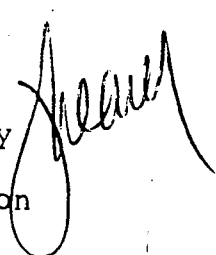


State of Florida
DEPARTMENT OF ENVIRONMENTAL REGULATION

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Interoffice Memorandum

TO: Steve Smallwood, Director DARM

FROM: John Shearer, Assistant Secretary 

RE: Hardee Power Station BACT Revision
Case No. PA-89-25

DATE: August 10, 1990

On August 8, 1990, I met with representatives of Tampa Electric Company (TECO), TECO Power Services (TPS), and Seminole Electric Cooperative (SECT) to discuss revision of the Department's recommended BACT determination for NO_x as issued June 14, 1990, for the TECO/SECI Hardee Power Station project, Case No. PA-89-25. Updated information presented to me by the applicant appears to substantiate that, at the cumulative capacity factors projected for the Hardee Power Station, a requirement for the installation of selective catalytic reduction (SCR) as BACT is not justified because of the excessive cost (between \$4500 and \$5600 per ton as compared to EPA's guidelines of \$3000 to \$4000 per ton) of NO_x reduction with SCR at a cumulative capacity factor of 60%.

The applicant has committed to construct the duct module to accommodate later installation of SCR equipment if the Hardee Power Station operates at a cumulative capacity factor in excess of 60%. Should BACT be re-evaluated, selective catalytic reduction for NO_x control will be required at a minimum for BACT.

Attached are amended conditions of certification which are necessary to implement the revised BACT determination for NO_x to be made the subject of a formal stipulation at the Hardee Power Station certification hearing, August 13-17, 1990. Should the assumptions on costs, fuel usage, or other considerations that were used to arrive at this decision materially change, then the Department shall re-evaluate this determination.

Please direct that a revised BACT narrative incorporating the agreed conditions of certification be prepared for submission to the EPA.

JS/ht