

MONTENAY BAY LLC



*Shepley - Larry George
Bruce Mitchell
At: "general correspondence"*

RECEIVED

JUN 07 2004

BUREAU OF AIR REGULATION

June 3, 2004

Mr. Scott Sheplak
Florida Department of Environmental Protection
2600 Blair Stone Road
MS5505
Tallahassee, Florida 32399-2400

Reference: Bay County Waste-to-Energy Facility No: 0050031
Permit No: 0050031-008-AV

Dear: Mr. Sheplak:

Please be advised that pursuant to the requirement for reporting Increments of Progress toward the State Compliance Plan, Montenay Bay LLC has recently issued a contract to Merrick Industries of Lynn Haven, Florida for the providing of general contracting services for the installation of the new air pollution control equipment previously identified.

Construction activities have been initiated by Merrick at our site in Panama City..

We understand this to meet the Increment of Progress milestone of "Begin Construction" contained in our permit.

If any additional information is required please contact me at 850-522-1142 X 203.

Sincerely,

J.J. Zebroski
Bay County Facility
APC Retrofit Manager