

One Energy Place
Pensacola, FL, 32520

850-444-6153



January 12, 2015

Mr. Andrew Joslyn
Florida Department of Environmental Protection
Northwest District
160 Governmental Center
Pensacola, Florida 32501-5794

RE: Lansing Smith Electric Generating Plant – Facility ID No. 0050014
Proposed Title V Permit No. 0050014-025-AV
Transmission System Upgrade Status Report

VIA EMAIL

Mr. Joslyn: *Andy,*

As outlined in Condition A. 46. of the above reference proposed Lansing Smith Title V renewal permit and Condition 2 of the MATS Compliance Extension letter dated December 15, 2014, please find enclosed Gulf Power's written status report for December 2014 regarding the transmission system upgrades authorized by the Florida Public Service Commission. All upgrades are currently on schedule to meet the target completion dates.

If you have any questions regarding these reports, please contact or Mr. Greg Terry at (850) 444-6144 or me at (850) 444-6311.

Sincerely,

A handwritten signature in black ink that reads "J. Vick".

James O. Vick
Director of Environmental Affairs

Attachment

Cc (email): FDEP Tallahassee
Jeff F. Koerner

Syed Arif

Gulf Power
Mike Burroughs
Roger Danley
Ashley Jansen
Matt Garner

Mike Smith
Greg Terry
Wendell Smith

Alan McLane
Dwain Waters
Adrienne Collins

Brent Skipper
Susan Kennedy
Jill Bartling

**Gulf Power Plant Smith MATS Projects
Transmission Status Update
Month Ending December 2014**

Holmes Creek – Bonifay Tap Section Rebuild Double Circuit (Chibley Tap)

Target Completion	Actual Completion	% Construction Complete
April 2015	November 3, 2014	100%

Holmes Creek – Highland City New 230 kV Transmission Line

Target Completion	Scheduled Completion	% Construction Complete
April 2015	March 31, 2015	88%

Status: All poles have been received. Only six structures remaining to set. 65 out of 70 miles of conductor have been pulled.

Holmes Creek – Highland City Capacitor Autobank (230/115 kV Ring Bus)

Target Completion	Scheduled Completion	% Construction Complete
April 2015	February 1, 2015	80%

Status: 115 kV ring bus is complete and energized. Construction of the 230 kV ring bus is underway. The autobank arrived December 18, 2014.

Highland City +/- 100 MVAR Static VAR Compensator (SVC)

Target Completion	Scheduled Completion	% Construction Complete
April 2015	February 14, 2015	75%

Status: All major material and equipment have been received. Installation of the outdoor SVC components completed in November 2014. Commissioning started November 17, 2014. Remaining activities include completing commissioning, testing, and training.

System Operations Monitoring, Verification, and Experience

Target Completion	Scheduled Completion	% Complete
April 16, 2016	April 16, 2016	0%

Status: This activity will begin once the SVC is in service in February 2015.