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January 21, 1997

RECEIVED

JAN 21 1997

DEPARTMENT OF
ENVIRONMENTAL PROTECTION
OFFICE OF GENERAL COUNSEL

Via Hand Delivery

W. Douglas Beason
Senior Attorney
Office of General Counsel
Department of Environmental Protection
Mail Stop 35
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Tallahassee, FL 32399-2400

RE: FPC v. DEP
Case No. 96-5344

Dear Doug:

Enclosed are copies of several documents from Florida Power Corporation's (FPC's) archives that I obtained last week. I described these documents this morning during a telephone conference with Brian Beals of EPA, who agreed to talk to FPC provided that Clair Fancy and Al Linero were permitted to listen in. Clair and Al stated at the outset that they would refrain from actively participating in this call because you were unavailable to join them.

The first document is the Federal Energy Administration's (FEA's) May 30, 1975 "Notice of Intention to Issue Prohibition Orders to Certain Powerplants," and the second comprises the FEA's June 30, 1975 Final Prohibition Orders for FPC's Crystal River Units 1 and 2. As you will see, the FEA concluded that although "significant equipment or facilities would have to be acquired or substantially refurbished," the Crystal River Plant "had the capability and necessary plant equipment to burn coal." Also enclosed is a copy of PEDCo's March 10, 1976 report prepared for EPA concerning these FPC units, which concluded, "New equipment would be nominal; most of the coal handling and firing equipment are still at the site and require only maintenance or reinstallation for restoration to working order."

W. Douglas Beason
January 21, 1997
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This newly acquired documentation demonstrates that the Crystal River Plant was "capable of accommodating coal," as that concept was understood and applied during the oil-firing period of 1972-1976. If the plant was not, at the time, capable of accommodating coal, the FEA would not have issued the Prohibition Order, and EPA presumably would have required a PSD permit for the coal conversion.

As I understand it, the DEP's rationale in this case has been that FPC did not adequately demonstrate that the capability of accommodating coal was retained during the 1972-1976 period. Accordingly, I am hopeful that this new information will assist DEP in concluding that that concern has been resolved.

For everyone's convenience, I have forwarded additional copies of the enclosed documents to Al Linero and Brian Beals. I would like to discuss the materials with you and the Division of Air Resources Management at the earliest opportunity.

Very truly yours,



James S. Alves

JSA/hqm
Enclosure