

Gulf Power Company
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Pensacola, FL 32520-0328
Telephone 904 444-6236



M. L. Gilchrist
Manager of Fuel and Environmental Affairs

December 14, 1995

Mr. John C. Brown (MS 5505)
Department of Environmental Protection
Twin Towers Office Building
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

RECEIVED
DEC 18 1995
BUREAU OF
AIR REGULATION

Dear Mr. Brown:

GULF POWER COMPANY
PHASE II ACID RAIN PERMIT APPLICATIONS
PLANT CRIST (ORIS CODE 641)
PLANT SCHOLZ (ORIS CODE 642)
PLANT LANSING SMITH (ORIS CODE 643)

Gulf Power Company hereby submits to the Florida Department of Environmental Protection one original and 3 copies of the Title IV Phase II Acid Rain Permit Applications for Plant Crist, Plant Scholz and Plant Lansing Smith. Also included are copies of the Certificate of Representation for the Designated Representative (DR) and the Alternate Designated Representative (ADR) for each facility. Please note that the DR for Gulf Power is Mr. Rick Kuester, Vice-President of Power Generation and Delivery at Mississippi Power Company. Mr. Kuester was chosen DR because of an EPA rule that requires a centralized designated representative for a NOx averaging plan that has units in more than one state and that has different owners or operators. As you are aware, Gulf Power has two "Named" Phase I Acid Rain affected units (Crist 6 & 7) and has elected to bring into compliance early, four additional sources as "Substitution" units, i.e. Crist 4 & 5, Scholz 1 & 2. All of these units, plus four units from Mississippi Power are included in a Gulf/Mississippi Power NOx Averaging Plan for Phase I NOx compliance. Because of the problems with timely responses inherent in the permitting process, please copy Mr. Lane Gilchrist, Gulf's ADR, on all correspondences in the Phase II permitting process.

If you have any questions or need further information concerning Gulf's Phase I or II applications or permits, please call me or Dwain Waters at (904) 444-6527.

Sincerely,

Attachments (2)
See Distribution List

"Our business is customer satisfaction"

DISTRIBUTION LIST

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Mississippi Power Company

Frederick D. Kuester

ATTACHMENT 1

(1 Original + 3 copies of Phase II Applications for Plant Crist, Plant Scholz and Plant Lansing Smith)

Phase II Permit Application

For more information, see instructions and refer to 40 CFR 72.30 and 72.31 and Chapter 62-214, F.A.C.

This submission is: New Revised

STEP 1
Identify the source by plant name, State, and ORIS code from NADB

Plant Name Scholz	State FL	ORIS Code 642
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STEP 2
Enter the boiler ID# from NADB for each affected unit, and indicate whether a repowering plan is being submitted for the unit by entering "yes" or "no" at column c. For new units, enter the requested information in columns d and e

Compliance Plan				
a Boiler ID#	b Unit Will Hold Allowances in Accordance with 40 CFR 72.9(c)(1)	c Repowering Plan	d New Units Commence Operation Date	e New Units Monitor Certification Deadline
1	Yes	No		
2	Yes	No		
	Yes			
	Yes			
	Yes			
	Yes			
	Yes			
	Yes			
	Yes			
	Yes			
	Yes			
	Yes			
	Yes			

For each unit that will be repowered, the Repowering Extension Plan form is included and the Repowering Technology Petition form has been submitted or will be submitted by June 1, 1997.

STEP 3
Check the box if the response in column c of Step 2 is "Yes" for any unit

Plant Name (from Step 1)

STEP 4

Read the standard requirements and certification, enter the name of the designated representative, and sign and date

Standard RequirementsPermit Requirements.

- (1) The designated representative of each Acid Rain source and each Acid Rain unit at the source shall:
 - (i) Submit a complete Acid Rain part application (including a compliance plan) under 40 CFR part 72, Rules 62-214.320 and 330, F.A.C. in accordance with the deadlines specified in Rule 62-214.320, F.A.C.; and
 - (ii) Submit in a timely manner any supplemental information that the permitting authority determines is necessary in order to review an Acid Rain part application and issue or deny an Acid Rain permit;
- (2) The owners and operators of each Acid Rain source and each Acid Rain unit at the source shall:
 - (i) Operate the unit in compliance with a complete Acid Rain part application or a superseding Acid Rain part issued by the permitting authority; and
 - (ii) Have an Acid Rain Part.

Monitoring Requirements.

- (1) The owners and operators and, to the extent applicable, designated representative of each Acid Rain source and each Acid Rain unit at the source shall comply with the monitoring requirements as provided in 40 CFR part 75, and Rule 62-214.420, F.A.C.
- (2) The emissions measurements recorded and reported in accordance with 40 CFR part 75 shall be used to determine compliance by the unit with the Acid Rain emissions limitations and emissions reduction requirements for sulfur dioxide and nitrogen oxides under the Acid Rain Program.
- (3) The requirements of 40 CFR part 75 shall not affect the responsibility of the owners and operators to monitor emissions of other pollutants or other emissions characteristics at the unit under other applicable requirements of the Act and other provisions of the operating permit for the source.

Sulfur Dioxide Requirements.

- (1) The owners and operators of each source and each Acid Rain unit at the source shall:
 - (i) Hold allowances, as of the allowance transfer deadline, in the unit's compliance subaccount (after deductions under 40 CFR 73.34(c)) not less than the total annual emissions of sulfur dioxide for the previous calendar year from the unit; and
 - (ii) Comply with the applicable Acid Rain emissions limitations for sulfur dioxide.
- (2) Each ton of sulfur dioxide emitted in excess of the Acid Rain emissions limitations for sulfur dioxide shall constitute a separate violation of the Act.
- (3) An Acid Rain unit shall be subject to the requirements under paragraph (1) of the sulfur dioxide requirements as follows:
 - (i) Starting January 1, 2000, an Acid Rain unit under 40 CFR 72.6(a)(2); or
 - (ii) Starting on the later of January 1, 2000 or the deadline for monitor certification under 40 CFR part 75, an Acid Rain unit under 40 CFR 72.8(a)(3).
- (4) Allowances shall be held in, deducted from, or transferred among Allowance Tracking System accounts in accordance with the Acid Rain Program.
- (5) An allowance shall not be deducted in order to comply with the requirements under paragraph (1)(i) of the sulfur dioxide requirements prior to the calendar year for which the allowance was allocated.
- (6) An allowance allocated by the Administrator under the Acid Rain Program is a limited authorization to emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, the Acid Rain permit application, the Acid Rain permit, or the written exemption under 40 CFR 72.7 and 72.8 and no provision of law shall be construed to limit the authority of the United States to terminate or limit such authorization.
- (7) An allowance allocated by the Administrator under the Acid Rain Program does not constitute a property right.

Nitrogen Oxides Requirements. The owners and operators of the source and each Acid Rain unit at the source shall comply with the applicable Acid Rain emissions limitation for nitrogen oxides.

Excess Emissions Requirements.

- (1) The designated representative of an Acid Rain unit that has excess emissions in any calendar year shall submit a proposed offset plan, as required under 40 CFR part 77.
- (2) The owners and operators of an Acid Rain unit that has excess emissions in any calendar year shall:
 - (i) Pay without demand the penalty required, and pay upon demand the interest on that penalty, as required by 40 CFR part 77; and
 - (ii) Comply with the terms of an approved offset plan, as required by 40 CFR part 77.

Recordkeeping and Reporting Requirements.

- (1) Unless otherwise provided, the owners and operators of the source and each Acid Rain unit at the source shall keep on site at the source each of the following documents for a period of 5 years from the date the document is created. This period may be extended for cause, at any time prior to the end of 5 years, in writing by the Administrator or permitting authority:
 - (i) The certificate of representation for the designated representative for the source and each Acid Rain unit at the source and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with Rule 62-214.350, F.A.C.; provided that the certificate and documents shall be retained on site at the source beyond such 5-year period until such documents are superseded because of the submission of a new certificate of representation changing the designated representative;
 - (ii) All emissions monitoring information, in accordance with 40 CFR part 75;
 - (iii) Copies of all reports, compliance certifications, and other submissions and all records made or required under the Acid Rain Program; and,

Plant Name (from Step 1)

Recordkeeping and Reporting Requirements (cont.)

(iv) Copies of all documents used to complete an Acid Rain part application and any other submission under the Acid Rain Program or to demonstrate compliance with the requirements of the Acid Rain Program.

(2) The designated representative of an Acid Rain source and each Acid Rain unit at the source shall submit the reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR part 72 subpart I and 40 CFR part 75.

Liability.

(1) Any person who knowingly violates any requirement or prohibition of the Acid Rain Program, a complete Acid Rain part application, an Acid Rain part, or a written exemption under 40 CFR 72.7 or 72.8, including any requirement for the payment of any penalty owed to the United States, shall be subject to enforcement pursuant to section 113(c) of the Act.

(2) Any person who knowingly makes a false, material statement in any record, submission, or report under the Acid Rain Program shall be subject to criminal enforcement pursuant to section 113(c) of the Act and 18 U.S.C. 1001.

(3) No permit revision shall excuse any violation of the requirements of the Acid Rain Program that occurs prior to the date that the revision takes effect.

(4) Each Acid Rain source and each Acid Rain unit shall meet the requirements of the Acid Rain Program.

(5) Any provision of the Acid Rain Program that applies to an Acid Rain source (including a provision applicable to the designated representative of an Acid Rain source) shall also apply to the owners and operators of such source and of the Acid Rain units at the source.

(6) Any provision of the Acid Rain Program that applies to an Acid Rain unit (including a provision applicable to the designated representative of an Acid Rain unit) shall also apply to the owners and operators of such unit. Except as provided under 40 CFR 72.44 (Phase II repowering extension plans), and except with regard to the requirements applicable to units with a common stack under 40 CFR part 75 (including 40 CFR 75.16, 75.17, and 75.18), the owners and operators and the designated representative of one Acid Rain unit shall not be liable for any violation by any other Acid Rain unit of which they are not owners or operators or the designated representative and that is located at a source of which they are not owners or operators or the designated representative.

(7) Each violation of a provision of 40 CFR parts 72, 73, 75, 77, and 78 by an Acid Rain source or Acid Rain unit, or by an owner or operator or designated representative of such source or unit, shall be a separate violation of the Act.

Effect on Other Authorities. No provision of the Acid Rain Program, an Acid Rain part application, an Acid Rain part, or a written exemption under 40 CFR 72.7 or 72.8 shall be construed as:

(1) Except as expressly provided in title IV of the Act, exempting or excluding the owners and operators and, to the extent applicable, the designated representative of an Acid Rain source or Acid Rain unit from compliance with any other provision of the Act, including the provisions of title I of the Act relating to applicable National Ambient Air Quality Standards or State Implementation Plans;

(2) Limiting the number of allowances a unit can hold; *provided*, that the number of allowances held by the unit shall not affect the source's obligation to comply with any other provisions of the Act;


(3) Requiring a change of any kind in any State law regulating electric utility rates and charges, affecting any State law regarding such State regulation, or limiting such State regulation, including any prudence review requirements under such State law;

(4) Modifying the Federal Power Act or affecting the authority of the Federal Energy Regulatory Commission under the Federal Power Act; or,

(5) Interfering with or impairing any program for competitive bidding for power supply in a State in which such program is established.

Certification

I am authorized to make this submission on behalf of the owners and operators of the Acid Rain source or Acid Rain units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment.

Name	M. L. Gilchrist	
Signature		Date 12/8/95

STEP 5 (optional)
Enter the source AIRS
and FINDS identification
numbers, if known

AIRS
FINDS