

# Memorandum

# Florida Department of Environmental Protection

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TO: Trina Vielhauer

THRU: J. K. Pennington

FROM: M. P. Halpin

DATE: October 11, 2004

SUBJECT: JEA – Northside Generating Station  
Upgrade of steam turbine rotors  
DEP File No. ~~0310485~~-013-AC  
0310045

JEA has submitted a permit application, requesting permission to replace the existing LP steam turbine rotors on recently re-powered Units 1 and 2 with a more reliable and efficient model. Likewise, they wish to replace the existing HP/IP steam turbine rotors on Unit 3, in lieu of making steam turbine rotor repairs. Because the re-powered units have not yet achieved normal, full-power operation (these were clean coal, CFB re-powerings) we are required to compare the requested emission PTE's to the permitted PTE's. Since there is no requested emission increase, the project is acceptable. Regarding Unit 3 (an older, existing unit) operation is expected to begin declining as a result of the CFB units achieving normal, full power operation. In fact, this was the premise for JEA to accept lower, federally enforceable limits on Unit 3 in conjunction with the Units 1 and 2 re-powerings (which JEA refers to as Community Commitment Levels). Therefore, it seems reasonable to allow the Unit 3 HP/IP rotor replacement to occur and the Department can lean on the application of the WEPCO ruling in the unlikely event that operation of that unit actually causes increased emissions.

Attached is the public notice package for the subject project. Although no permit revisions are required, I recommend that a public notice occur. I have discussed this project (several weeks ago) with Jim Little of EPA, and he indicated that EPA would take no issue with this conclusion.

I recommend your approval.

JKP/mph

Attachments



Jeb Bush  
Governor

# Department of Environmental Protection

Twin Towers Office Building  
2600 Blair Stone Road  
Tallahassee, Florida 32399-2400

Colleen M. Castille  
Secretary

October 11, 2004

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

James M. Chansler  
Vice President, Operations and Maintenance, JEA  
21 West Church Street  
Jacksonville, FL 32202

File No.	0310045-013-AC
FID No.	0310485
SIC No.	4911
Expires:	December 31, 2007

Re: DEP File No. 0310045-013-AC  
Steam Turbine Rotor Upgrades  
Northside Generating Station Units 1, 2 and 3

Dear Mr. Chansler:

The Department has reviewed your application for a construction permit to replace the existing LP steam turbine rotors on recently re-powered Units 1 and 2 with a more reliable and efficient model. Likewise, the Department has reviewed your application for a construction permit to replace the existing HP/IP steam turbine rotors on Unit 3, in lieu of making steam turbine rotor repairs.

Because the re-powered units have not yet achieved normal, full-power operation (these were clean coal, CFB re-powerings), the Department finds that there will be no emission increases, and the project is therefore acceptable. Regarding Unit 3, operation is expected to decline as a result of the CFB units achieving normal, full power operation. In fact, this was the premise for JEA to accept lower, federally enforceable limits on Unit 3 in conjunction with the Units 1 and 2 re-powerings. Therefore, the Department finds that there should be no increase in emissions by replacing the Unit 3 HP/IP rotor. In summary, based upon your submittals, the Department finds the request to be acceptable.

You are hereby authorized to replace the LP steam turbine rotors on Units 1 and 2 as well as the HP/IP steam turbine rotors on Unit 3. No other changes are authorized or allowed by this action.

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

Executed in Tallahassee, Florida.

Sincerely,

Trina Vielhauer, Chief  
Bureau of Air Regulation

TV/mph

"More Protection, Less Process"

Printed on recycled paper.

In the Matter of an  
Application for Permit by:

Mr. James M. Chansler, VP Operations and Maintenance  
JEA  
21 West Church Street  
Jacksonville, FL 32202

DEP File No. 0310045-013-AC  
Northside Generating Facility  
Duval County

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**INTENT TO ISSUE AIR CONSTRUCTION PERMIT**

The Department of Environmental Protection (Department) gives notice of its intent to issue a permit under the requirements for the Prevention of Significant Deterioration of Air Quality (copy of Draft Air Construction Permit attached) for the proposed project, detailed in the application specified above, for the reasons stated below.

The applicant, JEA, applied on September 29, 2004 to the Department for an Air Construction permit to replace the low pressure steam turbine rotors on units 1 and 2, and the high pressure/intermediate pressure steam turbine rotors at the existing Northside Generating Facility, located at 4377 Heckscher Drive, Jacksonville in Duval County.

The Department has permitting jurisdiction under the provisions of Chapter 403, Florida Statutes (F.S.), and Florida Administrative Code (F.A.C.) Chapters 62-4, 62-210, and 62-212. The above actions are not exempt from permitting procedures. The Department has determined that an air construction permit is required to conduct the work.

The Department intends to issue this Air Construction permit based on the belief that reasonable assurances have been provided to indicate that operation of these emission units will not adversely impact air quality, and the emission units will comply with all appropriate provisions of Chapters 62-4, 62-204, 62-210, 62-212, 62-296, and 62-297, F.A.C. and 40 CFR 52.21.

Pursuant to Section 403.815, F.S., and Rule 62-110.106(7)(a)1., F.A.C., you (the applicant) are required to publish at your own expense the enclosed "Public Notice of Intent to Issue Air Construction Permit." The notice shall be published one time only in the legal advertisement section of a newspaper of general circulation in the area affected. For the purpose of these rules, "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. Where there is more than one newspaper of general circulation in the county, the newspaper used must be one with significant circulation in the area that may be affected by the permit. If you are uncertain that a newspaper meets these requirements, please contact the Department at the address or telephone number listed below. The applicant shall provide proof of publication to the Department's Bureau of Air Regulation, at 2600 Blair Stone Road, Mail Station #5505, Tallahassee, Florida 32399-2400 (Telephone: 850/488-0114; Fax 850/922-6979). The Department suggests that you publish the notice within thirty days of receipt of this letter. You must provide proof of publication within seven days of publication, pursuant to Rule 62-110.106(5), F.A.C. No permitting action for which published notice is required shall be granted until proof of publication of notice is made by furnishing a uniform affidavit in substantially the form prescribed in section 50.051, F.S. to the office of the Department issuing the permit or other authorization. Failure to publish the notice and provide proof of publication may result in the denial of the permit pursuant to Rules 62-110.106(9) & (11), F.A.C.

The Department will issue the final permit with the attached conditions unless a response received in accordance with the following procedures results in a different decision or significant change of terms or conditions.

The Department will accept written comments concerning the proposed permit issuance action for a period of fourteen (14) days from the date of publication of "Public Notice of Intent to Issue Air Construction permit." Written comments and requests for a public meeting should be provided to the Department's Bureau of Air Regulation at 2600 Blair Stone Road, Mail Station #5505, Tallahassee, FL 32399-2400. Any written comments filed shall be made available for public inspection. If written comments received result in a significant change in the proposed agency action, the Department shall revise the proposed permit and require, if applicable, another Public Notice.

The Department will issue the permit with the attached conditions unless a timely petition for an administrative hearing is filed pursuant to sections 120.569 and 120.57 F.S., before the deadline for filing a petition. The procedures for petitioning for a hearing are set forth below. Mediation is not available in this proceeding.

A person whose substantial interests are affected by the proposed permitting decision may petition for an administrative proceeding (hearing) under sections 120.569 and 120.57 of the 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 3900

Commonwealth Boulevard, Mail Station # 35, Tallahassee, Florida, 32399-3000. Petitions filed by the permit applicant or any of the parties listed below must be filed within fourteen days of receipt of this notice of intent. Petitions filed by any persons other than those entitled to written notice under section 120.60(3) of the Florida Statutes must be filed within fourteen days of publication of the public notice or within fourteen days of receipt of this notice of intent, whichever occurs first. Under section 120.60(3), however, any person who asked the Department for notice of agency action may file a petition within fourteen days of receipt of that notice, regardless of the date of publication. A petitioner shall mail a copy of the petition to the applicant at the address indicated above at the time of filing. The failure of any person to file a petition within the appropriate time period shall constitute a waiver of that person's right to request an administrative determination (hearing) under sections 120.569 and 120.57 F.S., or to intervene in this proceeding and participate as a party to it. Any subsequent intervention will be only at the approval of the presiding officer upon the filing of a motion in compliance with Rule 28-106.205 of the Florida Administrative Code.

A petition that disputes the material facts on which the Department's action is based must contain the following information: (a) The name and address of each agency affected and each agency's file or identification number, if known; (b) The name, address, and telephone number of the petitioner, the name, address, and telephone number of the petitioner's representative, if any, which shall be the address for service purposes during the course of the proceeding; and an explanation of how the petitioner's substantial interests will be affected by the agency determination; (c) A statement of how and when petitioner received notice of the agency action or proposed action; (d) A statement of all disputed issues of material fact. If there are none, the petition must so indicate; (e) A concise statement of the ultimate facts alleged, including the specific facts the petitioner contends warrant reversal or modification of the agency's proposed action; (f) A statement of the specific rules or statutes the petitioner contends require reversal or modification of the agency's proposed action; and (g) A statement of the relief sought by the petitioner, stating precisely the action petitioner wishes the agency to take with respect to the agency's proposed action.

A petition that does not dispute the material facts upon which the Department's action is based shall state that no such facts are in dispute and otherwise shall contain the same information as set forth above, as required by Rule 28-106.301

Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means that 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 such final decision of the Department on the application have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above.

In addition to the above, a person subject to regulation has a right to apply for a variance from or waiver of the requirements of particular rules, on certain conditions, under Section 120.542, F.S. The relief provided by this state statute applies only to state rules, not statutes, and not to any federal regulatory requirements. Applying for a variance or waiver does not substitute or extend the time for filing a petition for an administrative hearing or exercising any other right that a person may have in relation to the action proposed in this notice of intent.

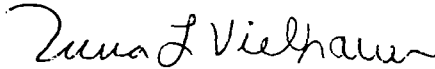
The application for a variance or waiver is made by filing a petition with the Office of General Counsel of the Department, 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000. The petition must specify the following information: (a) The name, address, and telephone number of the petitioner; (b) The name, address, and telephone number of the attorney or qualified representative of the petitioner, if any; (c) Each rule or portion of a rule from which a variance or waiver is requested; (d) The citation to the statute underlying (implemented by) the rule identified in (c) above; (e) The type of action requested; (f) The specific facts that would justify a variance or waiver for the petitioner; (g) The reason why the variance or waiver would serve the purposes of the underlying statute (implemented by the rule); and (h) A statement whether the variance or waiver is permanent or temporary and, if temporary, a statement of the dates showing the duration of the variance or waiver requested.

The Department will grant a variance or waiver when the petition demonstrates both that the application of the rule would create a substantial hardship or violate principles of fairness, as each of those terms is defined in Section 120.542(2) F.S., and that the purpose of the underlying statute will be or has been achieved by other means by the petitioner.

Persons subject to regulation pursuant to any federally delegated or approved air program should be aware that Florida is specifically not authorized to issue variances or waivers from any requirements of any such federally delegated or approved program. The requirements of the program remain fully enforceable by the Administrator of the EPA and by

any person under the Clean Air Act unless and until the Administrator separately approves any variance or waiver in accordance with the procedures of the federal program.

Executed in Tallahassee, Florida.



Trina Vielhauer, Chief  
Bureau of Air Regulation

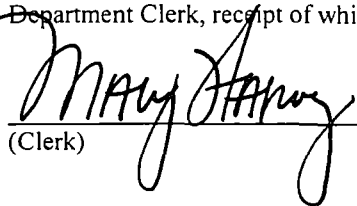
**CERTIFICATE OF SERVICE**

The undersigned duly designated deputy agency clerk hereby certifies that this INTENT TO ISSUE AIR CONSTRUCTION PERMIT (including the PUBLIC NOTICE and the DRAFT AIR CONSTRUCTION PERMIT) was sent by certified mail (\*) and copies were mailed by U.S. Mail before the close of business on 10/14/04 to the person(s) listed:

James M. Chansler, JEA \*  
N. Bert Gianazza, P.E., JEA  
Gregg Worley, EPA  
John Bunyak, NPS  
Chris Kirts, NED  
Richard Robinson, P.E. ERMD  
Mr. Hamilton S. Oven, DEP-Siting

Clerk Stamp

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

  
(Clerk)

10/14/04  
(Date)

**PUBLIC NOTICE OF INTENT TO ISSUE AIR CONSTRUCTION PERMIT**

STATE OF FLORIDA  
DEPARTMENT OF ENVIRONMENTAL PROTECTION

DEP File No. 0310045-013-AC  
JEA - Northside Generating Facility  
Steam Turbine Rotor Replacements  
Duval County

The Department of Environmental Protection (Department) gives notice of its intent to issue an Air Construction permit to JEA. The permit is to allow the replacement of the low pressure steam turbine rotors on units 1 and 2, and the high pressure/intermediate pressure rotors on unit 3 at the existing Northside Generating Facility, located in Jacksonville, Duval County. The installation of replacement rotors is being sought so as to improve the overall efficiency at the facility, and some increase in the output (electrical generating capacity) will occur with no increase in the emission of regulated air pollutants.

A Best Available Control Technology (BACT) determination was not required pursuant to Rule 62-212.400, F.A.C. and 40 CFR52.21 as no significant increase in emissions will occur. An air quality impact analysis was not required nor conducted. The applicant's name and address are JEA, 21 West Church Street, Jacksonville, FL 32202.

The Department will issue the FINAL permit unless a response received in accordance with the following procedures results in a different decision or significant change of terms or conditions.

The Department will accept written comments and requests for a public meeting concerning the proposed permit issuance action for a period of fourteen (14) days from the date of publication of "Public Notice of Intent to Issue Air Construction Permit." Written comments should be provided to the Department's Bureau of Air Regulation at 2600 Blair Stone Road, Mail Station #5505, Tallahassee, FL 32399-2400. Any written comments filed shall be made available for public inspection. If written comments received result in a significant change in the proposed agency action, the Department shall revise the proposed permit and require, if applicable, another Public Notice.

The Department will issue the permit with the attached conditions unless a timely petition for an administrative hearing is filed pursuant to Sections 120.569 and 120.57 F.S., before the deadline for filing a petition. The procedures for petitioning for a hearing are set forth below. Mediation is not available in this proceeding.

A person whose substantial interests are affected by the proposed permitting decision may petition for an administrative proceeding (hearing) under sections 120.569 and 120.57 of the 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 3900 Commonwealth Boulevard, Mail Station # 35, Tallahassee, Florida, 32399-3000. Petitions filed by the permit applicant or any of the parties listed below must be filed within fourteen days of receipt of this notice of intent. Petitions filed by any persons other than those entitled to written notice under section 120.60(3) of the Florida Statutes must be filed within fourteen days of publication of the public notice or within fourteen days of receipt of this notice of intent, whichever occurs first. Under section 120.60(3), however, any person who asked the Department for notice of agency action may file a petition within fourteen days of receipt of that notice, regardless of the date of publication. A petitioner shall mail a copy of the petition to the applicant at the address indicated above at the time of filing. The failure of any person to file a petition within the appropriate time period shall constitute a waiver of that person's right to request an administrative determination (hearing) under sections 120.569 and 120.57 F.S., or to intervene in this proceeding and participate as a party to it. Any subsequent intervention will be only at the approval of the presiding officer upon the filing of a motion in compliance with Rule 28-106.205 of the Florida Administrative Code.

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proposed action; and (g) A statement of the relief sought by the petitioner, stating precisely the action petitioner wishes the agency to take with respect to the agency's proposed action.

A petition that does not dispute the material facts upon which the Department's action is based shall state that no such facts are in dispute and otherwise shall contain the same information as set forth above, as required by Rule 28-106.301

Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means that 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 such final decision of the Department on the application have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above.

A complete project file is available for public inspection during normal business hours, 8:00 a.m. to 5:00 p.m., Monday through Friday, except legal holidays, at:

Dept of Environmental Protection  
Bureau of Air Regulation  
111 S. Magnolia Drive, Suite 4  
Tallahassee, Florida 32301  
Telephone: 850/488-0114  
Fax: 850/922-6979

Dept. of Environmental Protection  
Northeast District Office  
7825 Baymeadows Way, Suite 200B  
Jacksonville, Florida 32256-7590  
Telephone: 904/448-4300  
Fax: 904/448-4366

The complete project file includes the application, Draft Permit, and the information submitted by the responsible official, exclusive of confidential records under Section 403.111, F.S. Interested persons may contact the Administrator, New Resource Review Section at 111 South Magnolia Drive, Suite 4, Tallahassee, Florida 32301, or call 850/488-0114, for additional information.

UNITED STATES POSTAL SERVICE



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OCT 25 2004

Dept. of Environmental Protection  
Division of Air Resources Mgt.  
Bureau of Air Regulation, NSR  
2600 Blair Stone Rd., MS 5505  
Tallahassee, FL 32399-2400

BUREAU OF AIR REGULATION



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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Mr. James M. Chansler  
 Vice President, Operation and  
 Maintenance, JEA  
 21 West Church Street  
 Jacksonville, Florida 32202

2. Article Number

7000 1670 0013 3110 3360

*(Transfer from service label)***COMPLETE THIS SECTION ON DELIVERY**

A. Signature

X


 Agent AddresseeB. Received by (*Printed Name*)

Date of Delivery

OCT 20

D. Is delivery address different from item 1?  YesIf YES, enter delivery address below:  No

3. Service Type

 Certified Mail Express Mail Registered Return Receipt for Merchandise Insured Mail C.O.D.4. Restricted Delivery? (*Extra Fee*) Yes

U.S. Postal Service

# CERTIFIED MAIL RECEIPT

*(Domestic Mail Only; No Insurance Coverage Provided)*

09EE DTTE ET00 029T 000L  
7000 1670 0013 3110 029T 000L



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Restricted Delivery Fee (Endorsement Required)	
<b>Total Postage &amp; Fees</b>	<b>\$</b>

Postmark  
Here

Sent To: Mr. James M. Chansler, V.P. Operation  
and Maintenance IEA  
Street, Apt. No., or PO Box No.  
21 West Church Street  
Jacksonville, Florida 32202