

One Energy Place
Pensacola, Florida 32520

Tel 850.444.6111

RECEIVED

JUL 16 2008

BUREAU OF AIR REGULATION



Certified Mail

July 14, 2008

Mr. Jonathan Holtom P.E.
Florida Department of Environmental Protection
Division of Air Resources Management
2600 Blair Stone Road
Mail Station #5505
Tallahassee, Florida 32399-2400

Dear Mr. Holtom:

RE: LANSING SMITH ELECTRIC GENERATING PLANT
COMMENTS ON PROPOSED CAIR - TITLE V PERMIT REVISION
AIR PERMIT NO. 0050014-014-AV

On July 11, 2008, the D.C. Circuit issued an opinion vacating CAIR. Accordingly, Gulf Power requests that the Lansing Smith CAIR - Title V Permit Revision not be sent to EPA in proposed form, and not be finalized at this time. Once the court's ruling is final, we request that this permit-revision process be terminated, either by withdrawing the draft permit, returning our application or treating it as withdrawn. In the event the court's ruling is reheard or overturned on appeal, we can discuss how best to continue this permit-revision process, and whether additional language needs to be added to the Statement of Basis or Permit.

Please call me at (850) 444 - 6527 regarding any questions regarding these comments.

Sincerely,

G. Dwain Waters, Q.E.P.
Special Projects and Environmental Assets Coordinator

cc: w/att: Greg Terry, Gulf Power
Marie Largilliere, Gulf Power

One Energy Place
Pensacola, Florida 32520

Tel 850.444.6111



Certified Mail

June 20, 2008

Mr. Tom Cascio, P.E.
Florida Department of Environmental Protection
Division of Air Resources Management
2600 Blair Stone Road
Mail Station #5505
Tallahassee, Florida 32399-2400

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JUN 26 2008

BUREAU OF AIR REGULATION

Dear Mr. Cascio:

RE: LANSING SMITH ELECTRIC GENERATING PLANT
PROPOSED CAIR - TITLE V PERMIT REVISION
AIR PERMIT NO. 0050014-014-AV

Please find enclosed Gulf Power's "Proof of Publication" for the above referenced permit revision to incorporate CAIR provisions into the Lansing Smith Electric Generating Plant Title V Permit. An electronic copy of the affidavit was routed to you on June 20, 2008.

Please call me at (850) 444 - 6527 regarding any questions or concerns.

Sincerely,

A handwritten signature in black ink that reads "Dwain Waters Q.E.P." with a stylized flourish at the end.

G. Dwain Waters, Q.E.P.
Special Projects and Environmental Assets Coordinator

cc: w/att: Greg Terry, Gulf Power
Marie Largilliere, Gulf Power

Florida Freedom Newspapers, Inc.

PUBLISHERS OF THE NEWS HERALD
Panama City, Bay County, Florida
Published Daily

State of Florida County of Bay

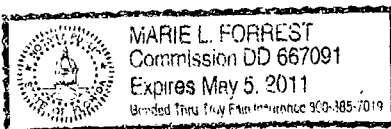
Before the undersigned authority appeared Glenda Sullivan, who on oath says that she is Classified In-Column Manager of The News Herald, a daily newspaper published at Panama City, in Bay County, Florida; that the attached copy of advertisement, being a Legal Advertisement - # 7577 in the matter of Public Notice of Intent to Issue Title V - Lansing Smith Elec Generating in the Bay County Court, was published in said newspaper in the issue of June 13, 2008

Affiant further says that The News Herald is a direct successor of the Panama City News and that this publication, together with its direct predecessor, has been continuously published in said Bay County, Florida, each day (except that the predecessor, Panama City News, was not published on Sundays), and that this publication together with its said predecessor, has been entered as periodicals matter at the post office in Panama City, in said Bay County, Florida, for a period of 1 year next preceding the first publication of the attached copy of advertisement; and affiant further says that he or she has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

Glenda O. Sullivan

State of Florida
County of Bay

Sworn and subscribed before me this 13th day of June, A.D., 2008, by Glenda Sullivan, Classified In-Column Manager of The News Herald, who is personally known to me or has produced N/A as identification.



Marie L. Forrest
Notary Public, State of Florida at Large

RECEIVED

JUN 26 2008

BUREAU OF AIR REGULATION

7577 PUBLIC NOTICE OF INTENT TO ISSUE TITLE V AIR OPERATION PERMIT REVISION

Florida Department of Environmental Protection

Division of Air Resource Management, Bureau of Air Regulation

Draft/Proposed Air Permit No. 0050014-014-AV

Gulf Power Company, Lansing Smith Electric Generating Plant

Bay County, Florida

Applicant: The applicant for this project is Gulf Power Company. The applicant's authorized representative and mailing address is: Mr. James O. Vick, Director, Environmental Affairs, Lansing Smith Electric Generating Plant, Gulf Power Company, One Energy Place, Pensacola, Florida 32520.

Facility Location: Gulf Power Company operates the existing Lansing Smith Electric Generating Plant, which is located in Bay County at 4300 County Road, Florida.

Project: The applicant has submitted a complete and certified Clean Air Interstate Rule (CAIR) Part Form and has requested its incorporation into the existing Title V air operation permit.

The existing facility consists of the following emissions units: Currently at the plant site are two coal-fired steam generators (boilers), two combustion turbines (used to drive two separate peaking generators) driven by a single jet engine, and two gas-fired combined-cycle combustion turbine electrical generators with duct-fired heat recovery steam generators (HRSG). The two boilers are Acid Rain Phase II Units. The two combined-cycle combustion turbines are also Acid Rain units. Pulverized coal is the primary fuel for the boilers. Distillate fuel oil is used to fire the combustion turbine and as a "back-up" fuel for the boilers.

Permitting Authority: Applications for Title V air operation 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 62-296.470 of the Florida Administrative Code (F.A.C.). The proposed project is not exempt from air permitting requirements and a Title V air operation permit is required to operate the facility. The Bureau of Air Regulation is the Permitting Authority responsible for making a

Department's Agency Clerk in the Office of General Counsel of the Department of Environmental Protection at 3900 Commonwealth Boulevard, Miami, Florida, 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 and 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

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 Title V air operation 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 <http://www.epa.gov/region4/air/permits/Florida.htm>. June 13, 2008

Comments: The Permitting Authority will accept written comments concerning the Draft/Proposed 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 received by the close of business (5:00 p.m.), on or before the end of this 30-day period by the Permitting Authority at the above address. 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 on the official web site for notices at Florida Administrative Weekly (FAW) at <http://law.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/Proposed Permit, the Permitting Authority shall issue a Revised 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

representative and mailing address in Tallahassee, Florida. The Permitting Authority's mailing address is: 2600 Blair Stone Road, 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 the address indicated above for the Permitting Authority. The complete project file includes the Draft/Proposed Permit, 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/Proposed Permit by visiting the following website: <http://www.dep.state.fl.us/air/products/apcs/default.asp> and entering the permit number shown above. Interested persons may contact the Permitting Authority's project review engineer for additional information at the address or phone number listed above.

Notice of Intent to Issue Air Permit: The Permitting Authority gives notice of its intent to issue an air permit to the applicant for the project described above. The applicant has provided reasonable assurance that operation of 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, 62-213, 62-214, 62-296, and 62-297, F.A.C. The Permitting Authority will issue a Final Permit in accordance with the conditions of the proposed Draft/Proposed 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.

tion to the applicant at the time of filing the application. The 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 to Issue Air 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.

EPA Review: EPA has agreed to treat the Draft/Proposed Title V air operation permit as a Proposed Title V air operation permit and to perform its 45-day review provided by the law and regulations concurrently with the public comment period. Although EPA's 45-day review period will be performed concurrently with the public comment period, the deadline for submitting a citizen petition to object to the EPA Administrator will be determined as if EPA's 45-day review period is performed after the public comment period has ended. The Final Title V air operation permit will be issued after the conclusion of the 45-day EPA review period so long as no adverse comments are received that results in a different decision or significant change of terms or conditions. The status regarding EPA's 45-day review of this project and the deadline for submitting a citizen petition can be found at the following website address: <http://www.epa.gov/region4/air/permits/Florida.htm>.