Oleander Power Project Simple Cycle CT Unit 5

0090180-003-AC OGC # 06-2146

(Cindy M.)

2006		
12-Oct		Case Opened in OGC after closing out 06-2056
17-Oct		Order issued granting time until 11/27/06
		updated book, notes, list and Outlook
15-Nov		Received withdrawal request copy from OGC today ....Al had told
		me that they would be withdrawing their request
		Expires on November 27th
7-Dec		Case Closed in OGC

Gibson, Victoria

From: Gibson, Victoria
Sent: Tuesday, November 28, 2006 2:58 PM
To: Vielhauer, Trina
Subject: RE: Oleander permit action 0090180-003-AC

I haven't received anything on the October draft... I will bring in the information that I still have open for the September draft.

Vickie

From: Vielhauer, Trina
Sent: Tuesday, November 28, 2006 2:29 PM
To: Gibson, Victoria
Subject: FW: Oleander permit action 0090180-003-AC

I'm working on a response. Did you have anything on a new petition filed for Oleander? I know there was an extension filed on our September draft, but didn't see anything on our October re-issuance....that I remember anyway.

From: Comer, Patricia
Sent: Tuesday, November 28, 2006 1:59 PM
To: Vielhauer, Trina
Cc: Miskelley, Valerie
Subject: Oleander permit action 0090180-003-AC

Trina I have a problem that's come up----
On November 15, OGC received a conditional withdrawal of a Motion for Extension of Time to file a Petition from counsel for the applicant. The conditional withdrawal requires that the agency issue a permit as a precondition of the withdrawal. Since the agency is precluded by statute from issuing a permit with an extension of time outstanding, the conditional withdrawal created a legal logic loop and was of no effect so OGC did not close the litigation case on this matter. But it looks like you guys purported to take "final permit action". I can't tell if that action was outside legal parameters or not because I can't tell if the intent that was the basis for the extension was withdrawn and replaced. I can see that the original September intent was replaced by an October intent but I have no records of any subsequent withdrawal/replcaement. Also, if the permit was issued before the 14-day petition period on the changes expired it was premature because any change to the intent to issue for any reason (with the sole exception of resolving an actual EPA objection on a Title V permit) begins a new 14-day APA petition period for everyone-- the applicant (who can waive the timeframe if nobody else is involved), but also for all the other persons who were given the original intent. But I don't see where that happened either. (And, by the way, when third party persons are given copies of an intent to issue but subsequent changes are made, those person should be given copies of all the changes as well.)
Anyway, I don't know what happened and I can't tell if the permit was legally issued or should be re-issued. Can you help me?
Thanks
Pat

Gibson, Victoria

From: Crandall, Lea
Sent: Wednesday, November 15, 2006 4:31 PM
To: Gibson, Victoria
Subject: RE: Any Comments, etc.

Attachments: Di4700611150425.PDF

I just received a Notice of Withdrawal of Request for Extension of Time.

Di4700611150425.
PDF (6 MB)

Lea Crandall
Agency Clerk
Department of Environmental Protection
3900 Commonwealth Boulevard, MS 35
Tallahassee, FL 32399-3000
Phone: (850) 245-2212 SC: 205-2212
Fax: (850) 245-2303

-----Original Message-----
From: Gibson, Victoria
Sent: Wednesday, November 15, 2006 3:20 PM
To: Crandall, Lea
Subject: Any Comments, etc.
Importance: High

Hi,

Have you received any comments on Oleander Unit 5 0090180-003-AC PSD-FL-377?

Thank you.

Vickie

Victoria Gibson, Administrative Secretary for
Trina Vielhauer, Chief
DEP/Bureau of Air Regulation
victoria.gibson@dep.state.fl.us
850-921-9504 fax 850-921-9533

THE STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

In Re:

OGC CASE NO.: 06-2056

Oleander Power Project, L.P.
555 Townsend Road
Cocoa, FL 32926

Oleander Power Project
Simple Cycle Combustion Turbine Unit 5
DEP File No. 0090180-003-AC
Draft Permit No. PSD-FL-377
Brevard County

Authorized Representative:
James O. Vick
c/o Gulf Power Company
One Energy Place
Pensacola, FL 32520

_____/

NOTICE OF WITHDRAWAL OF REQUEST FOR EXTENSION OF TIME

Oleander Power Project, L.P., (Oleander) and James O. Vick (Vick), by and through undersigned counsel, hereby withdraw their Request for Extension of Time to file a Petition for Administrative Proceedings in accordance with Chapter 120, Florida Statutes. Oleander and Vick filed their request for extension of time on October 12, 2006 requesting an extension through November 27, 2006, and the order granting such extension was granted on October 17, 2006. This withdrawal is conditioned upon changes to the draft permit agreed to between the Department of Environmental Protection (DEP) and Oleander, which are reflected in the document attached as Exhibit A.

Respectfully submitted this 15th day of November, 2006.

HOPPING GREEN & SAMS, P.A.

Angela Morrison Uhland
Florida Bar No. 0855766
123 South Calhoun Street
Post Office Box 6526 (32314)
Tallahassee, Florida 32301
(850) 222-7500
Attorney for Oleander Power Project, L.P.
and James O. Vick

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing has been furnished to the following by U.S. Mail on this 15th day of November, 2006:

Trina Vielhauer, Chief
Bureau of Air Regulation
Department of Environmental Protection
2600 Blair Stone Road
Tallahassee, FL 32399-2400

Patricia Comer, Esquire
Office of General Counsel
Department of Environmental Protection
3900 Commonwealth Blvd.
Tallahassee, FL 32399-2600

Attorney

PERMITTEE:

Oleander Power Project, L.P.
555 Townsend Road
Cocoa, Florida 32926

Authorized Representative:
James O. Vick, Director Environmental Affairs

Oleander Power Project	
Simple Cycle Unit 5	
Permit No.	PSD-FL-377
Project No.	0090180-003-AC
Expires:	June 1, 2008

PROJECT AND LOCATION

This permit authorizes the construction of a nominal 190 MW simple cycle combustion turbine electrical generator at the existing Oleander Power Project. The facility is located in Cocoa, just off Interstate 95 and State Road 520 in Brevard County.

STATEMENT OF BASIS

This construction permit is issued under the provisions of Chapter 403 of the Florida Statutes (F.S.), Chapters 62-4, 62-204, 62-210, 62-212, 62-296, and 62-297 of the Florida Administrative Code (F.A.C.). The project was processed in accordance with the requirements of Rule 62-212.400, F.A.C., the preconstruction review program for the Prevention of Significant Deterioration (PSD) of Air Quality. The permittee is authorized to install the proposed equipment in accordance with the conditions of this permit and as described in the application, approved drawings, plans, and other documents on file with the Department of Environmental Protection (Department).

Joseph Kahn, Director
Division of Air Resource Management

SECTION I - GENERAL INFORMATION

FACILITY DESCRIPTION

The regulated emissions units at the existing Oleander Power Project include four nominal 190 MW simple cycle combustion turbines (Units 001 through 004) capable of firing either natural gas or low-sulfur fuel oil (0.05 percent sulfur), and two 1.8 million-gallon fuel oil storage tanks (Units 006 and 007).

PROJECT DESCRIPTION

The project is for the construction of one additional General Electric PG7241(FA) simple cycle combustion turbine electrical generator (Unit 5) equipped with evaporative cooling, capable of firing natural gas, with a nominal output of 190 megawatts. The project also includes the installation of one 900,000 gallon distillate fuel oil storage tank. Low sulfur fuel oil will be used as a backup fuel to the combustion turbine.

NEW EMISSIONS UNITS

This permit authorizes construction and installation of the following new emissions units:

EU ID NO.	EMISSION UNIT DESCRIPTION
005	Unit 5 - Consists of one General Electric PG7241 FA gas turbine electrical generator (nominal 190 MW) equipped with evaporative inlet air cooling.
008	Unit 8– One 900,000 gallon distillate fuel oil storage tank.

REGULATORY CLASSIFICATION

Title I, Part C, Clean Air Act (CAA): The facility is a PSD-major facility pursuant to Rule 62-212, F.A.C.

Title I, Section 111, CAA: Unit 5 is subject to the New Source Performance Standards of 40 CFR 60, Subpart KKKK (Standards of Performance for Stationary Combustion Turbines).

Title I, Section 112, CAA: The facility is not a "Major Source" of hazardous air pollutants (HAPs).

Title IV, CAA: The facility operates units subject to the Acid Rain provisions of the Clean Air Act.

Title V, CAA: The facility is a Title V or "Major Source of air pollution" in accordance with Chapter 62-213, F.A.C. because the potential emissions of at least one regulated pollutant exceed 100 tons per year. Regulated pollutants include pollutants such as carbon monoxide (CO), nitrogen oxides (NO_X), particulate matter (PM/PM_{10}), sulfur dioxide (SO_2), sulfuric acid mist (SAM), and volatile organic compounds (VOC).

CAIR: As an electric generating unit, Unit 5 may be subject to the Clean Air Interstate Rule pending the finalization of DEP rules.

PERMITTING AUTHORITY

All documents related to applications for permits to construct, operate or modify an emissions unit shall be submitted to the Bureau of Air Regulation of the Florida Department of Environmental Protection (DEP) at 2600 Blair Stone Road (MS #5505), Tallahassee, Florida 32399-2400. Copies of all such documents shall also be submitted to the Compliance Authority.

COMPLIANCE AUTHORITY

All documents related to compliance activities such as reports, tests, and notifications shall be submitted to the Department of Environmental Protection Central District, 3319 Maguire Boulevard, Suite 232, Orlando, Florida 32803-3767.

APPENDICES

The following Appendices are attached as part of this permit.

Appendix A	NSPS Subparts A, Identification of General Provisions
Appendix BD	Final BACT Determinations and Emissions Standards
Appendix GC	General Conditions
Appendix KKKK	NSPS Subpart KKKK Requirements for Stationary Combustion Turbines
Appendix SC	Standard Conditions

RELEVANT DOCUMENTS:

The documents listed below are not a part of this permit, however they are specifically related to this permitting action and are on file with the Department.

- Application for Air Construction Permit received on May 4, 2006;
- Department's Request for Additional Information dated June 2, 2006;
- Applicant's Response to Request for Additional Information Received July 13, 2006 (complete);
- Department's Intent to Issue and Public Notice Package distributed October 10, 2006;
- Department's Final Determination and Best Available Control Technology Determination issued concurrently with this Final Permit.

SECTION II. ADMINISTRATIVE REQUIREMENTS

1. General Conditions: The permittee shall operate under the attached General Conditions listed in Appendix GC of this permit. General Conditions are binding and enforceable pursuant to Chapter 403 of the Florida Statutes. [Rule 62-4.160, F.A.C.]

2. Applicable Regulations, Forms and Application Procedures: Unless otherwise indicated in this permit, the construction and operation of the subject emissions unit shall be in accordance with the capacities and specifications stated in the application. The facility is subject to all applicable provisions of: Chapter 403 of the Florida Statutes (F.S.); Chapters 62-4, 62-204, 62-210, 62-212, 62-213, 62-296, and 62-297 of the Florida Administrative Code (F.A.C.); and the Title 40, Parts 51, 52, 60, 63, 72, 73, and 75 of the Code of Federal Regulations (CFR), adopted by reference in Rule 62-204.800, F.A.C. The terms used in this permit have specific meanings as defined in the applicable chapters of the Florida Administrative Code. The permittee shall use the applicable forms listed in Rule 62-210.900, F.A.C. and follow the application procedures in Chapter 62-4, F.A.C. Issuance of this permit does not relieve the permittee from compliance with any applicable federal, state, or local permitting or regulations.
[Rules 62-204.800, 62-210.300 and 62-210.900, F.A.C.]

3. Construction and Expiration: Authorization to construct shall expire if construction is not commenced within 18 months after receipt of the permit, if construction is discontinued for a period of 18 months or more, or if construction is not completed within a reasonable time. This provision does not apply to the time period between construction of the approved phases of a phased construction project except that each phase must commence construction within 18 months of the commencement date established by the Department in the permit. The Department may extend the 18-month period upon a satisfactory showing that an extension is justified. In conjunction with an extension of the 18-month period to commence or continue construction (or to construct the project in phases), the Department may require the permittee to demonstrate the adequacy of any previous determination of Best Available Control Technology (BACT) for emissions units regulated by the project. For good cause, the permittee may request that this PSD air construction permit be extended. Such a request shall be submitted to the Department's Bureau of Air Regulation at least sixty (60) days prior to the expiration of this permit.
[Rules 62-4.070(4), 62-4.080, 62-210.300(1), and 62-212.400(12), F.A.C.]

4. New or Additional Conditions: For good cause shown and after notice and an administrative hearing, if requested, the Department may require the permittee to conform to new or additional conditions. The Department shall allow the permittee a reasonable time to conform to the new or additional conditions, and on application of the permittee, the Department may grant additional time. [Rule 62-4.080, F.A.C.]

5. Source Obligation.

   a. At such time that a particular source or modification becomes a major stationary source or major modification (as these terms were defined at the time the source obtained the enforceable limitation) solely by virtue of a relaxation in any enforceable limitation which was established after August 7, 1980, on the capacity of the source or modification otherwise to emit a pollutant, such as a restriction on hours of operation, then the requirements of subsections 62-212.400(4) through (12), F.A.C., shall apply to the source or modification as though construction had not yet commenced on the source or modification.

   b. At such time that a particular source or modification becomes a major stationary source or major modification (as these terms were defined at the time the source obtained the enforceable limitation) solely by exceeding its projected actual emissions, then the requirements of subsections 62-212.400(4) through (12), F.A.C., shall apply to the source or modification as though construction had not yet commenced on the source or modification.

   [Rule 62-212.400(12), F.A.C.]

6. Modifications: No emissions unit or facility subject to this permit shall be constructed or modified without obtaining an air construction permit from the Department. Such permit shall be obtained prior to beginning

construction or modification. This permit authorizes construction of the referenced facilities. [Chapters 62-210 and 62-212, F.A.C.]

7. Application for Title IV Permit: At least 24 months before the date on which the new unit begins serving an electrical generator greater than 25 MW, the permittee shall submit an application for a Title IV Acid Rain Permit to the Department's Bureau of Air Regulation in Tallahassee and a copy to the Region 4 Office of the U.S. Environmental Protection Agency in Atlanta, Georgia. [40 CFR 72]

8. Title V Permit: This permit authorizes construction of the permitted emissions unit and initial operation to determine compliance with Department rules. A Title V operation permit is required for regular operation of the permitted emission units. The permittee shall apply for and obtain a Title V operation permit in accordance with Rule 62-213.420, F.A.C. To apply for a Title V operation permit, the applicant shall submit the appropriate application form, compliance test results, and such additional information as the Department may by law require. The application shall be submitted to the Department's Bureau of Air Regulation and a copy to the Compliance Authority.
[Rules 62-4.030, 62-4.050, 62-4.220, and Chapter 62-213, F.A.C.]

SECTION III - EMISSIONS UNITS SPECIFIC CONDITIONS

A. Unit 5 Simple Cycle Combustion Turbine (EU 005)

The specific conditions of this subsection apply to the following emissions unit after construction is complete.

E.U. ID	Emission Unit Description
005	Unit 5 - Consists of one General Electric PG7241 FA gas turbine electrical generator (nominal 190 MW) equipped with evaporative inlet air cooling.

APPLICABLE STANDARDS AND REGULATIONS

1. BACT Determinations: A determination of the Best Available Control Technology (BACT) was made for nitrogen oxides (NO_X), and particulate matter (PM/PM_{10}). [Rule 62-210.200 (BACT), F.A.C.]

2. NSPS Requirements: This unit shall comply with the applicable New Source Performance Standards (NSPS) in 40 CFR 60, including: Subpart A (General Provisions) and Subpart KKKK (Standards of Performance for Stationary Gas Turbines). See Appendix A and Appendix KKKK of this permit. The BACT emissions standards for NO_X and the fuel sulfur specifications for PM/PM_{10} are as stringent as, or more stringent than the NO_X and SO_2 limits imposed by the applicable NSPS provisions. Some separate reporting and monitoring may be required by the individual subparts. [Rule 62-204.800(7)(b), F.A.C.; 40 CFR 60, Subparts A and KKKK]

EQUIPMENT DESCRIPTION

3. Combustion Turbine: The permittee is authorized to install, tune, operate, and maintain one General Electric Model PG7241FA gas turbine-electrical generator set with a nominal generating capacity of 190 MW. The combustion turbine will be equipped with GE's DLN combustor, and an inlet air filtration system with evaporative coolers. The combustion turbine will be designed for operation in simple cycle mode and will have dual-fuel capability. [Application; Design]

CONTROL TECHNOLOGY

4. DLN Combustion: The permittee shall operate and maintain the General Electric DLN 2.6 combustion system (or better) to control NO_X emissions from the combustion turbine when firing natural gas. Prior to the initial emissions performance tests required for the gas turbine, the DLN combustors and automated gas turbine control system shall be tuned to achieve the permitted levels for NO_X. Thereafter, the system shall be maintained and tuned in accordance with the manufacturer's recommendations or determined best practices. [Design; Rule 62-212.400(10)(BACT), F.A.C.]

5. Wet Injection: The permittee shall install, operate, and maintain a water injection system to reduce NO_X emissions from the combustion turbine when firing distillate fuel oil. Prior to the initial emissions performance tests, the water injection system shall be tuned to achieve sufficiently low NO_X values to meet the NO_X limits of this permit. Thereafter, the system shall be maintained and tuned in accordance with the manufacturer's recommendations or determined best practices.
[Applicant request; Rule 62-212.400(10)(BACT), F.A.C.]

PERFORMANCE REQUIREMENTS

6. Hours of Operation: The combustion turbine may operate no more than 3,390 hours per calendar year. Restrictions on individual methods of operation are specified in separate conditions.
[Rules 62-210.200(PTE, and BACT) and 62-212.400 (PSD), F.A.C.]

7. Permitted Capacity: The nominal heat input rate to the combustion turbine is 1,722 MMBtu per hour when firing natural gas and 1,920 MMBtu per hour when firing fuel oil (based on a compressor inlet air temperature of 59° F, the lower heating value (LHV) of each fuel, and 100% load). Heat input rates will vary depending upon gas turbine characteristics, ambient conditions, alternate methods of operation, and evaporative cooling. The permittee shall provide manufacturer's performance curves (or equations) that

correct for site conditions to the Permitting and Compliance Authorities within 45 days of completing the initial compliance testing. Operating data may be adjusted for the appropriate site conditions in accordance with the performance curves and/or equations on file with the Department.
[Rule 62-210.200(PTE), F.A.C.]

8. Authorized Fuels: The combustion turbine shall fire natural gas as the primary fuel, which shall contain no more than 1.5 grains of sulfur per 100 standard cubic feet of natural gas. As a restricted alternate fuel, the combustion turbine may fire low sulfur fuel oil containing no more than 0.05% sulfur by weight. The gas turbine shall fire no more than 500 hours of fuel oil, during any calendar year.
[Rules 62-210.200(PTE, and BACT) and 62-212.400 (PSD, and PSD Avoidance), F.A.C.]

9. Simple Cycle, Intermittent Operation: The turbine shall operate only in simple cycle mode not to exceed the permitted hours of operation allowed by this permit. This restriction is based on the permittee's request, which formed the basis of the PSD applicability and BACT determination and resulted in the emission standards specified in this permit. For any request to convert this unit to combined cycle operation by installing/connecting to heat recovery steam generators, including changes to the fuel quality or quantity related to combined cycle conversion which may cause an increase in short or long-term emissions, the permittee may be required to submit a full PSD permit application complete with a new proposal of the best available control technology as if the unit had never been built.
[Rules 62-212.400(12) and 62-212.400(BACT), F.A.C.].

EMISSIONS AND TESTING REQUIREMENTS

10. Emission Standards: Emissions from the combustion turbine shall not exceed the following standards.

Pollutant	Emission Standard [c]	Averaging Time	Compliance Method	Basis
NO_X (Gas)	9.0 ppmvd @ 15% O_2	24-hr rolling	CEMS	BACT
	62.5 lb/hr	3 1-hr runs	Stack Test	
NO_X (Oil)	42.0 ppmvd @ 15% O_2	4-hr rolling	CEMS	NSPS
	336.8 lb/hr	3 1-hr runs	Stack Test	
PM/PM_{10} [a]	10 % Opacity	6-minute block	Visible Emissions Test	BACT
	1.5 gr S/100 SCF of gas/ 0.05 % S fuel oil	N/A	Record Keeping	
SO_2 [b]	1.5 gr S/100 SCF of gas/ 0.05 % S fuel oil	N/A	Record Keeping	PSD Avoidance

a. The fuel sulfur specifications combined with the efficient combustion design and operation of the combustion turbine represent BACT for PM/PM_{10} emissions. Compliance with the visible emissions standard shall serve as an indicator of good combustion.

b. The fuel sulfur specifications and limited hours of operation effectively limit the potential emissions of SO_2 and sulfuric acid mist (SAM) from the gas turbine.

c. The mass emission rate standards are based on a turbine inlet condition of 59°F and 100 percent full load operation. Mass emission rate may be adjusted from actual test conditions in accordance with the performance curves and/or equations on file with the Department.

A. Unit 5 Simple Cycle Combustion Turbine (EU 005)

{Permitting Note: In combination with the annual restriction on hours of operation, the above emissions standards effectively limit annual potential emissions from the combustion turbine to: 174.5 tons/year of NO_X, 34.5 tons/year of PM/PM_{10}, and 37.1 tons/year of SO_2.}

[Rules 62-4.070(3), 62-210.200 (BACT), 62-212.400(PSD and PSD Avoidance), F.A.C, and 40 CFR 60, Subpart KKKK]

11. Nitrogen Oxides (NO_X): Emissions of NO_X from the CT shall not exceed the following standards on a continuous basis and as measured by the required CEMS for the averaging period specified, and as measured during the required stack tests.

    a. *While firing natural gas*:

    9.0 ppmvd @ 15% O_2 on a 24-hour rolling average (as measured by the required CEMS and defined by this permit)

    62.5 /lb/hr (3 1-hr run stack test)

    b. *While firing fuel oil:*

    42.0 ppmvd @ 15% O_2 on a 4-hr rolling average (as measured by the required CEMS and defined by subpart KKKK attached as an Appendix to this permit)

    336.8 lb/hr (3 1-hr run stack test)

    [Rules 62-4.070(3), 62-210.200 (BACT), 62-212.400(PSD), F.A.C, and 40 CFR 60.4380]

12. Sulfur Dioxide (SO_2):

    a. *While firing natural gas*: The fuel sulfur specifications, established in condition 8 of this subsection, of 1.5 grains per 100 standard cubic feet effectively limit the potential emissions of SO_2 from the combustion turbine while firing natural gas.

    b. *While firing fuel oil*: The fuel sulfur specification, established in condition 8 of this subsection, of 0.05 % sulfur by weight effectively limit the potential emissions of SO_2 from the combustion turbine while firing fuel oil.

    [Rules 62-4.070(3), and 62-212.400 (PSD Avoidance), F.A.C]

13. Particulate Matter (PM/PM_{10}): The fuel sulfur specifications, established in condition 8 of this subsection, combined with the efficient combustion, design, and operation of the combustion turbine represent BACT for PM/PM10 emissions. Compliance with the fuel specifications and visible emissions standard shall serve as indicators of good combustion. Visible emissions shall not exceed 10 % opacity as observed during the required 30-minute visible emissions tests.

    [Rules 62-4.070(3), 62-210.200 (BACT), 62-212.400(PSD), and 62-297.310(4)(a)2, F.A.C]

14. Unconfined Particulate Emissions: During the construction period, unconfined particulate matter emissions shall be minimized by dust suppressing techniques such as covering, confining, or applying water or chemicals to the affected areas, as necessary. [Rule 62-296.320(4)(c), F.A.C.]

15. Test Methods: Required tests shall be performed in accordance with the following reference methods.

Method	Description of Method and Comments
7E	Determination of NOx Emissions (Instrumental).
9	Visual Determination of Opacity
20	Determination of NOx, SO_2, and Diluent Emissions from Stationary Gas Turbines

The methods are described in 40 CFR 60, Appendix A, and adopted by reference in Rule 62-204.800, F.A.C. No other methods may be used for compliance testing unless prior written approval is received from the administrator of the Department's Emissions Monitoring Section in accordance with an alternate sampling procedure pursuant to 62-297.620, F.A.C. [Rules 62-204.800, F.A.C.; 40 CFR 60, Appendix A]

16. Testing Requirements: Initial tests shall be conducted between 90% and 100% of permitted capacity; otherwise, this permit shall be modified to reflect the true maximum capacity as constructed. Subsequent annual tests shall be conducted between 90% and 100% of permitted capacity in accordance with the requirements of Rule 62-297.310(2), F.A.C. Tests shall be conducted for each pollutant while firing each fuel in the CT. For each run during tests for visible emissions, emissions of NO_X recorded by the CEMS shall also be reported. Data collected from the reference method during the required CEMS quality assurance RATA tests may substitute for annual compliance tests for NO_X, provided the owner or operator indicates this intent in the submitted test protocol, and obtains approval prior to testing. If the RATA is conducted at less than permitted capacity, and the data is used for annual compliance, the requirements of 62-297.310(2) (Operating Rate During Testing) still apply. The mass emission rate standards are based on a turbine inlet condition of 59°F and 100 percent full load operation. Mass emission rate may be adjusted from actual test conditions in accordance with the performance curves and/or equations on file with the Department. [Rule 62-297.310(2), and (7)(a), F.A.C.; and 40 CFR 60.8]

17. Initial Compliance Demonstration: Initial compliance stack tests while firing natural gas shall be conducted within 60 days after achieving the maximum production rate, but not later than 180 days after the initial startup. Initial testing on fuel oil shall be conducted within 60 days of any fuel oil firing in the CT. In accordance with the test methods specified in this permit, the combustion turbine shall be tested to demonstrate initial compliance with the emission standards for NO_X and with the visible emissions standard. The permittee shall provide the Compliance Authority with any other initial emissions performance tests conducted to satisfy vendor guarantees including CO and particulate tests. [Rules 62-4.070, 62-297.310(7)(a), F.A.C. and 40 CFR 60.8]

18. Subsequent Compliance Testing: Annual compliance tests for NO_X, and visible emissions shall be conducted during each federal fiscal year (October 1st, to September 30th). If normal operation on fuel oil is less than 400 hours per calendar year, then subsequent compliance testing on fuel oil is not required for that year. If normal operation on fuel oil exceeds 400 hours per year, the Department shall require compliance testing for NO_X and visible emissions while firing fuel oil.
[Rules 62-4.070, 62-210.200(BACT), and 62-297.310(7)(a)4, F.A.C.]

19. Continuous Compliance: Continuous compliance with the permit standard for emissions of NO_X shall be demonstrated with data collected from the required continuous monitoring system.
[Rules 62-4.070, and 62-210.200(BACT), F.A.C.]

20. Special Compliance Tests: When the Department, after investigation, has good reason (such as complaints, increased visible emissions or questionable maintenance of control equipment) to believe that any applicable emission standard contained in a Department rule or in a permit issued pursuant to those rules is being violated, it shall require the owner or operator of the emissions unit to conduct compliance tests which identify the nature and quantity of pollutant emissions from the emissions unit and to provide a report on the results of said tests to the Department. [Rule 62-297.310(7)(b), F.A.C.]

EXCESS EMISSIONS

{Permitting Note: The following conditions apply only to the SIP-based emissions standards specified in Condition No 10 and 11 of this subsection. Rule 62-210.700, F.A.C. (Excess Emissions) cannot vary or supersede any federal provision of the NSPS, NESHAP, or Acid Rain programs.}

21. Definitions:

    a. *Startup* is defined as the commencement of operation of any emissions unit which has shut down or ceased operation for a period of time sufficient to cause temperature, pressure, chemical or pollution control device imbalances, which result in excess emissions.

    b. *Shutdown* is the cessation of the operation of an emissions unit for any purpose.

    c. *Malfunction* is defined as any unavoidable mechanical and/or electrical failure of air pollution control equipment or process equipment or of a process resulting in operation in an abnormal or unusual manner.

    {Permitting Note: The applicant has described startup of this unit as the period from 0 to 50% load, and shutdown as the period beginning at 50 % load to no load operation.}

    [Rule 62-210.200(165, 242, and 258), F.A.C.]

22. Excess Emissions Prohibited: Excess emissions caused entirely or in part by poor maintenance, poor operation or any other equipment or process failure that may reasonably be prevented during startup, shutdown or malfunction shall be prohibited. All such preventable emissions shall be included in any compliance determinations based on CEMS data. [Rule 62-210.700(4), F.A.C.]

23. Data Exclusion Procedures for SIP Compliance: As per the procedures in this condition, limited amounts of CEMS emissions data, as specified in condition 24, may be excluded from the corresponding SIP-based compliance demonstration, provided that best operational practices to minimize emissions are adhered to, the duration of data excluded is minimized, and the procedures for data exclusion listed below are followed. As provided by the authority in Rule 62-210.700(5), F.A.C., these conditions replace the provisions in Rule 62-210.700(1), F.A.C.

    a. *Limiting Data Exclusion.* If the compliance calculation using all valid CEMS emission data indicates that the emission unit is in compliance, then no CEMS data shall be excluded from the compliance demonstration.

    b. *Event Driven Exclusion.* There must be an underlying event (startup, shutdown, malfunction, or fuel switching) in order to exclude data. If there is no underlying event, then no data may be excluded.

    c. *Continuous Exclusion.* Data shall be excluded on a continuous basis. Data from discontinuous periods shall not be excluded for the same underlying event.

    [Rule 62-210.700 F.A.C.]

24. Allowable Data Exclusions: The following data may be excluded from the corresponding SIP-based compliance demonstration for each of the events listed below in accordance with the Data Exclusion Procedures of condition 23:

    a. *Startup:* Up to 30 minutes of CEMS data may be excluded for each combustion turbine startup. For startups of less than 30 minutes in duration, only those minutes attributable to startup may be excluded.

    b. *Shutdown:* Up to 30 minutes of CEMS data may be excluded for each combustion turbine shutdown. For shutdowns of less than 30 minutes in duration, only those minutes attributable to shutdown may be excluded.

    c. *Malfunction*: Up to two hours (in any operating day) of CEMS data may be excluded due to a documented malfunction. A "documented malfunction" means a malfunction that is documented within one working day of detection by contacting the Compliance Authority by telephone, facsimile transmittal, or electronic email.

d. *DLN Tuning*: CEMS data collected during initial or other DLN tuning sessions may be excluded from the compliance demonstrations provided the tuning session is performed in accordance with the manufacturer's specifications or determined best practices. Prior to performing any tuning session, the permittee shall provide the Compliance Authority with an advance notice of at least one (1) day that details the activity and proposed tuning schedule. The notice may be by telephone, facsimile transmittal, or electronic mail. [Design; Rule 62-4.070(3), F.A.C.]

e. *Fuel Switching*: Up to 60 minutes of CEMS data may be excluded for each fuel switch. For fuel switches of less than 60 minutes in duration, only those minutes attributable to fuel switching may be excluded.

All valid emissions data (including data collected during startup, shutdown, malfunction, DLN tuning, and fuel switching) shall be used to report emissions for the Annual Operating Report.

[Rules 62-210.200(BACT), 62-210.370, and 62-210.700, F.A.C.]

25. Notification Requirements: The owner or operator shall notify the Compliance Authority within one working day of discovering any emissions that demonstrate non-compliance for a given averaging period. [Rule 62-4.070, F.A.C.]

CONTINUOUS MONITORING REQUIREMENTS

26. CEM Systems: Subject to the following, the permittee shall install, calibrate, operate, and maintain a continuous emission monitoring system (CEMS) to measure and record the emissions of NO_X from the combustion turbine in terms of the applicable standards. The monitoring system shall be installed, and functioning within the required performance specifications by the time of the initial compliance demonstration.

a. *NO_X Monitor:* Each NO_X monitor shall be certified pursuant to the specifications of 40 CFR 75. Quality assurance procedures shall conform to the requirements of 40 CFR 75. The annual and required RATA tests required for the NO_X monitor shall be performed using EPA Method 20 or 7E in Appendix A of 40 CFR 60.

b. *Diluent Monitor:* The oxygen (O_2) or carbon dioxide (CO_2) content of the flue gas shall be monitored at the location where NO_X is monitored to correct the measured emissions rates to 15% oxygen. If a CO_2 monitor is installed, the oxygen content of the flue gas shall be calculated using F-factors that are appropriate for the fuel fired. Each monitor shall comply with the performance and quality assurance requirements of 40 CFR 75.

[Rules 62-4.070(3), 62-210.200(BACT), F.A.C., and 40 CFR 60, Subpart 75]

27. Moisture Correction: If necessary, the owner or operator shall determine the moisture content of the exhaust gas and develop an algorithm to enable correction of the monitoring results to a dry basis (0% moisture). [Rules 62-4.070(3), 62-210.200(BACT), F.A.C]

28. CEMS Data Requirements for BACT Standards:

{Permitting Note: The following conditions apply only to the SIP-based NO_X emissions standards specified in Condition Nos. 10-11 of this section. These requirements cannot vary or supersede any federal provision of the NSPS, or Acid Rain programs. Additional reporting and monitoring may be required by the individual subparts.}

a. *Data Collection*: Except for continuous monitoring system breakdowns, repairs, calibration checks, and zero and span adjustments, emissions shall be monitored and recorded during all operation including startup, shutdown, and malfunction.

b. *Operating Hours and Operating Days*: An hour is the 60-minute period beginning at the top of each hour. Any hour during which an emissions unit is in operation for more than 15 minutes is an operating hour for that emission unit. A day is the 24-hour period from midnight to midnight. Any day with at least one operating hour for an emissions unit is an operating day for that emission unit.

c. *Valid Hour*: Each CEMS shall be designed and operated to sample, analyze, and record data evenly spaced over the hour at a minimum of one measurement per minute. All valid measurements collected during an hour shall be used to calculate a 1-hour block average that begins at the top of each hour.

1) Hours that are **not operating** hours are **not valid** hours.

2) For each operating hour, the 1-hour block average shall be computed from at least two data points separated by a minimum of 15 minutes. If less than two such data points are available, there is insufficient data and the 1-hour block average is not valid.

3) During fuel switching an hour in which fuel oil is fired is attributed towards compliance with the permit standards for oil firing.

d. *Rolling 24-Hour Average:* Compliance shall be determined after each valid hourly average is obtained by calculating the arithmetic average of that valid hourly average and the preceding 23 valid hourly averages.

e. *Data Exclusion:* Each CEMS shall monitor and record emissions during all operations including episodes of startup, shutdown, malfunction, DLN tuning, and fuel switches. Some of the CEMS emissions data recorded during these episodes may be excluded from the corresponding CEMS compliance demonstration subject to the provisions of conditions 23 and 24 of this subsection.

f. *Availability*: The quarterly excess emissions report shall be used to demonstrate monitor availability for each quarter in which the unit operated. Monitor availability for the CEMS shall be 95% or greater in any calendar quarter in which the unit operated for more than 760 hours. In the event the applicable availability is not achieved, the permittee shall provide the Department with a report identifying the problems in achieving the required availability and a plan of corrective actions that will be taken to achieve 95% availability. The permittee shall implement the reported corrective actions within the next calendar quarter. Failure to take corrective actions or continued failure to achieve the minimum monitor availability shall be violations of this permit, except as otherwise authorized by the Department's Compliance Authority.

[Rules 62-4.070(3) and 62-210.200(BACT), F.A.C.]

CEMS REQUIREMENTS FOR ANNUAL EMISSIONS

29. CEMS Annual Emissions Requirement: The owner or operator shall use data from the NO_X CEMS when calculating annual emissions for purposes of computing actual emissions, baseline actual emissions, and net emissions increase, as defined at Rule 62-210.200, F.A.C., and for purposes of computing emissions pursuant to the reporting requirements of Rule 62-210.370(3), F.A.C. In computing the emissions of a pollutant, the owner or operator shall account for the emissions during periods of startup and shutdown of the emissions unit. [Rules 62-210.200, and 62-210.370(3), F.A.C.]

REPORTING AND RECORD KEEPING REQUIREMENTS

30. Monitoring of Capacity: The permittee shall monitor and record the operating rate of the combustion turbine on a daily average basis, considering the number of hours of operation during each day (including the times of startup, shutdown, malfunction, DLN tuning, and fuel switching). Such monitoring shall be made by monitoring daily rates of consumption and heat content of each allowable fuel in accordance with the provisions of 40 CFR 75 Appendix D. [Rules 62-4.070(3) and 62-210.200(BACT), F.A.C.]

31. Monthly Operations Summary: By the 15th calendar day of each month, the permittee shall record the following for each fuel in a written or electronic log for the combustion turbine for the previous month of operation: fuel consumption, hours of operation on each fuel, and the updated calendar year totals for each. Information recorded and stored as an electronic file shall be available for inspection and printing within at least three days of a request by the Department. The fuel consumption shall be monitored in accordance with the provisions of 40 CFR 75 Appendix D. [Rules 62-4.070(3) and 62-210.200(BACT), F.A.C.]

32. Fuel Sulfur Records: The permittee shall demonstrate compliance with the fuel sulfur limits specified in this permit by maintaining the following records of the sulfur contents.

    a. *Natural Gas Sulfur Limit*: Compliance with the fuel sulfur limit for natural gas shall be demonstrated by keeping reports obtained from the vendor indicating the average sulfur content of the natural gas being supplied from the pipeline for each month of operation. Methods for determining the sulfur content of the natural gas shall be ASTM methods D4084-82, D4468-85, D5504-01, D6228-98 and D6667-01, D3246-81 or more recent versions.

    b. *Distillate Fuel Oil Sulfur Limit*: Compliance with the distillate fuel oil sulfur limit shall be demonstrated by taking a sample, analyzing the sample for fuel sulfur, and reporting the results to each Compliance Authority before initial startup. Sampling the fuel oil sulfur content shall be conducted in accordance with ASTM D4057-88, Standard Practice for Manual Sampling of Petroleum and Petroleum Products, and one of the following test methods for sulfur in petroleum products: ASTM methods D5453-00, D129-91, D1552-90, D2622-94, or D4294-90. More recent versions of these methods may be used. For each subsequent fuel delivery, the permittee shall maintain a permanent file of the certified fuel sulfur analysis from the fuel vendor. At the request of the Compliance Authority, the permittee shall perform additional sampling and analysis for the fuel sulfur content.

    The above methods shall be used to determine the fuel sulfur content in conjunction with the provisions of 40 CFR 75 Appendix D. [Rules 62-4.070(3) and 62-4.160(15), F.A.C.]

33. Emissions Performance Test Reports: A report indicating the results of any required emissions performance test shall be submitted to the Compliance Authority no later than 45 days after completion of the last test run. The test report shall provide sufficient detail on the tested emission unit and the procedures used to allow the Department to determine if the test was properly conducted and if the test results were properly computed. At a minimum, the test report shall provide the applicable information listed in Rule 62-297.310(8)(c), F.A.C. and in Appendix SC of this permit. [Rule 62-297.310(8), F.A.C.].

34. Excess Emissions Reporting:

    a. *Malfunction Notification:* If emissions in excess of a standard (subject to the specified averaging period) occur due to malfunction, the permittee shall notify the Compliance Authority within (1) working day of: the nature, extent, and duration of the excess emissions; the cause of the excess emissions; and the actions taken to correct the problem. In addition, the Department may request a written summary report of the incident.

    b. *SIP Quarterly Report:* Within 30 days following the end of each calendar-quarter, the permittee shall submit a report to the Compliance Authority summarizing periods of NO_X emissions in excess of the BACT permit standard following the NSPS format in 40 CFR 60.7(c), Subpart A. A summary of data excluded from SIP compliance calculations should also be provided. In addition, the report shall summarize the NO_X CEMS system monitor availability for the previous quarter.

    c. *NSPS Reporting*: Within 30 days following the calendar quarter, the permittee shall submit the written reports required by 40 CFR 60 Subpart KKKK (Standards of Performance for Stationary Combustion Turbines) for the previous semi-annual period to the Compliance Authority.

    {Note: If there are no periods of excess emissions as defined in 40 CFR, Part 60, Subpart KKKK, a

statement to that effect may be submitted with the SIP Quarterly Report to suffice for the NSPS Semi-Annual Report.}

[Rules 62-4.130, 62-204.800, 62-210.700(6) and 62-212.400(BACT), F.A.C., and 40 CFR 60.7 and 60.4375]

35. Annual Operating Report: The permittee shall submit an annual report that summarizes the actual operating hours and emissions from this facility in accordance with 62-210.370. Annual operating reports shall be submitted to the Compliance Authority by March 1st of each year. [Rule 62-210.370(2), F.A.C.]

SECTION IV – UNREGULATED EMISSIONS UNITS

A. Fuel Oil Storage Tank (EU 008)

ID	Emission Unit Description
008	Unit 8– One 900,000 gallon distillate fuel oil storage tank.

NSPS APPLICABILITY

NSPS Subpart Kb Applicability: The distillate fuel oil storage tank is not subject to Subpart Kb which applies to storage vessels with a capacity greater than or equal to 75 cubic meters that is used to store volatile organic liquids for which construction, reconstruction, or modification is commenced after July 23, 1984. Tanks with a capacity greater than or equal to 151 cubic meters (40,000 gallons) storing a liquid with a maximum true vapor pressure less than 3.5 kPa, are exempt from the General Provisions (40 CFR 60, Subpart A) and from the provisions of NSPS Subpart Kb. The fuel oil storage tank (EU 008) has a capacity greater than 151 cubic meters and the vapor pressure of the low sulfur fuel oil is less than 3.5 kPa, therefore NSPS Kb, including the monitoring requirements, does not apply to this unit.
[40 CFR 60.110b(a) and (b), and 60.116b(c); Rule 62-204.800(7)(b), F.A.C.]

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

OLEANDER POWER PROJECT, L.P.,

Petitioner,

v.

DEPARTMENT OF ENVIRONMENTAL PROTECTION,

Respondent.

_____/

OGC No. 06-2146
DEP Permit No. 0090180-003-AC
PSD-FL-377

ORDER GRANTING REQUEST FOR EXTENSION OF TIME TO FILE PETITION FOR HEARING

This cause has come before the Florida Department of Environmental Protection (FDEP) upon receipt of a request made by Petitioner, Oleander Power Project, L.P., to grant an extension of time to file a petition for an administrative hearing to allow time to discuss with FDEP several specific permit conditions for its facility in Brevard County, Florida. Because the request shows good cause for the extension of time,

IT IS ORDERED:

The request for an extension of time to file a petition for administrative proceeding is granted. Petitioner shall have until **November 27, 2006**, to file a petition in this matter. Filing shall be complete on receipt by the Office of General Counsel, Department of Environmental Protection, 3900 Commonwealth Boulevard, Mail Station 35, Tallahassee, Florida 32399-3000.

DONE AND ORDERED on this 17th day of October, 2006, in Tallahassee, Florida.

STATE OF FLORIDA DEPARTMENT
OF ENVIRONMENTAL PROTECTION

JACK CHISOLM, Deputy General Counsel
3900 Commonwealth Boulevard MS - 35
Tallahassee, Florida 32399-3000
850/245-2242 facsimile 850/245-2302

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished via √ U. S. Mail √ facsimile __ **ONLY**, this ____ day of October, 2006, to:

Angela R. Morrison
HOPPING GREEN & SAMS, P.A.
Post Office Box 6526
Tallahassee, FL 32314

Facsimile: 850/224-8551

STATE OF FLORIDA DEPARTMENT
OF ENVIRONMENTAL PROTECTION

Patricia E. Comer, Assistant General Counsel
FL Bar 0224146
3900 Commonwealth Boulevard - MS 35
Tallahassee, Florida 32399-3000
850/245-2242 Facsimile: 850/245-2302

with a courtesy copy via electronic mail to:

Trina L. Vielhauer - Chief,Bureau of Air Regulation
Cindy Mulkey – Engineering Specialist, Bureau of Air Regulation

Gibson, Victoria

From: Miskelley, Valerie
Sent: Tuesday, October 17, 2006 3:11 PM
To: Mulkey, Cindy; Gibson, Victoria
Subject: Oleander OGC Case No. 06-2146

Attachments: Order Granting on Oleander 06-2146.PDF

Cindy and Vickie,
Here is the Order Granting for Oleander. Let me know if you need anything else.

Order Granting on Oleander 06-...

Thanks,
Valerie Miskelley
Administrative Secretary,
FDEP Office of General Counsel
3900 Commonwealth Blvd. MS 35
Tallahassee, FL 32399-3000
(850) 245-2260 SC 205-2260
Fax: (850) 245-2302
Valerie.Miskelley@dep.state.fl.us

THE STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

In the Matter of an
Application for Permit by:

Oleander Power Project, L.P.
555 Townsend Road
Cocoa, FL 32926

Authorized Representative:
James O. Vick
c/o Gulf Power Company
One Energy Place
Pensacola, FL 32520

_____/

OGC No. _____

Oleander Power Project
Simple Cycle Combustion Turbine Unit 5
DEP File No. 0090180-003-AC
Draft Permit No. PSD-FL-377
Brevard County

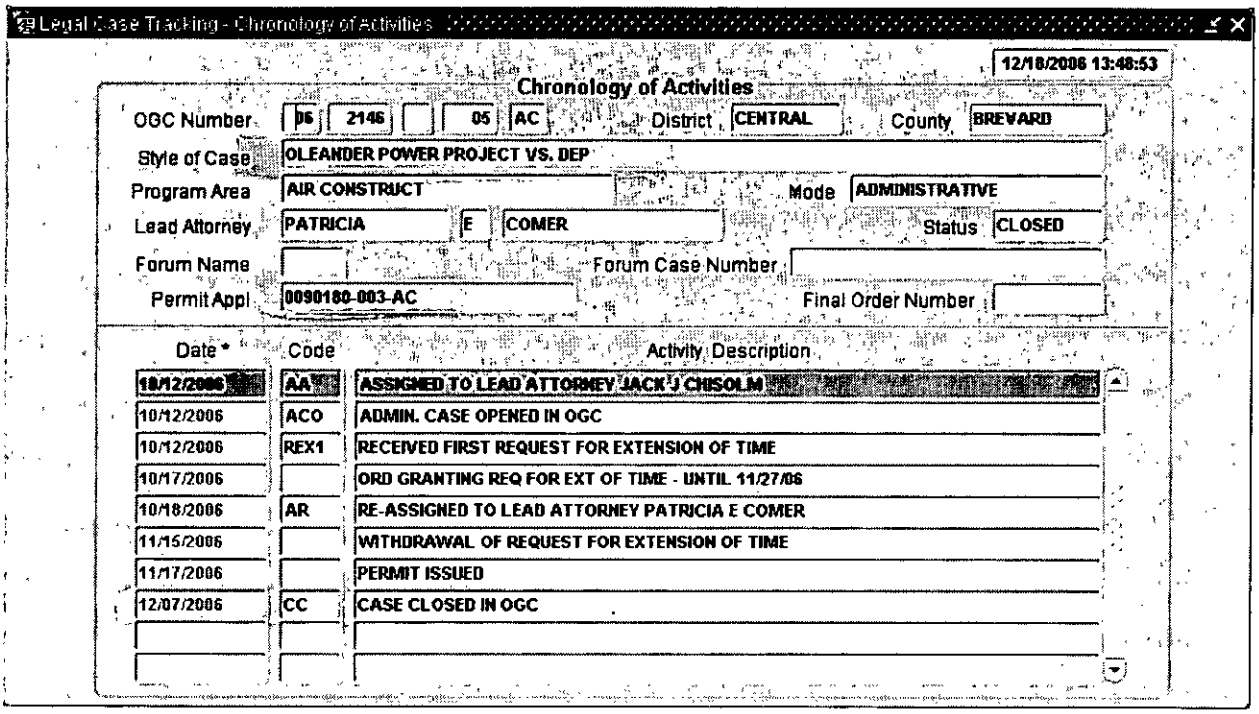
REQUEST FOR EXTENSION OF TIME

By and through undersigned counsel, Oleander Power Project, L.P., (Oleander) and its authorized representative, James O. Vick, hereby request, pursuant to Florida Administrative Code Rule 62-110.106(4), an extension of time to and including November 27, 2006, in which to file a Petition for Administrative Proceedings in the above-styled matter. As good cause for granting this request, Oleander and Mr. Vick state the following:

1. On October 9, 2006, the Department of Environmental Protection (Department) issued a draft Prevention of Significant Deterioration (PSD) Permit (Permit No. 0090180-003-AC, PSD-FL-377) (dated October 9, 2006) and associated documents for the Oleander Power Project, Unit 5, located in Brevard County, Florida.

2. The draft permit and associated technical evaluation and preliminary determination contain several provisions that warrant clarification or correction.

3. Mr. Vick and other representatives of Oleander have corresponded and will continue to correspond with staff of the Department's Bureau of Air Regulation in an effort to resolve all issues.


Legal Case Tracking - Chronology of Activities
12/18/2006 13:48:53
Chronology of Activities
OGC Number 06 2146 05 AC
District CENTRAL
County BREVARD
Style of Case OLEANDER POWER PROJECT VS. DEP
Program Area AIR CONSTRUCT
Mode ADMINISTRATIVE
Lead Attorney PATRICIA E COMER
Status CLOSED
Forum Name
Forum Case Number
Permit Appl 0090180-003-AC
Final Order Number
Date
Code
Activity Description
10/12/2006 AA ASSIGNED TO LEAD ATTORNEY JACK J CHISOLM
10/12/2006 ACO ADMIN. CASE OPENED IN OGC
10/12/2006 REX1 RECEIVED FIRST REQUEST FOR EXTENSION OF TIME
10/17/2006 ORD GRANTING REQ FOR EXT OF TIME - UNTIL 11/27/06
10/18/2006 AR RE-ASSIGNED TO LEAD ATTORNEY PATRICIA E COMER
11/15/2006 WITHDRAWAL OF REQUEST FOR EXTENSION OF TIME
11/17/2006 PERMIT ISSUED
12/07/2006 CC CASE CLOSED IN OGC