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BUREAU OF AIR REGULATION

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Writer's Direct Dial Number  
814-533-8670

September 18, 2001

*Set up file  
0970071-001-AC  
Print Turk's E-Mail*

**PSD-273A**

**Certified Mail**

Mr. Michael P. Halpin, P. E.  
Review Engineer  
New Source Review Section  
Florida Department of Environmental Protection  
Bureau of Air Regulation  
2600 Blair Stone Road  
Tallahassee, FL 32399-2400

***Re: Reliant Energy Osceola, LLC;  
DEP File No. 0970071-001-AC (PSD-FL-273);  
Letter Request for a PSD Permit Modification***

Dear Mr. Halpin:

Reliant Energy Osceola, LLC (Reliant Energy) hereby requests the Florida Department of Environmental Protection to modify the PSD permit (PSD-FL-273) for Reliant Energy's Osceola Power Project. More precisely, Reliant Energy requests that Section III, Specific Condition 14, be deleted from the permit. This condition states that "the amount of back-up fuel (fuel oil) burned at the site (in BTU's) shall not exceed the amount of natural gas (primary fuel) burned at the site (in BTU's) during any consecutive 12-month period [Rule 62-210.200, F.A.C.(BACT)]."

Specific Condition 14 is unnecessary. Specific Condition 13 already limits the total number of operating hours (maximum of 3,000 hours) for each stationary gas turbine at the site in any consecutive twelve month period. Specific Condition 13 also limits the number of operating hours (maximum of 750 hours) for each turbine when using fuel oil. Thus, Specific Condition 14 does not contain any requirement that will provide additional protection for the environment.

Specific Condition 14 may unduly and inappropriately restrict the operation of the Osceola Power Project. It is easy to envision scenarios where the Osceola Power Project would be in compliance with the hourly limits contained in Specific Condition 13, but unable to comply with the requirements contained in Specific Condition 14. In such cases, Specific Condition 14 would prohibit Reliant Energy from operating the Osceola Power Project, even when the facility is needed to meet the public's demand for electricity.

Michael P. Halpin, P. E.  
September 18, 2001  
Page 2

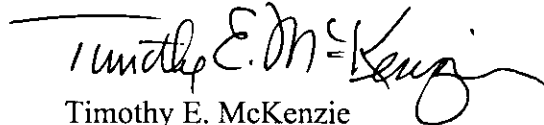
To avoid these potential problems with Specific Condition 14, the Osceola Power Project would need to maximize its use of fuel oil at the Facility. Obviously, this is an unintended and undesirable result of imposing Specific Condition 14 on the Osceola Power Project. But for Specific Condition 14, Reliant Energy would prefer to minimize the use of fuel oil at the Osceola Power Project.

For all of these reasons, Reliant Energy requests the Department to delete Specific Condition 14 from the PSD permit for the Osceola Power Project.

Enclosed is a check in the amount of \$250 to pay the Department's fee for processing this request for a permit modification.

If you have any questions regarding this request or require additional information, please call me at 814-533-8670 or call our environmental counsel, David S. Dee, at (850) 681-0311. Thank you for your assistance with this matter.

Sincerely,



Timothy E. McKenzie  
Senior Environmental Scientist

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