

Jeb Bush  
Governor

# Department of Environmental Protection

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

Colleen M. Castille  
Secretary

February 15, 2005

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mr. Frederick F. Haddad, Jr.  
Vice President, Power Resources Business Unit  
Orlando Utilities Commission  
500 South Orange Avenue  
Post Office Box 3193  
Orlando, Florida 32802

Re: DEP File No. 0950137-008-AV  
Curtis H. Stanton Energy Center  
Unit 2 Primary Superheat Tube Banks Replacement Project

Dear Mr. Haddad:

Enclosed is one copy of the Draft Permit and the Technical Evaluation and Preliminary Determination for the superheater tube replacement project for Unit 2 at the OUC Curtis H. Stanton Energy Center in Orange County. The Department's Intent to Issue Air Construction Permit and the "Public Notice of Intent to Issue Air Construction Permit" are also included.

The Public Notice must be published one time only as soon as possible in a newspaper of general circulation in the area affected, pursuant to Chapter 50, Florida Statutes. Proof of publication, i.e., newspaper affidavit, must be provided to the Department's Bureau of Air Regulation office within 7 (seven) days of publication. Failure to publish the notice and provide proof of publication within the allotted time may result in the denial of the permit.

Please submit any other written comments you wish to have considered concerning the Department's proposed action to me at the above letterhead address. If you have any questions please call Al Linero at 850/921-9523.

Sincerely,

Trina L. Vielhauer, Chief  
Bureau of Air Regulation

TLV/al

Enclosures

"More Protection, Less Process"

Printed on recycled paper.

In the Matter of an  
Application for Permit by:

Mr. Frederick F. Haddad, Jr.  
Vice President, Power Resources Business Unit  
Orlando Utilities Commission  
500 South Orange Avenue  
Orlando, Florida 32802

DEP File No. 0950137-008-AV  
OUC Curtis H. Stanton Energy Center - Unit 2  
Primary Superheat Tube Banks Replacement Project  
Orange County

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**INTENT TO ISSUE AIR CONSTRUCTION PERMIT**

The Department of Environmental Protection (Department) gives notice of its intent to issue an Air Construction Permit to Orlando Utilities Commission (OUC) for the proposed project, detailed in the application specified above and the attached Technical Evaluation and Preliminary Determination, for the reasons stated below.

OUC submitted an application on February 9, 2005 to the Department for the replacement of the primary superheat tube banks on Unit 2 at the OUC Curtis H. Stanton Energy Center in Orange County.

The Department has permitting jurisdiction under the provisions of Chapter 403, Florida Statutes (F.S.), Florida Administrative Code (F.A.C.) Chapters 62-4, 62-210, and 62-212. The above actions are not exempt from permitting procedures. Although no significant net emissions increases are projected to result from the proposed project, the Department has determined that an Air Construction Permit is required.

The Department intends to issue this air construction permit based on the belief that reasonable assurances have been provided to indicate that project will not cause significant net emissions increases from the unit that would otherwise require a review under the rules for the Prevention of Significant Deterioration under Chapters 62-212.400, F.A.C.

Pursuant to Section 403.815, F.S., and Rule 62-110.106(7)(a)1., F.A.C., you (the applicant) are required to publish at your own expense the enclosed Public Notice of Intent to Issue Air Construction Permit. The notice shall be published one time only in the legal advertisement section of a newspaper of general circulation in the area affected. Rule 62-110.106(7)(b), F.A.C., requires that the applicant cause the notice to be published as soon as possible after notification by the Department of its intended action. For the purpose of these rules, "publication in a newspaper of general circulation in the area affected" means publication in a newspaper meeting the requirements of Sections 50.011 and 50.031, F.S., in the county where the activity is to take place. If you are uncertain that a newspaper meets these requirements, please contact the Department at the address or telephone number listed below. The applicant shall provide proof of publication to the Department's Bureau of Air Regulation, at 2600 Blair Stone Road, Mail Station #5505, Tallahassee, Florida 32399-2400 (Telephone: 850/488-0114; Fax 850/ 922-6979). You must provide proof of publication within seven days of publication, pursuant to Rule 62-110.106(5), F.A.C. No permitting action for which published notice is required shall be granted until proof of publication of notice is made by furnishing a uniform affidavit in substantially the form prescribed in section 50.051, F.S. to the office of the Department issuing the permit. Failure to publish the notice and provide proof of publication may result in the denial of the permit pursuant to Rules 62-110.106(9) & (11), F.A.C.

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

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

The Department will issue the permit with the attached conditions unless a timely petition for an administrative hearing is filed pursuant to sections 120.569 and 120.57 F.S., before the deadline for filing a petition. The procedures for petitioning for a hearing are set forth below.

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

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

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

Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means that the Department's final action may be different from the position taken by it in this notice. Persons whose substantial interests will be affected by any such final decision of the Department on the application have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above. Mediation is not available in this proceeding.

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

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

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

Persons subject to regulation pursuant to any federally delegated or approved air program should be aware that Florida is specifically not authorized to issue variances or waivers from any requirements of any such federally delegated or approved program. The requirements of the program remain fully enforceable by the Administrator of the EPA and by any person under the Clean Air Act unless and until the Administrator separately approves any variance or waiver in accordance with the procedures of the federal program.

Executed in Tallahassee, Florida.



Trina L. Vielhauer, Chief  
Bureau of Air Regulation

**CERTIFICATE OF SERVICE**

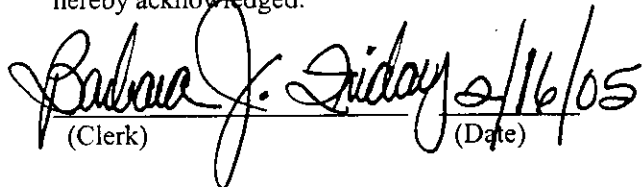
The undersigned duly designated deputy agency clerk hereby certifies that this Intent to Issue Air Construction Permit (including the Technical Evaluation and Preliminary Determination and the DRAFT permit) was sent by certified mail (\*) and copies were mailed by U.S. Mail before the close of business on 2/16/05 to the persons listed:

Frederick F. Haddad, Jr., OUC\*  
Denise Stalls, OUC  
Kay Prince, EPA  
Beverly Spagg, EPA

Scott Osbourn, Golder Associates  
Len Kozlov, DEP CD  
Marie Driscoll, Orange County EPD .

Clerk Stamp

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

  
(Clerk) 2/16/05 (Date)

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

STATE OF FLORIDA  
DEPARTMENT OF ENVIRONMENTAL PROTECTION

DEP File No. 0950137-008-AV

Orlando Utilities Commission, Curtis H. Stanton Energy Center Unit 2  
Primary Superheat Tube Banks Replacement Project

Orange County

The Department of Environmental Protection (Department) gives notice of its intent to issue an Air Construction Permit to Orlando Utilities Commission (OUC). The permit will authorize replacement of the primary superheat tube banks on Unit 2 at the OUC Curtis H. Stanton Energy Center in Orange County. A Best Available Control Technology (BACT) determination was not required. The applicant's name and address are Orlando Utilities Commission, 500 South Orange Avenue, Post Office Box 3193, Orlando, Florida 32802.

OUC Stanton Unit 2 is a nominal 468-megawatt coal-fired unit that began commercial operation in March 1996. Pollution control equipment includes: an electrostatic precipitator for particulate matter; a scrubber for sulfur dioxide; and low NOx burners and a selective catalytic reduction system for nitrogen oxides. According to the company, metallurgical analyses indicate advanced and irreparable erosion. OUC advised that the news tubes will be functionally-equivalent or a like-kind replacement although the type of alloy proposed will be slightly different and more corrosion resistant. The primary superheat tube banks will be replaced during a four-week outage beginning in March 2005 at a cost of approximately \$5,000,000.

The Department has reasonable assurance that the project will not result in significant net emission increases from the unit that would otherwise require a review under the Rules for the Prevention of Significant Deterioration (PSD) at Paragraph 62-212.400, F.A.C. or 40 CFR 52.21. The Department has incorporated provisions in the draft permit requiring submittal of information on an annual basis for a period of 5 years to confirm that the project did not cause significant net emission increases in actual emissions.

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

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

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

A person whose substantial interests are affected by the proposed permitting decision may petition for an administrative proceeding (hearing) under sections 120.569 and 120.57 of the Florida Statutes. The petition must contain the information set forth below and must be filed (received) in the Office of General Counsel of the Department at 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida, 32399-3000. Petitions filed by the permit applicant or any of the parties listed below must be filed within

Notice for Newspaper

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

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

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

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

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

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

Dept. of Environmental Protection  
Central District Office  
3319 Maguire Boulevard, Suite 232  
Orlando, Florida 32803-3767  
Telephone: 407/894-7555  
Fax: 407/897-5963

Orange County Environmental  
Protection Dept. - Air Program  
800 Mercy Drive, Suite 4  
Orlando, Florida 32808  
Telephone: 407/836-1400  
Fax: 407/836-1499

The complete project file includes the technical evaluation and the Draft Permit, and the information submitted by OUC, exclusive of confidential records under Section 403.111, F.S. Interested persons may contact the Program Administrator, South Permitting Section at 111 South Magnolia Drive, Suite 4, Tallahassee, Florida 32301, or call 850/488-0114, for additional information. The draft permit and technical evaluation can be accessed at [www.dep.state.fl.us/Air/permitting/construction.htm](http://www.dep.state.fl.us/Air/permitting/construction.htm)

**PERMITTEE**

Orlando Utilities Commission  
500 South Orange Avenue  
Post Office Box 3193  
Orlando, Florida 32802

Permit No. 0950137-008-AV Expires: July 1, 2005 Facility ID No. 0950137 (SIC No. 4911) Unit 2 Primary Superheat Tube Banks Replacement Project
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**PROJECT AND LOCATION**

This permit authorizes the replacement of the primary superheat tube banks for Unit 2 at the Curtis H. Stanton Energy Center. The facility is located at 5100 Alafaya Trail, Orlando, Orange County. The map coordinates are: UTM Zone 17, 484.00 km East and 3150.50 km North; and Latitude: 28° 28' 50" North and Longitude: 81° 09' 40" West.

**STATEMENT OF BASIS**

This air pollution construction permit is issued under the provisions of Chapter 403 of the Florida Statutes (F.S.), and Chapters 62-4, 62-204, 62-210, 62-212, 62-296, and 62-297 of the Florida Administrative Code (F.A.C.). The permittee is authorized to conduct the work specified 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 permit supplements all other air construction and operation permits for the subject emissions unit and does not alter any requirements from such previously issued air permits.

**APPENDICES**

The following appendices are attached as part of this permit.

Appendix GC - Construction Permit General Conditions

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Michael G. Cooke, Director  
Division of Air Resource Management

**FACILITY DESCRIPTION**

This facility consists of two coal-fired boilers (Acid Rain Phase II Units), two oil-fired combustion turbines used to drive two separate peaking generators driven by a single jet engine, and two gas-fired combustion turbines serving a single steam-electrical generator (Acid Rain Phase II Units).

There are storage and handling facilities for solid fuels, fly ash, limestone, gypsum, slag, and bottom ash.

Units Nos. 1 and 2 each consist of one Babcock and Wilcox boiler/steam generator (Model RB 611) and steam turbine, which drives a generator with a nameplate rating of 468 Megawatts. Each boiler/steam generator is a coal-fueled, wall fired, dry bottom unit that uses No. 6 fuel oil used for startup and flame stabilization. Each unit has a stack. Each unit is equipped with an electrostatic precipitator for control of particulate matter (PM/PM<sub>10</sub>) and a limestone scrubber for sulfur dioxide (SO<sub>2</sub>) control. Additionally, Unit 2 is equipped with a selective catalytic reduction (SCR) system for nitrogen oxides (NO<sub>x</sub>) control. Units 1 and 2 began commercial operation in 1987 and 1996, respectively.

The 640 MW combined cycle unit is comprised of two 170 MW General Electric 7FA combustion turbine-electrical generators, fired with pipeline natural gas or diesel and equipped with evaporative coolers on the inlet air system, two supplementary fired heat recovery steam generators, each with a 160 ft. stack, and one steam turbine-electrical generator rated at approximately 300 MW. The winter capacity of this unit is approximately 700 MW. The combustion turbines are equipped with Dry Low NO<sub>x</sub> combustors as well as an SCR in order to control NO<sub>x</sub>. SO<sub>2</sub> and PM/PM<sub>10</sub> are controlled by use of inherently clean natural gas and low sulfur fuel oil.

**PROJECT**

The proposed project affects the following existing emissions unit:

ID No.	Emission Unit Description
002	Fossil Fuel Fired Steam Generator No.2 is a 4,286 mmBtu/hr, wall fired, dry bottom unit, firing pulverized coal as the primary fuel and No. 2 Fuel Oil for startup and stabilization.

**REGULATORY CLASSIFICATION**

Title III: Based on the initial Title V permit, the facility is a major source of hazardous air pollutants.

Title IV: The facility operates emissions units that are subject to the Phase II, Federal Acid Rain Program.

Title V: The facility is classified as a "major" source of air pollution with respect to Title V of the Clean Air Act because emissions of at least one regulated criteria air pollutant exceeds 100 tons per year.

PSD: The project is located in an area designated as "attainment" or "unclassifiable" for each pollutant subject to a National Ambient Air Quality Standard. The facility is considered a "fossil fuel fired steam electric plant of more than 250 million BTU per hour of heat input", which is one of the 28 PSD source categories with the lower PSD applicability threshold of 100 tons per year. Potential emissions



## SECTION I. FACILITY INFORMATION (DRAFT)

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of at least one regulated pollutant exceed 100 tons per year. Therefore, the facility is classified as a PSD-major source of air pollution with respect to Rule 62-212.400, F.A.C., the Prevention of Significant Deterioration (PSD) of Air Quality. The three units were built pursuant to PSD permits and determinations of best available control technology (BACT).

NSPS: Units 1 and 2 are subject to Subpart Da and the combined cycle unit is subject to Subparts GG and Db of the New Source Performance Standards in 40 CFR 60.

### RELEVANT DOCUMENTS

- Application received on February 9, 2005 for Unit 2 primary superheat tube banks replacement project;
- Permits PSD-FL-084 and PSD-FL-084A issued by EPA for the construction of Units 1 and 2;
- Current Title V Air Operation Permit Renewal No. 0950137-006-AV; and
- Department's Technical Evaluation and Preliminary Determination dated February 15, 2005.

## SECTION II. ADMINISTRATIVE REQUIREMENTS

### GENERAL AND ADMINISTRATIVE REQUIREMENTS

1. Permitting Authority: All documents related to applications for permits to construct, modify or operate this emissions unit shall be submitted to the Bureau of Air Regulation (BAR), Florida Department of Environmental Protection (DEP), at 2600 Blair Stone Road, Tallahassee, Florida 32399-2400 and phone number 850/488-0114. Copies of these documents shall be submitted to the Compliance Authority.
2. Compliance Authority: All documents related to compliance activities such as reports, tests, and notifications should be submitted to the Central District Office at 3319 Maguire Boulevard, Suite 232, Orlando Florida 32803-3767. The phone number is 407/894-7555 and the fax number is 407/897-2966.
3. General Conditions: The owner and operator are subject to, and shall operate under, the attached General Conditions listed in *Appendix GC* of this permit. General Conditions are binding and enforceable pursuant to Chapter 403 of the Florida Statutes. [Rule 62-4.160, F.A.C.]
4. Applicable Regulations, Forms and Application Procedures: Unless otherwise indicated in this permit, the construction and operation of this project shall be in accordance with the capacities and specifications stated in the application. The facility is subject to all applicable provisions of: Chapter 403 of the Florida Statutes (F.S.); and Chapters 62-4, 62-204, 62-210, 62-212, 62-213, 62-296, and 62-297 of the Florida Administrative Code (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 facility owner or operator from compliance with any applicable federal, state, or local permitting or regulations. [Rules 62-204.800, 62-210.300 and 62-210.900, F.A.C.]
5. Permit Expiration: For good cause, the permittee may request that this air construction permit be extended. Such a request shall be submitted to the Department's Bureau of Air Regulation at least sixty (60) days prior to the expiration of this permit. [Rules 62-4.070(4), 62-4.080, and 62-210.300(1), F.A.C.]
6. 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.]
7. Modifications: No emissions unit or facility subject to this permit shall be constructed or modified without obtaining an air construction permit from the Department. Such permit shall be obtained prior to beginning construction or modification. [Rules 62-210.300(1) and 62-212.300(1)(a), F.A.C.]
8. Title V Permit: This permit authorizes construction of the proposed project and initial operation to determine compliance with Department rules. This project involves no changes in the descriptions, applicable requirements, or conditions of the facility Title V Operation Permit. The permittee is not required to apply for a revised Title V operation permit following completion of the project.

**SECTION III. EMISSIONS UNIT SPECIFIC CONDITIONS**

**EU 002. Unit 2 – 468 MW Fossil Fuel Fired Steam Generator**

The proposed project affects the following existing unit:

ID No.	Emission Unit Description
002	Fossil Fuel Fired Steam Generator No. 2 (Unit 2) is a wall-fired, dry bottom boiler, firing pulverized coal as the primary fuel and Fuel Oil No. 6 for purposes of startup and flame stabilization. It began commercial operation on June 1, 1996. The maximum heat input rate is 4,286 mmBtu per hour with a nominal generating capacity of 468 MW. Particulate matter emissions are controlled by an electrostatic precipitator. SO <sub>2</sub> emissions are controlled by a limestone scrubber. NO <sub>x</sub> emissions are controlled by Low-NO <sub>x</sub> Burners and an SCR ammonia injection system. It is a Phase II Acid Rain Unit. The following parameters are continuously monitored for this unit: NO <sub>x</sub> , opacity, SO <sub>2</sub> , CO <sub>2</sub> , and stack gas flow.

**ADMINISTRATIVE REQUIREMENTS**

1. Previous Permit Conditions: This permit authorizes the replacement of the superheater tubing for existing Unit 2. The following conditions are in addition to those of any other air construction or operation permits. [Rule 62-4.210, F.A.C.]

**CONSTRUCTION ACTIVITIES**

2. Primary Superheat Tube Banks Replacement: The permittee is authorized to replace the primary superheat tube banks in Unit 2. In general, this consists of a shutdown of the unit and an outage of approximately four weeks. After the unit cools, the existing primary superheat tube banks will be removed. They will be replaced with fabricated tube banks made of a more corrosion resistant material (SA213T11). [Applicant Request]
3. Unconfined Particulate Emissions: During the construction period, unconfined particulate emissions shall be minimized by dust suppressing techniques such as covering, enclosing, applying water or chemicals to the affected areas, or any combination of techniques, as necessary. [Rule 62-296.320(4)(c), F.A.C.]

**NOTIFICATIONS AND REPORTS**

4. Notifications: Within one week of beginning construction, the permittee shall notify the Compliance Authority that the project has commenced and provide a general schedule of construction activities. Within one week of completing construction, the permittee shall notify the Compliance Authority that the project has concluded and provide a general schedule of bringing the unit back on line. [Rule 62-4.210, F.A.C.]
5. PSD Applicability Report: The permittee shall maintain information demonstrating that the project did not result in any significant net emissions increase, which is defined in Rule 62-212.400(2)(e), F.A.C. as follows:

### SECTION III. EMISSIONS UNIT SPECIFIC CONDITIONS

#### EU 002. Unit 2 – 468 MW Fossil Fuel Fired Steam Generator

**Net Emissions Increase.** A modification to a facility results in a net emissions increase when, for a pollutant regulated under the Act, the sum of all of the contemporaneous creditable increases and decreases in the actual emissions of the facility, including the increase in emissions of the modification itself and any increases and decreases in quantifiable fugitive emissions, is greater than zero.

**Significant Net Emissions Increase.** A significant net emissions increase of a pollutant regulated under the Act is a net emissions increase equal to or greater than the applicable significant emission rate listed in Table 212.400-2, Regulated Air Pollutants – Significant Emission Rates.

The permittee shall submit an annual report to the Department of such information for a period of 5 years representative of normal post-change operations of the unit (within the period not longer than 10 years following the change). For an existing electric utility steam-generating unit, actual emissions of the unit following a physical or operational change shall equal the representative actual annual emissions of the unit following the physical or operational change. The following definition of “representative actual annual emissions” found in 40 CFR 52.21(b)(33) is adopted and incorporated by reference in Rule 62-204.800, F.A.C.:

**Representative actual annual emissions** means the average rate, in tons per year, at which the source is projected to emit a pollutant for the two-year period after a physical change or change in the method of operation of a unit, (or a different consecutive two-year period within 10 years after that change, where the Administrator determines that such period is more representative of normal source operations), considering the effect any such change will have on increasing or decreasing the hourly emissions rate and on projected capacity utilization. In projecting future emissions the Administrator shall:

- (i) Consider all relevant information, including but not limited to, historical operational data, the company's own representations, filings with the State or Federal regulatory authorities, and compliance plans under title IV of the Clean Air Act; and
- (ii) Exclude, in calculating any increase in emissions that results from the particular physical change or change in the method of operation at an electric utility steam generating unit, that portion of the unit's emissions following the change that could have been accommodated during the representative baseline period and is attributable to an increase in projected capacity utilization at the unit that is unrelated to the particular change, including any increased utilization due to the rate of electricity demand growth for the utility system as a whole.”

Each required annual report shall be submitted to the Department prior to August 1<sup>st</sup> and shall quantify operations for the previous calendar year(s).

[Rules 62-204.800, 62-210.200(11) and 62-212.400(2), F.A.C.; and 40 CFR 52.21(b)(33)]

**SECTION IV. EMISSIONS UNIT SPECIFIC CONDITIONS (DRAFT)**

**Appendix GC - Construction Permit General Conditions**

- G.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.
- G.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 or exhibits, specifications, or conditions of this permit may constitute grounds for revocation and enforcement action by the Department.
- G.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.
- G.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.
- G.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.
- G.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.
- G.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;
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- Reasonable time may depend on the nature of the concern being investigated.
- G.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.

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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.

- G.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.
- G.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.
- G.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.
- G.12 This permit or a copy thereof shall be kept at the work site of the permitted activity.
- G.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).
- G.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.
- G.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.

**TECHNICAL EVALUATION  
AND  
PRELIMINARY DETERMINATION**

**Orlando Utilities Commission  
Curtis H. Stanton Energy Center Unit 2**

**Primary Superheat Tube Banks Replacement Project**

**Orange County**

**DEP File No. 0950137-008-AV**

**Department of Environmental Protection  
Division of Air Resource Management  
Bureau of Air Regulation**

**February 15, 2005**

## BACKGROUND

On February 9, 2005 the Department received an application from Orlando Utilities Commission (OUC) to replace the primary superheat tube banks at the Curtis H. Stanton Energy Center Unit 2 (Stanton Unit 2) in Orange County. The application included the project specifications which are actually to design, fabricate and install the primary superheat tube banks. It also included annual emission, heat input, and generation summaries as well as recent continuous heat input graphs. OUC also submitted a rule evaluation in support of its request.

Stanton Unit 2 is a nominal 468-megawatt coal-fired unit that was constructed pursuant to certification by the Florida Power Plant Siting Board and a permit issued under the Rules for the Prevention of Significant Deterioration issued by EPA. Pollution control equipment consists of: an electrostatic precipitator for particulate matter (PM/PM<sub>10</sub>); a scrubber for sulfur dioxide (SO<sub>2</sub>); and low NO<sub>x</sub> burners and a selective catalytic reduction (SCR) system for nitrogen oxides (NO<sub>x</sub>) control. The unit began commercial operation in March 1996.

According to the information provided, the primary superheat tube banks on Unit 2 have experienced significant corrosion due to a number of reasons. The company has determined that it is necessary to replace the primary superheat banks because metallurgical analyses indicate advanced and irreparable erosion. The degradation has not yet caused a derate of the unit. The replacement tubes are made of more corrosion resistant steel (SA213 T11) with greater chromium content (1.25 versus 1.0 percent). The project will be conducted during a planned four-week outage that begins in early March 2005. The project cost is estimated at \$5 million.

The first issue is whether the project is a modification under the Department's definitions of a at Sections 62-210, F.A.C. The definition of modification at Section 62-210.200, F.A.C. states:

*169. "Modification" - Any physical change in, change in the method of operation of, or addition to a facility which would result in an increase in the actual emissions of any air pollutant subject to regulation under the Act, including any not previously emitted, from any emissions unit or facility. (Emphasis added.)*

### POSSIBLE EXCLUSION: ROUTINE MAINTENANCE, REPAIR OR REPLACEMENT

The project is clearly a physical change and thus is eligible for consideration as a modification. The Department considered whether the project is excluded from the definition of modification as provided in Section 62-210.200(169)(a), F.A.C. This provision states:

*A physical change or change in method of operation shall not include: 1. Routine maintenance, repair, or replacement of component parts of an emission unit. (Emphasis added.)*

It is not immediately obvious to Department experts whether the project described constitutes routine maintenance, repair, or replacement of component parts. The project appears large in terms of cost, the length of the outage, and scope as a complete replacement of the primary superheat tube banks. The project also includes installation of 4000 18-inch straight tube shields. A narrow interpretation of the rule would suggest that the project is not eligible for the possible exemption.

There have been some recent legal decisions that OUC believes support its contention that the project constitutes routine repair, replacement, or maintenance. These include the Ohio Edison and Duke Power decisions in 2003. These decisions have some contradictory elements and have not yet been memorialized in any EPA regulations. Furthermore, and in contrast to the earlier WEPCO decision discussed below, EPA has not issued any State Implementation Plan (SIP)



calls requiring approved programs to update their regulations to reflect these decisions. Therefore, the Department will, at least for now, continue to evaluate such projects under its present standards and procedures.

#### SIGNIFICANT NET EMISSIONS INCREASES

OUC claims that the project will have no effect on the emission rate of the unit (presumably in pounds per hour) or utilization of the unit. The Company also claims that there will be no "net emissions increase" caused by the project.

The Department has determined that an air construction permit is required for the non-routine project described above. The question then becomes whether any increase would result in a "significant net emissions increase" that would constitute a modification subjecting the project to the Rules for Prevention of Significant Deterioration of Air Quality (PSD Rules) at Section 62-212.400, F.A.C. or 40 CFR 52.21.

The Department rule at Section 62-212.400(2)(e), F.A.C., (Emissions Increases), states:

1. *Net Emissions Increase. A modification to a facility results in a net emissions increase when, for a pollutant regulated under the Act, the sum of all of the contemporaneous creditable increases and decreases in the actual emissions of the facility, including the increase in emissions of the modification itself ..... is greater than zero.*
2. *Significant Net Emissions Increase. A significant net emissions increase of a pollutant regulated under the Act is a net emissions increase equal to or greater than the applicable significant emission rate listed in Table 212.400-2, Regulated Air Pollutants - Significant Emission Rates.*

In making the determination whether or not there will be a significant net emissions increase, it is necessary to compare actual emissions before and after the project. The Department rule at Section 62-210.200(11), F.A.C. (Actual Emissions), states:

- (a) *In general, actual emission as of a particular date shall equal the average rate, in tons per year, at which the emissions unit actually emitted the pollutant during a two-year period which precedes the particular date and which is representative of the normal operation of the emissions unit. The Department may allow the use of a different time period upon a determination that it is more representative of the normal operation of the emissions unit. Actual emissions shall be calculated using the emissions unit's actual operating hours, production rates and types of materials processed, stored, or combusted during the selected time period. (Emphasis added.)*

The definition above relates to the "past emissions" that are compared to the future emissions in calculating whether there will be a net emissions increase. With respect to selection of a time period, it is clear from the provision that the most recent two-year period *should* be used although the Department may allow the use of a different time period. Future emissions for certain electric steam utility units (subject to WEPCO) are uniquely defined within the same section as:

- (d) *For an electric utility steam generating unit (other than a new unit or replacement of an existing unit) actual emissions of the unit following a physical or operational change shall equal the representative actual annual emissions of the unit following the physical or operational change, provided the owner or operator maintains and submits to the Department on an annual basis, for a period of 5 years representative of normal post-change operations of the unit, information demonstrating that the physical or operational change did*

*not result in an emissions increase. The definition of "representative actual annual emissions" found in 40 C.F.R. 52.21(b)(33) is adopted and incorporated by reference in Rule 62-204.800, F.A.C. (Emphasis added.)*

Federal regulation 40 CFR 52.21(b)(33) states:

*Representative actual annual emissions means the average rate, in tons per year, at which the source is projected to emit a pollutant for the 2-year period after a physical change or change in the method of operation of a unit, (or a different consecutive 2-year period within 10 years after that change, where the Administrator determines that such period is more representative of normal source operations), considering the effect any such change will have on increasing or decreasing the hourly emissions rate and on projected capacity utilization. In projecting future emissions the Administrator shall:*

- (i) Consider all relevant information, including but not limited to, historical operational data, the company's own representations, filings with the State or Federal regulatory authorities, and compliance plans under Title IV of the Clean Air Act; and*
- (ii) Exclude, in calculating any increase in emissions that results from the particular physical change or change in the method of operation at an electric utility steam generating unit, that portion of the unit's emissions following the change that could have been accommodated during the representative baseline period and is attributable to an increase in projected capacity utilization at the unit that is unrelated to the particular change, including any increased utilization due to the rate of electricity demand growth for the utility system as a whole.*

#### ACTUAL EMISSIONS PRECEDING PHYSICAL CHANGE

OUC chose a 24-month period (September, 1998 through August, 2000) during the past five years as representative of normal operation. Actually, according to the applicable rule, it is the Department that makes the final decision on this matter and may allow a time period different than the two years immediately preceding the physical change. Normally, the Department insists on the use of the most recent two years. However, if an applicant makes and substantiates a claim that another two-year period is more representative, the Department may concur.

There is specific electrical utility case law related to this prior two-year assumption and the Department generally allows use of a different two-year period within the past five years.

*"Under the proposed action, the Administrator would presume that any 2 consecutive years within the 5 years prior to the proposed change is representative of normal source operations for a utility."<sup>1</sup> (Emphasis added.)*

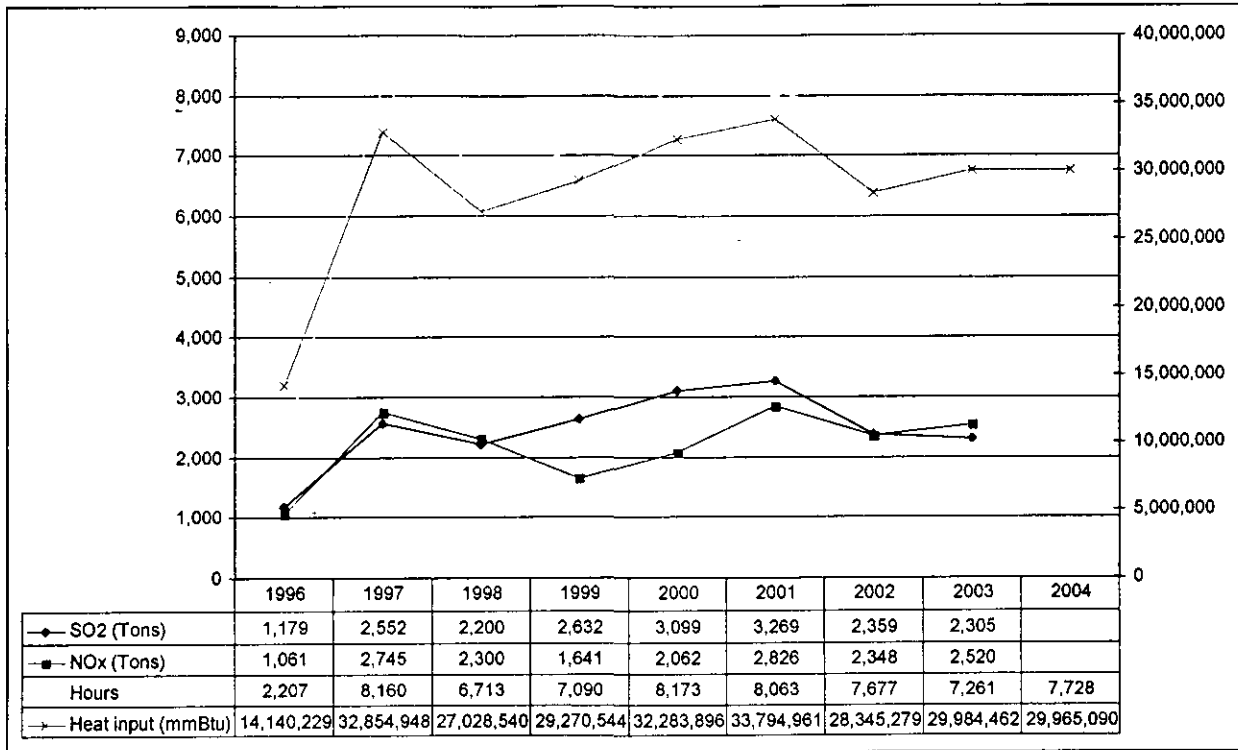
OUC has proposed that the Department use 2000-2001 as the 2 consecutive-year period. This meets the criterion above as "any 2 consecutive year period". The Department accepts the time period for the purpose of two-years of normal operation.

The first following chart on the following page tracks annual SO<sub>2</sub> and NO<sub>x</sub> emissions as well as annual hours of utilization and heat input. Utilization rapidly increased after startup and then dipped. By 2000-2001, the unit was back to expected utilization but utilization has since declined. Nevertheless, it is still reasonable for the Department to presume that 2000-2001 is an appropriate 2-year period to use as the measure of past actual utilization (or emissions).

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<sup>1</sup> Federal Register. WEPCO Final Rulemaking. Promulgated July 21, 1992.

**Emissions From and Utilization of OUC Stanton Unit 2. 1996-2004. EPA, OUC.**



**ACTUAL EMISSIONS FOLLOWING PHYSICAL CHANGE**

In evaluating future emissions, electrical utilities can use representative actual annual emissions. One method to determine representative actual annual emissions is to compare past normal operation to future expected utilization. If there is an increase in utilization, then it is necessary to determine if it was caused by the change, such as the proposed project.

According to the previously cited case law regarding electrical utilities:

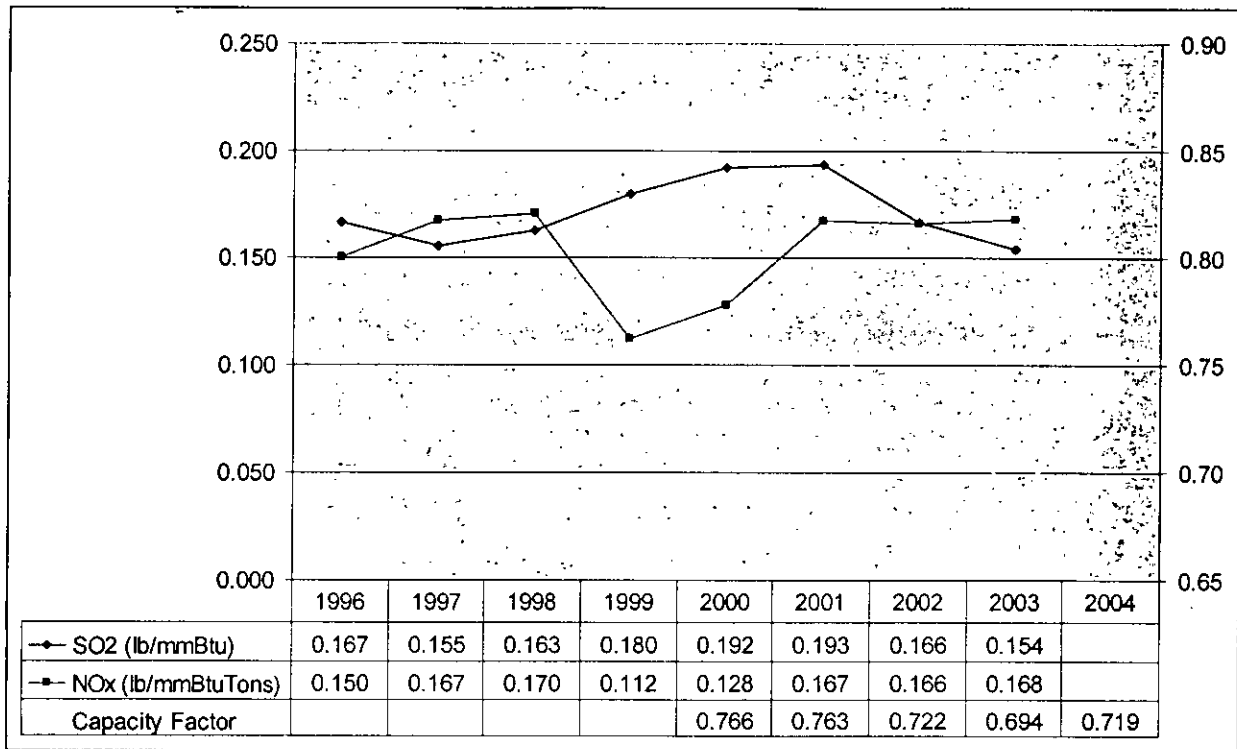
*“Where the change does not increase the unit’s emissions factor, i.e., the amount of pollution emitted by a source after control per unit of fuel combusted (such as pounds of SO<sub>2</sub> emitted per ton of coal burned), the utility may submit annual utilization data, rather than emissions data, as a method of tracking post-change emissions. If annual utilization data show that the unit increased utilization above baseline levels, the permitting authority should determine whether the increase resulted from the change. Where a causal link exists between the change and the increase in utilization, the permitting authority should then determine whether emissions have also increased as a result of the change.” (Emphasis added.)*

The unit is subject to NO<sub>x</sub> and SO<sub>2</sub> emission limits that were set by a best available control technology (BACT) determination conducted by EPA under the PSD permitting process. The NO<sub>x</sub> and SO<sub>2</sub> limits are 0.17 and 0.25 lb/mmBtu on a 30-day basis. Control is achieved by injection of reagents (limestone and ammonia) to levels very close to the allowable emissions. Also the nature of the change is not one that one would expect to cause changes in emission factors. Thus it is reasonable to conclude that emission factors from Unit 2 are not expected to increase due to the change.

The following chart on the following page includes annual emission factors based on emissions and heat input continuously recorded and periodically reported to EPA. The chart also includes

estimated capacity factors based on annual electrical energy generation reported by OUC, and the unit capacity and allowable hours of operation.

**Emission and Capacity Factors, OUC Stanton Unit 2. 1996-2004. EPA, OUC**



The annual NO<sub>x</sub> emission factors according to the EPA Air Markets website ranged from 0.15 to 0.17 lb/mmBtu whereas the factors calculated from annual emissions and heat rate ranged from 0.11 to 0.17. The factor during 2000 was 0.17 lb/mmBtu according to the EPA Air Markets website. This equates to 2,744 tons, which is substantially greater than the value of 2,062 tons reported in the EPA data. The NO<sub>x</sub> emission factors in the above chart were calculated from the reported annual NO<sub>x</sub> emissions and heat input. It is clear that the calculated factors for 1999-2000 do not agree with those reported in the EPA website or those reported or calculated previous or subsequent years.

The 2000-2001 baseline hours and heat input are determined to be 8,120 hours and 33,040,000 mmBtu respectively. According to the application submitted by OUC, the company projects 7,887 hours of operation per year and 31,139,600 mmBtu per year during the period 2005-2006. The predictions were made using the company's production cost models.

The 2000-2001 baseline SO<sub>2</sub> emissions are determined by the Department to be 3,184 TPY. The 2000-2001 baseline NO<sub>x</sub> emissions are determined to be 2,785 TPY based on reported tonnage during 2001 and using a factor of 0.17 lb/mmBtu together with reported heat input to estimate 2000 emissions.

OUC also submitted a summary of emission data previously submitted to DEP as Annual Operating Reports (AOR's). These are typically developed using actual fuel sulfur content and fuel use, NO<sub>x</sub> emission factors, annual particulate and carbon monoxide tests stack tests.

Year of Operation	NO <sub>x</sub> (TPY)	SO <sub>2</sub> (TPY)	CO (TPY)	PM (TPY)	PM <sub>10</sub> (TPY)	VOC (TPY)
1999	2,450	2,640	265	215	135	32
2000	2,741	3,096	390	110	69	45
2001	2,811	3,236	383	67	42	44
2002	2,583	2,359	371	102	64	43
2003	2,420	2,368	359	95	64	41
Highest 2-yr Avg 2000-2001	2,776	3,166	386	163 (1999-2000)	102 (1999-2000)	45

The baseline emission estimates submitted by OUC for SO<sub>2</sub> and NO<sub>x</sub> are very close to the calculations made by the Department following correction for the apparent error in the EPA figures. The Department believes, however that the correct baseline years for PM/PM<sub>10</sub> emissions should be the same as those of the other pollutants unless an error is detected (such as found in the NO<sub>x</sub> factor). Therefore the baseline PM/PM<sub>10</sub> emissions are 89/56 TPY. It would take emissions of 114/71 averaged over a two-year period to trigger PSD if the constant emission factor assumption is not used.

The Department believes that emission factors for volatile organic compounds (VOC), carbon monoxide (CO) and particulate matter (PM/PM<sub>10</sub>) emitted from Unit 2 will not change because of the primary superheat tube banks project. The nature of PM emissions is that they are much more variable than NO<sub>x</sub> and SO<sub>2</sub> emissions, particularly when the latter pollutants are controlled by injection of reagents (such as ammonia or limestone). However, even the highest estimate for PM emissions (from 1999) would reflect a value of 0.015 lb/mmBtu, which is less than the applicable BACT limit of 0.02 lb/mmBtu.

Thus utilization is a proper parameter to track and is also a proper surrogate for emissions from this very well controlled unit.

OUC also provided the chart located on the following page from the third quarter of 2004. It demonstrates that Unit 2 consistently achieves its short-term capacity heat input limits as it follows demand each day. The replacement of the primary superheat tube banks will not change the short-term operating profile such as maximum heat input. It will not replace lost short term capacity and the permit limitations will continue to cap maximum heat input.

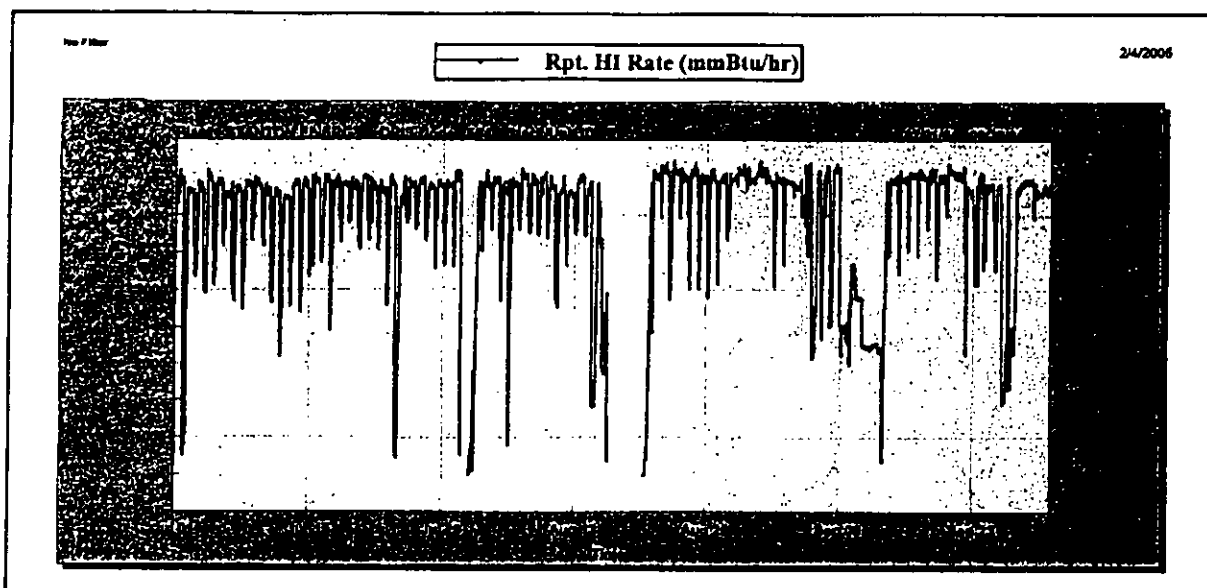
#### ACTUAL ANNUAL REPRESENTATIVE EMISSIONS AFTER THE PHYSICAL CHANGE

OUC predicts utilization in 2005-2006 is likely to be less than during 2001-2002. No projections were provided beyond 2005-2006.

Emissions increases and utilization beyond a return to baseline levels might occur beyond 2005-2006 but can possibly be excluded based on the federal definition incorporated in the Department rules cited above. It is worth reiterating that the Department must:

*“Exclude, in calculating any increase in emissions that results from the particular physical change or change in the method of operation at an electric utility steam generating unit, that portion of the unit's emissions following the change that could have been accommodated during the representative baseline period and is attributable to an increase in projected capacity utilization at the unit that is unrelated to the particular change, including any increased utilization due to the rate of electricity demand growth for the utility system as a whole.”*

## Continuous Heat Input Chart, July 1 – September 30, 2004. OUC.



### ADDITIONAL CONSIDERATIONS

Stanton Unit 2 is one of the most recent coal units built in the United States. It has modern PM, SO<sub>2</sub>, and NO<sub>x</sub> control equipment that served as models for SO<sub>2</sub> and NO<sub>x</sub> BACT determinations nationwide for subsequent years.

The unit is not near its useful lifetime and appears to have been well maintained. The project appears to a correction (albeit non-routine) in materials specifications that will decrease corrosion rather than any attempt to increase the inherent capacity of the unit.

Even if emissions tend to increase, OUC has the ability to moderately increase reagent use so that such increases will not be significant after correction for system-wide demand growth, etc.

### DETERMINATION WHETHER THERE WILL BE A SIGNIFICANT NET EMISSIONS INCREASE

The Department does not expect NO<sub>x</sub> or SO<sub>2</sub> emissions changes from Stanton Unit 2, as defined for electric utility steam generators, to exceed 40 tons per year. Also the Department does not expect emission changes to exceed 100 tons per year of CO or 15/25 TPY of PM/PM<sub>10</sub>. Thus it is not subject to PSD review or a requirement to conduct another BACT determination.

### ADDITIONAL REQUIREMENTS APPLICABLE TO OUC

The Department requires a permit for OUC to proceed with the planned work. However the permit does not require incorporation of additional emission limitations for this specific project. The preamble to the WEPCO rule states:

*"The EPA does not, however, agree with comments that post-change emissions estimates must always be made into permanent federally-enforceable permit conditions. To do so would permanently restrict a utility's legally allowable emission limits to its pre-change actual emissions level unless it subsequently underwent NSR, and would fail to account for the very real possibility that emissions might increase over baseline levels in the future for reasons unrelated to the physical or operational change in question."*

The Department will require OUC Power to submit the information described in the definition of actual emissions at Section 62-210.200(11)(d), F.A.C., which is clearly an applicable requirement. OUC should also include the applicable requirement in its next Title V Operation permit revision or renewal application.

According to the preamble to the WEPCO rule:

*“Appropriate records are to be submitted to the permitting agency on an annual basis for a period of 5 years from the date the unit begins operations (i.e., post-change operations after an initial shakedown period). A longer period, not to exceed 10 years, may be required by the permitting agency where it has determined that no period within the first 5 years following the change is representative of source operations.*

*Since it is expected that utilities will submit the same data normally used to report emissions or operational levels under existing Federal, State or local air pollution control agency requirements, EPA does not expect that documentation of post-change actual annual emissions will impose any additional data collection burden on the part of a utility.”*

#### LIMITATIONS OF DEPARTMENT’S OPINION

The Department’s preliminary determination is based only on the facts presented by OUC, independent EPA data, the few Department rules sufficient to evaluate the proposed project, and the Federal regulations upon which they were clearly based.

The Department’s opinion does not consider any other conceivable past projects that when aggregated with the present one could result in significant net emissions increases. It does not serve as a shield against any conceivable actions contemplated (to which the Department is not privy) by EPA as a result of any inquiries via the Section 114 process into past projects by OUC at the Stanton Energy Center.

Furthermore the Department’s determination is strictly limited to this specific case and should not be used as a precedent for other cases, or lead to unintended consequences construed from the language contained in this determination. Ultimately, it is the Department that interprets its own regulations and opinions.

*A. A. Linero, P.E., Program Administrator, South Permitting Section*

**APPENDIX GC**  
**GENERAL PERMIT CONDITIONS [RULE 62-4.160, F.A.C.]**

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- G.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.
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- (a) A description of and cause of non-compliance; and
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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.

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**APPENDIX GC**  
**GENERAL PERMIT CONDITIONS [RULE 62-4.160, F.A.C.]**

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    - 1. The date, exact place, and time of sampling or measurements;
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    - 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.
- G.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
<ul style="list-style-type: none"> <li>Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.</li> <li>Print your name and address on the reverse so that we can return the card to you.</li> <li>Attach this card to the back of the mailpiece, or on the front if space permits.</li> </ul>	<p>A. Signature <input type="checkbox"/> Agent  <input checked="" type="checkbox"/> Addressee</p>
<p>1. Article Addressed to:</p> <p>Mr. Frederick F. Haddad, Jr.  Vice President, Power Resources  Business Unit  Orlando Utilities Commission  500 South Orange Avenue  Post Office Box 3193  Orlando, Florida 32802</p>	<p>B. Received by (Printed Name) <input checked="" type="checkbox"/> <b>FEB 22 2005</b>  C. Date of Delivery</p>
<p>2. Article Number  (Transfer from service label)   7000 2870 0000 7027 9881</p>	<p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes  If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>PS Form 3811, August 2001</p>	<p>3. Service Type  <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail  <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise  <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p> <p>Domestic Return Receipt <span style="float: right;">102595-02-M-1540</span></p>

<b>U.S. Postal Service</b> <b>CERTIFIED MAIL RECEIPT</b> <i>(Domestic Mail Only; No Insurance Coverage Provided)</i>											
7000 2870 0000 7027 9881	<p>Mr. Frederick F. Haddad, Jr., Vice President</p>										
<table border="1"> <tr> <td>Postage</td> <td>\$</td> </tr> <tr> <td>Certified Fee</td> <td></td> </tr> <tr> <td>Return Receipt Fee (Endorsement Required)</td> <td></td> </tr> <tr> <td>Restricted Delivery Fee (Endorsement Required)</td> <td></td> </tr> <tr> <td><b>Total Postage &amp; Fees</b></td> <td><b>\$</b></td> </tr> </table>	Postage	\$	Certified Fee		Return Receipt Fee (Endorsement Required)		Restricted Delivery Fee (Endorsement Required)		<b>Total Postage &amp; Fees</b>	<b>\$</b>	<p>Postmark Here</p>
Postage	\$										
Certified Fee											
Return Receipt Fee (Endorsement Required)											
Restricted Delivery Fee (Endorsement Required)											
<b>Total Postage &amp; Fees</b>	<b>\$</b>										
<p>Sent To  Mr. Frederick F. Haddad, Jr., Vice President  Street, Apt. No.; or PO Box No.  500 South Orange Avenue, P.O. Box 3193  City, State, ZIP+4  Orlando, Florida 32802</p>	<p>PS Form 3800, May 2000 <span style="float: right;">See Reverse for Instructions</span></p>										