OUC
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August 8, 2014

Ms. Paula Cobb, Director
Division of Air Resource Management
Department of Environmental Protection
2600 Blair Stone Road
Tallahassee, FL 32399

Re: Application for One-Year Extension of MATS Compliance Deadline for Stanton Units 1 and 2

Dear Ms. Cobb:

The Orlando Utilities Commission (OUC) has two units subject to EPA's Mercury and Air Toxics Standards (MATS) rule, in 40 Code of Federal Regulations Part 63, subpart UUUUU - National Emission Standards for Hazardous Air Pollutants: Coal- and Oil-Fired Electric Utility Steam Generating Units. The affected units1 and 2 are located at the Stanton Energy Center in Orange County at 5100 South Alafaya Trail, Orlando, Florida. Based on the information below, OUC is requesting a one-year extension of the MATS compliance deadline for these units.

The final MATS rule was published on February 16, 2012 and became effective on April 16, 2012. The rule establishes stringent limits for emissions of mercury and other metals and acid gases from coal and oil-fired electric utility boilers. The MATS rule and Section 112 of the Clean Air Act (CAA) provide a three-year compliance time period (April 16, 2015). In addition, the MATS rule and Section 112(i)(3)(B) of the CAA allow for a one-year extension of that deadline to be administered by the state CAA Title V permitting authorities. This fourth year extension for compliance may be granted for the installation of pollution controls and in circumstances where a facility owner plans to retire a unit but cannot do so within the three-year compliance time-frame.

OUC has been studying the best path forward for MATS compliance for Stanton Units 1 and 2. An important part of this analysis is the recognition that these units provide critical capacity to the Central Florida grid, and therefore the continued operation of Units 1 and 2 is critical for transmission system reliability. As part of its technical evaluation process, OUC has completed extensive analysis of the effects of emission reduction technologies on acid gases, mercury and particulates, and the corresponding effect that one pollution control technology has on other affected pollutants.

On March 18, 2014, OUC submitted an application requesting to install and operate a calcium bromide (CaBr2) and activated carbon injection demonstration project at the Stanton Energy Center. The purpose of this project is to explore mercury mitigation measures by activated carbon injection testing and CaBr2 spray application to the coal to reduce emission of mercury to meet the applicable MATS compliance standards. The proposed demonstration project duration is expected to be 90 non-consecutive operational days. A complete review of this project was summarized in the Department's Technical Evaluation that was associated with the project authorization. The proposed technology consists of powdered activated carbon (PAC) that will be injected in the flue gas downstream of the air preheater in Stanton Unit 1 using the existing dry sorbent injection ports. In the flue gas duct, the injected carbon acts as a surface catalyst to convert the elemental mercury to oxidized mercury. The carbon particles are captured predominantly by the electrostatic precipitator (ESP). Any remaining carbon particles are removed in the wet flue gas desulfurization (FGD) system.

OUC is continuing with this testing program and evaluating the effects of the above-referenced mercury control system on other pollutants, as well as overall unit performance. The testing results reveal that additional work must be completed in order to assure compliance with the MATS emissions standards. During the trials, activated carbon injection effectively reduced mercury, within the targeted range of emissions, although results have been at the higher end of the compliance range. During the tests with activated carbon injection, detrimental effects on precipitator performance were not observed. The time needed for engineering design, reagent system and ESP optimization, as well as system tuning and testing is beyond the initial April 16, 2015 deadline for completion. Therefore, OUC respectfully requests a one-year extension of the MATS compliance deadline for Stanton Energy Center Units 1 and 2 to April 16, 2016.

Thank you for your consideration of this very important time extension request. Please do not hesitate to contact David Baez at (407) 434-3072 or Scott Osbourn of Golder Associates at (813) 287-1717 if you have any questions or concerns.

Sincerely,

Chip Merriam
Vice President
Legislative, Regulatory & Compliance