



**FLORIDA DEPARTMENT OF  
ENVIRONMENTAL PROTECTION**

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September 26, 2014

*Sent by Electronic Mail – Received Receipt Requested*

[jovick@southernco.com](mailto:jovick@southernco.com)

Mr. James O. Vick, Director  
Environmental Affairs  
Gulf Power Company  
One Energy Place  
Pensacola, Florida 32520-0328

Re: Plant Crist Units 4, 5, 6 and 7; Plant Smith Units 1 and 2  
MATS Compliance Extension Request  
Request for Additional Information

Dear Mr. Vick:

On July 28, 2014 we received your request for a one-year extension of the Mercury and Air Toxics Standards (MATS) compliance deadline for the coal-fueled units at Plant Crist and Plant Smith until April 16, 2016<sup>1</sup> ([Gulf Power Extension Request](#)). Additional information is required to consider your request. Please provide the information requested below (as well as any other information you wish to provide) within 90 calendar days of this notification.

Additional Information Required

1. As referenced in your request, on June 28, 2013 the Department provided a letter to the Florida Public Service Commission that stated:

*“The Department would view an order from the Commission approving Gulf’s updated environmental compliance program to be sufficient indication that Gulf’s MATS-related plan for transmission system upgrades in regards to Plant Crist and Plant Smith are necessary and appropriate in terms of continuing functionality of the electric grid.”*

Please provide the Department with a copy of (or link to) such order or similar action approving Gulf’s updated environmental compliance program.

2. For Plant Crist, Gulf Power notes that during normal operation (i.e., with the scrubber and SCRs in-service) the plant will meet MATS requirements. Please confirm:
  - a. that all CEMS and CMS will be installed, functioning and maintained by April 16, 2015 as described in MATS and that the data will be available in the manner described in MATS; and
  - b. that but for scrubber malfunctions, outages and unplanned bypass periods, the plant will comply with all MATS emissions limits and monitoring and reporting requirements during the period of the one-year extension.
3. For Plant Smith, Gulf Power notes in the extension request that it cannot meet MATS emission limits under the Plant’s current configuration. Gulf Power also notes that “transmission improvements are

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<sup>1</sup> 40 Code of Federal Regulations, Part 63, Subpart UUUUU - National Emission Standards for Hazardous Air Pollutants: Coal- and Oil-Fired Electric Utility Steam Generating Units. [Link to 40 CFR 63, Subpart UUUUU](#)

needed to continue providing reliable and economic electric service to its customers without continued reliance on generation being available from Plant Smith Units 1 and 2.”

- a. What is Gulf Power’s intent for Units 1 and 2 at the conclusion of the extension period?
4. Gulf Power notes that “all of Gulf’s MATS compliance-related transmission projects were approved by the FPSC.” In addition, Gulf Power states that “EPA’s discussion of this transmission-compliance option was in the context of maintaining system/grid reliability while specific units installed controls or retired, in order to comply. As noted by DEP, EPA specifically concluded that transmission upgrades fall within the scope of ‘installation of controls’ for purposes of seeking an extension to this deadline where there are reliability concerns.”
- a. Based upon this information, it appears that it is Gulf Power’s intent for Smith Units 1 and 2 to comply with MATS through improvements to the transmission system. Is this accurate? If so, please explain how the transmission improvement projects allow these units to comply with MATS.

As previously discussed, this request is being processed as part of the applications to renew the Title V air operation permits for these plants. If you have any questions regarding this request, please contact me at 850-717-9083.

Sincerely,

Jeffery F. Koerner, Program Administrator  
Office of Permitting and Compliance  
Division of Air Resource Management

cc:

Mr. Robert Manning, Hopping Green & Sams ([RobertM@hgslaw.com](mailto:RobertM@hgslaw.com))