

One Energy Place
Pensacola, Florida 32520

850.444.6111

RECEIVED

SEP 22 1999

BUREAU OF AIR REGULATION
**GULF
POWER**
A SOUTHERN COMPANY

Certified Mail

September 21, 1999

Mr. Scott M. Sheplak, P.E.
Department of Environmental Protection
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

Dear Mr. Sheplak:

RE: Title V Public Notice
Plant Lansing Smith: 0050014-001-AV

Attached, please find a copy of the proof of publication (newspaper affidavit) for the "public notice of intent to issue Title V air operation permit" for the Lansing Smith Electric Generating Plant. The public notice was made on September 20, 1999 in the Panama City News Herald. This proof of publication is being forwarded to you to meet the requirement outlined in your letter to Mr. Robert Moore dated September 16, 1999.

If you have any questions or need further information regarding the matter, please call me at (850) 444-6527.

Sincerely,



G. Dwain Waters, Q.E.P.
Air Quality Programs Coordinator

c: Robert G. Moore, Gulf Power Company
James O Vick, Gulf Power Company
Kim Flowers Gulf Power Company
Tracy Reeder, Gulf Power Company

9/23/99 cc: Jonathan Holtom
Scott Sheplak

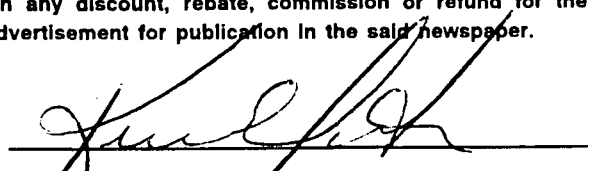
Florida Freedom Newspapers, Inc.

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

State of Florida County of Bay

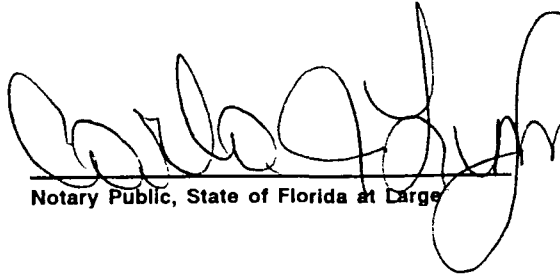
Before the undersigned authority appeared _____
Ken Carpenter _____, who on oath says that (s)he
is Advertising Director _____ of the News Herald, a daily
newspaper published at Panama City, in Bay County, Florida; that the attached copy
of advertisement, being a Legal Advertisement _____
in the matter of Public Notice _____
0050014-001-AV _____
in the _____
Court, was published in said newspaper in the issues of _____
September 20, 1999 _____

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 a second class mail matter at the post office in Panama City in said Bay County, Florida, for a period of one year next preceding the first publication of the attached copy of the advertisement, all in accordance with the provisions of section 49.03, Florida Statutes; and affiant further says that (s)he 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.



State of Florida
County of Bay
Sworn to and subscribed before me this 20th day of September
A. D., 1999 by Ken Carpenter, Advertising Director of The
News Herald, who is personally known to me or has produced _____
as identification.

CARLA J. LYNN
MY COMMISSION # CC 702006
EXPIRES: December 14, 2001
Bonded Thru Notary Public Underwriters


Notary Public, State of Florida at Large

5266
PUBLIC NOTICE OF INTENT
TO ISSUE TITLE V AIR OPER-
ATION PERMIT
STATE OF FLORIDA
DEPARTMENT OF ENVIRON-
MENTAL PROTECTION

Title Revised DRAFT Permit
No.: 0050014-001-AV
Lansing Smith Electric
Generating Plant
Bay County

The Department of Environ-
mental Protection (permitting
authority) gives notice of its in-
tent to issue a Title V air oper-
ation permit to Gulf Power
Company for the Lansing
Smith Electric Generating
Plant located at 4300 County
Road, Bay County. This permit
incorporates the Phase I/II
NOx standards into the Title IV
Acid Rain Part pursuant to
Rule 62-214.360(6), Florida
Administrative Code (F.A.C.).
The applicant's name and ad-
dress are: Gulf Power Compa-
ny, One Energy Place, Pensa-
cola, Florida 32520.

The permitting authority will is-
sue the Title V PROPOSED
Permit and subsequent Title V

FINAL Permit, in accordance
with the condition of the Title V
DRAFT Permit unless a re-
sponse 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 con-
cerning the proposed Title V
DRAFT Permit issuance action
for a period of 30 (thirty) days
from the date of publication of
this Notice. Written comments
should be provided to the De-
partment's Bureau of Air Regu-
lation, 2600 Bluff Stone Road,
Mail Station #5505, Tallahas-
see, 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
Permit, the permitting authority
shall issue a Revised DRAFT
Permit and require, if applica-
ble, another Public Notice.


A person whose substantial in-
terests are affected by the pro-
posed permitting decision
may petition for an administra-
tive hearing in accordance
with Sections 120.569 and
120.57 of the Florida Statutes
(F.S.). The petition must con-
tain the information set forth
below and must be filed
(received) in the Office of Gen-
eral 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 four-
teen days of receipt of that no-
tice, regardless of the date of
publication. A petitioner shall
mail a copy of the petition to
the applicant at the address

modification of the agency's
proposed action; and,
(g) A statement of the relief
sought by the petitioner, stating
precisely the action 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 au-
thority's final action may be dif-
ferent from the position taken
by it in this notice of intent.
Persons whose substantial in-
terests will be affected by any
such final decision of the per-
mitting authority on the ap-
plication 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.

In addition to the above, pur-
suant to 42 United States
Code (U.S.C.) Section
7661d(b)(2), any person may
petition the Administrator of
the EPA within 60 (sixty) days
of the expiration of the Admin-
istrator's 45 (forty-five) day re-
view period as established at
42 U.S.C Section 7661d(b)(1),
to object to issuance of any
permit. Any petition shall be
based only on objections to
the permit that were raised
with reasonable specificity
during the 30 (thirty) day public
comment period provided
in this notice, unless the peti-
tioner demonstrates to the Ad-
ministrator 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 pe-
riod. 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

 CARLA J. LYNN
MY COMMISSION # CC 702006
EXPIRES: December 14, 2001
Bonded Thru Notary Public Underwriters

Carla J. Lynn
Notary Public, State of Florida at Large

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 of the 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 or identification number, 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 statement of the specific rules or statutes the petitioner contends require reversal or

tioner 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. 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/LOCAL PROGRAM:
Department of Environmental Protection
Northwest District Office
160 Governmental Center
Pensacola, Florida
32501-5794
Telephone: 850/595-8300
Fax: 850/595-4417

The complete project file includes the revised DRAFT Permit, the application, and the information submitted by the responsible official, exclusive of confidential records under Section 403.111, F.A. Interested persons may contact Scott M. Sheplak, PE, at the above address, or call 850/921-9532, for additional information.
September 20, 1999

INTEROFFICE MEMORANDUM

Sensitivity: COMPANY CONFIDENTIAL

Date: 20-Sep-1999 09:54am

From: Scott Sheplak TAL
SHEPLAK_S

Dept: Air Resources Management

Tel No: 850/488-1344

To: See Below

Subject: Re: New Posting #0050014

FYI. Gulf Power plans to publish the public notice today. In order for this permit to be effective 1/1/2000, we will have to post the PROPOSED permit onto the DEP world wide web site on or before November 9, 1999. The November 9 deadline allows for the full EPA review period (45 days) and 7 days for clerking/mailing.

Your review of the DRAFT is appreciated.

Distribution:

To: Barbara Boutwell TAL (BOUTWELL_B)
To: Scott Sheplak TAL (SHEPLAK_S)
To: worley.gregg@epa.gov@in
To: Elizabeth Walker TAL (WALKER_E)
To: huey.joel@epa.gov@in
To: BARTLETT.ELIZABETH@EPA.GOV@IN
To: Mary Fillingim TAL (FILLINGIM_M)
CC: Jonathan Holtom TAL (HOLTOM_J)

MEMO TO FILE

THRU: Clair Fancy, P.E., Chief, Bureau of Air Regulation
THRU: Scott Sheplak, P.E., Administrator, Title V Section
FROM: Jonathan Holtom, P.E., Project Engineer *J.H.*
DATE: September 14, 1999
RE: Title V Permit for the Gulf Power Smith Generating Plant

During the review and preparation of the initial Title V permit for the Gulf Power Smith Generating Plant, I discovered old construction permits for units 1 & 2. The permits were issued on February 10, 1975, to allow the construction of two new electrostatic precipitators. Attached to this memo is a brief summary of the permit history for this plant. The construction permits in question are part of the permanent file for this facility.

At the time of discovery, I felt that these permits constituted federally enforceable limits and were applicable requirements for the Title V permit. Rule 62-210.200(188)2., F.A.C., states that "For any pollutant that is specifically regulated by the EPA under the Clean Air Act, a change in the method of operation shall not include an increase in the hours of operation or in the production rate, unless such change would be prohibited under any federally enforceable permit condition which was established after January 6, 1975."

The construction permits were issued in accordance with Florida's State Implementation Plan and were public noticed, thereby making the terms and conditions contained within the permits federally enforceable. Although increases in the production rates have been established through the operation permits, no construction permit has since been issued to alter the previously established levels of operation. My original direction from Pat Comer, OGC, was that I had no choice but to issue the Title V permit at the levels established by the construction permits issued in 1975, since those terms and conditions were established in a SIP permit and because the Title V permit is precluded by law from relaxing a SIP established limit.

Management then decided that, since these permits were issued prior to the inception of Florida's PSD program (August, 1980), and that the permits were issued for the construction of control devices and not to specifically limit the production rate, we should not consider them as an applicable requirement for the Title V permit. Therefore, the Title V permit has been processed based on the information contained in the title V permit application that was received June 14, 1996.

While I accepted management's decision and processed the Title V permit according to their direction, I still feel that under the current rules, the limits established in the construction permits constitute federally enforceable limitations, and that all subsequent increases above those levels constituted modifications. I further feel that any modifications made subsequent to August, 1980, should have been evaluated under the PSD/NSR requirements.

This memo has been submitted to the file solely for the purpose of establishing my personal opinion regarding the processing of the initial Title V permit for this facility and implies no intention of discrediting management's decision.

Gulf Power, Lansing Smith Plant

Facility ID #: 0050014

Permit History

This facility consists of two coal fired boilers (Units 1 & 2) and one combustion turbine. Units 1 & 2 were originally permitted through an operation permit in 1973. The capacities that were listed in the application and incorporated into the permit were 130 MW & 1300 MMBtu/hr for Unit 1 and 140.75 MW & 1,406 MMBtu/hr for Unit 2. The electrostatic precipitators that were included with the original design were unable to meet the PM limit. Because of this, AC permits were issued in 1975 to install two additional ESPs in order to meet the PM limit. The permits did not directly limit the capacities, but did incorporate the application data as enforceable conditions of the permit. The applications listed the capacities as 1,229 & 1,404 MMBtu/hr for Units 1 & 2, respectively. The electrical output was not mentioned in either the application or the permits.

Operation permits were issued following construction for Unit 1 in 1977 and for Unit 2 in 1978. The AO for Unit 1 limited heat input to 1,556 MMBtu/hr, the electrical output was not mentioned. The AO for Unit 2 limited heat input to 1,924 MMBtu/hr, the electrical output was not mentioned.

Renewal operating permits were issued in 1982 for Units 1 & 2, with the application for renewal listing the capacities as 1,556 and 1,974 MMBtu/hr, respectively. The electrical outputs were mentioned in the facility descriptions as 175 & 205 MW, respectively.

Renewal operating permits were issued in 1987 and 1992 for Units 1 & 2, with the application for renewal listing the capacities as 1,768 and 2,024 MMBtu/hr, respectively. The electrical outputs were mentioned in the permits as 175 & 205 MW, respectively. The permit states that the "Maximum allowable heat input is that heat input necessary to maintain electrical load output at 110% of the level at which the most recent successful particulate matter compliance test was conducted."