

Florida Department of Environmental Regulation

Twin Towers Office Bldg. • 2600 Blair Stone Road • Tallahassee, Florida 32399-2400

Lawton Chiles, Governor

Carol M. Browner, Secretary

September 9, 1991

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. J. S. Crall
Orlando Utilities Commission
500 South Orange Avenue
P.O. Box 3193
Orlando, Florida 32802

Re: Four-Unit Combustion Turbine Facility at Indian River Plant
AC 05-193720 and PSD-FL-173 Units C and D

Dear Mr. Crall:

Attached is one copy of the Technical Evaluation and Preliminary Determination and proposed amendment for two of the existing PSD construction permits (AC 05-146750 and AC 05-146751) to permit construction and operation of two 129 MW simple cycle gas turbines.

Please submit any written comments you wish to have considered concerning the Department's proposed action to Mr. Barry Andrews of the Bureau of Air Regulation.

Sincerely,

for C. H. Fancy, P.E.
Chief
Bureau of Air Regulation

CHF/PL/sas

Attachments

ALAN ZAHM, CENTRAL DISTRICT
c: ~~Harry Kerns, SWD~~
Jewell Harper, EPA
S. M. Day, P.E., B&V

P 832 538 947



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PS Form 3800, June 1990

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- ↑(Extra charge)↑ ↑(Extra charge)↑

<p>3. Article Addressed to <i>Mr. J.S. Crall</i> <i>Orlando Utilities Comm.</i> <i>500 S. Orange Ave.</i> <i>P.O. Box 3193</i> <i>Orlando, FL 32802</i></p>	<p>4. Article Number <i>P 832 538 947</i></p> <p>Type of Service:</p> <p><input type="checkbox"/> Registered <input type="checkbox"/> Insured</p> <p><input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD</p> <p><input type="checkbox"/> Express Mail</p> <p>Always obtain signature of addressee or agent and DATE DELIVERED.</p>
<p>5. Signature - Addressee <i>X</i></p>	
<p>6. Signature - Agent <i>X J. Sylvester</i></p>	
<p>7. Date of Delivery</p>	
<p>8. Addressee's Address (ONLY if requested and fee paid)</p>	

BEFORE THE STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL REGULATION

In the Matter of
Application for Permit by:

Orlando Utilities Commission
500 South Orange Avenue
P.O. Box 3193
Orlando, Florida 32802

DER File No. AC 05-193720
PSD-FL-173

INTENT TO ISSUE

The Department of Environmental Regulation hereby gives notice of its intent to issue an air construction permit (copy attached) for the proposed project as detailed in the application specified above. The Department is issuing this Intent to Issue for the reasons stated in the attached Technical Evaluation and Preliminary Determination.

The applicant, Orlando Utilities Commission-Indian River Plant, applied on March 7, 1991, to the Department of Environmental Regulation for an amendment for two of its existing PSD construction permits (AC-05-146750 and AC-05-146751) to construct two 129 MW simple cycle gas turbine generators.

The Department has permitting jurisdiction under Chapter 403, Florida Statutes, and Florida Administrative Code Chapters 17-2 and 17-4. The project is not exempt from permitting procedures. The Department has determined that an air construction permit is required for the proposed work.

Pursuant to Section 403.815, F.S. and DER Rule 17-103.150, F.A.C., you (the applicant) are required to publish at your own expense the enclosed Notice of Intent to Issue Permit. The notice shall be published one time only within 30 days, in the legal ad section of a newspaper of general circulation in the area affected. For the purpose of this rule, "publication in a newspaper of general circulation in the area affected" means publication in a newspaper meeting the requirements of Sections 50.011 and 50.031, F.S., in the county where the activity is to take place. The applicant shall provide proof of publication to the Department, at the address specified within seven days of publication. Failure to publish the notice and provide proof of publication within the allotted time may result in the denial of the permit.

The Department will issue the permit with the attached conditions unless a petition for an administrative proceeding (hearing) is filed pursuant to the provisions of Section 120.57, F.S.

A person whose substantial interests are affected by the Department's proposed permitting decision may petition for an administrative proceeding (hearing) in accordance with Section 120.57, Florida Statutes. The petition must contain the information set forth below and must be filed (received) in the Office of General Counsel of the Department at 2600 Blair Stone Road, Tallahassee, Florida 32399-2400. Petitions filed by the permit applicant and the parties listed below must be filed within 14 days of receipt of this intent. Petitions filed by other persons must be filed within 14 days of publication of the public notice or within 14 days of receipt of this intent, whichever first occurs. Petitioner shall mail a copy of the petition to the applicant at the address indicated above at the time of filing. Failure to file a petition within this time period shall constitute a waiver of any right such person may have to request an administrative determination (hearing) under Section 120.57, Florida Statutes.

The Petition shall contain the following information:

(a) The name, address, and telephone number of each petitioner, the applicant's name and address, the Department Permit File Number and the county in which the project is proposed;

(b) A statement of how and when each petitioner received notice of the Department's action or proposed action;

(c) A statement of how each petitioner's substantial interests are affected by the Department's action or proposed action;

(d) A statement of the material facts disputed by petitioner, if any;

(e) A statement of facts which petitioner contends warrant reversal or modification of the Department's action or proposed action;

(f) A statement of which rules or statutes petitioner contends require reversal or modification of the Department's action or proposed action; and


(g) A statement of the relief sought by petitioner, stating precisely the action petitioner wants the Department to take with respect to the Department's action or proposed action.

If a petition is filed, the administrative hearing process is designed to formulate agency action. Accordingly, the Department's final action may be different from the position taken by it in this notice. Persons whose substantial interests will be affected by any decision of the Department with regard to the application(s) have the right to petition to become a party to the proceeding. The petition must conform to the requirements specified above and be filed (received) within 14 days of publication of this notice in the Office in General Counsel at the above address of the Department. Failure to petition within the allowed time frame constitutes a waiver of any right such person has to request a hearing under Section 120.57, F.S., and to participate as a party

to this proceeding. Any subsequent intervention will only be at the approval of the presiding officer upon motion filed pursuant to Rule 28-5.207, F.A.C.

Executed in Tallahassee, Florida

STATE OF FLORIDA DEPARTMENT
OF ENVIRONMENTAL REGULATION



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

Copies furnished to:
Harry Kerns, SWD
Jewell Harper, EPA
S. M. Day, P.E., B&V

CERTIFICATE OF SERVICE

The undersigned duly designated deputy clerk hereby certifies that this NOTICE OF INTENT TO ISSUE and all copies were mailed before the close of business on 9-10-91.

FILING AND ACKNOWLEDGEMENT
FILED, on this date, pursuant to § 120.52(9), Florida Statutes, with the designated Department Clerk, receipt of which is hereby acknowledged.



Clerk

9-10-91
Date

State of Florida
Department of Environmental Regulation
Notice of Intent to Issue

The Department of Environmental Regulation hereby gives notice of its intent to amend two of the existing PSD construction permits (AC-05-146750 and AC-05-146751) to permit Orlando Utilities Authority-Indian River Plant, 500 South Orange Avenue, Orlando, Brevard County, Florida 32802, to construct and operate two 129 MW simple cycle gas turbine generators. A determination of Best Available Control Technology (BACT) was required. The maximum predicted increases in ambient concentrations for carbon monoxide (CO), nitrogen oxides (NO_x) and particulate matter (both TSP and PM₁₀) for all averaging times are less than significant in the Class II area surrounding the plant, thus no increment consumption was calculated. The highest, second-highest 3-hour and 24-hour, and maximum annual average impacts for SO₂ are 22.7, 6.5, and 0.4 ug/m³, respectively. The 3-hour and annual average values are below their respective significant levels of 25 and 1.0 ug/m³. The 24-hour SO₂ significant impact area was modeled to be 600 meters. Eighteen percent (16.2 ug/m³) of the total 24-hour SO₂ PSD Class II increment (91/ug/m³) was consumed within the significant impact area. The Department is issuing this Intent to Issue for the reasons stated in the Technical Evaluation and Preliminary Determination.

A person whose substantial interests are affected by the Department's proposed permitting decision may petition for an administrative proceeding (hearing) in accordance with Section 120.57, Florida Statutes. The petition must contain the information set forth below and must be filed (received) in the Office of General Counsel of the Department at 2600 Blair Stone Road, Tallahassee, Florida 32399-2400, within fourteen (14) days of publication of this notice. Petitioner shall mail a copy of the petition to the applicant at the address indicated above at the time of filing. Failure to file a petition within this time period shall constitute a waiver of any right such person may have to request an administrative determination (hearing) under Section 120.57, Florida Statutes.

The Petition shall contain the following information:

- (a) The name, address, and telephone number of each petitioner, the applicant's name and address, the Department Permit File Number and the county in which the project is proposed;
- (b) A statement of how and when each petitioner received notice of the Department's action or proposed action;
- (c) A statement of how each petitioner's substantial interests are affected by the Department's action or proposed action;
- (d) A statement of the material facts disputed by Petitioner, if any;
- (e) A statement of facts which petitioner contends warrant reversal or modification of the Department's action or proposed action;

(f) A statement of which rules or statutes petitioner contends require reversal or modification of the Department's action or proposed action; and

(g) A statement of the relief sought by petitioner, stating precisely the action petitioner wants the Department to take with respect to the Department's action or proposed action.

If a petition is filed, the administrative hearing process is designed to formulate agency action. Accordingly, the Department's final action may be different from the position taken by it in this Notice. Persons whose substantial interests will be affected by any decision of the Department with regard to the application have the right to petition to become a party to the proceeding. The petition must conform to the requirements specified above and be filed (received) within 14 days of publication of this notice in the Office of General Counsel at the above address of the Department. Failure to petition within the allowed time frame constitutes a waiver of any right such person has to request a hearing under Section 120.57, F.S., and to participate as a party to this proceeding. Any subsequent intervention will only be at the approval of the presiding officer upon motion filed pursuant to Rule 28-5.207, F.A.C.

The application is available for public inspection during business hours, 8:00 a.m. to 5:00 p.m., Monday through Friday, except legal holidays, at:

Department of Environmental Regulation
Bureau of Air Regulation
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

Department of Environmental Regulation
Central District
3319 Maguire Boulevard
Suite 232
Orlando, Florida 32803-3767

Any person may send written comments on the proposed action to Mr. Barry Andrews at the Department's Tallahassee address. All comments received within 30 days of the publication of this notice will be considered in the Department's final determination.

Further, a public hearing can be requested by any person. Such requests must be submitted within 30 days of this notice.

Technical Evaluation
and
Preliminary Determination

Orlando Utilities Commission-Indian River Plant
Titusville, Florida

Two 129 MW Simple Cycle Gas Turbine Systems

Permit Number: AC 05-193720
PSD-FL-173

Department of Environmental Regulation
Division of Air Resources Management
Bureau of Air Regulation

September 9, 1991

SYNOPSIS OF APPLICATION

I. NAME AND ADDRESS OF APPLICANT

Orlando Utilities Commission
500 South Orange Avenue
Orlando, Florida 32802

II. REVIEWING AND PROCESS SCHEDULE

Date of Receipt of Application: March 7, 1991.

1st Incompleteness Review: Department letter dated April 5, 1991.

Response to 1st Incompleteness Letter: Company letter dated May 9, 1991.

2nd Incompleteness Review: Department letter dated June 7, 1991.

Response to 2nd Incompleteness Letter: Company letter dated June 17, 1991.

Application Completeness Date: June 19, 1991.

III. FACILITY INFORMATION

III.1 Facility Location

This facility is located adjacent to the Indian River, approximately 3 kilometers south of the John F. Kennedy Space Center near the City of Titusville, Brevard County, Florida. The UTM coordinates are 521.5 km East and 3,151.6 km North.

III.2 Facility Identification Code (SIC)

Major Group No. 49 - Electric, Gas and Sanitary Services.

Industry Group No. 493 - Combination Electric, Gas, and Other Utility Services.

Industry Group No. 4931 - Electric and Other Services Combined.

III.3 Facility Category

The Orlando Utilities Commission-Indian River Power Plant is classified as a major emitting facility. The proposed additions of Units C and D will emit approximately 591.5 (gas) and 506 (oil) tons per year (TPY) of nitrogen oxides (NO_x), 2.1 (gas) and 953 (oil) TPY of sulfur dioxide (SO₂), 19.5 (gas) and 237 (oil) TPY of particulate matter (PM), 37 (gas) and 112 (oil) TPY of volatile

organic compounds (VOC), 0.01 (oil) TPY of beryllium, 0.08 (oil) TPY of lead, 0.01 (oil) TPY of mercury, and 28.5 (oil) TPY of sulfuric acid mist. The above emissions are based upon 50% capacity factor for firing natural gas and 25% capacity factor for firing No. 2 fuel oil (0.3% maximum sulfur, by weight).

IV. PROJECT DESCRIPTION

The Orlando Utilities Commission-Indian River Power Plant proposes to amend two of its existing PSD construction permits (AC-05-146750 and AC-05-146751) to permit construction and operation of two 129 MW simple cycle gas turbine systems. The units will be located at the Indian River Power Plant. The combustion turbines (CT) will be capable of generating approximately 129 MW each while operating in simple cycle. The primary fuel will be natural gas and No. 2 fuel oil with a maximum sulfur content of 0.3 percent, by weight.

V. RULE APPLICABILITY

The proposed project is subject to preconstruction review under the provisions of Chapter 403, Florida Statutes, and Chapter 17-2, Florida Administrative Code (F.A.C.).

The plant is located in an area designated attainment for all criteria pollutants in accordance with F.A.C. Rule 17-2.420.

The proposed project will be reviewed under F.A.C. Rule 17-2.500, Prevention of Significant Deterioration (PSD), because it will be a major modification to a major facility. This review consists of a determination of Best Available Control Technology (BACT) and unless otherwise exempted, an analysis of the air quality impact of the increased emissions. The review also includes an analysis of the project's impacts on soils, vegetation and visibility; along with air quality impacts resulting from associated commercial, residential and industrial growth.

This source shall comply with the New Source Performance Standards for Gas Turbines, Subpart GG, Appendix A, which is contained in 40 CFR 60, and is adopted by reference in F.A.C. Rule 17-2.660. The proposed source shall also comply with applicable provisions of F.A.C. Rule 17-2.700, Stack Test Procedures, and F.A.C. Rule 17-2.630, Best Available Control Technology.

VI. SOURCE IMPACT ANALYSIS

VI.1 Emission Limitations

The operation of the simple cycle combustion turbines will produce emissions of NO_x, SO₂, CO, HC, sulfuric acid mist, PM, PM₁₀, Be, Pb, and Hg. The impact of these pollutant emissions are below the Florida ambient air quality standards (AAQS) and/or the acceptable ambient concentration levels (AAC). Table 1 lists each

contaminant and its maximum expected emission rate, along with the proposed increase of emissions.

VI.2 Air Toxics Evaluation

The operation of this source will produce emissions of chemical compounds that may be toxic in high concentrations. The emission rates of these chemicals shall not create ambient concentrations greater than the acceptable ambient concentrations (AAC) as shown below. Determination of the AAC for these organic compounds shall be determined by Department approved dispersion modeling or ambient monitoring.

$$\text{AAC} = \frac{\text{OEL}}{\text{Safety Factor}}$$

where

AAC = acceptable ambient concentration

Safety Factor = 50 for category B substances and 8 hr/day
100 for category A substances and 8 hr/day
210 for category B substances and 24 hr/day
420 for category A substances and 24 hr/day

OEL = Occupational exposure level such as ACGIH, ASHA, and NIOSH published standards for toxic materials.

MSDS = Material Safety Data Sheets

VI.3 Air Quality Analysis

a. Introduction

The operation of the two proposed 129 MW simple cycle gas turbine systems will result in emissions increases which are projected to be greater than the PSD significant emission rates for the following pollutants: CO, NO_x, SO₂, PM, PM₁₀, Be, VOCs, and H₂SO₄ mist. Therefore, the project is subject to the PSD review requirements contained in F.A.C. Rule 17-2.500 for these pollutants. Part of these requirements is an air quality impact analysis for these pollutants, which includes:

- o An analysis of existing air quality;
- o A PSD increment analysis (for SO₂, PM, and NO_x);
- o An ambient Air Quality Standards analysis (AAQS) (for SO₂, PM₁₀, NO_x, CO, and VOC);
- o An analysis of impacts on soils, vegetation, visibility and growth-related air quality impacts; and
- o A Good Engineering Practice (GEP) stack height determination.

The analysis of existing air quality generally relies on preconstruction monitoring data collected in accordance with EPA-approved methods. The PSD increment and AAQS analyses are based on air quality dispersion modeling completed in accordance with EPA guidelines.

Based on these required analyses, the Department has reasonable assurance that the simple cycle gas turbine systems, as described in this report and subject to the conditions of approval proposed herein, will not cause or contribute to a violation of any PSD increment or ambient air quality standard. A brief description of the modeling methods used and results of the required analyses follow. A more complete description is contained in the permit application on file.

b. Analysis of the Existing Air Quality

Preconstruction ambient air quality monitoring may be required for pollutants subject to PSD review. However, an exemption to the monitoring requirement can be obtained if the maximum air quality impact resulting from the projected emissions increase, as determined through air quality modeling, is less than a pollutant-specific de minimus concentration. The predicted maximum concentration increase for each pollutant subject to PSD review is given below:

	CO	SO ₂	TSP & PM ₁₀	NOx	Be
PSD de minimus Concentration (ug/m ³)	575	13	10	14	0.001
Averaging Time	8-hr	24-hr	24-hr	Annual	24-hr
Maximum Predicted Impact (ug/m ³)	1.2	6.5	1.6	0.3	4.5E-5

There are no monitoring de minimus concentrations for H₂SO₄ mist. As shown above, the predicted impacts are all less than the corresponding de minimus concentrations; therefore, no preconstruction monitoring is required for any pollutant.

c. Modeling Method

The EPA-approved Industrial Source Complex Short-Term (ISCST) dispersion model was used by the applicant to predict the impact of the proposed project on the surrounding ambient air. All recommended EPA default options were used. Direction-specific downwash parameters were used because the stacks were less than the good engineering practice (GEP) stack height. Five years of sequential hourly surface data from the Orlando, Florida National

Weather Service (NWS) station and mixing depth data from the Tampa, Florida NWS station collected during 1981 through 1985, were used in the model. Since five years of data were used, the highest-second-high short-term predicted concentrations are compared with the appropriate ambient air quality standards or PSD increments. For the annual averages, the highest predicted yearly average was compared with the standards.

For this project, emissions from fuel oil burning are significantly higher than those from natural gas combustion, while the gas flow characteristics are fairly similar, thus resulting in higher predicted ground level-pollutant impacts from fuel oil combustion. All modeling impacts were, therefore, based on fuel oil consumption.

d. Modeling Results

The applicant first evaluated the potential increase in ambient ground-level concentrations associated with the project to determine if these predicted ambient concentration increases would be greater than specified PSD significant impact levels for CO, SO₂, NO_x, PM, and PM₁₀. Dispersion modeling was performed with receptors placed along the 36 standard radial directions (10 degrees apart) surrounding the proposed source at the following downwind distances: 100 meter intervals from 200 to 600 meters, 250 meter intervals from 750 to 1,000 meters, 500 meter intervals from 1,500 to 5,000 meters, and 1,000 meter intervals from 6,000 meters to 15,000 meters. An additional ring was placed at 20,000 meters. Rings were placed out to 10,000 meters for the CO analysis. In addition to these rings, discrete receptors were spaced at 100 meter intervals along the fence line. The results of this modeling presented below show that the increases in ambient ground-level concentrations for all averaging times are less than the PSD significant impact levels for CO, NO_x, PM, and PM₁₀.

<u>Pollutant</u>	<u>Averaging Time</u>	<u>PSD Significance Level (ug/m³)</u>	<u>Ambient Concentration Increase (ug/m³)</u>
CO	8-hour	500	1.2
	1-hour	2000	8.1
SO ₂	Annual	1.0	0.4
	3-hour	25.0	22.7
	24-hour	5.0	6.5
NO ₂	Annual	1.0	0.3
PM/PM ₁₀	Annual	1.0	0.1
	24-hour	5.0	1.6

Therefore, further dispersion modeling for comparison with AAQS and PSD increment consumption were not required for CO, NO₂,

PM, or PM₁₀. The results also showed that increases in SO₂ 24-hour ground-level impacts are above PSD significance levels.

The modeling demonstrated that the SO₂ 24-hour significant impact area extends to a radial distance of 600 meters.

Modeling with interacting sources demonstrated that the maximum consumption of the PSD Class II 24-hour SO₂ increment will be 16.2 ug/m³, or 18 percent of the increment. The maximum 24-hour SO₂ impact from all modeled interacting sources was predicted to be 88.7 ug/m³, or 51 percent of the ambient air quality standard. Based on these modeling results, the impacts from the proposed facility will not violate any of the Class II increments.

The applicant modeled emissions from the noncriteria regulated pollutants. Although no air quality standards have been defined under PSD rules, the impacts from the noncriteria pollutants were compared with Department-derived de minimus concentration levels (AAC). The calculated value for Be is 3.0E-6 ug/m³, annual average, which is less than the de minimus level of 0.0004 ug/m³, annual average, while the calculated value for Hg is 0.00005 ug/m³, 24-hour average, which is less than the de minimus level of 0.024 ug/m³, 24-hour average. There is no significant impact level or de minimus level for sulfuric acid mist (H₂SO₄). However, H₂SO₄ predicted impacts are conservatively estimated by the 8-hour average CO modeled impact. This estimate for H₂SO₄ is much less than the acceptable ambient concentration as defined by the Department. Based on this result, no additional monitoring was required for this pollutant.

The nearest PSD Class I area is the Chassahowitzka Wilderness Area, located along the west coast of Florida, approximately 175 kilometers from the Project site. Because the Class I area is located more than 100 kilometers from the site, no PSD Class I increment consumption analysis was necessary.

e. Additional Impacts Analysis

The increased emissions at the Indian River Power Plant are not expected to affect the visibility in the Chassahowitzka National Wilderness area located 175 km away because of the very small maximum predicted impacts. Because the impacts from the proposed pollutants are predicted to be less than PSD significance levels, no harmful effects on soils and vegetation are expected. In addition, the proposed modification will not significantly change employment, population, housing or commercial/industrial development in the area to the extent that a significant air quality impact will result.

VII. CONCLUSION

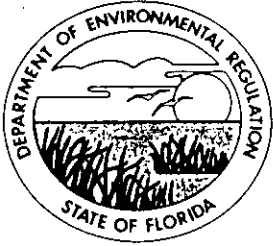
Based on the information provided by the Orlando Utilities Commission Indian River Plant, the Department has reasonable assurance that the proposed installation of the two 129 MW simple cycle gas turbines, as described in this evaluation, and subject to the conditions proposed herein, will not cause or contribute to a violation of any air quality standard, PSD increment, or any other technical provision of Chapter 17-2 of the Florida Administrative Code.

[Handwritten signature]
41755- 9/9/91

VII. CONCLUSION

Based on the information provided by the Orlando Utilities Commission Indian River Plant, the Department has reasonable assurance that the proposed installation of the two 129 MW simple cycle gas turbines, as described in this evaluation, and subject to the conditions proposed herein, will not cause or contribute to a violation of any air quality standard, PSD increment, or any other technical provision of Chapter 17-2 of the Florida Administrative Code.

P. P. P. P.
#411955 9/9/91



Florida Department of Environmental Regulation

Twin Towers Office Bldg. • 2600 Blair Stone Road • Tallahassee, Florida 32399-2400

Lawton Chiles, Governor

Carol M. Browner, Secretary

PERMITTEE:
Orlando Utilities Commission
500 South Orange Avenue
P.O. Box 3193
Orlando, Florida 32802

Permit Number: AC 05-193720
Expiration Date: Dec. 31, 1992
County: Brevard
Latitude/Longitude: 28°29'32" N
80°46'59" W
Project: Two 129 MW Simple Cycle
Gas Turbines

The amendments to existing PSD construction permits AC-05-146750 and AC-05-146751 are issued under the provisions of Chapter 403, Florida Statutes, and permittee is hereby authorized to perform the work or operate the facility shown on the application and approved drawings, plans, and other documents attached hereto or on file with the Department and made a part hereof and specifically described as follows:

For the construction of two 129 MW simple cycle gas turbines, to be located at the Orlando Utility Commission-Indian River Power Plant near Titusville, Florida. The UTM coordinates are 521.5 km East and 3151.65 km North.

The source shall be constructed in accordance with the permit application, plans, documents, amendments and drawings, except as otherwise noted in the General and Specific Conditions.

Attachments:

1. Orlando Utilities Commission-Indian River Power Plant's application dated March 7, 1991.
2. Department's letter dated April 5, 1991.
3. Orlando Utilities Commission's (OUC) letter dated May 9, 1991.
4. Department's letter dated June 7, 1991.
5. OUC's letter dated June 17, 1991.
6. Department's letter dated June 19, 1991.

PERMITTEE:
Orlando Utilities Commission

Permit Number: AC 05-193720
PSD-FL-173
Expiration Date: Dec. 31, 1992

GENERAL CONDITIONS:

1. The terms, conditions, requirements, limitations, and restrictions set forth in this permit are "Permit Conditions" and are binding and enforceable pursuant to Sections 403.161, 403.727, or 403.859 through 403.861, Florida Statutes. The permittee is placed on notice that the Department will review this permit periodically and may initiate enforcement action for any violation of these conditions.
2. This permit is valid only for the specific processes and operations applied for and indicated in the approved drawings or exhibits. Any unauthorized deviation from the approved drawings, exhibits, specifications, or conditions of this permit may constitute grounds for revocation and enforcement action by the Department.
3. As provided in Subsections 403.087(6) and 403.722(5), Florida Statutes, the issuance of this permit does not convey any vested rights or any exclusive privileges. Neither does it authorize any injury to public or private property or any invasion of personal rights, nor any infringement of federal, state or local laws or regulations. This permit is not a waiver of or approval of any other Department permit that may be required for other aspects of the total project which are not addressed in the permit.
4. This permit conveys no title to land or water, does not constitute State recognition or acknowledgement of title, and does not constitute authority for the use of submerged lands unless herein provided and the necessary title or leasehold interests have been obtained from the State. Only the Trustees of the Internal Improvement Trust Fund may express State opinion as to title.
5. This permit does not relieve the permittee from liability for harm or injury to human health or welfare, animal, or plant life, or property caused by the construction or operation of this permitted source, or from penalties therefore; nor does it allow the permittee to cause pollution in contravention of Florida Statutes and Department rules, unless specifically authorized by an order from the Department.

PERMITTEE:
Orlando Utilities Commission

Permit Number: AC 05-193720
PSD-FL-173
Expiration Date: Dec. 31, 1992

GENERAL CONDITIONS:

6. The permittee shall properly operate and maintain the facility and systems of treatment and control (and related appurtenances) that are installed or used by the permittee to achieve compliance with the conditions of this permit, as required by Department rules. This provision includes the operation of backup or auxiliary facilities or similar systems when necessary to achieve compliance with the conditions of the permit and when required by Department rules.

7. The permittee, by accepting this permit, specifically agrees to allow authorized Department personnel, upon presentation of credentials or other documents as may be required by law and at a reasonable time, access to the premises, where the permitted activity is located or conducted to:

- a. Have access to and copy any records that must be kept under the conditions of the permit;
- b. Inspect the facility, equipment, practices, or operations regulated or required under this permit; and
- c. Sample or monitor any substances or parameters at any location reasonably necessary to assure compliance with this permit or Department rules.

Reasonable time may depend on the nature of the concern being investigated.

8. If, for any reason, the permittee does not comply with or will be unable to comply with any condition or limitation specified in this permit, the permittee shall immediately provide the Department with the following information:

- a. a description of and cause of non-compliance; and
- b. the period of noncompliance, including dates and times; or, if not corrected, the anticipated time the non-compliance is expected to continue, and steps being taken to reduce, eliminate, and prevent recurrence of the non-compliance.

PERMITTEE:
Orlando Utilities Commission

Permit Number: AC 05-193720
PSD-FL-173
Expiration Date: Dec. 31, 1992

GENERAL CONDITIONS:

The permittee shall be responsible for any and all damages which may result and may be subject to enforcement action by the Department for penalties or for revocation of this permit.

9. In accepting this permit, the permittee understands and agrees that all records, notes, monitoring data and other information relating to the construction or operation of this permitted source which are submitted to the Department may be used by the Department as evidence in any enforcement case involving the permitted source arising under the Florida Statutes or Department rules, except where such use is prescribed by Sections 403.73 and 403.111, Florida Statutes. Such evidence shall only be used to the extent it is consistent with the Florida Rules of Civil Procedure and appropriate evidentiary rules.

10. The permittee agrees to comply with changes in Department rules and Florida Statutes after a reasonable time for compliance, provided, however, the permittee does not waive any other rights granted by Florida Statutes or Department rules.

11. This permit is transferable only upon Department approval in accordance with Florida Administrative Code Rules 17-4.120 and 17-30.300, F.A.C., as applicable. The permittee shall be liable for any non-compliance of the permitted activity until the transfer is approved by the Department.

12. This permit or a copy thereof shall be kept at the work site of the permitted activity.

13. This permit also constitutes:

- (x) Determination of Best Available Control Technology (BACT)
- (x) Determination of Prevention of Significant Deterioration (PSD)
- (x) Compliance with New Source Performance Standards (NSPS)

14. The permittee shall comply with the following:

- a. Upon request, the permittee shall furnish all records and plans required under Department rules. During enforcement actions, the retention period for all records will be extended automatically unless otherwise stipulated by the Department.

PERMITTEE:
Orlando Utilities Commission

Permit Number: AC 05-193720
PSD-FL-173
Expiration Date: Dec. 31, 1992

GENERAL CONDITIONS:

- b. The permittee shall hold at the facility or other location designated by this permit records of all monitoring information (including all calibration and maintenance records and all original strip chart recordings for continuous monitoring instrumentation) required by the permit, copies of all reports required by this permit, and records of all data used to complete the application for this permit. These materials shall be retained at least three years from the date of the sample, measurement, report, or application unless otherwise specified by Department rule.
- c. Records of monitoring information shall include:
- the date, exact place, and time of sampling or measurements;
 - the person responsible for performing the sampling or measurements;
 - the dates analyses were performed;
 - the person responsible for performing the analyses;
 - the analytical techniques or methods used; and
 - the results of such analyses.

15. When requested by the Department, the permittee shall within a reasonable time furnish any information required by law which is needed to determine compliance with the permit. If the permittee becomes aware that relevant facts were not submitted or were incorrect in the permit application or in any report to the Department, such facts or information shall be corrected promptly.

SPECIFIC CONDITIONS:

Emission Limits

1. The maximum allowable emissions from this facility shall not exceed the emission rates listed in Table 1.
2. Unless the Department has determined other concentrations are required to protect public health and safety, predicted acceptable ambient air concentrations (AAC) of the following pollutants shall not be exceeded:

PERMITTEE:
Orlando Utilities Commission

Permit Number: AC 05-193720
PSD-FL-173
Expiration Date: Dec. 31, 1992

SPECIFIC CONDITIONS:

Pollutant	Acceptable Ambient Concentrations ug/m ³		
	8- hr	24-hr	Annual
Beryllium	0.02	0.005	0.004
Lead	1.5	0.36	0.09
Inorganic Mercury Compounds all forms of Vapor, as Hg	NA	NA	0.3

3. Visible emissions shall not exceed 20 percent opacity at anytime nor exceed 10% during full load.

Operating Rates

4. This source is allowed to operate continuously (4,380 hours per years).

5. This source is allowed to use natural gas as the primary fuel and No. 2 distillate oil as the secondary fuel (limited as shown in Specific Condition 6 below).

6. The permitted materials and utilization rates for each simple cycle gas turbine shall not exceed the values as follows:

- Maximum No. 2 fuel oil consumption shall not exceed either of the following limitations: 10,282 gals/hr; 22,517,580 gals/yr.
- Maximum annual firing using No. 2 fuel oil shall not exceed 2,190 hours per year.
- Maximum sulfur (S) content in the oil shall not exceed 0.30 percent by weight.
- Maximum heat input shall not exceed 1,354 MMBtu/hr (gas) or 1,346 MMBtu/hr (oil).
- Maximum annual firing on any fuel combination shall not exceed 4,380 hours per year.

7. Any change in the method of operation, equipment or operating hours shall be submitted to the DER's Bureau of Air Regulation office for approval.

PERMITTEE:
Orlando Utilities Commission

Permit Number: AC 05-193720
PSD-FL-173
Expiration Date: Dec. 31, 1992

SPECIFIC CONDITIONS:

8. Any other operating parameters established during compliance testing and/or inspection that will ensure the proper operation of this facility shall be included in the operating permit.

Compliance Determination

9. Compliance with the NO_x, SO₂ (oil), CO, and visible emission standards shall be determined by the following reference methods as described in 40 CFR 60, Appendix A (July 1, 1990) and adopted by reference in F.A.C. Rule 17-2.700.

Compliance Determination

- Method 1. Sample and Velocity Traverses
- Method 2. Volumetric Flow Rate
- Method 3. Gas Analysis
- Method 9. Determination of the Opacity of the Emissions from
- Method 10. Determination of the Carbon Monoxide Emission from Stationary Sources
- Method 20. Determination of Nitrogen Oxides, Sulfur Dioxide, and Diluent Emissions from Stationary Gas Turbines.

10. An initial compliance test shall be performed using both fuels. Annual NO_x compliance tests shall be performed with the fuel(s) used for more than 400 hours in the proceeding 12 month period.

11. Compliance with the SO₂ emission limit can also be determined by calculations based on fuel analysis using ASTM D2880-71 for the sulfur content of liquid fuels.

12. Compliance with the total volatile organic compound emission limits will be assumed, provided the CO allowable emission rate is achieved; specific VOC compliance testing is not required.

13. During performance tests, to determine compliance with the proposed NO_x standard, measured NO_x emission at 15 percent oxygen will be adjusted to ISO ambient atmospheric conditions by the following correction factor:

where

NO_x = Emissions of NO_x at 15 percent oxygen and ISO standard ambient conditions.

NO_x obs = Measured NO_x emission at 15 percent oxygen, ppmv.

P_{ref} = Reference combustor inlet absolute pressure at 101.3 kilopascals (1 atmosphere) ambient pressure.

PERMITTEE:
Orlando Utilities Commission

Permit Number: AC 05-193720
PSD-FL-173
Expiration Date: Dec. 31, 1992

SPECIFIC CONDITIONS:

Compliance Determination

- P_{Obs} = Measured combustor inlet absolute pressure at test ambient pressure.
- H_{Obs} = Specific humidity of ambient air at test.
- e = Transcendental constant (2.718).
- T_{AMB} = Temperature of ambient air at test.

14. Test results will be the average of 3 valid runs. The Central District office will be notified at least 30 days in advance of the compliance test. The source shall operate between 90 percent and 100 percent of permitted capacity during the compliance test. Compliance test results shall be submitted to the Central District office no later than 45 days after completion.

15. Water injection shall be utilized for NO_x control. The water to fuel ratio at which compliance is achieved shall be incorporated into the permit and shall be continuously monitored.

16. To determine compliance with the capacity factor limitations each CT's fuel consumption shall be continuously measured and recorded. The permittee shall maintain daily records of this fuel usage. All records shall be maintained for a minimum of three years after the date of each record and shall be made available to representatives of the Department upon request.

17. Sulfur, nitrogen content and lower heating value of the fuel being fired in the gas turbine shall also be recorded per fuel oil shipment. These records shall also be kept by the company for at least three years and made available for regulatory agency's inspection.

18. Compliance with the acceptable ambient concentrations for Be, Lead, and Hg emissions shall be demonstrated based on calculations certified by a Professional Engineer registered in Florida, using actual operating conditions. Determination of the ambient concentrations for chemical compounds shall be determined by Department approved dispersion modeling. This compliance determination shall be made available upon request.

Rule Requirements

19. This source shall comply with all applicable provisions of Chapter 403, Florida Statutes and Chapters 17-2 and 17-4, Florida Administrative Code.

PERMITTEE:
Orlando Utilities Commission

Permit Number: AC 05-193720
PSD-FL-173
Expiration Date: Dec. 31, 1992

SPECIFIC CONDITIONS:

20. This source shall comply with all requirements of 40 CFR 60, Subpart GG and F.A.C. Rule 17-2.660(2)(a), Standards of Performance for Stationary Gas Turbines.

21. Issuance of this permit does not relieve the facility owner or operator from compliance with any applicable federal, state, or local permitting requirements and regulations (F.A.C. Rule 17-2.210(1)).

22. This source shall comply with F.A.C. Rule 17-2.700, Stationary Point Source Emission Test Procedures.

23. Pursuant to F.A.C. Rule 17-2.210(2), Air Operating Permits, the permittee is required to submit annual reports on the actual operating rates and emissions from this facility. These reports shall include, but are not limited to the following: sulfur, nitrogen content and lower heating value of the fuel being fired, fuel usage, hours of operation, air emissions limits, etc. Annual reports shall be sent to the Department's Central District office.

24. The permittee, for good cause, may request that this construction permit be extended. Such a request shall be submitted to the Bureau of Air Regulation prior to 60 days before the expiration of the permit (F.A.C. Rule 17-4.090).

25. An application for an operation permit must be submitted to the Central District office at least 90 days prior to the expiration date of this construction permit or within 45 days after completion of compliance testing, whichever occurs first. To properly apply for an operation permit, the applicant shall submit the appropriate application form, fee, certification that construction was completed noting any deviations from the conditions in the construction permit, and compliance test reports as required by this permit (F.A.C. Rule 17-4.220).

Issued this _____ day
of _____, 1991

STATE OF FLORIDA DEPARTMENT
OF ENVIRONMENTAL REGULATION

Carol M. Browner, Secretary

TABLE 1
ALLOWABLE EMISSION LIMITS
Simple Cycle Combustion Turbine

Pollutant	Standards		Gas Turbine		Basis
	Gas Firing/20 F	No. 2 Fuel Oil Firing/20 F	Tons Per Year*		
			Gas	Oil	
NO _x	25 ppm at 15% oxygen on a dry basis	42 ppmv at 15 percent oxygen on a dry basis	591.5	506	BACT
SO ₂	Natural gas as fuel	0.3 percent S by weight	2.1	953	BACT
PM/PM ₁₀	0.003 lb/MMBtu	0.08 lb/MMBtu	19.5	237	Performance Data
VOC	-	-	37	112	" "
CO	-	-	313	159	" "
Mercury (Hg)	-	3.0 x 10 ⁻⁶ lbs/MMBtu	-	0.01	Est. by Appl.
Lead (Pb)	-	2.8 x 10 ⁻⁵ lbs/MMBtu	-	0.03	" "
Beryllium (be)	-	2.5 x 10 ⁻⁶ lbs/MMBtu	-	0.01	" "
Sulfuric Acid Mist	Natural gas as fuel	Low sulfur content oil	0.05	28.5	" "

* Emissions rates for both turbines are based on a 50 percent capacity factor with a maximum of 25 percent attributed to oil firing.

Best Available Control Technology (BACT) Determination
Orlando Utilities Commission-Indian River Power Plant
Brevard County

The applicant proposes to install combustion turbine Units C and D at their Indian River facility. The generator systems will consist of two nominal 129 megawatt (MW) combustion turbines.

The combustion turbine will be capable of simple cycle operation. The applicant requested that the combustion turbine use either natural gas or distillate oil. The Department's calculations indicate the maximum annual tonnage of regulated air pollutants emitted from the facility based on 25 percent capacity factor for No. 2 fuel oil firing and 50 percent capacity factor for all fuels at peak load and ISO conditions to be as follows:

Pollutant	Potential Emissions (tons/year)						PSD Significant Emission Rate (tons/yr)
	Peak Load/20 F			Baseload/ISO			
	Natural Gas 50% CF*	Fuel Oil 25% CF	Combine Fuels 25% CF for oil plus 25% CF for nat. gas	Natural Gas 50% CF	Fuel Oil 25% CF	Combine Fuels 25% CF for oil plus 25% CF for nat. gas	
NO _x	591.5	506	801.8	534.5	440	707.3	40
SO ₂	2.1	953	954.1	2.5	839	840.3	40
PM	19.5	237	246.8	17.5	210	218.8	25
PM ₁₀	19.5	237	246.8	17.5	210	218.8	15
CO	313	159	315.5	287	159	302.5	100
VOC	37	112	130.5	39.5	101	120.8	40
H ₂ SO ₄	0.07	28.5	28.5	0.08	25	25	7
Be	0.0	0.01	0.01	0.0	0.01	0.01	0.0004
Hg	0.0	0.01	0.01	0.0	0.01	0.01	0.1
Pb	0.0	0.08	0.08	0.0	0.07	0.07	0.6

* CF = Capacity Factor

Florida Administrative Code Rule 17-2.500(2)(f)(3) requires a BACT review for all regulated pollutants emitted in an amount equal to or greater than the significant emission rates listed in the previous table.

Date of Receipt of a BACT Application

March 7, 1991

BACT Determination Requested by the Applicant

<u>Pollutant</u>	<u>Determination</u>
NO _x	25 ppmvd @ 15% O ₂ (natural gas burning) 42 ppmvd @ 15% O ₂ (diesel oil firing)
SO ₂	Firing of natural gas or No. 2 fuel oil with a maximum sulfur content of 0.30%
PM and PM ₁₀	Combustion control
H ₂ SO ₄	Firing of No. 2 fuel oil with a maximum sulfur content of 0.30%
Be	Firing of No. 2 fuel oil

BACT Determination Procedure

In accordance with Florida Administrative Code Chapter 17-2, Air Pollution, this BACT determination is based on the maximum degree of reduction of each pollutant emitted which the Department, on a case by case basis, taking into account energy, environmental and economic impacts, and other costs, determines is achievable through application of production processes and available methods, systems, and techniques. In addition, the regulations state that in making the BACT determination the Department shall give consideration to:

- (a) Any Environmental Protection Agency determination of Best Available Control Technology pursuant to Section 169, and any emission limitation contained in 40 CFR Part 60 (Standards of Performance for New Stationary Sources) or 40 CFR Part 61 (National Emission Standards for Hazardous Air Pollutants).
- (b) All scientific, engineering, and technical material and other information available to the Department.
- (c) The emission limiting standards or BACT determinations of any other state.
- (d) The social and economic impact of the application of such technology.

The EPA currently stresses that BACT should be determined using the "top-down" approach. The first step in this approach is to determine for the emission source in question the most stringent control available for a similar or identical source or source category. If it is shown that this level of control is technically or economically infeasible for the source in question, then the next most stringent level of control is determined and similarly

evaluated. This process continues until the BACT level under consideration cannot be eliminated by any substantial or unique technical, environmental, or economic objections.

The air pollutant emissions from simple cycle power plants can be grouped into categories based upon what control equipment and techniques are available to control emissions from these facilities. Using this approach, the emissions can be classified as follows:

- o Combustion Products (Particulates and Heavy Metals). Controlled generally by good combustion of clean fuels.
- o Products of Incomplete Combustion (CO, VOC, Toxic Organic Compounds). Controlled generally by proper combustion techniques.
- o Acid gases (SO_x, NO_x, HCl, F_l). Controlled generally by gaseous control devices.

Grouping the pollutants in this manner facilitates the BACT analysis because it enables the equipment available to control the type or group of pollutants emitted and the corresponding energy, economic, and environmental impacts to be examined on a common basis. Although all of the pollutants addressed in the BACT analysis may be subject to a specific emission limiting standard as a result of PSD review, the control of "nonregulated" air pollutants is considered in imposing a more stringent BACT limit on a "regulated" pollutant (i.e., particulates, sulfur dioxide, fluorides, sulfuric acid mist, etc.), if a reduction in "nonregulated" air pollutants can be directly attributed to the control device selected as BACT for the abatement of the "regulated" pollutants.

Combustion Products

The Orlando Utility Commission's projected emissions of particulate matter, PM₁₀, and beryllium surpass the significant emission rates given in Florida Administrative Code Rule 17-2.500, Table 500-2 for No.2 fuel oil firing only.

A PM/PM₁₀ emissions limitation of 0.08 lb/MMBtu for No. 2 fuel oil firing is reasonable as BACT for the Indian River facility.

In general, the BACT/LAER Clearinghouse does not contain specific emission limits for beryllium from turbines. BACT for these heavy metals is typically represented by the level of particulate control. As this is the case, the emission factor of 0.08 lb/MMBtu for particulate matter PM₁₀ is judged to also represent BACT for beryllium.

Products of Incomplete Combustion

The emissions of carbon monoxide and volatile organic compounds are each above the significant level and therefore require a BACT analysis.

Carbon monoxide and VOC are formed during the incomplete combustion of the fuel. High combustion temperatures, adequate excess air and good fuel/air mixing during combustion will minimize CO and VOC emissions. Therefore, NO_x control methods which use combustion staging and lowering combustion temperature by water injection, can be counterproductive with regard to CO and VOC emissions.

To achieve the proposed NO_x BACT levels requires that these control techniques be used. Therefore, this turbine design will have significantly higher CO and VOC emissions than associated with a standard combustor. At the proposed BACT NO_x emissions of 25/42 ppmvd (gas/oil), the turbine will be capable of maintaining CO and VOC emission rates of 25 ppmvd and 5 ppmvd, respectively while burning natural gas. For fuel oil firing, the CO and VOC emission rates will be 25 ppmvd and 15 ppmvd, respectively.

Based on a review of EPA's BACT/LAER Clearinghouse--A Compilation of Control Technology Determinations (1985 and 1990 editions), a combustion turbine with proper combustion control and an oxidizing catalyst that limits CO emissions to 2 ppmvd represents LAER. An oxidizing catalyst is also LAER technology for VOC emissions but the specific ppmvd emission rate was not specified in the clearinghouse document.

Catalytic reduction is a post-combustion method for controlling CO and VOC emissions. The process uses a precious metal to oxidize CO to CO₂ with the use of a catalyst and VOC hydrocarbons to CO₂ and H₂O. None of the catalyst components are considered toxic. The optimum flue gas temperature range for CO/VOC catalyst operation is between 850°F and 1,100°F. Flue gas from the combustion turbine will typically be between 950°F to 1,100°F. Therefore, a CO/VOC catalyst could be installed at the discharge of the combustion turbine.

The applicant states that the levelized annual cost for the catalyst system is about \$3.5 million/year. This system would reduce about 310 tons per year of CO/VOC at a 50% capacity factor. This reduction results in an incremental removal cost of approximately \$11,000 per ton of CO/VOC removed. This cost is well above that previously accepted as representative of BACT.

In addition, a CO/VOC catalyst located downstream of the combustion exhaust will create additional back pressure reducing output by approximately 600 KW per turbine.

Other Emissions

The project will emit trace quantities of other pollutants at levels which are below the significant emission levels established for the PSD program. Federal and state regulations do not require that BACT be applied for these pollutants but the effects of the proposed BACT determinations on these pollutants must be considered.

Other Regulated and Hazardous Pollutants

The emission rates for mercury, lead and hazardous pollutants, when firing No. 2 fuel oil, have been developed based on manufacturers' information and on information contained in the EPA publications Toxic Air Pollutant Emission Factors--A Compilation for Selected Air Toxic Compounds and Sources (EPA-450/2-88-006a).

The most reliable method of controlling these emissions are complete combustion and the inherent quality of the fuel. Injection of water into the turbines to control NO_x emissions has a significant effect on controlling these pollutants. Further control has been accomplished by using either a baghouse or scrubber.

Acid Gases

The emission of sulfur dioxide, nitrogen oxides, and sulfuric acid mist represents a significant proportion of the total emissions and need to be controlled, if deemed appropriate. Sulfur dioxide emissions from combustion turbines are directly related to the sulfur content of the fuel being combusted.

The applicant has proposed the use of natural gas and No. 2 fuel oil with a maximum sulfur content of 0.30 percent to control sulfur dioxide emissions. A review of the latest edition (1990) of the BACT/LAER Clearinghouse indicates that sulfur dioxide emissions from combustion turbines have been controlled by limiting fuel oil sulfur content to a range of 0.1 to 0.30 percent, with the average for the facilities listed being approximately 0.24 percent. As this is the case, the applicant's proposal to use No. 2 fuel oil with a maximum sulfur content of 0.30 percent is judged to represent BACT.

The applicant has stated that BACT for nitrogen oxides will be met using wet (water or steam) injection necessary to limit emissions to 42 ppmvd or 25 ppmvd at 15 percent oxygen when burning No. 2 fuel oil or natural gas, respectively.

A review of the EPA's BACT/LAER Clearinghouse indicates that the lowest NO_x emission limit established to date for a combustion turbine is 4.5 ppmvd at 15 percent oxygen. This level of control was accomplished through the use of water injection and a selective catalytic reduction (SCR) system contained within the heat recovery steam generator (combined cycle operation). A review of the EPA's BACT/LAER Clearinghouse also indicated that the lowest NO_x emission levels established to date for a combustion turbine operating in a simple cycle mode was the use of water or steam injection with an improved low NO_x burner design. The OUC Indian River project will operate in the simple cycle mode.

Selective catalytic reduction is a post-combustion method for control of NO_x emissions. The SCR process combines vaporized ammonia with NO_x in the presence of a catalyst to form nitrogen and

water. The vaporized ammonia is injected into the exhaust gases prior to passage through the catalyst bed. The SCR process can achieve up to 90 percent reduction of NOx with a new catalyst. As the catalyst ages, the maximum NOx reduction will decrease to approximately 86 percent. The optimum temperature range for an SCR is approximately 650 to 750 F. Flue gas from a combustion turbine operating in a simple cycle mode will typically be 950 F to 1,100 F. Therefore, the flue gas would have to be cooled prior to the injection of ammonia and to protect the catalyst from damage due to the high flue gas temperatures. SCR manufacturers are currently experimenting with a catalyst that can withstand the high flue gas temperatures associated with simple cycle operation. However, high temperature catalysts are still in a development stage and have not been demonstrated on full scale projects.

Given the applicant's proposed BACT level for nitrogen oxides control stated above, an evaluation can be made of the cost and associated benefit of using SCR as follows:

The applicant had indicated that the total levelized annual cost (operating plus amortized capital) to install SCR for natural gas firing at 50 percent capacity factor is \$3,840,000. For fuel oil firing at 25 percent capacity factor, the total levelized annual cost to install SCR is \$2,940,000. Taking into consideration the total levelized annual cost, a cost/benefit analysis of using SCR can now be developed.

Based on the information supplied by the applicant, it is estimated that the maximum annual NOx emissions with wet injection from the Indian River facility will be 707 tons/year while firing natural gas 25% and fuel oil 25% of the year. Assuming that the SCR would reduce the NOx emissions by an additional 80 to 85 percent, the SCR would control approximately 560 tons of NOx annually. When this reduction is taken into consideration with the total levelized annual cost of \$3,840,000, the cost per ton of controlling NOx is \$6,860. This cost is higher than has previously been approved as BACT.

Environmental Impact Analysis

The predominant environmental impacts associated with this proposal would be related to the use of SCR for NOx control. The use of SCR results in emissions of ammonia, which may increase with increasing levels of NOx control. In addition, some catalysts may contain substances which are listed as hazardous waste, thereby creating an additional environmental burden. Although the use of SCR does have some environmental impacts, the disadvantages normally do not outweigh the benefit which would be provided by reducing nitrogen oxide emissions by 80 percent.

In addition to the criteria pollutants, the impacts of toxic pollutants associated with the combustion of natural gas and No. 2 fuel oil have been evaluated. Beryllium for oil fired operation

exceeds PSD significance levels. Other toxics are expected to be emitted in minimal amounts, with the total emissions combined to be less than 0.1 tons per year.

Although the emissions of the toxic pollutants could be controlled by particulate control devices such as a baghouse or scrubber, the amount of emission reductions would not warrant the added expense. As this is the case, the Department does not believe that the BACT determination would be affected by the emissions of the toxic pollutants associated with the firing of natural gas or No. 2 fuel oil.

Potentially Sensitive Concerns

With regard to controlling NOx emission with SCR, the applicant has identified the following technical limitations:

1. SCR would reduce output of combustion turbines by one percent.
2. SCR could result in the release of unreacted quantities of ammonia to the atmosphere.
3. SCR would require handling of ammonia by plant operators. Since it is a hazardous material, there is concern about safety and productivity of operators.
4. SCR results in contaminated catalyst from flue gas trace elements which could be considered hazardous. Safety of operators and disposal of spent catalyst is a concern.

BACT Determination by DER

Nox Control

A review of permitting activities for simple cycle proposals across the nation indicates that water or steam injection with improved low NOx burner design is the predominant control technology that has been required. The cost and other concerns expressed by the applicant for using additional control measures are valid.

The information that the applicant presented and Department calculations indicate that the incremental cost of controlling NOx (\$6,860/ton) when firing natural gas (maximum 25%) and No. 2 fuel oil (maximum 25%) is high compared to other BACT determinations which require SCR. Based on the information presented by the applicant and the studies conducted, the

Department believes that the use of SCR for NOx control is not justifiable at this time as BACT. Therefore, the Department is willing to accept low NOx burner design with the firing of natural gas as the primary fuel.

SO2 Control

For sulfur dioxide, BACT is represented by firing natural gas (max. 25% CF) or No. 2 fuel oil (max. 25% CF) with an average sulfur content not to exceed 0.20 percent.

CO/VOC Control

Based on the additional cost of using an oxidation catalyst (cost \$11,000/ton of reduction), energy (reduce by 600 KW) and environmental considerations, BACT is represented by good combustion controls to achieve 25 ppmvd for CO and 15 ppmvd VOC firing #2 fuel oil.

Other Emissions Control

The emission limitations for PM and PM10, are based on previous BACT determinations for similar facilities, with the heavy metal beryllium being addressed through the particulate limitation and sulfuric acid mist being addressed through the sulfur dioxide limitation.

The emission limits for the Orlando Utilities Commission project are thereby established as follows:

<u>Pollutant</u>	<u>Emission Limit*</u>	
	<u>Natural Gas Firing</u>	<u>No. 2 Fuel Oil Firing</u>
NOx	25 ppmvd @ 15% O ₂	42 ppmvd @ 15% O ₂
SO ₂	Natural gas as fuel	Sulfur content not to exceed 0.30%, by weight
PM & PM ₁₀	0.003 lb/MMBtu	0.08 lb/MMBtu
CO	25 ppmvd	25 ppmvd
VOC	5 ppmvd	15 ppmvd
Sulfuric Acid Mist	Emissions limited by firing natural gas and No. 2 fuel oil with 0.3% sulfur, by weight	
Beryllium	Emissions limited by firing natural gas and No. 2 fuel oil with 0.3% sulfur, by weight	

*Both turbines are limited to a maximum of 50% capacity factor with a maximum of 25% attributed to oil firing.

Details of the Analysis May be Obtained by Contacting:

Preston Lewis, P.E., BACT Coordinator
Department of Environmental Regulation
Bureau of Air Regulation
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

Recommended by:

Approved by:

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

Carol M. Browner, Secretary
Dept. of Environmental Regulation

_____ 1991
Date

_____ 1991
Date