the menu bar of your e-mail software, noting that you can view the documents, and then selecting "Send". **We must receive verification that you are able to access the documents.** Your immediate reply will preclude subsequent e-mail transmissions to verify accessibility of the document(s).

Click on the following link to access the permit project documents:

http://ARM-PERMIT2K.dep.state.fl.us/adh/prod/pdf_permit_zip_files/1010373.009.AC.F_pdf.zip

Owner/Company Name: SHADY HILLS POWER COMPANY, L.L.C.

Facility Name: SHADY HILLS GENERATING STATION

Project Number: 1010373-009-AC/ PSD-FL-280A

Permit Status: FINAL

Permit Activity: CONSTRUCTION

Facility County: PASCO

Processor: Syed Arif

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. Access these documents by clicking on the link provided above, or search for other project documents using the "*Air Permit Documents Search*" website at <http://www.dep.state.fl.us/air/eproducts/apds/default.asp>.

Permit project documents addressed in this email may require immediate action within a specified time frame. Please open and review the document(s) as soon as possible, and verify that they are accessible. Please advise this office of any changes to your e-mail address or that of the Engineer-of-Record. If you have any problems opening the documents or would like further information, please contact the Florida Department of Environmental Protection, Bureau of Air Regulation at (850)488-0114.



1010373-009-AC
Final.pdf (755 ...)

Sylvia Livingston
Bureau of Air Regulation
Division of Air Resource Management (DARM)
850/921-9506

Livingston, Sylvia

From: Belden, Roy S (GE Comm Fin) [roy.belden@ge.com]
Sent: Tuesday, November 18, 2008 10:08 AM
To: Livingston, Sylvia
Subject: RE: SHADY HILLS GENERATING STATION; 1010373-009-AC (PSD-FL-280A)

Dear Ms. Livingston,

Thank you for your e-mail. Shady Hills Power Company has received the final PSD permit project documents, and has been able to access them. Regards, Roy Belden

Roy S. Belden
Shady Hills Power Company, LLC
c/o GE Energy Financial Services
120 Long Ridge Road
Stamford, CT 06927
203-357-6820
roy.belden@ge.com

From: Livingston, Sylvia [mailto:Sylvia.Livingston@dep.state.fl.us]
Sent: Thursday, November 13, 2008 2:51 PM
To: Belden, Roy S (GE Comm Fin)
Cc: SOSbourn@golder.com; Zhang-Torres; forney.kathleen@epa.gov; Gibson, Victoria; Arif, Syed; Walker, Elizabeth (AIR); abrams.heather@epamail.epa.gov
Subject: SHADY HILLS GENERATING STATION; 1010373-009-AC (PSD-FL-280A)

Dear Sir/ Madam:

Attached is the official **Notice of Final Permit** for the project referenced below. Click on the link displayed below to access the permit project documents and send a "reply" message verifying receipt of the document(s) provided in the link; this may be done by selecting "Reply" on the menu bar of your e-mail software, noting that you can view the documents, and then selecting "Send". **We must receive verification that you are able to access the documents.** Your immediate reply will preclude subsequent e-mail transmissions to verify accessibility of the document(s).

Click on the following link to access the permit project documents:

http://ARM-PERMIT2K.dep.state.fl.us/adh/prod/pdf_permit_zip_files/1010373.009.AC.F_pdf.zip

Owner/Company Name: SHADY HILLS POWER COMPANY, L.L.C.
Facility Name: SHADY HILLS GENERATING STATION
Project Number: 1010373-009-AC/ PSD-FL-280A
Permit Status: FINAL
Permit Activity: CONSTRUCTION
Facility County: PASCO
Processor: Syed Arif

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. Access these documents by clicking on the link provided above, or search for other project documents using the "Air Permit Documents Search" website at <http://www.dep.state.fl.us/air/eproducts/apds/default.asp> .

11/18/2008