

PUBLIC NOTICE OF INTENT TO ISSUE DRAFT AIR CONSTRUCTION PERMIT

Florida Department of Environmental Protection
Division of Air Resource Management, Bureau of Air Regulation
DEP File No. 0730109-001-AC
Biomass Gas and Electric of Tallahassee, LLC
Tallahassee Renewable Energy Center
Biomass Integrated Gasification Combined Cycle Unit
Leon County

Applicant: The applicant for this project is Biomass Gas and Electric of Tallahassee, LLC (BG&E). The applicant's authorized representative and mailing address is: Mr. Glenn Farris, President and Chief Executive Officer, BG&E, 3500 Parkway Lane, Suite 440, Atlanta, Georgia 30092.

Facility Location: The proposed Tallahassee Renewable Energy Center (TREC) will be located in Leon County on a 21.2 acre site that lies north of Roberts Avenue. The property is bounded on the north, west and south sides by CSX railroad tracks and on the east side by an extension of Lipona Road. The title is held by the State of Florida Board of Trustees of the Internal Improvement Trust Fund. The premises are managed by Florida State University who subleased it to BG&E.

Project: On April 3, 2008, BG&E submitted an air permit application to construct the TREC consisting of a nominal 42 megawatts (MWnet) biomass integrated gasification combined cycle unit and ancillary equipment. Details of the project are provided in the application and the enclosed Technical Evaluation and Preliminary Determination.

Municipal solid waste (MSW) is expressly prohibited as a fuel source for the facility. The fuel source for the facility will be exclusively woody biomass that consists primarily of wood chips but may also include agricultural crops and byproducts, logging and lumber mill residues, untreated wood materials, and other non-fossil organic materials. The material will be dried and fed into a vessel containing a heated bed of circulating olivine (sand) where the woody biomass will be converted to biomass product gas (BPG).

BG&E's estimates of emissions in tons per year (TPY) from the proposed TREC project are summarized in the following table. The permitted emissions representing theoretical potential to emit are also included.

<u>Pollutants</u>	<u>Estimated Emissions (TPY)</u>	<u>Potential Emissions (TPY)</u>
Carbon Monoxide (CO)	204	231
Nitrogen Oxides (NO _x)	197	214
Particulate Matter (PM/PM ₁₀)	114/114	156/156
Sulfur Dioxide (SO ₂)	83	83
Volatile Organic Compounds (VOC)	18	18
Hazardous Air Pollutants (HAP)	<5	<5

The BPG will be cleaned, compressed and used as fuel in two nominal 14.8 MW (gross) combustion turbine-electrical generators (CT). Heat from the CT exhaust gas will be recovered in two heat recovery steam generators (HRSG) equipped with BPG-fueled duct burners. The resulting steam will drive a single nominal 20.7 MW (gross) steam turbine-electrical generator (STG). NO_x emissions (concentrations) from BPG combustion in the CT and DB will be limited to achieve 32.5 parts per million by volume, dry, at 15 percent oxygen (ppmvd @15% O₂). CO concentrations will be limited to 50.0 ppmvd @15% O₂. Emissions of PM/PM₁₀, SAM, SO₂, and VOC will be controlled to very low levels by good combustion and the cleanup of the BPG prior to combustion. Ammonia emissions (NH₃)

generated due to NO_x control will be limited to 10 ppmvd. The draft permit includes a dioxin/furan design standard of 0.15 toxic equivalent (TEQ) nanograms per dry standard cubic meters at @7% O₂.

The BPG cleanup system includes: particulate removal; tar removal; and scrubbing to remove other impurities such as ammonia (NH₃), hydrogen chloride (HCl), hydrogen sulfide (H₂S) and alkali metals. The CT exhaust gas cleanup consists of a selective catalytic reduction (SCR) system for NO_x. The Department also requires continuous emissions monitoring systems (CEMS) for NO_x and CO and fuel analysis for sulfur to limit SO₂ and sulfuric acid mist (SAM) emissions.

Char removed from the BPG and tar from the BPG cleanup system will be combusted in a separate vessel to provide additional heat to the gasification process. The resulting char combustion exhaust gas will pass through two cyclones and then be filtered in a baghouse and exhausted to the atmosphere. A continuous opacity monitor will be required and also a process monitor for CO. It will be periodically tested for emissions of PM/PM₁₀, NO_x and dioxin/furan.

There will be an exhaust stack for the char combustor, two exhaust stacks for the CT/HRSG trains, cooling towers, two flares, a natural gas-fueled auxiliary boiler and natural gas-fueled startup burners for the gasifier and char combustor.

This project did not trigger the rules for the prevention of significant deterioration (PSD) regulations. Therefore, air quality impact modeling was not required. The Department reviewed ambient air monitoring records and has reasonable assurance that the proposed project will not cause or contribute to a violation of any state or federal ambient air quality standard.

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.). The proposed project is not exempt from permitting requirements and an air construction permit is required to perform the proposed work. The Bureau of Air Regulation is the Permitting Authority responsible for making a permit determination for this project. The Permitting Authority's physical address is: 111 South Magnolia Drive, Suite 4, Tallahassee, Florida. The Permitting Authority's mailing address is: 2600 Blair Stone Road, Mail Station (MS) 5505, Tallahassee, Florida 32399-2400. The Permitting Authority's telephone 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 air construction permit, the Technical Evaluation and Preliminary Determination, the application, and the 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 or phone number listed above. In addition, electronic copies of key documents are available at the following web link:

www.dep.state.fl.us/Air/permitting/construction/tallahassee.htm .

Notice of Intent to Issue Air Construction Permit: The Permitting Authority gives notice of its intent to issue an air construction permit to the applicant for the project described above. The applicant has provided reasonable assurance that operation of the proposed equipment will not adversely impact air quality and that the project will comply with all appropriate provisions of Chapters 62-4, 62-204, 62-210, 62-212, 62-296 and 62-297, F.A.C. The Permitting Authority will issue a final air construction permit in accordance with the conditions of the proposed draft air construction permit 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.

Comments: The Permitting Authority will accept written comments concerning the proposed draft air construction permit for a period of 14 days from the date of publication of the Public Notice. Written comments must be received by the Permitting Authority by close of business (5:00 p.m.) on or before the end of this 14-day period. If written comments received result in a significant change to the draft air construction permit, the Permitting Authority shall revise the draft air construction 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 decision 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 at 3900 Commonwealth Boulevard, Mail Station 35, Tallahassee, Florida 32399-3000. 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 this Public Notice or receipt of a written notice, 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) 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. If there are none, the petition must so state; (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 Public Notice. 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.