

DRAFT

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

IN RE: SITE CERTIFICATION,)
CEDAR BAY COGENERATION PROJECT,)
CEDAR BAY COGENERATION, INC.) CERTIFICATION NO. PA88-24B
U.S. GENERATING COMPANY) OGC NO. 88-1089

FINAL ORDER MODIFYING CONDITIONS OF CERTIFICATION

On February 18, 1991, the Governor and Cabinet, acting as the Siting Board, issued a final order approving certification of the Cedar Bay Cogeneration Project (CBCP). That certification order approved the construction and operation of a fluidized bed, coal fired cogeneration power plant and associated facilities to be located in Duval County, Florida. The facility is operated by Cedar Bay Cogeneration, Inc. (CBC) a subsidiary of U.S. Generating Company.

On October 31, 1994, CBC filed a request to modify the conditions of certification pursuant to section 403.516(l)(b), F.S. CBC requested relief from conditions controlling the storage, handling, disposal and reuse of solid wastes produced by the combustion of coal. On January 20, 1995, CBC requested an extension of time to complete a test burn of short fiber recycle rejects.

Copies of CBC's request were distributed to all parties to the certification proceeding and made available for public review. On March 24, 1995, the Department published a Notice of Intent to Issue the Proposed Modification in the Florida Administrative Weekly. Copies of the intent to issue were sent to all parties to the original proceeding. As of March , 1995, all of the parties to the original proceeding had received copies of the intent to issue. The notice specified that a hearing would be held if a party to the original certification hearing objects within 45 days from receipt of the proposed modification or if a person whose substantial interests will be affected by the proposed modification objects in writing within 30 days after issuance of the public notice. No written objection to the proposed modifications was received by the Department.

Accordingly, in the absence of any timely objection,

IT IS ORDERED:

The proposed modifications to the Conditions of Certification relating to short fiber rejects and solid waste handling, storage, reuse, and disposal at the Cedar Bay Cogeneration Facility are hereby APPROVED. Pursuant to section 403.516(1)(b), F.S., the Department hereby MODIFIES the conditions of certification for the CBCP as follows:

II.A.1.h. To the extent that it is consistent with Condition II.A.1.b. and the following, CBCP shall burn all the short fiber rejects generated by Seminole Kraft in processing recycled paper. No less than ninety (90) days prior to completion of construction, CBCP shall submit a plan for conducting a 30-day test burn, ~~within one year after initial compliance testing.~~ The short fiber rejects test burn shall not be conducted until the test burn plan is approved by DEP and until such time as all other environmental requirements for the test burn can be met, including final approval of the ash disposal site. That test burn shall be -----.

II.B.4. Material handling sources shall be regulated as follows:

a. The material handling and treatment area sources with either fabric filter or baghouse controls are as follows:

- Coal Crusher Building
- Coal Silo Conveyor
- Limestone Pulverizer/Conveyor
- Limestone Storage Bin
- Bed Ash Hopper
- Bed Ash Silo
- Fly Ash Silo
- Bed Ash Bin
- Fly Ash Bin
- Pellet Vibratory Screen
- Pelletizing Ash Recycle Tank
- ~~Pelletizing Recycle Hopper~~

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Cured Pellet Recycle Conveyor

Pellet Recycle Conveyor

Pelletizing Curing Silo Outlet Conveyor

Pelletizing Fly Ash Receiver

Pelletizing Bed Ash Receiver

The emissions from the above listed sources are subject to the particulate emission limitation requirement of 0.003 gr/dscf (applicant-requested limitation which is more stringent than what is allowed by Rule 62 17-296.711, F.A.C.). Since these sources are RACT standard type then a one-time verification test on each source shall be required for PM mass emissions to demonstrate that the baghouse control systems can achieve the 0.003 gr/dscf. The performance tests shall be conducted using EPA Method 5 pursuant to Rule 62 17-297, F.A.C., and 40 CFR 60, Appendix A (July, 1991 version).

b. The PM emissions from the following process, equipment, and/or facility in the material handling and treatment area sources shall be controlled using wet suppression/removal techniques as follows:

~~Coal Car Unloading~~

Ash Pellet Hydrator

Ash Pellet Curing Silo

Ash Pelletizing Pan

The above listed sources are subject to a visible emission (VE) and a particulate matter (PM) emission limitation requirement of ~~5 percent opacity~~ and 0.01 gr/dscf (applicant-requested limitation, which is more stringent than what is allowed by rule), respectively, in accordance with Rule 62 17-296.711, F.A.C. Initial and subsequent compliance tests shall be conducted for VE and PM using EPA Methods 9 and 5, respectively, in accordance with Rule 62 17-297, F.A.C., and 40 CFR 60, Appendix A (July, 1991 version).

7. The maximum emissions from each of the Limestone Pulverizer/Conveyors ~~limestone dryers~~ while using oil ~~shall not exceed the following~~ (based on AP-42 factors, Table 1, 2-1, Industrial Distillate, 10/86) shall not exceed the following:

Any party to this Order has the right to seek judicial review of the Order pursuant to section 120.68, Florida Statutes, by the filing of Notice of Appeal pursuant to Rule 9.110, Florida Rules of Appellate Procedure, with the clerk of the Department of Environmental Protection in the Office of General Counsel, 2600 Blair Stone Road, Tallahassee, Florida 32399-2400; and by filing a copy of the Notice of Appeal accompanied by the applicable filing fees with the appropriate District Court of Appeal. The Notice of Appeal must be filed within 30 days from the date that the Final Order is filed with the Department of Environmental Protection Regulation.

DONE AND ENTERED this _____ day of _____, 1995 in Tallahassee, Florida.

STATE OF FLORIDA DEPARTMENT
OF ENVIRONMENTAL PROTECTION

VIRGINIA B. WETHERELL
Secretary

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RECEIVED

MAY 1 1995

Bureau of
Air Regulation

April 28, 1995

Hamilton S. Oven
Office of Siting Coordination
Department of Environmental Protection
3900 Commonwealth Blvd., Suite 953
Tallahassee, FL 32399

RE: Cedar Bay Cogeneration Project,
Request for Modification of Site Certification, PA 88-24B

Dear Mr. Oven:

Cedar Bay Generating Co. submits the enclosed revised, modified conditions of certification for the pending request for modification for the Cedar Bay Cogeneration Project. The revised or additional conditions are shown in double-underscored text and deletions are shown in struck-through text (in addition to the deletions already contained in your modified conditions), to set off the revisions from the conditions contained in the Department's March 17, 1995, proposed order granting the requested modification. For convenience, a copy of your proposed order is enclosed as well.


These revised conditions reflect recent discussions with various reviewing agencies and other parties to this proceeding. The revised conditions provide more specificity for certain matters in the proposed modification, such as the list of permitted emission sources, or impose more stringent conditions on the Project than are contained in CBGC's original request, such as for control of fugitive emissions. These changes also reflect the use of open rail cars for the transport of dry ash with the minimization of any increases in fugitive emissions by the methods specified in the conditions. The revised condition for the test burn of short fiber rejects is not included due to the recent deferral of that matter.

CBGC will accept these revised conditions as part of any final order issued by the Department granting the modification. In order to allow adequate review of these revised

conditions by other parties and agencies, CBGC requests an extension until May 22, 1995 for the filing of any comments or objections to these revised conditions by any party.

Should you or any agency staff have any questions concerning this matter, please contact either Mark Carney at US Generating Co. (301/718-6899) or me.

Sincerely,

A handwritten signature in cursive script, appearing to read "Douglas S. Roberts".

Douglas S. Roberts

Encls.

cc: Charles T. Collette, DEP OGC
Counsel for all Parties
Al Linero, DEP BAR
Bruce Mitchell, DEP BAR
Mort Benjamin, DEP NE Dist.
Steve Pace, RESD
Richard Robinson, RESD
Stafford Campbell
Barbara Broward

PROPOSED MODIFIED CONDITIONS OF CERTIFICATION (COCs)

II. Air

B. CBCP - Material Handling and Treatment

4. Material handling sources shall be regulated as follows:

a. The material handling and treatment area sources with either fabric filter or baghouse controls are as follows:

Coal Crusher Building
Coal Silo Conveyor
Limestone Pulverizer/Conveyor
Limestone Storage Bin
Bed Ash Hopper
Bed Ash Separator
Bed Ash Silo Vent
Fly Ash Silo Vent
Fly Ash Separators (2)
Bed Ash Bin Receiver
Fly Ash Bin Receiver
Pellet Vibratory Screen System
Pelletizing Ash Recycle Tank
~~Pelletizing Recycle Hopper~~
Cured Pellet ~~Recycle~~ Screening Conveyor System
Pellet Recycle Conveyor
~~Pelletizing Curing Silo Outlet Conveyor~~
~~Pelletizing Fly Ash Receiver~~
~~Pelletizing Bed Ash Receiver~~
Pelletizing Rail Loadout

The emissions from the above listed sources are subject to the particulate emission limitation requirement of 0.003 gr/dscf (applicant-requested limitation which is more stringent than what is allowed by Rule 17-296.711, F.A.C.). Since these sources are RACT standard type then a one-time verification test on each source shall be required for PM mass emissions to demonstrate that the baghouse control systems can achieve the 0.003 gr/dscf. The performance tests

shall be conducted using EPA Method 5 pursuant to Rule 62 17-297, F.A.C., and 40 CFR 60, Appendix A (July, 1991 version).

b. The PM emissions from the following process, equipment, and/or facility in the material handling and treatment area sources shall be controlled ~~using wet suppression/removal techniques~~ as follows:

Coal Car Unloading	
Ash Pellet Hydrator:	<u>Scrubber</u>
Ash Pellet Curing Silo:	<u>Scrubber</u>
Ash Pelletizing Pan:	<u>Scrubber</u>

The above listed sources are subject to a visible emission (VE) and a particulate matter (PM) emission limitation requirement of 5 percent opacity and 0.01 gr/dscf (applicant-requested limitation, which is more stringent than what is allowed by rule), respectively, in accordance with Rule 62 17-296.711, F.A.C. Initial and subsequent compliance tests shall be conducted for VE and PM using EPA Methods 9 and 5, respectively, in accordance with Rule 62 17-297, F.A.C., and 40 CFR 60, Appendix A (July, 1991 version).

c. Fugitive emissions from the following material handling and transport sources shall be controlled as follows:

<u>Coal Car Unloading:</u>	<u>Wet Suppression using continuous water sprays during unloading.</u>
<u>Dry Ash Rail Car Loadout:</u>	<u>Using closed or covered containers under negative air pressure during ash loadout; and using water sprays prior to removal of rail car loadout cap when loading open rail cars.</u>
<u>Dry Ash Transport:</u>	<u>Ash shipped in open rail cars will have a crust formed on the top layer of ash to control fugitive emissions during transport.</u>

The above listed sources are subject to a visible emissions (VE) limitation requirement of five percent (5%) opacity in accordance with Rule 62-296.711, F.A.C. Initial and subsequent compliance tests shall be conducted for VE using EPA Method 9 or other FDEP approved methods in accordance with Rule 62-297, F.A.C., and 40 CFR 60, Appendix A (July, 1991 version). Removal of bottom and fly ash from the Project site by any means other than by rail shall require the prior approval of DEP and RESD of the method(s) of fugitive emissions control.

* * *

7. The maximum emissions from each of the limestone dryers Limestone Pulverizer/Conveyors (including limestone dryer) ~~while using oil shall not exceed the following (based on AP-42 factors, Table 1, 2-1, Industrial Distillate, 10/86)~~ shall not exceed the following:

Estimated Limitations

Pollutant	lbs/hr.	TPY	for 2 dryers pulverizer/conveyors
PM/PM ₁₀	0.24 <u>1.26*</u>	0.32 <u>1.68</u>	0.64 <u>3.36</u>
SO ₂	0.85	1.15	2.3
CO	0.60	0.81	1.62
NO _x	2.40	3.25	6.5
VOC	0.05	0.06	0.12

The emissions for SO₂, CO, Nox and VOC are based on AP-42 factors, Table 1, 2-1, Industrial Distillate, 10/86).

* This reflects the emission limitation for the limestone pulverizer/conveyor in Condition II.B.4.a.

IX. SOLID WASTE STORAGE AND DISPOSAL

CBCP shall be responsible for arranging for the proper storage, handling, disposal, or reuse of any solid waste generated by the CBCP facility. Solid waste produced by the operation of the CBCP shall be removed from the site and disposed of in a permitted disposal facility, with the exception of bottom ash and fly ash. Bottom ash and fly ash will may be pelletized, or made into aggregate form, and either shall be shipped by rail back to the mine ~~utilizing the trains to deliver the coal~~ or to a permitted disposal site outside Duval County, ~~or sold as an additive to concrete, or utilized by~~ Ash may be shipped offsite to companies specializing in the marketing and utilization of combustion by-products. Fugitive emissions from storage and handling of ash materials will be controlled in accordance with these conditions and Department rules. Open rail cars used to ship dry ash will be sealed to prevent leaks of ash during transport. There shall be no outside storage of CFB ash prior to pelletization or loadout of ash to sealed rail cars for removal from the site. The bottom ash and fly ash shall not be disposed of in a landfill within Duval County. If the CBCP decides to dispose of the bottom ash or fly ash by other than returning it to the mine site or a permitted disposal site outside Duval County, they shall notify RESD and DEP. Subsequent changes to the ash pelletization system which result in new or modified emissions sources or discharges shall require submittal of a request for modification of this certification, in accordance with section 403.516, F.S.
[REMAINDER OF CONDITION IX REMAINS UNCHANGED.]