

Department of Environmental Protection

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

Virginia B. Wetherell Secretary

February 21, 1996

Mr. G. Dwain Waters Air Quality Programs Coordinator Gulf Power Company Post Office Box 1151 Pensacola, Florida 32520-0328

Dear Mr. Waters:

This letter is in response to your February 14 letter regarding emission fees for Crist Units 4 & 5 and Scholz Units 1 & 2.

Fees for 1995 do not apply to units that were, since January 1, 1995, Phase I affected units and had an emission reduction requirement or acid rain emission limitation

Based on the final Phase I Acid Rain permit administrative amendments issued by the EPA, it appears that the SO₂ Substitution Plans were activated on February 14, 1995, with acid rain emissions limitations for the years 1995 - 1999. Therefore, no Title V emission fees apply to the four units for 1995.

If you have any questions, please do not hesitate to contact me at the letterhead address or 904/488-1344.

Sincerely,

y John C. Brown, Jr., P.E.

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Administrator, Title V Section Bureau of Air Regulation

JCB/sk

cc: Tom Cascio Jonathan Holtom Gulf Power Company 500 Bayfront Parkway Post Office Box 1151 Pensacola, FL 32520 Telephone 904 444-6111



February 14, 1996

the southern electric system

Mr. John Brown, P. E. Administrator Florida Department of Environmental Protection Magnolia Courtyard Tallahassee, Florida 32301

Dear John:

GULF POWER COMPANY EMISSION FEE EXEMPTION PLANT CRIST UNITS 4, 5, 6, & 7 PLANT SCHOLZ UNITS 1 & 2

As you know, Gulf Power Company operates several electric utility generating units that are subject to Florida's Title V permitting program, and thus ordinarily would be required to pay state emission fees for these Title V units. However, pursuant to Section 403.0872(11)(a)8., Florida Statutes, and Rule 62-213.205(1)(h), F.A.C., emissions units that are "affected unit(s) under 42 U.S.C. s. 7651c" are exempt from the Department's emission fee requirements. Section 7651c of the Clean Air Act, in turn, contains the Phase I sulfur dioxide (SO2) requirements. Gulf Power Company has two generating units that are listed in Table A of Section 7651 as Phase I units (Crist Units 6 and 7). Four other units have recently been designated as Phase I "substitution units" (Crist Units 4 and 5, and Scholz Units 1 and 2) pursuant to 40 CFR 72.41. Consequently, all six of the above-listed units are subject to the Phase I SO2 requirements of Section 7651c. Therefore, each of these affected units are now exempt from Florida's Title V state emission fee requirements.

Gulf Power Company would appreciate the Department's written concurrence regarding this matter. If you have any questions in the meantime, please do not hesitate to contact me at (904) 444-6527.

Sincerely,

G. Dwain Waters

Air Quality Programs Coordinator

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