

Department of Environmental Protection

Jeb Bush
Governor

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

Colleen M. Castille
Secretary

March 7, 2006

Mr. Martin Kreft
General Manager
Cedar Bay Generating Company
9640 Eastport Road
Jacksonville, Florida 32218-2260

Re: Air Construction Permit No. 0310337-011-AC
Cedar Bay Generating Company- Cedar Bay Cogeneration Facility
New Absorber Dryer System Train 3

Dear Mr. Kreft:

On February 8, 2006, you submitted an application for an air permit to construct a new absorber dryer system (ADS) Train 3. The equipment will be installed at the Cedar Bay Cogeneration Facility, which is located at 9640 Eastport Road, Duval County. Enclosed are the following documents: "Technical Evaluation and Preliminary Determination", "Draft Permit", "Written Notice of Intent to Issue Air Permit", and "Public Notice of Intent to Issue Air Permit".

The "Technical Evaluation and Preliminary Determination" summarizes the Permitting Authority's technical review of the application and provides the rationale for making the preliminary determination to issue a Draft Permit. The proposed "Draft Permit" includes the specific conditions that regulate the emissions units covered by the proposed project. The "Written Notice of Intent to Issue Air Permit" provides important information regarding: the Permitting Authority's intent to issue an air permit for the proposed project; the requirements for publishing a Public Notice of the Permitting Authority's intent to issue an air permit; the procedures for submitting comments on the Draft Permit; the process for filing a petition for an administrative hearing; and the availability of mediation. The "Public Notice of Intent to Issue Air Permit" is the actual notice that you must have published in the legal advertisement section of a newspaper of general circulation in the area affected by this project.

If you have any questions, please contact the Project Engineer, Bobby Bull, at (850) 921-9585.

Sincerely,

For

Trina L. Vielhauer, Chief
Bureau of Air Regulation

TLV/rlb

Enclosures

WRITTEN NOTICE OF INTENT TO ISSUE AIR PERMIT

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

Mr. Martin Kreft
General Manager
Cedar Bay Generating Company, L.P.
9640 Eastport Road
Jacksonville, Florida 32218-2260

Draft Air Permit No. 0310337-011-AC
Cedar Bay Cogeneration Facility
New Absorber Dryer System Train 3
Duval County, Florida

Facility Location: Cedar Bay Generating Company operates the existing Cedar Bay Cogeneration Facility, located at 9640 Eastport Road, Jacksonville, Duval County, Florida.

Project: The applicant proposes to design, construct, install, and maintain a new absorber dryer system (ADS) train 3. Details of the project are provided in the application and the enclosed "Technical Evaluation and Preliminary Determination".

Permitting Authority: Applications for air construction permits are subject to review in accordance with the provisions of Chapter 403, Florida Statutes (F.S.) and Chapters 62-4, 62-210, and 62-212 of the Florida Administrative Code (F.A.C.). The proposed project is not exempt from air permitting requirements and an air permit is required to perform the proposed work. The Department of Environmental Protection's Bureau of Air Regulation is the Permitting Authority responsible for making a permit determination for this project. The Permitting Authority's physical address is: 111 S. Magnolia Drive, Tallahassee, Florida 32301. The Permitting Authority's mailing address is: 2600 Blair Stone Road, Mail Station 5505, Tallahassee, Florida 32399-2400. The Permitting Authority's telephone number is 850/488-0114.

Project File: A complete project file is available for public inspection during the normal business hours of 8:00 a.m. to 5:00 p.m., Monday through Friday (except legal holidays), at address indicated above for the Permitting Authority. The complete project file includes the Draft Permit, the Technical Evaluation and Preliminary Determination, the application, and the information submitted by the applicant, exclusive of confidential records under Section 403.111, F.S. Interested persons may contact the Permitting Authority's project review engineer for additional information at the address and phone number listed above.

Notice of Intent to Issue Permit: The Permitting Authority gives notice of its intent to issue an air permit to the applicant for the project described above. The applicant has provided reasonable assurance that operation of proposed equipment will not adversely impact air quality and that the project will comply with all appropriate provisions of Chapters 62-4, 62-204, 62-210, 62-212, 62-296, and 62-297, F.A.C. The Permitting Authority will issue a Final Permit in accordance with the conditions of the proposed Draft Permit unless a timely petition for an administrative hearing is filed under Sections 120.569 and 120.57, F.S. or unless public comment received in accordance with this notice results in a different decision or a significant change of terms or conditions.

Public Notice: Pursuant to Section 403.815, F.S. and Rules 62-110.106 and 62-210.350, F.A.C., you (the applicant) are required to publish at your own expense the enclosed "Public Notice of Intent to Issue Air Permit" (Public Notice). The Public Notice shall be published one time only as soon as possible in the legal advertisement section of a newspaper of general circulation in the area affected by this project. The newspaper used must meet the requirements of Sections 50.011 and 50.031, F.S. in the county where the activity is to take place. If you are uncertain that a newspaper meets these requirements, please contact the Permitting Authority at above address or phone number. Pursuant to Rule 62-110.106(5), F.A.C., the applicant shall provide proof of publication to the Permitting Authority at the above address within seven (7) days of publication. Failure to publish the notice and provide proof of publication may result in the denial of the permit pursuant to Rule 62-110.106(11), F.A.C.

WRITTEN NOTICE OF INTENT TO ISSUE AIR PERMIT

Comments: The Permitting Authority will accept written comments concerning the proposed Draft Permit for a period of fourteen (14) days from the date of publication of the Public Notice. Written comments must be provided to the Permitting Authority at the above address. Any written comments filed will be made available for public inspection. If written comments received result in a significant change to the Draft Permit, the Permitting Authority shall revise the Draft Permit and require, if applicable, another Public Notice.

Petitions: A person whose substantial interests are affected by the proposed permitting decision may petition for an administrative hearing in accordance with Sections 120.569 and 120.57, F.S. The petition must contain the information set forth below and must be filed with (received by) the Department's Agency Clerk in the Office of General Counsel of the Department of Environmental Protection, 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000. Petitions filed by the applicant or any of the parties listed below must be filed within fourteen (14) days of receipt of this Written Notice of Intent to Issue Air Permit. Petitions filed by any persons other than those entitled to written notice under Section 120.60(3), F.S., must be filed within fourteen (14) days of publication of the attached Public Notice or within fourteen (14) days of receipt of this Written Notice of Intent to Issue Air Permit, whichever occurs first. Under Section 120.60(3), F.S., however, any person who asked the Permitting Authority for notice of agency action may file a petition within fourteen (14) days of receipt of that notice, regardless of the date of publication. A petitioner shall mail a copy of the petition to the applicant at the address indicated above, at the time of filing. The failure of any person to file a petition within the appropriate time period shall constitute a waiver of that person's right to request an administrative determination (hearing) under Sections 120.569 and 120.57, F.S., or to intervene in this proceeding and participate as a party to it. Any subsequent intervention will be only at the approval of the presiding officer upon the filing of a motion in compliance with Rule 28-106.205, F.A.C.

A petition that disputes the material facts on which the Permitting Authority's action is based must contain the following information: (a) The name and address of each agency affected and each agency's file or identification number, if known; (b) The name, address, and telephone number of the petitioner; the name, address and telephone number of the petitioner's representative, if any, which shall be the address for service purposes during the course of the proceeding; and an explanation of how the petitioner's substantial interests will be affected by the agency determination; (c) A statement of how and when each 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 state; (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 the petitioner wishes the agency to take with respect to the agency's proposed action. A petition that does not dispute the material facts upon which the Permitting Authority's action is based shall state that no such facts are in dispute and otherwise shall contain the same information as set forth above, as required by Rule 28-106.301, F.A.C.

Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means that the Permitting Authority's final action may be different from the position taken by it in this Written Notice of Intent to Issue Air Permit. Persons whose substantial interests will be affected by any such final decision of the Permitting Authority on the application have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above.

WRITTEN NOTICE OF INTENT TO ISSUE AIR PERMIT

Mediation: Mediation is not available in this proceeding.

Executed in Tallahassee, Florida.

For

Jeffrey J. Koen

Trina L. Vielhauer, Chief
Bureau of Air Regulation

CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this "Written Notice of Intent to Issue Air Permit" package (including the Public Notice, the Technical Evaluation and Preliminary Determination, and the Draft Permit) was sent by certified mail (*) and copies were mailed by U.S. Mail before the close of business on 3/7/06 to the persons listed below.

Martin Kreft, Cedar Bay*
Jeff Walker, Cedar Bay
Ken Kosky, P.E., Golder and Associates
Richard Robinson, P.E., City of Jacksonville EQD
Chris Kirts, DEP- NED
Hamilton Oyen, DEP Siting Office
Dot Mathias, Northside Civic Association

Clerk Stamp

FILING AND ACKNOWLEDGMENT FILED, on this date, pursuant to Section 120.52(7), Florida Statutes, with the designated agency clerk, receipt of which is hereby acknowledged.

Mary J. O'Connell

(Clerk)

3/7/06
(Date)

PUBLIC NOTICE OF INTENT TO ISSUE AIR PERMIT

Florida Department of Environmental Protection
Draft Air Permit No. 0310337-011-AC
Cedar Bay Generating Company- Cedar Bay Cogeneration Facility
Duval County, Florida

Applicant: The applicant and mailing address for this project is: Cedar Bay Generating Company, L.P., 9640 Eastport Road, Jacksonville, Florida 32218-2260. The applicant's authorized representative is Martin Kreft, General Manager.

Facility Location: The Cedar Bay Generating Company operates the existing Cedar Bay Cogeneration Facility, located at 9640 Eastport Road, Jacksonville, Duval County, Florida.

Project: The applicant proposes to construct a new absorber dryer system (ADS) train 3 to process limestone as a reactant for the existing circulating fluidized beds (CFB) boilers to control sulfur dioxide (SO₂) and other acid gases. The project is not expected to result in any significant increases of pollutants. Maximum potential emissions are 1.97 tpy (PM/PM₁₀), 3.1 tpy (SO₂), 7.0 tpy (NO_x), 9.4 tpy (CO), and 0.09 tpy (VOC). The PSD thresholds are 25/15 tpy, 40, 40, 100, and 40 respectively. The proposed line would be the primary ADS train and the existing ADS trains 1 and 2 (Emissions Units 004 and 005 respectively) will become the backup ADS trains.

Permitting Authority: Applications for air construction permits are subject to review in accordance with the provisions of Chapter 403, Florida Statutes (F.S.) and Chapters 62-4, 62-210, and 62-212 of the Florida Administrative Code (F.A.C.). The proposed project is not exempt from air permitting requirements and an air permit is required to perform the proposed work. The Florida Department of Environmental Protection's Bureau of Air Regulation is the Permitting Authority responsible for making a permit determination regarding this project. The Permitting Authority's physical address is: 111 South Magnolia Drive, Tallahassee, Florida 32301. The Permitting Authority's mailing address is: 2600 Blair Stone Road, Mail Station 5505, Tallahassee, Florida 32399-2400. The Permitting Authority's telephone number is 850/488-0114.

Project File: A complete project file is available for public inspection during the normal business hours of 8:00 a.m. to 5:00 p.m., Monday through Friday (except legal holidays), at address indicated above for the Permitting Authority. The complete project file includes the Draft Permit, the Technical Evaluation and Preliminary Determination, the application, and the information submitted by the applicant, exclusive of confidential records under Section 403.111, F.S. Interested persons may contact the Permitting Authority's project review engineer for additional information at the address and phone number listed above.

Notice of Intent to Issue Air Permit: The Permitting Authority gives notice of its intent to issue an air permit to the applicant for the project described above. The applicant has provided reasonable assurance that operation of proposed equipment will not adversely impact air quality and that the project will comply with all appropriate provisions of Chapters 62-4, 62-204, 62-210, 62-212, 62-296, and 62-297, F.A.C. The Permitting Authority will issue a Final Permit in accordance with the conditions of the proposed Draft Permit unless a timely petition for an administrative hearing is filed under Sections 120.569 and 120.57, F.S. or unless public comment received in accordance with this notice results in a different decision or a significant change of terms or conditions.

Comments: The Permitting Authority will accept written comments concerning the proposed Draft Permit for a period of fourteen (14) days from the date of publication of this Public Notice. Written comments must be provided to the Permitting Authority at the above address. Any written comments filed will be made available for public inspection. If written comments received result in a significant change to the Draft Permit, the Permitting Authority shall revise the Draft Permit and require, if applicable, another Public Notice.

(Public Notice to be Published in the Newspaper)

PUBLIC NOTICE OF INTENT TO ISSUE AIR PERMIT

Petitions: A person whose substantial interests are affected by the proposed permitting decision may petition for an administrative hearing in accordance with Sections 120.569 and 120.57, F.S. The petition must contain the information set forth below and must be filed with (received by) the Department's Agency Clerk in the Office of General Counsel of the Department of Environmental Protection at 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000. Petitions filed by any persons other than those entitled to written notice under Section 120.60(3), F.S. must be filed within fourteen (14) days of publication of this Public Notice or receipt of a written notice, whichever occurs first. Under Section 120.60(3), F.S., however, any person who asked the Permitting Authority for notice of agency action may file a petition within fourteen (14) days of receipt of that notice, regardless of the date of publication. A petitioner shall mail a copy of the petition to the applicant at the address indicated above, at the time of filing. The failure of any person to file a petition within the appropriate time period shall constitute a waiver of that person's right to request an administrative determination (hearing) under Sections 120.569 and 120.57, F.S., or to intervene in this proceeding and participate as a party to it. Any subsequent intervention will be only at the approval of the presiding officer upon the filing of a motion in compliance with Rule 28-106.205, F.A.C.

A petition that disputes the material facts on which the Permitting Authority's action is based must contain the following information: (a) The name and address of each agency affected and each agency's file or identification number, if known; (b) The name, address and telephone number of the petitioner; the name address and telephone number of the petitioner's representative, if any, which shall be the address for service purposes during the course of the proceeding; and an explanation of how the petitioner's substantial rights will be affected by the agency determination; (c) A statement of how and when the 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 state; (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 the petitioner wishes the agency to take with respect to the agency's proposed action. A petition that does not dispute the material facts upon which the Permitting Authority's action is based shall state that no such facts are in dispute and otherwise shall contain the same information as set forth above, as required by Rule 28-106.301, F.A.C.

Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means that the Permitting Authority's final action may be different from the position taken by it in this Public Notice of Intent to Issue Air Permit. Persons whose substantial interests will be affected by any such final decision of the Permitting Authority on the application have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above.

Mediation: Mediation is not available for this proceeding.

**TECHNICAL EVALUATION
&
PRELIMINARY DETERMINATION**

PROJECT

Draft Air Construction Permit No. 0310337-011-AC
Absorber Dryer System Train 3

COUNTY

Duval County, Florida

APPLICANT

Cedar Bay Generating Company, L.P.
Cedar Bay Cogeneration Facility
ARMS Facility ID No. 0310337

**PERMITTING
AUTHORITY**

Florida Department of Environmental Protection
Division of Air Resources Management
Bureau of Air Regulation
Air Permitting North



March 7, 2006

{Filename: 0310337011 TEPD}

TECHNICAL EVALUATION AND PRELIMINARY DETERMINATION

1. GENERAL PROJECT INFORMATION

Facility Description and Location

Cedar Bay Generating Company operates the existing Cedar Bay Cogeneration Facility (SIC 4911), which is located at 9640 Eastport Road in Jacksonville, Duval County, Florida. This site is in an area that is currently in attainment (or designated as unclassifiable) for all air pollutants subject to a National Ambient Air Quality Standard (NAAQS).

Regulatory Categories

Title III: The facility is identified as a major source of hazardous air pollutants (HAP).

Title V: The facility is a Title V major source of air pollution in accordance with Chapter 213, F.A.C.

PSD: The facility is a PSD-major source of air pollution in accordance with Rule 62-212.400, F.A.C.

NSPS: Some units are subject to a New Source Performance Standard (NSPS) in 40 CFR 60.

Project Description

Cedar Bay proposes to construct a new absorber dryer system (ADS) train 3 to act as the primary ADS with the existing ADS trains 1 and 2 acting as backup systems to train 3. The new system will consist of material handling equipment and sizing and drying equipment. Particulate matter emissions will be controlled by a baghouse. Train 3 will use the existing facility's storage and handling systems for prepared reactant.

Processing Schedule

02/8/06 Received the application for new absorber dryer system.

2. APPLICABLE REGULATIONS

State Regulations

This project is subject to the applicable environmental laws specified in Section 403 of the Florida Statutes (F.S.). The Florida Statutes authorize the Department of Environmental Protection to establish rules and regulations regarding air quality as part of the Florida Administrative Code (F.A.C.). In general, this project is subject to the applicable rules and regulations defined in the following Chapters of the F.A.C.

<u>Chapter</u>	<u>Description</u>
62-4	Permitting Requirements
62-204	Ambient Air Quality Requirements and Federal Regulations Adopted by Reference
62-210	Required Permits, Public Notice, Reports, Circumvention, Excess Emissions, and Forms
62-212	Preconstruction Review
62-213	Operation Permits for Major Sources of Air Pollution
62-296	Emission Limiting Standards
62-297	Testing, Continuous Monitoring, and Alternate Sampling Procedures

General PSD Applicability

The Department regulates major air pollution sources in accordance with the Prevention of Significant Deterioration (PSD) program. A pre-construction PSD review is required only in areas currently in attainment with the National Ambient Air Quality Standard (NAAQS) or areas designated as

TECHNICAL EVALUATION AND PRELIMINARY DETERMINATION

“unclassifiable” for a given pollutant. A new facility is considered “major” with respect to PSD if it emits or has the potential to emit:

- 250 tons per year or more of any regulated air pollutant, or
- 100 tons per year or more of any regulated air pollutant and the facility belongs to one of the 28 PSD Major Facility Categories, or
- 5 tons per year of lead.

For new projects at PSD-major sources, each regulated pollutant is reviewed for PSD applicability based on emissions thresholds known as the Significant Emission Rates defined in Rule 62-210.200, F.A.C. Pollutant emissions from the project exceeding these rates are considered “significant”. The applicant must employ the Best Available Control Technology (BACT) to minimize emissions of each such pollutant and evaluate the air quality impacts. Although a facility may be “major” with respect to PSD for only one regulated pollutant, it must install BACT controls for each “significant” regulated pollutants.

PSD Applicability for Project

Listed in the following table are estimated potential emissions for the proposed ADS, Emissions Unit 034:

Pollutant	Estimated Potential Emissions (Tons per Year)	Significant Emissions Rate (Tons per Year)	Trigger PSD Review
PM/PM10	1.97	25/15	NO
SO ₂	3.1	40	NO
NO _x	7.0	40	NO
CO	9.4	100	NO
VOC	0.09	40	NO

As shown in the above table, the project is not subject to PSD preconstruction review. Nevertheless, a minor source air construction permit is required to conduct the proposed work.

3. Application Review

This facility, permitted under Title V permit 0310337-007-AV, consists of: three circulating fluidized bed steam generators (CFB boilers) designated as Boilers A, B, and C; a coal handling area; a limestone handling area; and an ash handling area. Crushed coal is the primary fuel for Boilers A, B and C and the facility may use petroleum coke. The fuel for Boilers B and C can also be supplemented with short fiber recycle rejects received from Stone Container Corporation. No. 2 fuel oil is used as a supplemental start up fuel in all three boilers. Two absorber dryer system trains process limestone as a reactant for the CFB boilers to control SO₂ emissions. Cedar Bay proposes to install a Decker Industries Absorber Dyer System (ADS) Train designed to process 44 tph (385,400 tpy) of limestone which will be used as a reactant for the existing plant’s three circulating fluidized bed (CFB) boilers to reduce SO₂ and other acid gases.

Based on the current Title V air operation permit, Unit 034 is subject to Rule 62-212.300, F.A.C. (General Preconstruction Review); NSPS, 40 CFR 60 Subpart OOO (Sec. 60.672 and 60.675), Standards of Performance for Nonmetallic Mineral Processing Plants, adopted and incorporated by reference in Rule 62-204.800(7). However, the proposed standards for particulate patten control and visible emissions are more stringent than the subpart OOO standards.

TECHNICAL EVALUATION AND PRELIMINARY DETERMINATION

The applicant proposes to install an ADS train 3 as the primary system with existing ADS trains 1 and 2 serving as backups. ADS train 3 will consist of an impact mill, dryer, and baghouse. The impact mill will size limestone and aragonite so that 98% to 99% of the material will pass through an 18 mesh sieve. The dryer consists of a 13.4 MMBtu/hour heater used to dry the limestone/aragonite to a specification of 1% moisture or less. The dryer will fire only distillate oil containing no more than 0.05% sulfur by weight. ADS train 3 will have a capacity of 44 tons/hour and 385,400 tons/year of limestone and aragonite.

Emissions from the project will result from fuel combustion in the dryer and the particulate emissions from sizing, drying, and handling limestone/aragonite. At maximum capacity, the dryer will combust 876,000 gallons per year of distillate oil. As shown in the previous table, emissions (CO, NO_x, SO₂, and VOC) from this quantity of fuel combustion will not be significant. Particulate matter emissions from both fuel combustion and material handling will be controlled by a baghouse.

The proposed particulate matter control device is a MikroPul baghouse control system with pulse-jet cleaning. The baghouse filter area will be approximately 5700 cubic feet and the unit will have an air-to-cloth ratio of 3.65 to 1. The exhaust flow rate will be approximately 20,500 acfm and the exhaust temperature will be approximately 180° F. The baghouse will be designed to achieve a particulate matter emission rate of no more than 0.003 grains per dry standard cubic feet (gr/dscf). The potential to emit (PTE) of PM emissions are 1.97 tpy. Based on AOR data, this is approximately equivalent to ADS Units 1 and 2 actual emissions for the last five years.

The proposed ADS train 3 is subject to NSPS Subpart OOO in 40 CFR 60, which is a federal regulation for non-metallic mineral processing plants. This regulation primarily specifies two standards for this unit: visible emissions shall not exceed 7% opacity; and particulate matter emissions shall not exceed no more 0.022 gr/dscf [40 CFR 60.672(a)]. The proposed control system will comply with these federal requirements. The draft permit will also specify the following more stringent standards: visible emissions shall not exceed 5% opacity; and particulate matter emissions shall not exceed 0.003 gr/dscf. These standards are based on the design of the unit, which formed the basis for potential emissions in the application.

4. PRELIMINARY DETERMINATION

The Department makes a preliminary determination that the proposed project will comply with the applicable air pollution regulations. This determination is based on a technical review of the application, the preliminary design, reasonable assurances provided by the applicant, and the conditions specified in the draft permit. No air quality modeling analysis is required because the project does not result in a significant increase in emissions. Bobby Bull is the project engineer responsible for reviewing the application and drafting the permit. Additional details of this analysis may be obtained by contacting the project engineer at the Department's Bureau of Air Regulation at Mail Station #5505, 2600 Blair Stone Road, Tallahassee, Florida 32399-2400.

REFERENCES

1. Annual Air Operating Reports, Florida Department of Environmental Protection, Division of Air Resource Management.



Department of Environmental Protection

Jeb Bush
Governor

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

Colleen M. Castille
Secretary

PERMITTEE

Cedar Bay Generating Company
9640 Eastport Road
Jacksonville, FL 32218-2260

Authorized Representative:
Martin Kreft, General Manager

Cedar Bay Cogeneration Facility Absorber Dryer System Train 3 Facility ID No. 0310337 Air Permit No. 0310337-011-AC Permit Expires: March 1, 2008

PROJECT AND LOCATION

This permit authorizes the construction of a new absorber dryer system (ADS) at the existing Cedar Bay Cogeneration Facility, which is located at 9640 Eastport Road in Jacksonville, Duval County, Florida. The map coordinates are: Zone 17; 441.610 km East; and 3365.552 km North.

STATEMENT OF BASIS

This air pollution construction permit is issued under the provisions of Chapter 403, F.S., and Chapters 62-4, 62-204, 62-210, 62-212, 62-296, and 62-297, F.A.C. 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. This air construction permit supplements all other valid air construction and operation permits.

CONTENTS

- Section 1. General Information
- Section 2. Administrative Requirements
- Section 3. Emissions Units Specific Conditions
- Section 4. Appendices

Michael G. Cooke, Director
Division of Air Resource Management

(Date)

SECTION 1. GENERAL INFORMATION

FACILITY AND PROJECT DESCRIPTION

This facility, permitted under Title V permit 0310337-007-AV, consists of: three circulating fluidized bed steam generators (CFB boilers) designated as Boilers A, B, and C; a coal handling area; a limestone handling area; and an ash handling area. Crushed coal is the primary fuel for Boilers A, B and C and the facility may use petroleum coke. The fuel for Boilers B and C can also be supplemented with short fiber recycle rejects received from Stone Container Corporation. No. 2 fuel oil is used as a supplemental start up fuel in all three boilers. Two absorber dryer system trains process limestone as a reactant for the CFB boilers to control SO₂ emissions. Also included in the Title V permit are miscellaneous insignificant emissions units and/or activities. The following units are affected by this air construction permit.

ID	Emission Unit Description
004	Absorber Dryer System Train 1 (Dryer and Handling System)
005	Absorber Dryer System Train 2 (Dryer and Handling System)
034	Absorber Dryer System Train 3 (Dryer and Handling System)

REGULATORY CLASSIFICATION

Title III: The existing facility is identified as a major source of hazardous air pollutants (HAP).

Title V: The existing facility is a Title V major source of air pollution in accordance with Chapter 213, F.A.C.

PSD: The existing facility is a PSD-major source of air pollution in accordance with Rule 62-212.400, F.A.C.

NSPS: Some units are subject to a New Source Performance Standard (NSPS) in 40 CFR 60.

RELEVANT DOCUMENTS

Application submitted on February 8, 2006.

SECTION 2. ADMINISTRATIVE REQUIREMENTS

1. Permitting Authority: All documents related to applications for permits to construct, modify, or operate emissions units at this facility 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 permit applications shall also be sent to the Compliance Authority.
2. Compliance Authority: All documents related to compliance activities such as reports, tests, and notifications shall be submitted to the City of Jacksonville's Environmental Quality Division, 117 W. Duval Street, Suite 225, Jacksonville, FL, 32202-3718.
3. Appendices: The following Appendices are attached as part of this permit: Appendix CF (Citation Format); Appendix GC (General Conditions); and, Appendix SC (Standard Conditions).
4. Applicable Regulations, Forms and Application Procedures: Unless otherwise indicated in this permit, the construction and operation of the subject emissions units shall be in accordance with the capacities and specifications stated in the application. The facility is subject to all applicable provisions of Chapter 403, F.S. and Chapters 62-4, 62-204, 62-210, 62-212, 62-213, 62-296, and 62-297, F.A.C. 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 62-4, 62-204.800, 62-210.300 and 62-210.900, F.A.C.]
5. 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.]
6. Construction Approval: No emissions unit or facility subject to this permit shall be constructed or modified without obtaining an air construction permit from the Department. Rule 62-210.200(76), F.A.C. defines *construction* as, "The act of performing on-site fabrication, erection, installation or modification of an emissions unit or facility of a permanent nature, including installation of foundations or building supports; laying of underground pipe work or electrical conduit; and fabrication or installation of permanent storage structures, component parts of an emissions unit or facility, associated support equipment, or utility connections. Land clearing and other site preparation activities are not a part of the construction activities." Such permits shall be obtained prior to beginning construction or modification. [Rules 62-210.300(1) and 62-212.300(1)(a), F.A.C.]
7. Title V Permit: This permit authorizes construction of the permitted emissions units and initial operation to determine compliance with Department rules. A Title V operation permit is required for regular operation of the permitted emissions units. The permittee shall apply for a Title V operation permit (revision) at least 90 days prior to expiration of this permit, but no later than 180 days after commencing operation. 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. [Rules 62-4.030, 62-4.050, 62-4.220, and Chapter 62-213, F.A.C.]

SECTION 3. EMISSIONS UNIT SPECIFIC CONDITIONS

Emissions Units 034

This section of the permit addresses emissions unit 034.

ID	Emission Unit Description
034	Absorber Dryer System (ADS) Train 3 (Dryer and Handling System)
<p><i>Description:</i> Proposed emissions unit 034 is an absorber dryer system. Train 3 will consist of an impact mill which will be used to size the limestone and a heater, rated at 13.4 MMBtu/hr to dry the limestone.</p> <p><i>Fuels:</i> No. 2 fuel oil with a sulfur content of 0.05 percent by weight or less</p> <p><i>Material Handling/Usage Rate:</i> 44 tons per hour of limestone/aragonite</p> <p><i>PM Controls:</i> baghouse</p> <p><i>{Permitting Notes: Unit 034 will be regulated under Rule 62-212.400, F.A.C. (PSD Preconstruction Review); NSPS, 40 CFR 60 Subpart OOO, Standards of Performance for Nonmetallic Mineral Processing Plants, adopted and incorporated by reference in Rule 62-204.800(7)}</i></p>	

EQUIPMENT AND CONSTRUCTION

1. ADS Train 3: The permittee is authorized to install an absorber dryer system (ADS) consisting of: an impact mill designed to size limestone to a nominal size of 98% to 99% of material passing through an 18 mesh sieve; and a 13.4 MMBtu/hr dryer to dry sized limestone to a boiler specification of 1% moisture content. [Application No. 0310337-011-AC]
2. Baghouse: To control particulate matter emissions from the dryer, the permittee shall design, install, operate, and maintain a baghouse system designed to achieve a specification of 0.003 grains/dscf of exhaust. The designed exhaust flow rate from ADS train 3 is 20,500 acfm at 180 F. [Design; Application No. # 0310337-011-AC]

PERFORMANCE REQUIREMENTS

3. Hours of Operation: ADS Train 3 may operate continuously (8,760 hours per year.) [Rule 62-210.200(PTE), F.A.C.]
4. Permitted Capacity: The maximum handling/usage rates for ADS Train 3 for all limestone/aragonite unloading and storage shall not exceed 44 tons/hour and 385,400 tons during any 12 consecutive months of limestone and aragonite. [Application No. 0310337-011-AC, Rule 62-210.200(PTE), F.A.C.]
5. Authorized Fuel: ADS Train 3 is permitted to fire only No. 2 distillate oil, containing no more than 0.05% sulfur by weight. The maximum distillate oil firing rate shall not exceed 100 gallons per hour and 876,000 gallons during any 12 consecutive months. [Rule 62-210.200(PTE), F.A.C.]

EMISSIONS STANDARDS

6. Visible Emissions: Visible emissions from the ADS Train 3 shall not exceed 5% opacity. In addition, pursuant to 40 CFR 60.672(a)(2), visible emissions shall not exceed 7%. [Rule 62-4.070(3), F.A.C. and 40 CFR 60.672(a)(2).]
7. Particulate Matter Emissions. Particulate matter emissions from the emissions units in this subsection shall not exceed 0.003 gr/dscf. In addition, pursuant to 40 CFR 60.672(a)(1), particulate matter emissions shall not exceed 0.022 gr/dscf. [Application No. 0310337-011-AC and 40 CFR 60.672]
8. Plant Operation - Problems: If temporarily unable to comply with any of the conditions of the permit due to breakdown of equipment or destruction by fire, wind or other cause, the permittee shall notify each Compliance Authority as soon as possible, but at least within one working day, excluding weekends and holidays. The notification shall include: pertinent information as to the cause of the problem; steps being

SECTION 3. EMISSIONS UNIT SPECIFIC CONDITIONS

Emissions Units 034

taken to correct the problem and prevent future recurrence; and, where applicable, the owner's intent toward reconstruction of destroyed facilities. Such notification does not release the permittee from any liability for failure to comply with the conditions of this permit or the regulations. [Rule 62-4.130, F.A.C.]

9. Circumvention: The permittee shall not circumvent the air pollution control equipment or allow the emission of air pollutants without this equipment operating properly. [Rule 62-210.650, F.A.C.]
10. Excess Emissions Allowed: Unless otherwise specified in the permit, excess emissions resulting from startup, shutdown or malfunction of any emissions unit shall be permitted providing (1) best operational practices to minimize emissions are adhered to and (2) the duration of excess emissions shall be minimized but in no case exceed two hours in any 24 hour period unless specifically authorized by the Department for longer duration. [Rule 62-210.700(1), F.A.C.]
11. 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. [Rule 62-210.700(4), F.A.C.]
12. Excess Emissions - Notification: In case of excess emissions resulting from malfunctions, the permittee shall notify the Department or the appropriate Local Program in accordance with Rule 62-4.130, F.A.C. A full written report on the malfunctions shall be submitted in a quarterly report, if requested by the Department. [Rule 62-210.700(6), F.A.C.]
13. Objectionable Odor Prohibited: No person shall cause, suffer, allow or permit the discharge of air pollutants, which cause or contribute to an objectionable odor. An "objectionable odor" means any odor present in the outdoor atmosphere which by itself or in combination with other odors, is or may be harmful or injurious to human health or welfare, which unreasonably interferes with the comfortable use and enjoyment of life or property, or which creates a nuisance. [Rules 62-296.320(2) and 62-210.200(203), F.A.C.]
14. General Visible Emissions: Unless otherwise specified in the permit, no person shall cause, let, permit, suffer or allow to be discharged into the atmosphere the emissions of air pollutants from any activity equal to or greater than 20 percent opacity. [Rule 62-296.320(4)(b)1, F.A.C.]
15. Unconfined Particulate Emissions: During the construction period, unconfined particulate matter emissions shall be minimized by dust suppressing techniques such as covering and/or application of water or chemicals to the affected areas, as necessary. [Rule 62-296.320(4)(c), F.A.C.]

EMISSIONS PERFORMANCE TESTING

16. Test Notification: The permittee shall notify the Compliance Authority in writing at least 15 days prior to any required tests. The notification shall include: the scheduled date, approximate start time, test team, contact name and phone number, description of unit to be tested, and the tests to be performed. [Rule 62-297.310(7)(a)9, F.A.C.]
17. Visible Emissions: The test method for visible emissions shall be EPA Method 9, incorporated in Chapter 62-297, F.A.C. and 40 CFR 60.60.675. [Rule 62-297, F.A.C., and 40 CFR 60.675.]
18. Particulate Matter Emissions: The test method for particulate matter emissions shall be EPA Method 5 or 17, incorporated in Chapter 62-297, F.A.C. [Application No. 0310337-011-AC, and 40 CFR 60.675.]
19. Initial Compliance Tests: The baghouse exhaust point shall be tested to demonstrate initial compliance with the specified particulate matter and opacity standards. The initial tests shall be conducted within 60 days after achieving permitted capacity, but not later than 180 days after initial operation of the unit. [Rule 62-297.310(7)(a)1, F.A.C.; 40 CFR 60.8]

SECTION 3. EMISSIONS UNIT SPECIFIC CONDITIONS

Emissions Units 034

20. Annual Compliance Tests: During each federal fiscal year (October 1st to September 30th), the baghouse exhaust point shall be tested to demonstrate compliance with the specified opacity standard. Compliance tests for particulate matter subsequent to the initial compliance test are not required unless the Compliance Authority has good reason (such as complaints, increased visible emissions or questionable maintenance of control equipment) to believe that the applicable emission standard is being violated. [Rule 62-297.310(7)(a)4, F.A.C.]
21. Required Number of Test Runs: For mass emission limitations, a compliance test shall consist of three complete and separate determinations of the total air pollutant emission rate through the test section of the stack or duct and three complete and separate determinations of any applicable process variables corresponding to the three distinct time periods during which the stack emission rate was measured; provided, however, that three complete and separate determinations shall not be required if the process variables are not subject to variation during a compliance test, or if three determinations are not necessary in order to calculate the unit's emission rate. The three required test runs shall be completed within one consecutive five-day period. In the event that a sample is lost or one of the three runs must be discontinued because of circumstances beyond the control of the owner or operator, and a valid third run cannot be obtained within the five-day period allowed for the test, the Secretary or his or her designee may accept the results of two complete runs as proof of compliance, provided that the arithmetic mean of the two complete runs is at least 20% below the allowable emission limiting standard. [Rule 62-297.310(1), F.A.C.]
22. Operating Rate During Testing: Testing of emissions shall be conducted with the emissions unit operating at permitted capacity. Permitted capacity is defined as 90 to 100 percent of the maximum operation rate allowed by the permit. If it is impractical to test at permitted capacity, an emissions unit may be tested at less than the maximum permitted capacity; in this case, subsequent emissions unit operation is limited to 110 percent of the test rate until a new test is conducted. Once the unit is so limited, operation at higher capacities is allowed for no more than 15 consecutive days for the purpose of additional compliance testing to regain the authority to operate at the permitted capacity. [Rule 62-297.310(2), F.A.C.]
23. Calculation of Emission Rate: For each emissions performance test, the indicated emission rate or concentration shall be the arithmetic average of the emission rate or concentration determined by each of the three separate test runs unless otherwise specified in a particular test method or applicable rule. [Rule 62-297.310(3), F.A.C.]
24. Test Procedures: Tests shall be conducted in accordance with all applicable requirements of Chapter 62-297, F.A.C.
- Required Sampling Time. Unless otherwise specified in the applicable rule, the required sampling time for each test run shall be no less than one hour and no greater than four hours, and the sampling time at each sampling point shall be of equal intervals of at least two minutes. The minimum observation period for a visible emissions compliance test shall be thirty (30) minutes. The observation period shall include the period during which the highest opacity can reasonably be expected to occur.
 - Minimum Sample Volume. Unless otherwise specified in the applicable rule or test method, the minimum sample volume per run shall be 25 dry standard cubic feet.
 - Calibration of Sampling Equipment. Calibration of the sampling train equipment shall be conducted in accordance with the schedule shown in Table 297.310-1, F.A.C. [Rule 62-297.310(4), F.A.C.]
25. Determination of Process Variables
- Required Equipment. The owner or operator of an emissions unit for which compliance tests are required shall install, operate, and maintain equipment or instruments necessary to determine process variables, such as process weight input or heat input, when such data are needed in conjunction with

SECTION 3. EMISSIONS UNIT SPECIFIC CONDITIONS

Emissions Units 034

emissions data to determine the compliance of the emissions unit with applicable emission limiting standards.

- b. *Accuracy of Equipment.* Equipment or instruments used to directly or indirectly determine process variables, including devices such as belt scales, weight hoppers, flow meters, and tank scales, shall be calibrated and adjusted to indicate the true value of the parameter being measured with sufficient accuracy to allow the applicable process variable to be determined within 10% of its true value.

[Rule 62-297.310(5), F.A.C.]

26. Sampling Facilities: The permittee shall install permanent stack sampling ports and provide sampling facilities that meet the requirements of Rule 62-297.310(6), F.A.C.
27. Special Compliance Tests: When the AWQD, 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 AWQD. [Rule 62-297.310(7)(b), F.A.C.]

RECORDKEEPING AND REPORTS

28. No. 2 Fuel Oil Sulfur Content. For the ADS train 3, the fuel sulfur content, percent by weight, shall be analyzed using either ASTM D2622-92, ASTM D4294-90, both ASTM D4057-88 and ASTM D129-91, or the latest edition. If the No. 2 fuel oil being delivered has a sulfur content of 0.05% or less, by weight, then the vendor's analysis is acceptable and no further analysis is required. However, if the No. 2 fuel oil being delivered has a sulfur content greater than 0.05%, by weight, the permittee shall have an as-fired sample analyzed. [Rule 62-213.440, F.A.C; and 40 CFR.60.17]
29. Records Retention: All measurements, records, and other data required by this permit shall be documented in a permanent, legible format and retained for at least five (5) years following the date on which such measurements, records, or data are recorded. Records shall be made available to the Department upon request. [Rules 62-4.160(14) and 62-213.440(1)(b)2, F.A.C.]
30. Annual Operating Report: The permittee shall submit an annual report that summarizes the actual operating rates and emissions from this facility. Annual operating reports shall be submitted to the Compliance Authority by March 1st of each year. [Rule 62-210.370(2), F.A.C.]
31. Test Reports: The owner or operator of an emissions unit for which a compliance test is required shall file a report with the AWQD on the results of each such test. The required test report shall be filed with the AWQD as soon as practical but no later than 45 days after the last sampling run of each test is completed. The test report shall provide sufficient detail on the emissions unit tested and the test procedures used to allow the AWQD to determine if the test was properly conducted and the test results properly computed. As a minimum, the test report shall provide the following information:
1. The type, location, and designation of the emissions unit tested.
 2. The facility at which the emissions unit is located.
 3. The owner or operator of the emissions unit.
 4. The normal type and amount of fuels used and materials processed, and the types and amounts of fuels used and material processed during each test run.
 5. The means, raw data and computations used to determine the amount of fuels used and materials processed, if necessary to determine compliance with an applicable emission limiting standard.

SECTION 3. EMISSIONS UNIT SPECIFIC CONDITIONS

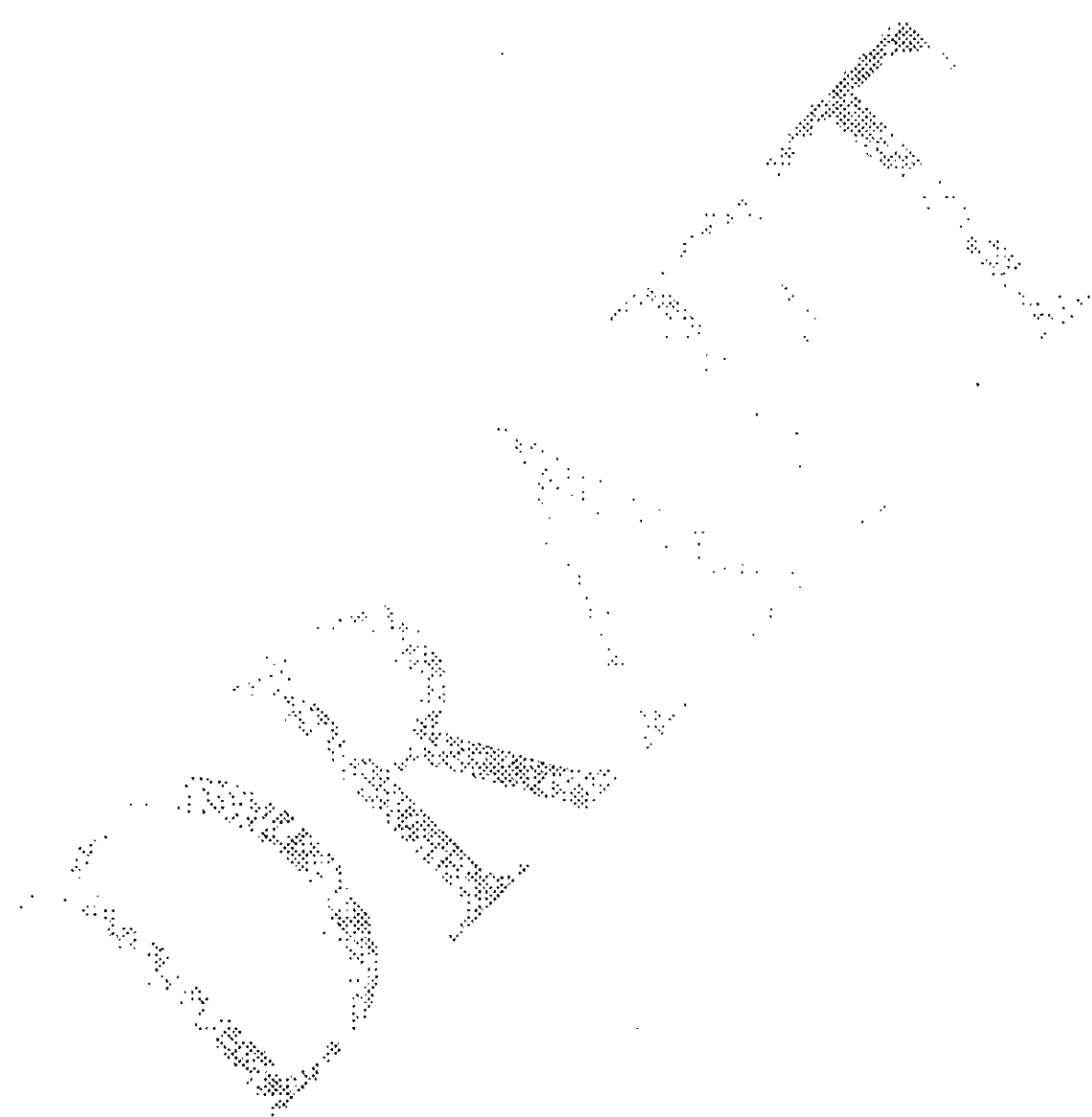
Emissions Units 034

6. The type of air pollution control devices installed on the emissions unit, their general condition, their normal operating parameters (pressure drops, total operating current and GPM scrubber water), and their operating parameters during each test run.
7. A sketch of the duct within 8 stack diameters upstream and 2 stack diameters downstream of the sampling ports, including the distance to any upstream and downstream bends or other flow disturbances.
8. The date, starting time and duration of each sampling run.
9. The test procedures used, including any alternative procedures authorized pursuant to Rule 62-297.620, F.A.C. Where optional procedures are authorized in this chapter, indicate which option was used.
10. The number of points sampled and configuration and location of the sampling plane.
11. For each sampling point for each run, the dry gas meter reading, velocity head, pressure drop across the stack, temperatures, average meter temperatures and sample time per point.
12. The type, manufacturer and configuration of the sampling equipment used.
13. Data related to the required calibration of the test equipment.
14. Data on the identification, processing and weights of all filters used.
15. Data on the types and amounts of any chemical solutions used.
16. Data on the amount of pollutant collected from each sampling probe, the filters, and the impingers, are reported separately for the compliance test.
17. The names of individuals who furnished the process variable data, conducted the test, analyzed the samples and prepared the report.
18. All measured and calculated data required to be determined by each applicable test procedure for each run.
19. The detailed calculations for one run that relate the collected data to the calculated emission rate.
20. The applicable emission standard, and the resulting maximum allowable emission rate for the emissions unit, plus the test result in the same form and unit of measure.
21. A certification that, to the knowledge of the owner or his authorized agent, all data submitted are true and correct. When a compliance test is conducted for the Department or its agent, the person who conducts the test shall provide the certification with respect to the test procedures used. The owner or his authorized agent shall certify that all data required and provided to the person conducting the test are true and correct to his knowledge. [Rule 62-297.310(8), F.A.C.]

SECTION 4. APPENDICES

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Appendix CF - Citation Format;
Appendix GC - General Conditions;



SECTION 4. APPENDIX CF
CITATION FORMATS

The following examples illustrate the format used in the permit to identify applicable permitting actions and regulations.

Old Permit Numbers

Example: Permit No. AC50-123456 or Air Permit No. AO50-123456

Where: "AC" identifies the permit as an Air Construction Permit
"AO" identifies the permit as an Air Operation Permit
"123456" identifies the specific permit project number

New Permit Numbers

Example: Permit Nos. 099-2222-001-AC, 099-2222-001-AF, 099-2222-001-AO, or 099-2222-001-AV

Where: "099" represents the specific county ID number in which the project is located
"2222" represents the specific facility ID number
"001" identifies the specific permit project
"AC" identifies the permit as an air construction permit
"AF" identifies the permit as a minor federally enforceable state operation permit
"AO" identifies the permit as a minor source air operation permit
"AV" identifies the permit as a Title V Major Source Air Operation Permit

PSD Permit Numbers

Example: Permit No. PSD-FL-317

Where: "PSD" means issued pursuant to the Prevention of Significant Deterioration of Air Quality
"FL" means that the permit was issued by the State of Florida
"317" identifies the specific permit project

Florida Administrative Code (F.A.C.)

Example: [Rule 62-213.205, F.A.C.]

Means: Title 62, Chapter 213, Rule 205 of the Florida Administrative Code

Code of Federal Regulations (CFR)

Example: [40 CFR 60.7]

Means: Title 40, Part 60, Section 7

SECTION 4. APPENDIX SC
STANDARD CONDITIONS

The permittee shall comply with the following general conditions from Rule 62-4.160, F.A.C.

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 and 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 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 acknowledgment 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.
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 and 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.

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.

SECTION 4. APPENDIX SC
STANDARD CONDITIONS

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 62-4.120 and 62-730.300, 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:
 - a. Determination of Best Available Control Technology (not applicable to project);
 - b. Determination of Prevention of Significant Deterioration (not applicable to project); and
 - c. Compliance with New Source Performance Standards (not applicable to project).
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.
 - 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 or 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:
 - 1) The date, exact place, and time of sampling or measurements;
 - 2) The person responsible for performing the sampling or measurements;
 - 3) The dates analyses were performed;
 - 4) The person responsible for performing the analyses;
 - 5) The analytical techniques or methods used; and
 - 6) 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.

SENDER: COMPLETE THIS SECTION

COMPLETE THIS SECTION ON DELIVERY

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- 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. Martin Kreft
 Cedar Bay Generating Company
 9640 Eastport Road
 Jacksonville, Florida 32218-2260

A. Signature

[Handwritten Signature]

- Agent
- Addressee

B. Received by (Printed Name)

Shelly Hood

C. Date of Delivery

3/14/06

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

MAR 14 2006

3. Service Type

- Certified Mail
- Registered
- Insured Mail
- Express Mail
- Return Receipt for Merchandise
- C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number
 (Transfer from service label)

7000 1670 0013 3110 0413

PS Form 3811, February 2004

Domestic Return Receipt

102585-02-M-1540

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only; No Insurance Coverage Provided)

7000 1670 0013 3110 0413

[Redacted area]

Postage	\$	Postmark Here
Certified Fee		
Return Receipt Fee (Endorsement Required)		
Restricted Delivery Fee (Endorsement Required)		

Mr. Martin Kreft
 Cedar Bay Generating Company
 9640 Eastport Road
 Jacksonville, Florida 32218-2260

PS Form 3809, May 2000

See Reverse for Instructions