



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

SEP 08 2017

ASSISTANT ADMINISTRATOR
FOR ENFORCEMENT AND
COMPLIANCE ASSURANCE

Noah Valenstein, Secretary
Florida Department of Environmental Protection
3900 Commonwealth Blvd.
Tallahassee, FL 32399-3000

RE: No Action Assurance for Electric Generating Units in Monroe County, Florida Related to Hurricane Irma

Dear Secretary Valenstein:

This letter is in response to the need for a No Action Assurance (NAA) to facilitate the supply of electricity to Monroe County, Florida, in the event that resources necessary for the proper operation of pollution controls are not available due to damage caused by Hurricane Irma. The Florida Department of Environmental Protection anticipates that utility-scale electric generating units (EGUs) located in Monroe County, which are usually used for emergency and backup generation (e.g., transmission line maintenance), are likely to be called upon to operate for periods in excess of typical operating durations. As a result, supplies of demineralized water needed for control of nitrogen oxide (NO_x) emissions are likely to be exhausted while such EGUs are required to supply power.

Of specific concern is the limited electricity transmission capabilities in Monroe County. A single transmission line supplies electricity to the Florida Keys, which if damaged by Hurricane Irma, could leave the region without power from mainland Florida for an extended period. The Florida Keys have only two utility-scale electrical generating facilities that could meet the increased demand caused by a supply disruption: Stock Island Power Plant (Stock Island) (Facility ID No. 0870003) and Charles A. Russell Generation Facility (Facility ID No. 0870004). The Stock Island facility is equipped with four simple-cycle combustion turbines, each of which is regulated pursuant to the New Source Performance Standard (NSPS) at 40 C.F.R. Part 60, Subpart GG. This NSPS requires that combustion turbines mix fuel and demineralized water in a unit-specific ratio to control NO_x emissions. Two of the Stock Island combustion turbines are also subject to NO_x emission limits established through Prevention of Significant Deterioration (PSD) permits, and the other two turbines are subject to PSD avoidance limits for NO_x emissions¹. The demineralized water injection that provides NO_x emissions control for the

¹ NO_x PSD emission limits applicable to Emission Unit No. 007 were established by Permit No. AC44-245399/PSD-FL-210, issued in 1995. NO_x PSD avoidance emission limits applicable to Emission Unit Nos. 008

purposes of complying with NSPS Subpart GG is also utilized for compliance with these PSD and PSD avoidance limits.

The facility does not have a local dedicated source of demineralized water and relies on shipments from mainland Florida and/or portable package plants (not currently on site). The current supply of demineralized water at the Stock Island facility is estimated to last approximately five to six days for the operation of all four combustion turbines. If damage caused by Hurricane Irma renders shipments of demineralized water unavailable for an extended period, the facility's four combustion turbines could not operate in compliance with the NO_x emissions control requirements of NSPS Subpart GG, PSD limits for NO_x emissions, or PSD avoidance limits for NO_x emissions until supply lines for demineralized water were restored.

In light of the imminent emergency in the State of Florida, the EPA will exercise its discretion not to pursue enforcement for violations of the NSPS Subpart GG NO_x emission standard at 40 C.F.R § 60.332, the NO_x PSD limits contained at Conditions B.5.c and D.2.5.b of Florida Title V Permit No. 0870003-018-AV (Title V Permit), the NO_x PSD avoidance limits contained at Condition C.6.c of the Title V Permit, and the underlying PSD and PSD avoidance limits contained in the above referenced permits (see footnote 1) for the Stock Island facility located in Monroe County, Florida. This will allow the facility to operate the simple-cycle gas turbines without the use of a water injection system for the control of NO_x emissions.

Pursuant to this NAA, the EPA will not enforce violations of the NSPS at 40 C.F.R § 60.332, violations of the NO_x PSD limits contained at Conditions B.5.c and D.2.5.b of the Title V Permit, violations of the NO_x PSD avoidance limits contained at Condition C.6.c of the Title V Permit, or violations of the underlying PSD and PSD avoidance limits applicable to the Stock Island facility, subject to the following conditions:

1. The owner/operator of the Stock Island facility notifies the EPA that it has no more than 24 hours supply of demineralized water for injection into simple cycle gas turbines (by phone or email as provided below). This notification shall document the basis for having only a 24-hr supply of demineralized water remaining. At a minimum, this notification shall identify the average feed rate of demineralized water during normal operation, and the total volume of demineralized water remaining on-site at the time of the notification;
2. The owner/operator of the Stock Island facility uses all available demineralized water, as practicable;
3. The owner/operator of the Stock Island facility exercises good air pollution control practices for minimizing emissions including for restarts as a result of generator trips as required by any and all applicable standards;

and 009 were established by Permit No. 0870003-003-AC, issued in 1998. NO_x PSD emission limits applicable to Emission Unit No. 011 were established by Permit No. 0870003-007-AC/PSD-FL-348, issued in 2005.

4. The owner/operator of the Stock Island facility complies with all other applicable monitoring, recordkeeping, and reporting requirements of 40 C.F.R Subpart GG not otherwise affected by this NAA;
5. The owner/operator of the Stock Island facility reports to the EPA within 60 days (or such other time as agreed upon by the EPA) of the last operation without demineralized water under the auspices of this NAA, the hours each unit operated without sufficient demineralized water;
6. The owner/operator of the Stock Island facility complies with all other applicable requirements of the Title V Permit not otherwise affected by this NAA; and
7. The owner/operator of the Stock Island facility complies with all conditions imposed by State or local authorities on these emergency operations.

The notifications identified above should be sent via email to Jason Dressler, at dressler.jason@epa.gov], or by phone at 404-562-9208.

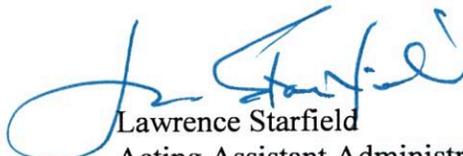
The issuance of an NAA for this period of time is in the public interest. Through today's NAA, the EPA is continuing its commitment to address the very difficult circumstances caused by Hurricane Irma. Nothing in this NAA is intended to override Florida state or local authorities.

The NAA terminates at 11:59 PM EDT, September 21, 2017. The EPA reserves the right to extend, revoke or modify the NAA if the EPA believes that such action is necessary to protect public health and the environment. This NAA does not apply to any other federal requirements that may apply to regulated activities at these facilities other than those listed above.

Nothing in this exercise of enforcement discretion relieves any person of the obligation under law, if any, to report emissions from the operation of equipment covered by this action.

If you have any questions please contact Phillip A. Brooks, at 202-564-0652 or brooks.phillip@epa.gov.

Sincerely,


Lawrence Starfield
Acting Assistant Administrator

cc: Onis "Trey" Glenn III, Regional Administrator, EPA Region 4
Jacob Williams, GM and CEO, Florida Municipal Power Agency
Jody Finklea, Deputy General Counsel, Florida Municipal Power Agency

