

Southern Company Services, Inc.
One Energy Place
Pensacola, Florida 32520

850.444.6111

RECEIVED

JUN 28 2006

BUREAU OF AIR REGULATION

June 16, 2006



Florida Department of Environmental Protection
Division of Air Resource Management
Bureau of Air Regulation
2600 Blair Stone Road
Tallahassee, FL 32399-2400

RE: Stock Purchase of DeSoto County Generating Company, LLC
Title V Air Operation Permit No. 0270016-003-AV
Notification of Change in Responsible Official
Submittal of Partial Statement of Compliance

To Whom It May Concern:

This is to inform you that Southern Power Company purchased the operating company DeSoto County Generating Company, LLC ("DeSoto") and its facility located in DeSoto County, Florida on May 31, 2006. Because DeSoto has remained intact and preserved its corporate identity through the transaction, no formal transfer of its environmental permits is required. As a courtesy, however, we are hereby providing formal notice of the change in DeSoto's parent company.

The transaction has not resulted in any change in DeSoto's permitted operations, and DeSoto will remain responsible for compliance with the terms and conditions of the permit referenced above. Please find attached DEP Form 62-213.900(8), effectuating a change in the facility's Responsible Official. This form supersedes all previous Responsible Official designations made by the facility. Also enclosed is a copy of Progress Energy's partial Statement of Compliance, DEP Form 62-213.900(7), which has been submitted to the Department by Progress Energy by separate cover.

Please feel free to contact me at 863-884-9604 with any questions you may have regarding the facility.

Sincerely,

A handwritten signature in black ink that reads "Joseph Miller" followed by a stylized flourish.

Joseph Miller, Operations Manager

Cc:

Mara G. Nasca, FDEP - Southwest District



Department of Environmental Protection

Division of Air Resource Management

RESPONSIBLE OFFICIAL NOTIFICATION FORM

Note: A responsible official is not necessarily a designated representative under the Acid Rain Program. To become a designated representative, submit a certificate of representation to the U.S. Environmental Protection Agency (EPA) in accordance with 40 CFR Part 72.24.

Identification of Facility

1. Facility Owner/Company Name: DeSoto County Generating Company, LLC	
2. Site Name: DeSoto County Generating Company, LLC	3. County: DeSoto
4. Title V Air Operation Permit/Project No. (leave blank for initial Title V applications): 0270016-003-AV	

Notification Type (Check one or more)

<input type="checkbox"/> INITIAL:	Notification of responsible officials for an initial Title V application.
<input type="checkbox"/> RENEWAL:	Notification of responsible officials for a renewal Title V application.
<input checked="" type="checkbox"/> CHANGE:	Notification of change in responsible official(s).
Effective date of change in responsible official(s) <u>06/01/2006</u>	

Primary Responsible Official

1. Name and Position Title of Responsible Official: Joseph Miller Operations Manager		
2. Responsible Official Mailing Address: Organization/Firm: DeSoto County Generating Company, LLC. Street Address: 3800 NE Roan Street City: Arcadia State: FL Zip Code: 34266		
3. Responsible Official Telephone Numbers: Telephone: 863-884-9604 Fax: 863-884-9122		
4. Responsible Official Qualification (Check one or more of the following options, as applicable): <input checked="" type="checkbox"/> For a corporation, the president, secretary, treasurer, or vice-president of the corporation in charge of a principal business function, or any other person who performs similar policy or decision-making functions for the corporation, or a duly authorized representative of such person if the representative is responsible for the overall operation of one or more manufacturing, production, or operating facilities applying for or subject to a permit under Chapter 62-213, F.A.C. <input type="checkbox"/> For a partnership or sole proprietorship, a general partner or the proprietor, respectively. <input type="checkbox"/> For a municipality, county, state, federal, or other public agency, either a principal executive officer or ranking elected official. <input type="checkbox"/> The designated representative at an Acid Rain source.		
5. Responsible Official Statement: <i>I, the undersigned, am a responsible official, as defined in Rule 62-210.200, F.A.C., of the Title V source addressed in this notification. I hereby certify, based on information and belief formed after reasonable inquiry, that the statements made in this notification are true, accurate and complete. Further, I certify that I have authority over the decisions of all other responsible officials, if any, for purposes of Title V permitting.</i> <div style="display: flex; justify-content: space-between;"><div>Signature <u>Joseph Miller II</u></div><div>Date <u>6/16/06</u></div></div>		

Additional Responsible Official

1. Name and Position Title of Responsible Official:
2. Responsible Official Mailing Address: Organization/Firm: Street Address: City: State: Zip Code:
3. Responsible Official Telephone Numbers: Telephone: () - Fax: () -
4. Responsible Official Qualification (<i>Check one or more of the following options, as applicable</i>): <input type="checkbox"/> For a corporation, the president, secretary, treasurer, or vice-president of the corporation in charge of a principal business function, or any other person who performs similar policy or decision-making functions for the corporation, or a duly authorized representative of such person if the representative is responsible for the overall operation of one or more manufacturing, production, or operating facilities applying for or subject to a permit under Chapter 62-213, F.A.C. <input type="checkbox"/> For a partnership or sole proprietorship, a general partner or the proprietor, respectively. <input type="checkbox"/> For a municipality, county, state, federal, or other public agency, either a principal executive officer or ranking elected official. <input type="checkbox"/> The designated representative at an Acid Rain source.

Additional Responsible Official

1. Name and Position Title of Responsible Official:
2. Responsible Official Mailing Address: Organization/Firm: Street Address: City: State: Zip Code:
3. Responsible Official Telephone Numbers: Telephone: () - Fax: () -
4. Responsible Official Qualification (<i>Check one or more of the following options, as applicable</i>): <input type="checkbox"/> For a corporation, the president, secretary, treasurer, or vice-president of the corporation in charge of a principal business function, or any other person who performs similar policy or decision-making functions for the corporation, or a duly authorized representative of such person if the representative is responsible for the overall operation of one or more manufacturing, production, or operating facilities applying for or subject to a permit under Chapter 62-213, F.A.C. <input type="checkbox"/> For a partnership or sole proprietorship, a general partner or the proprietor, respectively. <input type="checkbox"/> For a municipality, county, state, federal, or other public agency, either a principal executive officer or ranking elected official. <input type="checkbox"/> The designated representative at an Acid Rain source.



Progress Energy

DeSoto County Generating Company, LLC

3800 NE Roan Street

Arcadia, Florida 34266

June 9, 2006

Ms. Mara G. Nasca
Florida Department of Environmental Protection
Southwest District
13051 North Telecom Parkway
Temple Terrace, FL 33637-0926

Re: Statement of Compliance
DeSoto County Generating Company, LLC
Title V Permit No. 0270016-005-AV
Facility No. 0270016

Dear Ms. Nasca:

This is to advise you that Progress Genco Ventures, LLC (Progress) transferred its ownership in the DeSoto County Generating Company, LLC facility to Southern Power Company effective June 1, 2006. The owner of the facility will remain DeSoto County Generating Company, LLC. Southern Power Company will be submitting all appropriate notices by the end of June 2006.

As a result of this transfer, Progress and DeSoto County Generating Company, LLC submit this Statement of Compliance as required by Rule 62-213.440(3)(a)(2)(b).

Progress and DeSoto County Generating Company, LLC have reviewed the above-referenced Title V permit and all related information for the period of ownership January 1, 2006 through May 31, 2006. The enclosed report identifies several deviations from monitoring and reporting permit requirements.

Please contact Beth Palma at (919) 546-4637 if you have any questions or would like additional information.

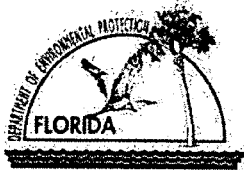
I, the undersigned, am the responsible official as defined in Chapter 62-210.200, F.A.C., of the Title V source for which this document is being submitted. I hereby certify, based on the information and belief formed after reasonable inquiry, that the statements made and data contained in this document are true, accurate, and complete.

Sincerely,

Paul Draovitch
Vice President
DeSoto County Generating Company, LLC

cc: Ms. Roselyn Hughes, EPA Region IV

enclosures



Department of Environmental Protection

Division of Air Resource Management

STATEMENT OF COMPLIANCE - TITLE V SOURCE

REASON FOR SUBMISSION (Check one to indicate why this statement of compliance is being submitted)

☐ Annual Requirement ☒ Transfer of Permit ☐ Permanent Facility Shutdown

REPORTING PERIOD*	REPORT DEADLINE**
January 1 through May 31 of 2006 (year)	July 31, 2006

*The statement of compliance must cover all conditions that were in effect during the indicated reporting period, including any conditions that were added, deleted, or changed through permit revision.

**See Rule 62-213.440(3)(a)2., F.A.C.

Facility Owner/Company Name: DeSoto County Generating Company, LLC

Site Name: DeSoto County Energy Park Facility ID No. 0270016 County: DeSoto

COMPLIANCE STATEMENT (Check only one of the following three options)

☐ A. This facility was in compliance with all terms and conditions of the Title V Air Operation Permit and, if applicable, the Acid Rain Part, and there were no reportable incidents of deviations from applicable requirements associated with any malfunction or breakdown of process, fuel burning or emission control equipment, or monitoring systems during the reporting period identified above.

☐ B. This facility was in compliance with all terms and conditions of the Title V Air Operation Permit and, if applicable, the Acid Rain Part; however, there were one or more reportable incidents of deviations from applicable requirements associated with malfunctions or breakdowns of process, fuel burning or emission control equipment, or monitoring systems during the reporting period identified above, which were reported to the Department. For each incident of deviation, the following information is included:

1. Date of report previously submitted identifying the incident of deviation.
2. Description of the incident.

☒ C. This facility was in compliance with all terms and conditions of the Title V Air Operation Permit and, if applicable, the Acid Rain Part, EXCEPT those identified in the pages attached to this report and any reportable incidents of deviations from applicable requirements associated with malfunctions or breakdowns of process, fuel burning or emission control equipment, or monitoring systems during the reporting period identified above, which were reported to the Department. For each item of noncompliance, the following information is included:

1. Emissions unit identification number.
2. Specific permit condition number (note whether the permit condition has been added, deleted, or changed during certification period).
3. Description of the requirement of the permit condition.
4. Basis for the determination of noncompliance (for monitored parameters, indicate whether monitoring was continuous, i.e., recorded at least every 15 minutes, or intermittent).
5. Beginning and ending dates of periods of noncompliance.
6. Identification of the probable cause of noncompliance and description of corrective action or preventative measures implemented.
7. Dates of any reports previously submitted identifying this incident of noncompliance.

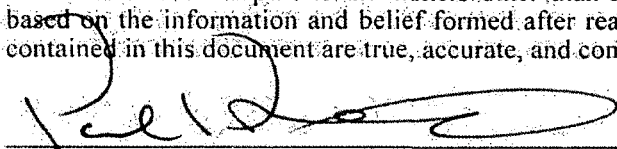
For each incident of deviation, as described in paragraph B. above, the following information is included:

1. Date of report previously submitted identifying the incident of deviation.
2. Description of the incident.

STATEMENT OF COMPLIANCE - TITLE V SOURCE

RESPONSIBLE OFFICIAL CERTIFICATION

I, the undersigned, am a responsible official (Title V air permit application or responsible official notification form on file with the Department) of the Title V source for which this document is being submitted. With respect to all matters other than Acid Rain program requirements, I hereby certify, based on the information and belief formed after reasonable inquiry, that the statements made and data contained in this document are true, accurate, and complete.


(Signature of Title V Source Responsible Official)

6/9/06
(Date)

Name: Paul Draovitch

Title: Vice President

DESIGNATED REPRESENTATIVE CERTIFICATION (only applicable to Acid Rain source)

I, the undersigned, am authorized to make this submission on behalf of the owners and operators of the Acid Rain source or Acid Rain units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment.


(Signature of Acid Rain Source Designated Representative)

6/7/06
(Date)

Name: J. Michael Kennedy

Title: Principle Environmental Specialist

{Note: Attachments, if required, are created by a responsible official or designated representative, as appropriate, and should consist of the information specified and any supporting records. Additional information may also be attached by a responsible official or designated representative when elaboration is required for clarity. This report is to be submitted to both the compliance authority (DEP district or local air program) and the U.S. Environmental Protection Agency (EPA) (U.S. EPA Region 4, Air and EPCRA Enforcement Branch, 61 Forsyth Street, Atlanta GA 30303).}

DeSoto County Generating Company, LLC
Unit 1

Deviations from Permit Conditions

During the period of Progress Genco Ventures, LLC's ownership of DeSoto County Generating Company, LLC from January 1, 2006 through May 31, 2006, the following deviations occurred for this unit. The deviations were monitor-related events occurring in the April 1 through May 31, 2006 timeframe.

Monitor Downtime

<u>Date and Nature of Previous Submittal</u>	<u>Date of Deviation</u>	<u>Duration</u>	<u>Parameter</u>	<u>Description</u>
Not previously reported	04/25/06	2 hr	NOx Analyzer	Non-monitor eqpt malfunction

DeSoto County Generating Company, LLC
Unit 2
Deviations from Permit Conditions

During the period of Progress Genco Ventures, LLC's ownership of DeSoto County Generating Company, LLC from January 1, 2006 through May 31, 2006, the following deviations occurred for this unit. The deviations were monitor-related events occurring in the April 1 through May 31, 2006 timeframe:

Monitor Downtime

<u>Date and Nature of Previous Submittal</u>	<u>Date of Deviation</u>	<u>Duration</u>	<u>Parameter</u>	<u>Description</u>
Not previously reported	04/25/06	1 hr	NOx Analyzer	Non-monitor eqpt malfunction
Not previously reported	05/23/06	1 hr	NOx Analyzer	Non-monitor eqpt malfunction

DeSoto County Generating Company, LLC
Facility
Deviations from Permit Conditions

During the period of Progress Genco Ventures, LLC's ownership of DeSoto County Generating Company, LLC from January 1, 2006 through May 31, 2006, the following deviation also occurred.

In addition to the previously stated monitor-related events, both the *2005 Annual Statement of Compliance* [required per Rule 62-213.440(3)(a)(2)(a)] and the *July-December 2005 Semi-Annual Monitoring Report* [required per Rule 62-213.440(1)(b)(3)] were submitted on May 3, 2006 rather than the March 1, 2006 reporting deadline. The late submittal of both reports was caused by incomplete transition and explanation of responsibilities between employees and was remedied by an additional review process and target date input into a tracking system. The event was reported verbally during a May 3, 2006 telephone conversation between Mr. Joel Smolen of DEP - Southwest District and Ms. Ann Quillian of Progress Energy, Inc. and in writing on May 3, 2006 in the report transmittal letters.



Progress Energy

DeSoto County Generating Company, LLC

3800 NE Roan Street

Arcadia, Florida 34266

bcc: (via e-mail):
D Kemp
J Jackson (Skadden)
B Palma
S Passen
A Quillian
T Wirick (Plant files)
C Watkins (PCD file PSDO-08XX)

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Ms. Mara G. Nasca
 FL Dept of Environmental Protection
 Southwest District
 13051 North Telecom Parkway
 Temple Terrace, FL 33637-0926

2. Article Number

(Transfer from service label)

7005 1160 0003 9278 4658

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent

☐ Addressee

B. Received by (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1? ☐ Yes
 If YES, enter delivery address below: ☐ No

3. Service Type

☒ Certified Mail

☐ Express Mail

☐ Registered

☒ Return Receipt for Merchandise

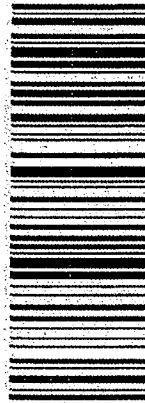
☐ Insured Mail

☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes

PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT
 OF THE RETURN ADDRESS, FOLD AT DOTTED LINE
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Ms. Mara G. Nasca
 FL Dept of Environmental Protection
 Southwest District
 13051 North Telecom Parkway
 Temple Terrace, FL 33637-0926

For Instruction

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Ms. Roselyn Hughes
EPA Region IV
Sam Nunn Atlanta Federal Center
61 Southwest Forsyth Street
Atlanta, Georgia 30303

2. Article Number

(Transfer from service label)

7005 1160 0003 9278 4665

PS Form 3811, February 2004

Domestic Return Receipt

102595-02-M-1540

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

☐ Agent☐ Addressee

B. Received by: (Printed Name)

C. Date of Delivery

D. Is delivery address different from item 1?

☐ Yes

If YES, enter delivery address below:

☐ No

3. Service Type

☒ Certified Mail☐ Express Mail☐ Registered☒ Return Receipt for Merchandise☐ Insured Mail☐ C.O.D.

4. Restricted Delivery? (Extra Fee)

☐ Yes7005 1160 0003 9278 4665
7005 1160 0003 9278 4665

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Here

Ms. Roselyn Hughes
EPA Region IV
Sam Nunn Atlanta Federal Center
61 Southwest Forsyth Street
Atlanta, Georgia 30303

PS

Instructions