

MEMORANDUM

To: Trina Vielhauer
Through: Al Linero *al*
From: Tom Cascio *TCM*
Date: September 14, 2004
Subject: Air Construction Permit Modification No. 0970071-006-AC (PSD-FL-273A)
Reliant Energy Osceola, L.L.C. Facility

This final air construction permit modification is to: (a) clarify the wording concerning performance testing requirements, (b) remove the requirement of providing an analysis of the nitrogen content of fuel oil received at the facility, and (c) change the time frame for compliance with a given heat input ratio (i.e., less than or equal to one) of fuel oil to natural gas from a consecutive 12-months to a consecutive 24-months.

The Public Notice of Intent to Issue was published in the Orlando Sentinel on August 11, 2004. *No comments* were received by the Department from the public, U.S.EPA, or the applicant.

I recommend your approval and forwarding to Mike Cooke for signature.

*Mike,
This is NOT Reliant - Indian
River facility (Heone Brevard Co. is so
concerned about). We don't believe these
changes will have an affect on emissions.
Trina*

*Trina / Mike
This is a "new" gas-fired power plant (simple cycle)
and operated as peaking plant, they use natural gas
In a future scenario, they could have a year
when low sulfur fuel oil use exceeds gas use.
That could occur if the units operate very few
hours in a given year.
With the new Gulfstream pipeline running all
the way to their plant, I expect almost exclusive
gas use every year. We prepared a
detailed Technical Evaluation
to accompany draft permit.
al*

FINAL DETERMINATION

Reliant Energy Osceola, L.L.C.

Reliant Energy Osceola, L.L.C. Facility

Air Construction Permit No. 0970071-006-AC (PSD-FL-273A)

The Department distributed a public notice package on July 7, 2004, that included an intent to issue Air Construction Permit No. 0970071-006-AC to Reliant Energy Osceola, L.L.C. for the Reliant Energy Osceola, L.L.C. Facility, located at 5200 West Holopaw Road, St. Cloud, Osceola County. The air construction permit modification is to: (a) clarify the wording concerning performance testing requirements, (b) remove the requirement of providing an analysis of the nitrogen content of fuel oil received at the facility, and (c) change the time frame for compliance with a given heat input ratio (i.e., less than or equal to one) of fuel oil to natural gas from a consecutive 12-months to a consecutive 24-months.

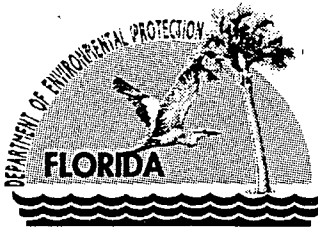
The Public Notice of Intent to Issue was published in the Orlando Sentinel on August 11, 2004.

COMMENTS/CHANGES

No comments were received by the Department from the public, U.S.EPA, or the applicant.

CONCLUSION

The final action of the Department is to issue the permit with no changes.



Jeb Bush
Governor

Department of Environmental Protection

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

Colleen M. Castille
Secretary

September 14, 2004

Certified Mail – Return Receipt Requested

Mr. Terry E. Gish
Responsible Official
Reliant Energy Osceola, L.L.C.
7800 U.S. Highway One South
Titusville, FL 32780

Re: Air Construction Permit Modification No. **0970071-006-AC (PSD-FL-273A)**
Modification to PSD-FL-273
Reliant Energy Osceola, L.L.C. Facility

Dear Mr. Gish:

The applicant, Reliant Energy Osceola, L.L.C., applied on April 8, 2004, to the Department for modifications to PSD permit number PSD-FL-273 for its Reliant Energy Osceola, L.L.C. Facility located at 5200 West Holopaw Road, St. Cloud, Osceola County. The application was revised on June 18, 2004. The revised application contained requested changes to three specific conditions. This air construction permit modification implements the requested changes. The permit modification is to: (a) clarify the wording concerning performance testing requirements, (b) remove the requirement of providing an analysis of the nitrogen content of fuel oil received at the facility, and (c) change the time frame for compliance with a given heat input ratio (i.e., less than or equal to one) of fuel oil to natural gas from a consecutive 12-months to a consecutive 24-months.

The three specific conditions of permit PSD-FL-273, regulating combustion turbines, are hereby changed as noted below.

Specific Condition 29.

From:

29. Initial (I) performance tests (for both fuels) shall be performed on each unit while firing natural gas as well as while firing oil. Initial tests shall also be conducted after any modifications (and shake down period not to exceed 100 days after re-starting the CT) of air pollution control equipment such as change or tuning of combustors. Annual (A) compliance tests shall be performed during every federal fiscal year (October 1 – September 30) pursuant to Rule 62-297.310(7), F.A.C., on each unit as indicated. The following reference methods shall be used. No other test methods may be used for compliance testing unless prior DEP approval is received in writing.

- EPA Reference Method 9, “Visual Determination of the Opacity of Emissions from Stationary Sources” (I, A).

“More Protection, Less Process”

Printed on recycled paper.

CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this permit modification was sent by certified mail (*) and copies were mailed by U.S. Mail before the close of business on 9/21/04 to the persons listed:

Terry E. Gish, Reliant Energy Osceola, L.L.C.*
Len Kozlov, P.E., Central District Office
U.S. EPA Region 4

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) 9/21/04
(Date)

- EPA Reference Method 10, "Determination of Carbon Monoxide Emissions from Stationary Sources" (I, A).
- EPA Reference Method 20, "Determination of Oxides of Nitrogen Oxide, Sulfur Dioxide and Diluent Emissions from Stationary Gas Turbines." Initial tests for compliance with 40 CFR 60 Subpart GG and (I, A) short-term NOx BACT limits (EPA Reference Method 7E, "Determination of Nitrogen Oxides Emissions from Stationary Sources" or RATA test data may be used to demonstrate compliance for annual test requirements).
- EPA Reference method 18, 25 and/or 25A, "Determination of Volatile Organic Concentrations." Initial test only.

To:

29. Initial (I) performance tests (for both fuels) shall be performed on each unit while firing natural gas as well as while firing oil. The Department may require the permittee to conduct additional tests after major replacement or repair of any air pollution control equipment, such as the water injection system, DLN combustors, etc. Annual (A) compliance tests shall be performed during every federal fiscal year (October 1 – September 30) pursuant to Rule 62-297.310(7), F.A.C., on each unit as indicated. The following reference methods shall be used. No other test methods may be used for compliance testing unless prior DEP approval is received in writing.

- EPA Reference Method 9, "Visual Determination of the Opacity of Emissions from Stationary Sources" (I, A).
- EPA Reference Method 10, "Determination of Carbon Monoxide Emissions from Stationary Sources" (I, A).
- EPA Reference Method 20, "Determination of Oxides of Nitrogen Oxide, Sulfur Dioxide and Diluent Emissions from Stationary Gas Turbines." Initial tests for compliance with 40 CFR 60 Subpart GG and (I, A) short-term NOx BACT limits (EPA Reference Method 7E, "Determination of Nitrogen Oxides Emissions from Stationary Sources" or RATA test data may be used to demonstrate compliance for annual test requirements).
- EPA Reference method 18, 25 and/or 25A, "Determination of Volatile Organic Concentrations." Initial test only.

Specific Condition 46.

From:

46. Fuel Oil Monitoring Schedule. The following monitoring schedule for No. 2 or superior grade fuel oil shall be followed: For all bulk shipments of No. 2 fuel oil received at this facility an analysis which reports the sulfur content and nitrogen content of the fuel shall be provided by the fuel vendor. The analysis shall also specify the methods by which the analyses were conducted and shall comply with the requirements of 40 CFR 60.335(d).

To:

46. Fuel Oil Monitoring Schedule. The following monitoring schedule for No. 2 or superior grade fuel oil shall be followed: For all bulk shipments of No. 2 fuel oil received at this facility an analysis which reports the sulfur content of the fuel shall be provided by the fuel vendor. The analysis shall also specify the methods by which the analyses were conducted and shall comply with the requirements of 40 CFR 60.335(d).

Specific Condition 14.

From:

14. 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, F.A.C. (BACT)]

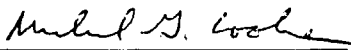
To:

14. 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 24-month period. [Rule 62-210, F.A.C. (BACT)]

A copy of this letter shall be filed with the referenced permit and shall become part of the permit. This permit modification is issued pursuant to Chapter 403, Florida Statutes.

Any party to this order (permit modification) has the right to seek judicial review of it under Section 120.68, F.S., by filing a notice of appeal under Rule 9.110 of the Florida Rules of Appellate Procedure with the clerk of the Department of Environmental Protection in the Office of General Counsel, Mail Station #35, 3900 Commonwealth Boulevard, Tallahassee, Florida, 32399-3000, and by filing a copy of the notice of appeal accompanied by the applicable filing fees with the appropriate District Court of Appeal. The notice must be filed within thirty days after this order is filed with the clerk of the Department.

Executed in Tallahassee, Florida.


Michael G. Cooke, Director
Division of Air Resource
Management

7000 1670 0013 3110 3292

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Certified Fee		
Return Receipt Fee (Endorsement Required)		
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Total Postage & Fees	\$	

54176 Terry E. Gish
 Responsible Official
Street, Apt. No., or PO Box No.
 Reliant Energy Osceola, L.L.C.
 7800 U.S. Highway One South
 Titusville, Florida 32780
 PS Form 3800, May 2000 See Reverse for Instructions

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 	<p>A. Signature <input checked="" type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> <p><i>James Wilkins</i></p> <p>B. Received by (Printed Name) <input checked="" type="checkbox"/> Date of Delivery</p> <p><i>JAMES WILKINS</i> <i>9-23-04</i></p> <p>D. Is delivery address different from item 1? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If YES, enter delivery address below.</p>
<p>1. Article Addressed to:</p> <p>Mr. Terry E. Gish Responsible Official Reliant Energy Osceola, L.L.C. 7800 U.S. Highway One South Titusville, Florida 32780</p>	<p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail</p> <p><input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise</p> <p><input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>2. Article Number</p> <p><i>7000 1670 0013 3110 3292</i></p> <p><small>(Transfer from service label)</small></p>	
<p>PS Form 3811, August 2001 Domestic Return Receipt 102595-02-M-1540</p>	

SENDER: COMPLETE THIS SECTION

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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Mr. Terry E. Gish
Responsible Official
Reliant Energy Osceola, L.L.C.
7800 U.S. Highway One South
Titusville, Florida 32780

2. Article Number

7000 1670 0013 3110 3292

(Transfer from service label)

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X *James William* Agent Addressee

B. Received by (Printed Name)

JAMES WILLIAM

C. Date of Delivery

9-23-04

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

3. Service Type

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4. Restricted Delivery? (Extra Fee)

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PS Form 3811, August 2001

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102595-02-M-1540

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Total Postage & Fees

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Mr. Terry E. Gish

Responsible Official

Street, Apt. No., or PO Box No.

Reliant Energy Osceola, L.L.C.

7800 U.S. Highway One South

Titusville, Florida 32780

PS Form 3800, May 2000

See Reverse for Instructions

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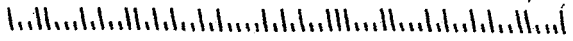


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• Sender: Please print your name, address, and ZIP code on this box •

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Division of Air Resources Mgt.
Bureau of Air Regulation, NSR
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Tallahassee, FL 32399-2400



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