Florida Department of Environmental Protection

Bob Martinez Center
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

Charlie Crist
Governor

Jeff Kottkamp
Lt. Governor

Michael W. Sole
Secretary

April 23, 2007

Ms. Penny M. Manuel
Vice President, Power Generation
Gulf Power Company
One Energy Place
Pensacola, Florida 32520

Re: Draft Air Construction Permit Modification No.: 0330045-017-AC
DRAFT Title V Operation Permit Revision No.: 0330045-016-AV
Crist Electric Generating Station

Dear Ms. Manuel:

Enclosed is one copy of the Technical Evaluation and Preliminary Determination, Draft Air Construction Permit Revision and Draft Title V Operation Permit Revision, for the Crist Electric Generating Station located on Pate Road, off of 10 Mile Road on Governors Bayou, Escambia County, is enclosed. The Department's "INTENT TO CONCURRENTLY ISSUE AN AIR CONSTRUCTION PERMIT & TITLE V OPERATION PERMIT REVISION" and the "PUBLIC NOTICE OF INTENT TO CONCURRENTLY ISSUE AN AIR CONSTRUCTION PERMIT & TITLE V OPERATION PERMIT REVISION" are also included.

The "PUBLIC NOTICE OF INTENT TO CONCURRENTLY ISSUE AN AIR CONSTRUCTION PERMIT & TITLE V OPERATION PERMIT REVISION" must be published one time only, as soon as possible, in the legal advertising section of a newspaper of general circulation in the area affected, pursuant to the requirements of Chapter 50, Florida Statutes. Proof of publication, i.e., newspaper affidavit, must be provided to the Department's Bureau of Air Regulation office within 7 (seven) days of publication. Failure to publish the notice and provide proof of publication within the allotted time may result in the denial of the permit modification.

Please submit any written comments you wish to have considered concerning the Department's proposed action to Mr. Jeff Koerner, P.E., Administrator, North Permitting Section at the above letterhead address. If you have any questions, please call Mr. Jonathan Holtom, P.E., at 850/921-9531.

Sincerely,

Trina Vielhauer, Chief
Bureau of Air Regulation

TLV/jk/jh

Enclosures

In the Matter of an
Application for Permit by:

Ms. Penny M. Manuel, Vice President and SPO
Gulf Power Company
One Energy Place
Pensacola, Florida 32520

Draft Air Construction Permit No.: 0330045-017-AC
DRAFT Title V Permit Project No.: 0330045-016-AV
Crist Electric Generating Station
Escambia County

WRITTEN NOTICE OF INTENT TO CONCURRENTLY ISSUE AN AIR CONSTRUCTION PERMIT AND A TITLE V OPERATION PERMIT REVISION

Facility Location: Gulf Power Company operates the existing Crist Electric Generating Station, which is located on Pate Road, off of 10 Mile Road on Governors Bayou, Escambia County.

Project: The applicant, Gulf Power Company, applied on October 30, 2006 to the Department for a Title V Air Operation Permit revision to incorporate the terms and conditions of Air Construction Permit Nos. 0330045-011-AC, 0330045-012-AC and 0330045-013-AC. These projects authorized the construction of a mercury research center, Selective Non-Catalytic Reduction (SNCR) on Unit 6, and SNCR on Units 4 and 5, respectively. The applicant also requested a revision of Permit No. 0330045-005-AC to change the NO_X testing requirements and PM testing frequency for Unit 7. As a result, Air Construction Permit No. 0330045-017-AC is being issued concurrently with, and incorporated into, the Title V Air Operation Permit revision. This revision process is also being used to replace the existing Appendix TV-4, Title V Conditions with Appendix TV-6, Title V Condition, as well as other minor administrative corrections noted in the Statement of Basis. These changes, as outlined in the Draft Title V Air Operation Permit Revision, are the only portions of the Title V permit that are open for review and subject to Public Comment.

Permitting Authority: The application for these Permit revisions is subject to review in accordance with the provisions of Chapter 403, Florida Statutes (F.S.), and Chapters 62-4, 62-210, 62-213 and 62-214, Florida Administrative Code (F.A.C.). The proposed project is not exempt from air permitting requirements and an air permit is required to operate the facility. The Department of Environmental Protection's Bureau of Air Regulation is the Permitting Authority responsible for making a Permit determination regarding this project. The Permitting Authority's physical address is: 111 South Magnolia Drive, Suite 4, Tallahassee, Florida 32301. The Permitting Authority's mailing address is: 2600 Blair Stone Road, Mail Station #5505, Tallahassee, Florida 32399-2400 (Telephone: 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 the address indicated above for the Permitting Authority. The complete project file includes the Technical Evaluation and Preliminary Determination, Draft Air Construction Permit, Draft Title V Operation Permit Revision, the Statement of Basis, the application, and the information submitted by the applicant, exclusive of confidential records under Section 403.111, F.S. Interested persons may view the DRAFT Permit by visiting the following website: http://www.dep.state.fl.us/air/eproducts/ards/. A copy of the complete project file is also available 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: 850/921-9533

Affected District:
Department of Environmental Protection
Northwest District
160 Governmental Center
Pensacola, Florida 32501-5794
Telephone: 850/595-8364
Fax: 850/595-8096

Notice of Intent to Issue an Air Permit: The Permitting Authority gives notice of its intent to concurrently issue an Air Construction permit and a Title V Air Operation Permit Revision to the applicant for the project described above. The applicant has provided reasonable assurance that operation of the facility 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, 62-213, 62-214, 62-296, and 62-297, F.A.C. The Permitting Authority will issue a PROPOSED Title V Permit and subsequent FINAL Air Construction and Title V Air Operation Permit revisions in accordance with the conditions of the DRAFT Permits unless a response received in accordance with the following procedures results in a different decision or a significant change of terms or conditions.

Public Notice: Pursuant to Sections 403.815 and 403.087, 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 CONCURRENTLY ISSUE AN AIR CONSTRUCTION PERMIT & TITLE V OPERATION PERMIT REVISION" (Public Notice). The Public 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 by this project. The newspaper used must meet 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 phone number. Pursuant to Rule 62-110.106(5) & (9), F.A.C., the applicant shall provide proof of publication to the Permitting Authority at the above address within seven (7) days of publication. Failure to publish the Public Notice and provide proof of publication may result in the denial of the Permit pursuant to Rule 62-110.106(11), F.A.C.

Comments: The Permitting Authority will accept written comments concerning the Draft Air Construction Permit for a period of fourteen (14) days from the date of publication of this Public Notice and will accept comments concerning the DRAFT Title V Air Operation Permit for a period of thirty (30) days from the date of publication of this Public Notice. Written comments must be post-marked, and all e-mail or facsimile comments must be received by the close of business (5 pm), on or before the end of the 14-day or 30-day periods by the Permitting Authority at the above address, e-mail or facsimile. As part of his or her comments, any person may also request that the Permitting Authority hold a public meeting on this permitting action. If the Permitting Authority determines there is sufficient interest for a public meeting, it will publish notice of the time, date, and location in the Florida Administrative Weekly (http://faw.dos.state.fl.us/) and in a newspaper of general circulation in the area affected by the permitting action. For additional information, contact the Permitting Authority at the above address or phone number. If written comments or comments received at a public meeting result in a significant change to the DRAFT Permits, the Permitting Authority shall issue a Revised DRAFT 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 the applicant or any of the parties listed below must be filed within fourteen (14) days of receipt of this Written Notice of Intent to Concurrently Issue an Air Construction & Title V Air Operation Permit. Petitions filed by any persons other than those entitled to written notice under Section 120.60(3), F.S., must be filed within fourteen (14) days of publication of the attached Public Notice or within fourteen (14) days of receipt of this Written Notice of Intent to Concurrently Issue an Air Construction & Title V Air Operation Permit, 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 (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 Written Notice of Intent to

Concurrently Issue an Air Construction & Title V Air Operation Permit. 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 for this proceeding.

Objections: Finally, pursuant to 42 United States Code (U.S.C.) Section 7661d(b)(2), any person may petition the Administrator of the EPA within sixty (60) days of the expiration of the Administrator's 45 (forty-five) day review period as established at 42 U.S.C. Section 7661d(b)(1), to object to the issuance of any Permit. Any petition shall be based only on objections to the Permit that were raised with reasonable specificity during the thirty (30) day public comment period provided in the Public Notice, unless the petitioner demonstrates to the Administrator of the EPA that it was impracticable to raise such objections within the comment period or unless the grounds for such objection arose after the comment period. Filing of a petition with the Administrator of the EPA does not stay the effective date of any permit properly issued pursuant to the provisions of Chapter 62-213, F.A.C. Petitions filed with the Administrator of EPA must meet the requirements of 42 U.S.C. Section 7661d(b)(2) and must be filed with the Administrator of the EPA at: U.S. EPA, 401 M Street, S.W., Washington, D.C. 20460. For more information regarding EPA review and objections, visit EPA's Region 4 web site at the following Internet address: http://www.epa.gov/region4/air/permits/Florida.htm.

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 CONCURRENTLY ISSUE AN AIR CONSTRUCTION & TITLE V OPERATION PERMIT REVISION (including the Draft Air Construction Permit & DRAFT Title V Operation Permit Revision) and all copies were sent electronically (with Received Receipt) before the close of business on 4/23/07 to the person(s) listed below.

Ms. Penny M. Manuel, Gulf Power Company (pmmanuel@southernco.com)
Mr. G. Dwain Waters, Gulf Power Company (gdwaters@southernco.com)
Mr. Gregory Terry, Gulf Power Company (gnterry@southernco.com)
Mr. Rick Bradburn, NWD (rick.bradburn@dep.state.fl.us)
Mr. Jim Little, EPA Region 4 (little.james@epa.gov)
Ms Katy Forney, EPA Region 4 (forney.kathleen@epa.gov)

Clerk Stamp

FILING AND ACKNOWLEDGMENT FILED, on this date, pursuant to §120.52, Florida Statutes, with the designated Department Clerk, receipt of which is hereby acknowledged.

Barbara J. Friday 4/23/07
(Clerk) (Date)

PUBLIC NOTICE OF INTENT TO CONCURRENTLY ISSUE AN AIR CONSTRUCTION PERMIT & TITLE V AIR OPERATION PERMIT REVISION

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

Draft Air Construction Permit No. 0330045-017-AC
Draft Title V Operation Permit Revision No.: 0330045-016-AV

Gulf Power Company
Crist Electric Generating Station
Escambia County

Applicant: The applicant for this project is Gulf Power Company. The applicant's responsible official is: Ms. Penny Manuel, Vice President and SPO, One Energy Place, Pensacola, Florida 32520.

Facility Location: Gulf Power Company operates the existing Crist Electric Generating Station, which is located on Pate Road, off of 10 Mile Road on Governors Bayou, Escambia County

Project: The applicant, Gulf Power Company, applied on October 30, 2006 to the Department for a Title V Air Operation Permit revision to incorporate the terms and conditions of Air Construction Permit Nos. 0330045-011-AC, 0330045-012-AC and 0330045-013-AC. These projects authorized the construction of a mercury research center, Selective Non-Catalytic Reduction (SNCR) on Unit 6, and SNCR on Units 4 and 5, respectively. The applicant also requested a revision of Permit No. 0330045-005-AC to change the NO_X testing requirements and PM testing frequency for Unit 7. As a result, Air Construction Permit No. 0330045-017-AC is being issued concurrently with, and incorporated into, the Title V Air Operation Permit revision. This revision process is also being used to replace the existing Appendix TV-4, Title V Conditions with Appendix TV-6, Title V Condition, as well as other minor administrative corrections noted in the Statement of Basis. These changes, as outlined in the Draft Title V Air Operation Permit Revision, are the only portions of the Title V permit that are open for review and subject to Public Comment.

Permitting Authority: Applications for Permits are subject to review in accordance with the provisions of Chapter 403, Florida Statutes (F.S.), and Chapters 62-4, 62-210, 62-213 and 62-214, Florida Administrative Code (F.A.C.). The proposed project is not exempt from air permitting requirements and a Permit is required to operate the facility. The Department of Environmental Protection's Bureau of Air Regulation is the Permitting Authority responsible for making a Permit determination regarding this project. The Permitting Authority's physical address is: 111 South Magnolia Drive, Suite 4, Tallahassee, Florida 32301. The Permitting Authority's mailing address is: 2600 Blair Stone Road, Mail Station #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 the address indicated above for the Permitting Authority. The complete project file includes the DRAFT Permits, the Statement of Basis, 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 and phone number listed, above, or may view the DRAFT Permit by visiting the following website: http://www.dep.state.fl.us/air/eproducts/ards/. A copy of the complete project file is also available 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: 850/921-9533

Affected District:
Department of Environmental Protection
Northwest District
160 Governmental Center
Pensacola, Florida 32501-5794
Telephone: 850/595-8364
Fax: 850/595-8096

Notice of Intent to Issue an Air Permit: The Permitting Authority gives notice of its intent to concurrently issue an Air Construction permit and a Title V Air Operation Permit Revision to the applicant for the project described above. The

applicant has provided reasonable assurance that operation of the facility 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, 62-213, 62-214, 62-296, and 62-297, F.A.C. The Permitting Authority will issue a PROPOSED Title V Air Operation Permit and subsequent FINAL Air Construction and Title V Air Operation Permits in accordance with the conditions of the DRAFT Permits unless a response received in accordance with the following procedures results in a different decision or a significant change of terms or conditions.

Comments: The Permitting Authority will accept written comments concerning the Draft Air Construction Permit for a period of fourteen (14) days from the date of publication of this Public Notice and will accept comments concerning the DRAFT Title V Air Operation Permit for a period of thirty (30) days from the date of publication of this Public Notice. Written comments must be post-marked, and all e-mail or facsimile comments must be received by the close of business (5 pm), on or before the end of the 14-day or 30-day periods by the Permitting Authority at the above address, e-mail or facsimile. As part of his or her comments, any person may also request that the Permitting Authority hold a public meeting on this permitting action. If the Permitting Authority determines there is sufficient interest for a public meeting, it will publish notice of the time, date, and location in the Florida Administrative Weekly (http://faw.dos.state.fl.us/) and in a newspaper of general circulation in the area affected by the permitting action. For additional information, contact the Permitting Authority at the above address or phone number. If written comments or comments received at a public meeting result in a significant change to the DRAFT Permits, the Permitting Authority shall issue a Revised DRAFT 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 fourteen (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 fourteen (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 rights will be affected by the agency determination; (c) A statement of when and how the 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 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: Mediation is not available for this proceeding.

Objections: In addition to the above right to petition, pursuant to 42 United States Code (U.S.C.) Section 7661d(b)(2), any person may petition the Administrator of the EPA within sixty (60) days of the expiration of the Administrator's 45 (forty-five) day review period as established at 42 U.S.C. Section 7661d(b)(1), to object to the issuance of any Permit. Any petition shall be based only on objections to the permit that were raised with reasonable specificity during the thirty (30) day public comment period provided in the Public Notice, unless the petitioner demonstrates to the Administrator of the EPA that it was impracticable to raise such objections within the comment period or unless the grounds for such objection arose after the comment period. Filing of a petition with the Administrator of the EPA does not stay the effective date of any permit properly issued pursuant to the provisions of Chapter 62-213, F.A.C. Petitions filed with the Administrator of EPA must meet the requirements of 42 U.S.C. Section 7661d(b)(2) and must be filed with the Administrator of the EPA at: U.S. EPA, 401 M Street, S.W., Washington, D.C. 20460. For more information regarding objections, visit the EPA Region 4 web site at: www.epa.gov/region4/air/permits/florida.htm.