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OUC/KUA/FMPA/Southern Co. Stanton A Project BUREAU OF AIR REGULATION

B&V Project 98362 B&V File 32.0500 April 25, 2001

Mr. Hamilton S. Oven Administrator, Siting Coordination Office Department of Environmental Protection 2800 Blair Stone Road Tallahassee, FL 32399-2400

Subject:

Re: Stanton Unit A Combined Cycle Project Supplemental Site Certification Application

Department File No. PA 81-14SA2 DOAH Case No. 01-0416EPP OGC Case No. 01-0176 Supplemental Information

Dear Mr. Oven:

On behalf of the Orlando Utilities Commission (OUC), the Kissimmee Utility Authority (KUA), the Florida Municipal Power Agency (FMPA), and the Southern Company-Florida, LLC (Southern-Florida), Black & Veatch submits the following supplemental information in support of the Sufficiency Response filed with the Florida Department of Environmental Protection (Department) on April 23, 2001. Additional copies of this submittal have been provided to all parties controlling public review copies of the Stanton A Supplemental Site Certification Application.

The following information provides resolution of several of the air permit issues as identified in the March 12, 2001, sufficiency letter to Mr. Haddad, OUC. The issues were discussed between Mike Halpin, Department, and Dwain Waters, Southern-Florida, in a telephone conversation on April 18, 2001.

- 1. Request 1 concerned allotting hours for each off-normal mode of operation. Sufficiency Response 1 stated that operation using duct firing and evaporative cooling were considered normal modes, and off-normal modes (power augmentation and fuel oil firing) would be limited to 1000 hours/year. Final resolution of this issue incorporating the CO emissions limits discussed below will permit unlimited operation under normal, duct firing, and power augmentation modes. Stanton A will be permitted to operate 8760 hours/year firing natural gas, and 1000 hours/year firing fuel oil.
- 2. Request 2 concerned setting CO emission limits in ppm rather than lbs/hour. Sufficiency Response 1 stated that emission limits set as ppm would be acceptable, and proposed BACT

results. Final resolution of this issue will limit CO emissions to 17 ppm (@ 15% O_2) based on a 24-hour average for normal operation on natural gas, and 14 ppm (@ 15% O_2) for normal operation on fuel oil. These limits do not include startup operations.

- 3. There are no outstanding issues concerning Requests 3 and 4.
- 4. Request 5 concerned the use of an oxidation catalyst to control CO emissions. Sufficiency Response 5 stated that installation of an oxidation catalyst was not planned for the project due to costs and low annual emissions levels. Final resolution of this issue will incorporate a provision into the air permit that would require the installation of an oxidation catalyst if necessary to meet the CO emission limits listed in paragraph 2 above. The applicants have also agreed to install a continuous emissions monitoring (CEM) system for CO.
- 5. Request 6 concerned the level of ammonia slip (5 ppmvd) from the SCR. Sufficiency Response 6 proposed a 10 ppmvd ammonia slip. The applicants have agreed to a 5 ppmvd standard with annual testing to demonstrate compliance. No CEM or reporting other than the annual compliance demonstration will be required for ammonia slip.
- 6. There are no outstanding issues concerning Request 7.
- 7. Request 8 concerned the number of hours and emissions during startups. Sufficiency Response 8 stated that these estimates could not be provided, but that the applicants would accept standard language regarding startup limitations. The following estimates have been developed and are provided for final resolution of this issue. The estimated number of cold startups per turbine per year is 24; the estimated number of warm or hot startups per turbine per year is 120. The following estimated emissions are for informational use only and should be noted in the permit as "for informational use only".

Estimated Emissions During Start-up Operations Per Turbine Per Event

	NO_x	SO_2	PM_{10}	VOC	CO
Operational Profile on Natural Gas					
CTG cold start-up (4 hours)(lbs/event)	160	0	48	80	500
CTG warm start-up (2 hours)(lbs/event)	80	0	24	40	250
Operational Profile on Fuel Oil					
CTG cold start-up (4 hours)(lbs/event)	360	400	70	80	500
CTG warm start-up (2 hours)(lbs/event)	180	200	35	40	250

- 8. There are no outstanding issues concerning Request 9.
- 9. Request 10 concerned revision of the economic analyses. Sufficiency Response 10 either revised or justified the use of several evaluation factors. Final resolution of this issue has removed the lost power revenue criterion and revised the contingency factor to 3 percent. The revised cost analysis tables are included herein.

OUC/KUA/FMPA/Southern Co. Stanton A

B&V Project 98362 April 25, 2001

We appreciate the Department's cooperation and efforts during the review of the application. Please insert this letter in the Sufficiency Response volume of the Stanton A Supplemental Site Certification Application immediately behind the FDEP tab. If you have any questions concerning the project or this submittal, please do not hesitate to call me at (913) 458-7563 or Fred Haddad of OUC at (407) 236-9698.

Very truly yours,

BLACK & VEATCH CORPORATION

J. Michael Soltys

Site Certification Coordinator

JMS:slm Enclosure[s]

cc:

Mr. Frederick Haddad, OUC Certificate of Service List

C. Halladay

J. Kozlow, CD

B. Workey, EPA

G. Bunyak, NPS

OUC/KUA/FMPA/Southern Co. Stanton A

B&V Project 98362 April 25, 2001

bcc: ·T. Buford, YVV&A

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CERTIFICATE OF SERVICE

I Certify that a true and correct copy of this Supplemental Information was mailed to the following on this 2001:

Mike McGovern, SJRWMD	Tom Ballinger, PSC			
Brad Hartman, FFWCC	Debra Swim, LEAF			
Greg Golgowski, ECFRPC	Clair Fancy, FDEP (4)			
Ajit Lalchandani, Orange County	Paul Darst, DCA			
James Hollingshead, SJRWMD (3)	George Percy, DHR			
Sandra Whitmire, FDOT	Pepe Menedez, DOH			
Vivian Garfein, FDEP-Orlando (4)	Anthony Cotter, Orange County			
Jim Golden, SFWMD	Teresa Remudo-Fries, Orange County			
Marc Ady, SFWMD	Charles Lee, Audubon Society			
Dorothy Field, Orlando Public Library				

J. Michael Soltys

Table 4-4							
Combined NO _X and CO Control Alternative Capital Cost Per GE 7FA CTG/HRSG Unit.							
	SCONO _X System	SCR/ Oxidation Catalyst	LNB	Remarks			
Direct Capital Cost				Cost based on emissions in Tables 4-1, 4-2, and 4-3 in BACT			
SCR & Oxidation Catalyst System	N/A	1,907,000	N/A	Estimated from Engelhard Corporation.			
SCONO _x System (Includes catalyst)	19,800,000	N/A	N/A	Estimated from Alstom Power.			
Catalyst Reactor Housing	Included	268,000	N/A	Estimated by Alstom Power & scaled from an estimate by Engelhard Corporation.			
Control/Instrumentation	Included	180,000	N/A	Estimated; includes controls and monitoring equipment.			
Ammonia (Storage & Handling))	<u>N/A</u>	200,000	N/A	Estimated from previous projects.			
Purchased Equipment Costs	19,800,000	2,555,000	N/A				
Sales Tax	N/A	N/A	N/A	No sales tax on generating equipment for this project.			
Freight	Included	128,000	N/A	5% of Purchased Equipment Costs			
Total Purchased Equipment Costs (PEC)	19,800,000	2,683,000	N/A				
Direct Installation Costs				For SCR: 8% Foundation & Supports, 14% Handling & Erection, 4%			
Balance of Plant	Included	805,000	N/A	Electrical Installation, 2% Piping, 1% Insulation and 1% Painting. SCONOx bid included installation.			
Total Direct Cost Less Catalyst	19,570,000	1,998,000	Base	Catalyst cost is excluded as annual O&M cost. SCR and oxidation catalyst costs are \$826,000 and \$664,000, respectively. SCONOx replacement cost estimate is \$230,000 per year, based on a 10-year life.			
Indirect Capital Costs							
Contingency	594,000	80,000	N/A	For SCR and SCONOx: 3% of Total PEC			
Engineering and Supervision	Included	268,000	N/A	For SCR: 10% of Total PEC			
Construction & Field Expense	198,000	134,000	N/A	For SCR: 5% of Total PEC; For SCONOx 1% of Total PEC			
Construction Fee	297,000	268,000	N/A	For SCR: 10% of Total PEC; For SCONOx 1.5% of Total PEC			
Start-up Assistance	Included	54,000	N/A	For SCR: 2% of Total PEC			
Performance Test	40,000	27,000	N/A	For SCR: 1% of Total PEC; For SCONOx 0.2% of Total PEC			
Total Indirect Capital Costs	1,129,000	831,000	Base				
Total Installed Cost (TIC)	20,699,00 0	2,829,000	Base				

Table 4-5								
Combined NO _x and CO Control Annualized Cost Per GE 7FA CTG/HRSG Unit								
	SCONO _X System	SCR/Oxidation Catalyst	LNB	Remarks				
Direct Annual Cost				Cost based on emissions in Tables 4-1, 4-2, and 4-3 in BACT				
Catalyst Replacement	40,000	686,000	N/A	Catalyst life of 3 year for SCR/Oxidation catalyst and 10 year life for SCONOx catalyst.				
Operation and Maintenance	310,000	40,000	N/A	Estimated from Alstom Power & includes catalyst washing and materials. For SCR/Oxidation catalyst assumed 2 hr/day, 8,760 hr/yr at \$40/hr and includes materials.				
Reagent Feed	N/A	87,000	N/A	Assumes 1.4 stoichiometric ratio.				
Natural Gas Consumption	218,000	N/A	N/A	Based on 340-lb/hr natural gas consumption.				
Power Consumption	4,000	7,000	N/A	Includes injection blower and vaporization of ammonia for SCR and damper actuation for SCONO _x .				
Annual Distribution Check	<u>N/A</u>	8,000	N/A	Required for SCR, estimated as 0.5% of total direct cost less the catalyst cost.				
Total Direct Annual Cost	572,000	828,000	N/A					
Indirect Annual Costs								
Overhead	31,000	24,000	N/A	For SCR 60% of O&M Cost; For SCONOx: 10% of O&M Cost				
Administrative Charges	62,000	57,000	N/A	For SCR 2% of Total Installed Cost; For SCONOx: 0.3% of TIC				
Property Taxes	103,000	78,000	N/A	For SCR 2.75% of Total Installed Cost; For SCONOx: 0.5% of TIC				
Insurance	41,000	28,000	N/A	For SCR 1% of Total Installed Cost; For SCONOx: 0.2% of TIC				
Capital Recovery	2,273,000	311,000	N/A	Capital Recovery Factor (0.1098) times the Total Installed Cost				
Total Indirect Annual Costs	2,510,000	498,000	N/A					
Total Annualized Cost	3,082,000	1,326,000	N/A					
Annual Emissions, tpy	144.1	220.1	918.5	Emissions taken from Tables 4-1, 4-2 and 4-3 in BACT				
Emissions Reduction, tpy	774.3	698.3	N/A	Emissions calculated from Tables 4-1, 4-2, 4-3 in BACT				
Total Cost Effectiveness, \$/ton	4,000	1,900	N/A	Total Annualized Cost / Emissions Reduction				
Incremental Annualized Cost	1,756,000	N/A	N/A	Total annualized SCR/Oxidation catalyst system cost minus the total annualized SCONOx system cost				
Incremental Reduction	23,000	N/A	N/A	Total Incremental Annualized Cost / Incremental Emissions Reduction				

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Table 4-6						
NO, Control Capital Cost Per GE 7FA CTG/HRSG Unit						
Cost Item	Cost Item SCR Low NO, Burners Remarks		Remarks			
Direct Capital Cost			Cost based on emissions in Tables 4-1, 4-2, and 4-3			
SCR Catalysts System	1,161,000	N/A	Estimated from Engelhard Corporation			
Catalyst Reactor Housing	268,000	N/A	Scaled from an estimate from Engelhard Corporation			
Control/Instrumentation	140,000	N/A	Estimated; includes controls and monitoring equipment.			
Ammonia Injection/Dilution Equipment	Included	N/A	Estimated from Engelhard Corporation			
Ammonia Storage	200,000	N/A	Estimated from previous projects			
Purchased Equipment Costs	1,769,000	N/A				
Freight	88,000	N/A	5% of Purchased Equipment Cost			
Total Purchased Equipment Costs	1,857,000	N/A				
Direct Installation Costs						
Balance of Plant	557,000	N/A	For SCR: 8% Foundation & Supports, 14% Handling & Erection, 4% Electrical Installation, 2% Piping, 1% Insulation and 1% Painting			
Total Direct Cost Less Catalyst	1,588,000	Base	Cost Catalyst cost is excluded as annual O&M cost. SCR catalyst cost is \$826,00			
Indirect Capital Costs						
Contingency	56,000	N/A	3% of Total Purchased Equipment Cost			
Engineering and Supervision	186,000	N/A	10% of Total Purchased Equipment Cost			
Construction & Field Expense	93,000	N/A	5% of Total Purchased Equipment Cost			
Construction Fee	186,000	N/A	10% of Total Purchased Equipment Cost			
Start-up Assistance	37,000	N/A	2% of Total Purchased Equipment Cost			
Performance Test	19,000	N/A	1% of Total Purchased Equipment Cost			
Total Indirect Capital Costs	577,000	Base				
Total Installed Cost	2,165,000	Base				

Table 4-7						
NO _x Control Annualized Cost Per GE 7FA CTG/HRSG Unit						
SCR Low NO, Remarks Burners						
Direct Annual Cost			Cost based on emissions in Tables 4-1, 4-2, and 4-3			
Catalyst Replacement	380,000	N/A	Catalyst life of 3 yr. of equivalent operating hours			
Operation and Maintenance	36,000	N/A	See text for background information on this item			
Reagent Feed	87,000	N/A	Assumes 1.4 stoichiometric ratio			
Power Consumption	7,000	N/A	Includes injection blower and vaporization of ammonia for SCR			
Annual Distribution Check	8,000	N/A	Required for SCR, estimated as 0.5% of total direct cost less catalyst cost			
Total Direct Annual Cost	518,000	N/A				
Indirect Annual Costs						
Overhead	22,000	N/A	60% of O&M Cost			
Administrative Charges	43,000	N/A	2% of Total Installed Cost			
Property Taxes	60,000	N/A	2.75% of Total Installed Cost			
Insurance	22,000	N/A	1% of Total Installed Cost			
Capital Recovery	238,000	N/A	Capital Recovery Factor (0.1098) times Total Installed Cost			
Total Indirect Annual Costs	385,000	N/A				
Total Annualized Cost	903,000	N/A				
Annual Emissions, tpy	145.4	524.1	Emissions taken from Tables 4-1, 4-2, and 4-3			
Emissions Reduction, tpy	378.7	N/A	Emissions calculated from Tables 4-1, 4-2, and 4-3			
Total Cost Effectiveness, \$/ton	2,400	N/A	Total Annualized Cost/Emissions Reduction			

Table 4-8							
CO Reduction System Capital Cost Per GE 7FA CTG/HRSG Unit							
	Oxidation	Good Combustion	Remarks				
	Catalyst	Controls					
Direct Capital Cost							
Oxidation Catalyst System	746,000	NA	Estimated from Engelhard Corporation				
Catalyst Reactor Housing	268,000	NA	Scaled from an estimate from Engelhard Corporation based on catalyst size				
Control/Instrumentation	40,000	NA	Estimated				
Purchased Equipment Costs	1,054,000						
Freight	53,000		5% of Purchased Equipment Cost				
Total Purchased Equipment Costs	1,107,000						
Direct Installation Costs							
Balance of Plant	332,000	NA	8% For Foundations & Supports, 14% Handling & Erection, 4% Electrical Installation, 2% Piping, 1% Insulation and 1% Painting.				
Total Direct Capital Cost Less Catalyst	775,000	Base	Catalyst cost is excluded as annual O&M cost. Oxidation catalyst cost is \$664,000.				
Indirect Capital Costs							
Contingency	33,000	NA	3% of Total Purchased Equipment Cost				
Engineering and Supervision	111,000	NA	10% of Total Purchased Equipment Cost				

NA

NA

NA

NA

Base

Base

5% of Total Purchased Equipment Cost

10% of Total Purchased Equipment Cost

2% of Total Purchased Equipment Cost

1% of Total Purchased Equipment Cost

55,000

111,000

22,000

11,000

343,000

1,118,000

Construction & Field Expense

Construction Fee

Start-up Assistance

Total Indirect Capital Costs

Performance Test

Total Installed Cost

Table 4-9
CO Reduction System Annualized Cost Per GE 7FA CTG/HRSG Unit

	Oxidation Catalyst	Good Combustion Controls	Remarks
Direct Annual Cost			Cost based on emissions in Tables 4-1, 4-2, and 4-3
Catalyst Replacement	306,000	NA	Catalyst life of 3 yr. Of equivalent operating hours
Operation and Maintenance	<u>4,000</u>	NA	See text for background information on this item
Total Direct Annual Cost	310,000	NA	
Indirect Annual Costs Indirect Annual Costs			
Overhead	2,000	NA	60% of Operating and Maintenance Cost
Administrative Charges	22,000	NA	2% of Total Installed Cost
Property Taxes	31,000	NA	2.75% of Total Installed Cost
Insurance	11,000	NA	1% of Total Installed Cost
Capital Recovery	123,000	NA	Capital Recovery Factor (0.1098) times Total Installed Cost
Total Indirect Annual Costs	189,000	NA	
Total Annualized Cost	499,000	NA	
Annual Emissions, tpy	74.7	394.4	Emissions taken from Tables 4-1, 4-2, and 4-3
Emissions Reduction, tpy	319.7	NA	Emissions calculated from Tables 4-1, 4-2, and 4-3
Total Cost Effectiveness, \$/ton	1,600	NA	Total Annualized Cost/Emissions Reduction

Table 6-3								
VOC Reduction System Capital Cost Per GE 7FA CTG/HRSG Unit								
	Oxidation Catalyst	Good Combustion Controls	Remarks					
Direct Capital Cost								
Oxidation Catalyst System	746,000	NA	Estimated from Engelhard Corporation					
Catalyst Reactor Housing	268,000	NA	Scaled from an estimate from Engelhard Corporation based on catalyst size					
Control/Instrumentation	40,000	NA	Estimated; includes controls and monitoring equipment					
Purchased Equipment Costs	1,054,000	NA						
Freight	53,000	NA NA	5% of Purchased Equipment Cost					
Total Purchased Equipment Costs	1,107,000	NA						
Direct Installation Costs								
Balance of Plant	332,000	NA	8% For Foundations & Supports, 14% Handling & Erection, 4% Electrical Installation, 2% Piping, 1% Insulation and 1% Painting.					
Total Direct Capital Cost Less Catalyst	775,000	Base	Catalyst cost is excluded as annual O&M cost. Oxidation catalyst cost is \$664,000.					
Indirect Capital Costs								
Contingency	33,000	NA NA	3% of Total Purchased Equipment Cost					
Engineering and Supervision	111,000	NA	10% of Total Purchased Equipment Cost					
Construction & Field Expense	55,000	NA	5% of Total Purchased Equipment Cost					
Construction Fee	111,000	NA	10% of Total Purchased Equipment Cost					
Start-up Assistance	22,000	NA NA	2% of Total Purchased Equipment Cost					
Performance Test	11,000	NA	1% of Total Purchased Equipment Cost					
Total Indirect Capital Costs	343,000	Base						
Total Installed Cost	1,118,000	Base						

Table 6-4
VOC Reduction System Annualized Cost Per GE 7FA CTG/HRSG Unit

	Oxidation Catalyst	Good Combustion Controls	Remarks
Direct Annual Cost			Cost based on emissions in Tables 6-1 and 6-2
Catalyst Replacement	306,000	NA	Catalyst life of 3 yr. of equivalent operating hours
Operation and Maintenance	4,000	NA	See text for background information on this item
Total Direct Annual Cost	310,000	NA	
Indirect Annual Costs Indirect Annual Costs			
Overhead	2,000	NA	60% of Operating and Maintenance Cost
Administrative Charges	22,000	NA	2% of Total Installed Cost
Property Taxes	31,000	NA	2.75% of Total Installed Cost
Insurance	11,000	NA	1% of Total Installed Cost
Capital Recovery	123,000	NA	Capital Recovery Factor (0.1098) times Total Installed Cost
Total Indirect Annual Costs	189,000	NA	
Total Annualized Cost	499,000	NA	
Annual Emissions, tpy	36.9	45.8	Emissions taken from Tables 6-1 and 6-2
Emissions Reduction, tpy	8.9	NA	Emissions calculated from Tables 6-1 and 6-2
Total Cost Effectiveness, \$/ton	56,000	NA	Total Annualized Cost/Emissions Reduction