



Department of Environmental Protection

Jeb Bush
Governor

Twin Towers Office Building
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

Colleen M. Castille
Secretary

May 18, 2004

CERTIFIED MAIL – Return Receipt Requested

Mr. Gene L. Ussery
V.P. of Power Generation/Transmission
Gulf Power Company
One Energy Place
Pensacola, Florida 32520-0328

Re: Request for a Reduction of the Allowable Sulfur Dioxide (SO₂) Emission Limiting Standard for Boilers Nos. 4, 5, 6 and 7,
When Burning Solid Fuel (Pulverized Coal)
Gulf Power Company
Crist Electric Generating Plant
Draft Air Construction Permit Project No.: 0330045-008-AC

Dear Mr. Ussery:

Attached is one copy of the Draft air construction permit (letter), Project No. 0330045-008-AC, to establish a reduction of the allowable sulfur dioxide (SO₂) emission limiting standard for Boilers Nos. 4, 5, 6 and 7, when burning solid fuel (pulverized coal), and to revise one (1) Specific Condition, specifically No. 5., that was established in air construction permit, No. AC17-234016, for Boiler No. 6. These emissions units are located at the Gulf Power Company's Crist Electric Generating Plant in Pensacola, Escambia County. The allowable SO₂ emission limiting standard will change from 5.90 pounds per million Btu heat input, when burning solid fuel (pulverized coal), 24-hour average, to 2.40 pounds per million Btu heat input, when burning solid fuel (pulverized coal), 24-hour average, with compliance determined by certified stack SO₂ continuous emission monitors.

The permitting authority's "INTENT TO ISSUE AN AIR CONSTRUCTION PERMIT" and the "PUBLIC NOTICE OF INTENT TO ISSUE AN AIR CONSTRUCTION PERMIT" are also included. The "PUBLIC NOTICE OF INTENT TO ISSUE AN AIR CONSTRUCTION PERMIT" must be published as soon as possible. Proof of publication, i.e., newspaper affidavit, must be provided to the permitting authority's office within 7 (seven) days of publication pursuant to Rule 62-110.106(5), F.A.C. Failure to publish the notice and provide proof of publication within the allotted time may result in the denial of the permit pursuant to Rule 62-110.106(11), F.A.C.

Please submit any written comments you wish to have considered concerning the permitting authority's proposed action to James K. Pennington, P.E., at the above letterhead address. If you have any other questions, please contact Bruce Mitchell at 850/413-9198.

Sincerely,

Trina L. Vielhauer
Chief
Bureau of Air Regulation

TLV/BM/m

Enclosures

"More Protection, Less Process"

Printed on recycled paper.

RECEIVED

MAY 20 2004

NORTHWEST FLORIDA
DEP

In the Matter of an
Application for Permit by:

Gulf Power Company
One Energy Place
Pensacola, Florida 32520-0328

Draft Air Construction Permit Project No.: 0330045-008-AC
Crist Electric Generating Plant
Escambia County

INTENT TO ISSUE AN AIR CONSTRUCTION PERMIT

The Department of Environmental Protection (permitting authority) gives notice of its intent to issue an air construction permit [copy of the Draft permit (letter) enclosed] for the facility detailed in the application specified above, to establish a reduction of the allowable sulfur dioxide (SO₂) emission limiting standard for Boilers Nos. 4, 5, 6 and 7, when burning solid fuel (pulverized coal), and to revise one (1) Specific Condition, specifically No. 5., that was established in air construction permit, No. AC17-234016, for Boiler No. 6. The emissions units are located at the Gulf Power Company's Crist Electric Generating Plant in Pensacola, Escambia County.

The permittee, Gulf Power Company, applied on May 3, 2004, requesting a reduction in the allowable sulfur dioxide (SO₂) emission limiting standard for Boilers Nos. 4, 5, 6 and 7, when burning solid fuel (pulverized coal). The allowable SO₂ emission limiting standard will change from 5.90 pounds per million Btu heat input, when burning solid fuel (pulverized coal), 24-hour average, to 2.40 pounds per million Btu heat input, when burning solid fuel (pulverized coal), 24-hour average, with compliance determined by certified stack SO₂ continuous emission monitors.

The permitting authority has permitting jurisdiction under the provisions of Chapter 403, Florida Statutes (F.S.), and Chapters 62-4 and 62-210, F.A.C. This source is not exempt from permitting procedures. The permitting authority has determined that an Air Construction Permit is required for the proposed activity.

The permitting authority intends to issue this Air Construction Permit based on the belief that reasonable assurances have been provided to indicate that operation of the source will not adversely impact air quality, and the source will comply with all appropriate provisions of Chapters 62-4, 62-204, 62-210, 62-212, 62-256, 62-257, 62-281, 62-296, and 62-297, F.A.C.

Pursuant to Sections 403.815 and 403.0872, F.S., and Rules 62-110.106 and 62-210.350(3), F.A.C., you (the applicant) are required to publish at your own expense the enclosed "PUBLIC NOTICE OF INTENT TO ISSUE AN AIR CONSTRUCTION PERMIT." The 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. For the purpose of these rules, "publication in a newspaper of general circulation in the area affected" means publication in a newspaper meeting 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 telephone number listed below. The applicant shall provide proof of publication to the Department's Bureau of Air Regulation, 2600 Blair Stone Road, Mail Station #5505, Tallahassee, Florida 32399-2400 (Telephone: 850/488-0114; Fax: 850/922-6979), within 7 (seven) days of publication pursuant to Rule 62-110.106(5), F.A.C. Failure to publish the notice and provide proof of publication within the allotted time may result in the denial of the permit pursuant to Rule 62-110.106(11), F.A.C.

The permitting authority will issue the Final Air Construction Permit in accordance with the conditions of the enclosed Draft Air Construction Permit unless a response received in accordance with the following procedures results in a different decision or significant change of terms or conditions.

The permitting authority will accept written comments concerning the proposed permit issuance action for a period of 14 (fourteen) days from the date of publication of "PUBLIC NOTICE OF INTENT TO ISSUE AN AIR CONSTRUCTION PERMIT." Written comments should be provided to the permitting authority office. Any written comments filed shall be made available for public inspection. If written comments received result in a significant change in this Draft Air Construction Permit, the permitting authority shall issue a Revised Draft Air Construction Permit and require, if applicable, another Public Notice.

The permitting authority will issue the permit (letter) with the attached conditions unless a timely petition for an administrative hearing is filed pursuant to Sections 120.569 and 120.57, F.S. Mediation under Section 120.573, F.S., will not be available for this proposed action.

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 (received) in the Office of General Counsel of the Department of Environmental Protection, 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000 (Telephone: 850/488-9730; Fax: 850/487-4938). Petitions filed by the permit applicant or any of the parties listed below must be filed within 14 (fourteen) days of receipt of this notice of intent. Petitions filed by any other person must be filed within 14 (fourteen) days of publication of the

public notice or within 14 (fourteen) days of receipt of this notice of intent, whichever occurs first. A petitioner must 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 will be only at the approval of the presiding officer upon the filing of a motion in compliance with Rule 28-5.207, F.A.C.

A petition must contain the following information:

- (a) The name, address, and telephone number of each petitioner, the applicant's name and address, the Permit File Number, and the county in which the project is proposed;
- (b) A statement of how and when each petitioner received notice of the permitting authority's action or proposed action;
- (c) A statement of how each petitioner's substantial interests are affected by the permitting authority's action or proposed action;
- (d) A statement of the material facts disputed by the petitioner, if any;
- (e) A statement of the facts that the petitioner contends warrant reversal or modification of the permitting authority's action or proposed action;
- (f) A statement identifying the rules or statutes that the petitioner contends require reversal or modification of the permitting authority's action or proposed action; and,
- (g) A statement of the relief sought by the petitioner, stating precisely the action that the petitioner wants the permitting authority to take with respect to the action or proposed action addressed in this notice of intent.

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 notice of intent. 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.

In addition to the above, a person subject to regulation has a right to apply to the Department of Environmental Protection for a variance from or waiver of the requirements of particular rules, on certain conditions, under Section 120.542, F.S. The relief provided by this state statute applies only to state rules, not statutes, and not to any federal regulatory requirements. Applying for a variance or waiver does not substitute or extend the time for filing a petition for an administrative hearing or exercising any other right that a person may have in relation to the action proposed in this notice of intent.

The application for a variance or waiver is made by filing a petition with the Office of General Counsel of the Department of Environmental Protection, 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000. The petition must specify the following information:

- (a) The name, address, and telephone number of the petitioner;
- (b) The name, address, and telephone number of the attorney or qualified representative of the petitioner, if any;
- (c) Each rule or portion of a rule from which a variance or waiver is requested;
- (d) The citation to the statute underlying (implemented by) the rule identified in (c) above;
- (e) The type of action requested;
- (f) The specific facts that would justify a variance or waiver for the petitioner;
- (g) The reason why the variance or waiver would serve the purposes of the underlying statute (implemented by the rule); and,
- (h) A statement whether the variance or waiver is permanent or temporary and, if temporary, a statement of the dates showing the duration of the variance or waiver requested.

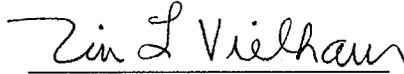
The Department will grant a variance or waiver when the petition demonstrates both that the application of the rule would create a substantial hardship or violate principles of fairness, as each of those terms is defined in Section 120.542(2), F.S., and that the purpose of the underlying statute will be or has been achieved by other means by the petitioner.

Persons subject to regulation pursuant to any federally delegated or approved air program should be aware that Florida is specifically not authorized to issue variances or waivers from any requirements of any such federally delegated or approved program. The requirements of the program remain fully enforceable by the Administrator of the United States Environmental

Protection Agency and by any person under the Clean Air Act unless and until the Administrator separately approves any variance or waiver in accordance with the procedures of the federal program.

Executed in Tallahassee, Florida.

**STATE OF FLORIDA DEPARTMENT
OF ENVIRONMENTAL PROTECTION**



Trina L. Vielhauer
Chief
Bureau of Air Regulation

CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this INTENT TO ISSUE AN AIR CONSTRUCTION PERMIT (including the PUBLIC NOTICE and the Draft Permit (letter)) and all copies were sent by certified mail before the close of business on 5/18/04 to the person(s) listed:

Mr. Gene L. Ussery, Jr., Responsible Official and V.P. of Power Generation/Transmission, GPC

In addition, the undersigned duly designated deputy agency clerk hereby certifies that copies of this INTENT TO ISSUE AN AIR CONSTRUCTION PERMIT (including the PUBLIC NOTICE and the Draft Permit (letter)) were sent by U.S. mail on the same date to the person(s) listed:

- Mr. G. Dwain Waters, QEP, Air Quality Programs Supervisor, GPC
- Ms. Sandra Veazey, DEP - NWD
- Mr. Kevin White, DEP - NWD
- Mr. Andy Allen, DEP - NWD
- Mr. Jim Pennington, P.E., DEP - BAR
- Mr. Jonathan Holtom, DEP - BAR
- Mr. Cleve Holladay, DEP - BAR

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.

Paulina J. Friday 5/18/04
(Clerk) (Date)

PUBLIC NOTICE OF INTENT TO ISSUE AN AIR CONSTRUCTION PERMIT

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

Draft Air Construction Permit Project No.: 0330045-008-AC
Gulf Power Company
Crist Electric Generating Plant
Escambia County

The Department of Environmental Protection (permitting authority) gives notice of its intent to issue an air construction permit (letter) to Gulf Power Company for its Crist Electric Generating Plant located in Pensacola, Escambia County. The applicant's name and address are: Gene L. Ussery, Jr., V.P. of Power Generation/Transmission, Gulf Power Company, One Energy Place, Pensacola, Florida 32520-0328.

The permittee, Gulf Power Company, applied on May 3, 2004, requesting a reduction in the allowable sulfur dioxide (SO₂) emission limiting standard for Boilers Nos. 4, 5, 6 and 7, when burning solid fuel (pulverized coal). The allowable SO₂ emission limiting standard will change from 5.90 pounds per million Btu heat input, when burning solid fuel (pulverized coal), 24-hour average, to 2.40 pounds per million Btu heat input, when burning solid fuel (pulverized coal), 24-hour average, with compliance determined by certified stack SO₂ continuous emission monitors.

The permitting authority will issue the Air Construction Permit, and subsequent Final Air Construction Permit, in accordance with the conditions of the Draft Air Construction Permit unless a response received in accordance with the following procedures results in a different decision or significant change of terms or conditions.

The permitting authority will accept written comments concerning the proposed Draft Air Construction Permit issuance action for a period of 14 (fourteen) days from the date of publication of this Notice. Written comments should be provided to the Department's Bureau of Air Regulation, 2600 Blair Stone Road, Mail Station #5505, Tallahassee, Florida 32399-2400. Any written comments filed shall be made available for public inspection. If written comments received result in a significant change in this Draft Air Construction Permit, the permitting authority shall issue a Revised Draft Air Construction Permit and require, if applicable, another Public Notice.

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, Florida Statutes (F.S.). The petition must contain the information set forth below and must be filed (received) in Office of General Counsel of the Department of Environmental Protection, 3900 Commonwealth Boulevard, Mail Station #35, Tallahassee, Florida 32399-3000 (Telephone: 850/488-9730; Fax: 850/487-4938). Petitions filed by any persons other than those entitled to written notice under Section 120.60(3), F.S., must be filed within fourteen days of publication of the public notice or within fourteen days of receipt of the notice of intent, 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 fourteen 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 applicable 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 will be only at the approval of the presiding officer upon the filing of a motion in compliance with Rule 28-106.205, Florida Administrative Code (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(s) or identification number(s), if known;
- (b) The name, address and telephone number of the petitioner; 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 petitioner's substantial rights will be affected by the agency determination;
- (c) A statement of how and when the petitioner received notice of the agency action or proposed action;
- (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, as well as the rules and statutes which entitle petitioner to relief; and

(f) A demand for relief.

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 notice of intent. 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 is not available for this proceeding.

A complete project file is available for public inspection during normal business hours, 8:00 a.m. to 5:00 p.m., Monday through Friday, except legal holidays, at:

Permitting Authority:

Department of Environmental Protection
Bureau of Air Regulation
111 South Magnolia Drive, Suite 4
Tallahassee, Florida 32301
Telephone: 850/488-0114
Fax: 850/922-6979

Affected District Authority:

Department of Environmental Protection
Northwest District Office
Air Resources
160 Governmental Place
Pensacola, Florida 32520-0328
Telephone: 850/595-8300
Fax: 850/595-4417

The complete project file includes the Draft Air Construction Permit, the application/request, and the information submitted by the responsible official, exclusive of confidential records under Section 403.111, F.S. Interested persons may contact James K. Pennington, P.E., at the above address, or call 850/921-9515 for additional information.

TECHNICAL EVALUATION
AND
PRELIMINARY DETERMINATION

Gulf Power Company
Crist Electric Generating Plant
Facility ID No.: 0330045
Escambia County

Draft Air Construction Permit Project No.: 0330045-008-AC

Department of Environmental Protection
Division of Air Resource Management
Bureau of Air Regulation

1. APPLICATION INFORMATION.

1.1. Applicant Name and Address:

Gulf Power Company
One Energy Place
Pensacola, Florida 32520-0328

Responsible Official

Mr. Gene L. Ussery, Jr., V.P. of Power Generation/Transmission

1.2. Reviewing and Process Schedule:

05/03/2004: Date of Receipt of Application

2. FACILITY INFORMATION.

2.1. Facility Location

The Gulf Power Company's Crist Electric Generating Plant is located at 500 Bay Front Parkway, Pensacola, Escambia County, Florida.

The UTM: coordinates of this facility are Zone 16; 478.50 km East; and, 3381.30 km North.

2.2. Standard Industrial Classification Code (SIC):

Major Group No.	49	Electric, Gas, and Sanitary Services
Group No.	491	Electric Services
Industry No.	4911	Electric Services

2.3. Facility Category

The Gulf Power Company's Crist Electric Generating Plant is classified as a major air pollutant emitting facility pursuant to Rule 62-210.200, F.A.C. - Definitions. This facility is classified as a Title V - Title IV facility and its initial Title V - Title IV Air Operation Permit was effective on January 1, 2000.

3. PROJECT DESCRIPTION.

3.1. The permittee, Gulf Power Company, applied to the Department on May 3, 2004, requesting a reduction in the allowable sulfur dioxide (SO₂) emission limiting standard for the emissions units, Boilers Nos. 4, 5, 6 and 7, when burning solid fuel (pulverized coal) at the Crist Electric Generating Plant located in Pensacola, Escambia County. The allowable SO₂ emission limiting standard will change from 5.90 pounds per million Btu heat input, when burning solid fuel (pulverized coal), 24-hour average, to 2.40 pounds per million Btu heat input, when burning solid fuel (pulverized coal), 24-hour average, with compliance determined by certified stack SO₂ continuous emission monitors.

The permitting authority intends to issue the Air Construction Permit based on the belief that reasonable assurances have been provided to indicate that operation of the facility will not adversely impact air quality, and the facility will be in compliance with all appropriate provisions of Chapters 62-4, 62-204, 62-210, 62-212, 62-256, 62-257, 62-281, 62-296, and 62-297, F.A.C.

4. RULE APPLICABILITY.

The proposed project is not subject to preconstruction review requirements under the provisions of Chapter 403, Florida Statutes, and Florida Administrative Code (F.A.C.) Chapters 62-4, 62-204, 62-210, 62-212, 62-296, and 62-297, because the request is for a reduction in the allowable SO₂ emission limits for Boilers Nos. 4, 5, 6 and 7, when burning solid fuel (pulverized coal). Therefore, the proposed project is not a modification by definition because it is not a change in the method of operation nor is there an actual emissions increase.

In accordance with Rule 62-204.340, F.A.C., this facility is located in an Attainment Area (Escambia County) for all pollutants. The proposed project is subject to permitting under Rule 62-212.300, F.A.C., Permits Required, for purposes of establishing federal enforceability of the proposed new allowable SO₂ emission limiting standard for Boilers Nos. 4, 5, 6 and 7, when burning solid fuel (pulverized coal), and revising one (1) Specific Condition, specifically No. 5., that was established in air construction permit, No. AC17-234016, for Boiler No. 6.

5. SOURCE IMPACT ANALYSIS.

5.1. Emission Limitations:

This permitting action is for the reduction of the SO₂ allowable emission limitation for Boilers Nos. 4, 5, 6 and 7, when burning solid fuel (pulverized coal).

5.2. Control Technology Review:

A control technology review is not required under this permitting action.

5.3. Air Quality:

Preliminary modeling was done prior to this request being submitted. That modeling shows that the resulting facility, due to this permitting project, does not cause or contribute to a violation of any air quality standard or increment.

6. CONCLUSION.

Based on the foregoing technical evaluation, the Department has made a preliminary determination that the proposed project will be in compliance with all applicable state and federal air pollution regulations. The requested changes are provided in the attached proposed Draft air construction permit (letter).

Permit Engineer: Bruce Mitchell

Reviewed and Approved by James K. Pennington, P.E.