

**AGENDA
SITING BOARD
DEPARTMENT OF ENVIRONMENTAL PROTECTION
DECEMBER 7, 2010**

**Attachments to the items below can be viewed at the following link:
http://www.dep.state.fl.us/secretary/cab/public_notices.htm**

Item 1 Minutes

Submittal of the Minutes from the August 11, 2009 Cabinet Meeting.

(See Attachment 1, Pages 1-3)

RECOMMEND APPROVAL

Item 2 Gainesville Renewable Energy Center, LLC Final Order of Certification/Woody Biomass-Fired Electrical Power Plant (PA 09-55)

REQUEST: Consideration of a Final Order, to be executed by the Siting Board, adopting the Administrative Law Judge's Recommended Order recommending the Siting Board grant full and final certification to Gainesville Renewable Energy Center, LLC, under Chapter 403, Part II, F.S., for the construction and operation of the Gainesville Renewable Energy Center, including associated facilities, pursuant to sections 403.509 and 403.511(1), F.S.

COUNTY: Alachua

APPLICANT: Gainesville Renewable Energy Center, LLC (GREC)

LOCATION: The Gainesville Renewable Energy Center (the project) will be located on a 131-acre leased area within the existing boundaries of Gainesville Regional Utilities (GRU) certified Deerhaven Generating Station (DGS) site in Gainesville, Alachua County, Florida.

STAFF REMARKS: On November 30, 2009, GREC submitted a Site Certification Application (SCA) to the Department of Environmental Protection's (DEP) Siting Coordination Office (SCO) for the project pursuant to the Florida Electrical Power Plant Siting Act (PPSA), sections 403.501 through 518, F.S.

Project Description

The project will be a nominal net 100 megawatt (MW), approximately 116 MW gross, woody biomass-fired electrical power plant consisting of a bubbling fluidized bed boiler, conventional steam turbine generator, boiler stack, mechanical draft cooling tower, and other associated facilities. Approximately 61 acres of the 131-acre site will be occupied by the project. GREC is not seeking to expand the existing DGS site; therefore, a land use and zoning determination was not required.

The major source of biomass will include forest residue secured from private landowners within a 75-mile radius of the site. These suppliers will be contractually required to meet a set of minimum sustainability standards, ensuring that the project is consistent with the findings of the

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2010 “Final Woody Biomass Economic Study” done by the Department of Agricultural and Consumer Services, Division of Forestry.

The project will require approximately 1.4 million gallons a day (MGD) of water from the Upper Floridan Aquifer. Accordingly, GRU will reduce its permitted groundwater withdrawals for DGS by 1.4 MGD prior to commercial operation of GREC. No industrial wastewater will be discharged from the project.

The project will cause permanent impacts to approximately 0.44 acre of lower quality wetlands. To compensate for these unavoidable impacts, 10.25 acres of higher quality wetlands on the site, as well as 12.33 acres of uplands surrounding these wetlands, will be placed under a conservation easement.

Following approval of the Final Order for the project, DEP’s SCO will modify the Conditions of Certification (COC) for DGS to accommodate the construction and operation requirements imposed for the project on the DGS site.

As described in DEP’s Project Analysis Report, the project as proposed will meet State and Federal ambient air quality standards.

Federal Requirements

A Federal Prevention of Significant Deterioration (PSD) permit is required prior to construction. The PSD draft permit for the project was challenged by an intervenor in the PPSA matter and four other parties in a separate Division of Administrative Hearings proceeding before the Administrative Law Judge (ALJ). The recommended order for that proceeding has not been issued to date.

Agencies

On June 28, 2010, the Florida Public Service Commission (PSC) issued Final Order No. PSC-10-0409-FOF-EM, approving the petition for Determination of Need for the project.

The following reviewing agencies recommended approval of the project: Department of Community Affairs, Florida Fish and Wildlife Conservation Commission, Department of Transportation, Suwannee River Water Management District, North Central Florida Regional Planning Council, City of Gainesville, and the Department of State’s Division of Historical Resources. Recommended conditions to minimize adverse impacts and to ensure compliance with applicable state and local regulatory standards have been incorporated into the proposed COC for the project

Noticing

GREC directly notified by mail 3,817 landowners and residences located within three miles of the site of the project. Notices for the receipt of the SCA, and notices of the scheduled hearings before the ALJ, as well as the Siting Board, were timely published in both the *Florida*

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Administrative Weekly and *The Gainesville Sun*. No public informational meetings were requested to be held.

Hearing

The certification hearing was held August 23 through 26, 2010, in Gainesville, Florida before Judge Robert E. Meale. During the public comments portion of the certification hearing held on August 23, 2010, a total of 29 members of the public spoke, with 28 in favor of the project, and 1 opposed.

DEP incorporated changes made to the SCA during the certification hearing, recommended by the Gainesville Fire Department, for fire prevention and safety. These changes include reducing the height of the largest biomass pile from 85 feet to 60 feet, installing a road between biomass piles, and installing low barrier walls between biomass piles.

On November 1, 2010, Judge Meale recommended that the Siting Board enter into a Final Order, approving the project.

(See Attachment 2, Pages 1-150)

RECOMMEND APPROVAL