



Florida Department of Environmental Protection

Bob Martinez Center
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

Charlie Crist
Governor

Jeff Kottkamp
Lt. Governor

Michael W. Sole
Secretary

October 24, 2007

Mr. Michael Opalinski, V.P. of Technical Services
Seminole Electric Cooperative, Inc.
P.O. Box 272000
Tampa, Florida 33688-2000

Re: Midulla Generating Station (formerly Payne Creek Generating Station)
Draft/Proposed Permit No. 0490340-006-AV, Title V Permit Renewal
Draft Permit No. 0490340-008-AC (PSD-FL-214D), Air Construction Permit Revision
EPA Parallel Review Package

Dear Mr. Opalinski:

Enclosed is a permit package to renew the current Title V air operation permit for the Midulla Generating Station, which is located in Hardee County at 6695 County Road 663 in Bowling Green, Florida. The permit package includes the following documents: the Statement of Basis, the Draft/Proposed Title V Air Permit Renewal, the Draft Air Construction Permit Revision, the Technical Evaluation and Preliminary Determination, the Written Notice of Intent to Issue Air Permits and the Public Notice of Intent to Issue Air Permits. The Title V permit is being issued as a Draft/Proposed package for parallel review by EPA, which should decrease the time to issue final documents.

If you have any questions, please contact the project engineer, Corrie Branum, at 850/921-8968 or Jeff Koerner at 850/921-9536.

Sincerely,

Trina Vielhauer, Chief
Bureau of Air Regulation

TLV/jfk/cb

Enclosures

WRITTEN NOTICE OF INTENT TO ISSUE AIR PERMITS

*In the Matter of an
Application for Air Permits by:*

Seminole Electric Cooperative, Inc.
P.O. Box 272000
Tampa, Florida 33688-2000

Responsible Official:
Mr. Michael Opalinski
V.P. of Technical Services

Midulla Generating Station
Draft/Proposed Permit No. 0490340-006-AV
Title V Air Permit Renewal
Draft Permit No. 0490340-008-AC
Air Construction Permit Revision
EPA Parallel Review Package

Facility Location: Seminole Electric Cooperative, Inc. operates the Midulla Generating Station, which is an existing electrical generating plant located in Hardee County at 6695 County Road 663 in Bowling Green, Florida. This station was formerly known as the Payne Creek Generating Station.

Project: The main purpose of this project is to renew the Title V air operation permit. The existing facility consists of two combined cycle combustion turbines (488 megawatts, total), ten simple cycle combustion turbines (300 megawatts, total) and miscellaneous ancillary support equipment. All units fire natural gas as the primary fuel and may fire low sulfur distillate oil as backup fuel. The combined cycle units are base loaded units and the simple cycle combustion turbines are used during peak periods of electrical power demand.

The project also includes a concurrent draft revision of Permit No. PSD-FL-214, which is the original air construction permit for the two combined cycle units. Revisions include the following: specifying the low sulfur fuel specifications of natural gas and distillate oil as the surrogate emissions standards for particulate matter and sulfur dioxide; removing allowances for additional nitrogen oxide emissions due to fuel-bound nitrogen; and allowing use of the vendor's chromatograph data to satisfy fuel sulfur monitoring for natural gas.

Details of the project are provided in the attached documents. The Title V permit is being issued as a Draft/Proposed package for parallel review by the Environmental Protection Agency (EPA).

Permitting Authority: Applications for air construction permits are subject to review in accordance with the provisions of Chapter 403, Florida Statutes (F.S.) and Chapters 62-4, 62-210, and 62-212 of the Florida Administrative Code (F.A.C.). Applications for Title V air operation permits are subject to review in accordance with the provisions of Chapter 403, F.S. and Chapters 62-4, 62-210 and 62-213, F.A.C. The projects are not exempt from the permitting procedures for air construction or Title V air operation permits. The Florida Department of Environmental Protection's Bureau of Air Regulation is the Permitting Authority responsible for making a permit determination for this project. The Bureau of Air Regulation's physical address is 111 South Magnolia Drive, Suite 4, Tallahassee, Florida 32301 and the mailing address is 2600 Blair Stone Road, MS #5505, Tallahassee, Florida 32399-2400. The Bureau of Air Regulation's phone number is 850/488-0114.

Project File: A complete project file is available for public inspection during the normal business hours of 8:00 a.m. to 5:00 p.m., Monday through Friday (except legal holidays), at address indicated above for the Permitting Authority. The complete project file includes the Draft/Proposed Permits, the Statement of Basis, the Technical Evaluation and Preliminary Determination, the application, and the additional information submitted by the applicant, exclusive of confidential records under Section 403.111, F.S. Interested persons may contact the Permitting Authority's project review engineer for additional information at the address and phone number listed above. The Draft/Proposed permit documents can be viewed at <http://www.dep.state.fl.us/air/eproducts/apds/default.asp>.

Notice of Intent to Issue Permits with Parallel Review by EPA: The Permitting Authority gives notice of its intent to issue a Draft/Proposed Title V air operation permit renewal and a concurrent Draft air construction permit revision for the projects described above. The applicant has provided reasonable assurance that operation of the facility will not adversely impact air quality and that the project will comply with all applicable provisions of Chapters 62-4, 62-204, 62-210, 62-212, 62-213, 62-214, 62-296, and 62-297, F.A.C. The permitting authority will issue final permits in accordance with the conditions of the Draft/Proposed Permits unless a timely petition for an administrative hearing is filed under Sections 120.569 and 120.57, F.S. or unless public comment received in accordance with this notice results in a different decision or a significant change of terms or conditions.

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The EPA has agreed to treat the Draft Title V Permit as a Proposed Title V Permit and to perform its 45-day review provided by the law and regulations concurrently with the public comment period (parallel review). Although EPA's 45-day review period will be performed concurrently with the public comment period, the deadline for submitting a citizen petition to object to the EPA Administrator will be determined as if EPA's 45-day review period is performed after the public comment period has ended. The Final Title V Air Operation Permit will be issued after the conclusion of the 45-day EPA review period so long as no adverse comments are received that result in a different decision or significant change of terms or conditions. The status regarding EPA's 45-day review of this project and the deadline for submitting a citizen petition can be found at the following website address: <http://www.epa.gov/region4/air/permits/Florida.htm>.

Public Notice: Pursuant to Section 403.815, F.S. and Rules 62-110.106 and 62-210.350, F.A.C., you (the applicant) are required to publish at your own expense the enclosed Public Notice of Intent to Issue Air Permits (Public Notice). The Public Notice shall be published one time only as soon as possible in the legal advertisement section of a newspaper of general circulation in the area affected by this project. The newspaper used must meet 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 Permitting Authority at the address or phone number listed above. Pursuant to Rule 62-110.106(5) and (9), F.A.C., the applicant shall provide proof of publication to the Permitting Authority at the above address within seven days of publication. Failure to publish the notice and provide proof of publication may result in the denial of the permit pursuant to Rule 62-110.106(11), F.A.C.

Comments on the Draft Air Construction Permit Revision: The Permitting Authority will accept written comments concerning the proposed Draft Air Construction Permit Revision for a period of 14 days from the date of publication of the Public Notice. Written comments received must be post-marked by the Permitting Authority at the above address by 5:00 p.m. on or before the end of the 14-day comment period. If written comments result in a significant change to the Draft Permit, the Permitting Authority will issue a revised Draft Permit and require, if applicable, another Public Notice. All comments filed will be made available for public inspection.

Comments on the Draft/Proposed Title V Air Operation Permit Renewal: The Permitting Authority will accept written comments concerning the Draft/Proposed Title V Air Operation Permit for a period of 30 days from the date of publication of the Public Notice. Written comments received must be post-marked by the Permitting Authority at the above address by 5:00 p.m. on or before the end of the 30-day period. As part of his or her comments, any person may also request that the Permitting Authority hold a public meeting on the Title V permitting action. If the Permitting Authority determines there is sufficient interest for a public meeting, it will publish notice of the time, date, and location in the Florida Administrative Weekly (<http://faw.dos.state.fl.us/>) and in a newspaper of general circulation in the area affected by the permitting action. Subsequent action on the Title V and Title IV parts of the renewal permit may be split if comments are received on the Title V portion of the draft/proposed permit. For additional information, contact the Permitting Authority at the above address or phone number. If written comments or comments received at a public meeting result in a significant change to the Draft/Proposed Permit, the Permitting Authority will issue a revised Draft Permit and require, if applicable, another Public Notice. All comments filed will be made available for public inspection.

Petitions: A person whose substantial interests are affected by the proposed permitting decisions may petition for an administrative hearing in accordance with Sections 120.569 and 120.57, F.S. The petition must contain the information set forth below and must be filed with (received by) the Department's Agency Clerk in the Office of General Counsel of the Department of Environmental Protection, 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000 (Telephone: 850/245-2241; Fax: 850/245-2303). Petitions filed by the applicant or any of the parties listed below must be filed within 14 days of receipt of this Written Notice of Intent to Issue Air Permit. Petitions filed by any persons other than those entitled to written notice under Section 120.60(3), F.S., must be filed within 14 days of publication of the attached Public Notice or within fourteen 14 days of receipt of this Written Notice of Intent to Issue Air Permit, whichever occurs first. Under Section 120.60(3), F.S., however, any person who asked the Permitting Authority for notice of agency action may file a petition within 14 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 (in a proceeding initiated by another party) will be only at the approval of the presiding officer upon the filing of a motion in compliance with Rule 28-106.205, F.A.C.

A petition that disputes the material facts on which the Permitting Authority'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)

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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 when and how each petitioner received notice of the agency action or proposed decision; (d) A statement of all disputed issues of material fact; (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 including an explanation of how the alleged facts relate to the specific rules or statutes; and, (g) A statement of the relief sought by the petitioner, stating precisely the action the 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 Permitting Authority'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, F.A.C.

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

Mediation: Mediation is not available in this proceeding.

Objections to the Draft/Proposed Title V Air Operation Permit: Finally, pursuant to 42 United States Code (U.S.C.) Section 7661d(b)(2), any person may petition the Administrator of the EPA within 60 days of the expiration of the Administrator's 45-day review period as established at 42 U.S.C. Section 7661d(b)(1), to object to issuance of any Title V permit. Any petition shall be based only on objections to the Title V permit that were raised with reasonable specificity during the 30 (thirty) day public comment period provided in this notice, unless the petitioner demonstrates to the Administrator of the EPA that it was impracticable to raise such objections within the comment period or unless the grounds for such objection arose after the comment period. Filing of a petition with the Administrator of the EPA does not stay the effective date of any Title V permit properly issued pursuant to the provisions of Chapter 62-213, F.A.C. Petitions filed with the Administrator of EPA must meet the requirements of 42 U.S.C. Section 7661d(b)(2) and must be filed with the Administrator of the EPA at: U.S. EPA, 401 M Street, S.W., Washington, D.C. 20460.

Executed in Tallahassee, Florida.



Trina Vielhauer, Chief
Bureau of Air Regulation

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CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this Written Notice of Intent to Issue Air Permit package (including the Written Notice of Intent to Issue Air Permits, the Public Notice of Intent to Issue Air Permits, the Statement of Basis, the Technical Evaluation and Preliminary Determination and the Draft/Proposed Permits) was sent by electronic mail with received receipt requested before the close of business on 10/24/07 to the persons listed below.

Mr. Michael Opalinski, Seminole Electric Cooperative, Inc. (mopalinski@seminole-electric.com)

Mr. Mike Roddy, Seminole Electric Cooperative, Inc. (wmroddy@seminole-electric.com)

Mr. Tom Davis, ECT, Inc. (tdavis@ectinc.com)

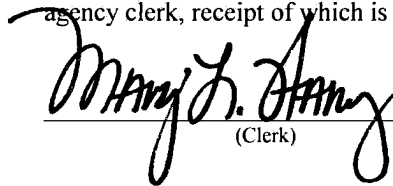
Mr. Mike Halpin, Siting Office (Halpin_M@dep.state.fl.us)

Ms. Cindy Zhang-Torres, Southwest District Office (Cindy.Zhang-Torres@dep.state.fl.us)

Ms. Kathleen Forney, EPA Region 4(forney.kathleen@epa.gov)

Clerk Stamp

FILING AND ACKNOWLEDGMENT FILED, on this date, pursuant to Section 120.52(7), Florida Statutes, with the designated agency clerk, receipt of which is hereby acknowledged.


(Clerk)

10/24/07
(Date)