

Charles D. McCrary  
Chief Production Officer  
President -  
Southern Company Generation

600 North 18th Street / 15N-8170  
Post Office Box 2641  
Birmingham, Alabama 35291

Tel 205.257.2243  
Fax 205.257.5019

November 23, 1999

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BUREAU OF AIR REGULATION



Mr. Clair H. Fancy, P.E.  
Chief, Bureau of Air Regulation  
Air Resources Management Division  
Florida Department of Environmental Protection  
Mail Station 5500  
2600 Blair Stone Road  
Tallahassee, Florida 32399 - 2400

Dear Mr. Fancy:

This letter is provided in accordance with the requirements outlined in Section IV Acid Rain Part and Appendix CP.-1 of the Crist Electric Generating Plant, Scholz Electric Generating Plant, and the Lansing Smith Electric Generating Plant Title V permits. On December 8, 1997, Southern Company submitted a Phase II NOx Averaging Plan to the States of Alabama, Florida, Georgia, and Mississippi and to Jefferson County, Alabama, with copies to the U.S. Environmental Protection Agency at Region IV and the Acid Rain Division. The plan was updated on April 15, 1999, from 71 to 75 units operated by Southern Company across the four state region. Following several comments from EPA Region IV and a few administrative changes, the plan was signed and resubmitted on July 23, 1999.

The initial Southern Company NOx averaging plan has been approved by the Alabama Department of Environmental Management, Georgia Environmental Protection Division, Mississippi Department of Environmental Quality, and the Jefferson County, Alabama, Department of Health. In conjunction with final approval of the averaging plan, the agencies have or are in the process of updating permits for these units per the November 18, 1999, letter to you from Mr. R. Douglas Neeley, U.S. Environmental Protection Agency.

This certification is based on information and belief formed after reasonable inquiry. To the best of my knowledge, the statements and information in this document are true, accurate, and complete as required by 62-213.420 (4) F.A.C.

If you have questions about the plan or the status of approval, please contact Mr. Danny Herrin, Manager, Clean Air Compliance, Southern Company Generation, at (205) 257-6468.

Sincerely,

A handwritten signature in cursive script that reads "Charles D. McCrary".

cc: Ronald W. Gore, Alabama Department of Environmental Management  
Ronald C. Methier, Georgia Environmental Protection Division  
Dwight Wylie, Mississippi Department of Environmental Quality  
James I. Carroll, Jefferson County Department of Health  
R. Doug Neeley, U.S. Environmental Protection Agency  
Robert Miller, U.S. Environmental Protection Agency

Scott, FYI

copy: D. Waters - Gulf  
J. Hunter - Eco  
E. Middelmeier - NW dis  
B. Dumas - SW dis +  
J. Campbell - HCEPC  
P. Coner - OGC  
H. Rhodes - DARRM



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 4  
ATLANTA FEDERAL CENTER  
61 FORSYTH STREET  
ATLANTA, GEORGIA 30303-8960

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Mr. Clair H. Fancy, P.E.  
Chief  
Bureau of Air Regulation  
Air Resources Management Division  
Florida Department of Environmental  
Protection  
Mail Station 5500  
2600 Blair Stone Road  
Tallahassee, FL 32399-2400

BUREAU OF AIR REGULATION

Dear Mr. Fancy:

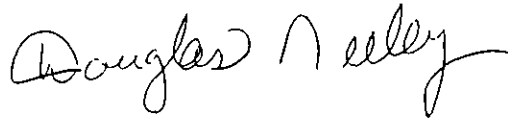
This letter is to follow up on our recent conversation regarding the approval process for the multi-state Phase II Acid Rain NOx Averaging Plan submitted by participating Southern Company plants to their respective State permitting authorities. Our conversation focused on the status of the proposed averaging plan, should the process of approval through the issuance of permits incorporating the plan not be completed by all the relevant permitting authorities by the Phase II effective date of January 1, 2000.

It is our understanding that the Florida Department of Environmental Protection (FDEP) has set a goal to complete the title V permitting process (i.e., finalize the title V permits) for the Gulf Power plants participating in the Southern Company Phase II NOx Averaging Plan by the end of this year. There remains the possibility, however, due to title V permitting delays that the FDEP may not approve Southern Company's plan and incorporate the plan into final title V permits by the end of this year.

The Acid Rain Division of the Environmental Protection Agency (EPA) considers a compliance plan submitted with an Acid Rain permit application to be part of the Acid Rain permit application (see 40 CFR 72.31(c)). This would include a Phase II NOx Averaging Plan; however, it would not include a petition for an alternative emission limitation period, a final alternative emission limitation or a renewal of a final alternative emission limitation. Therefore, the permit application shield provided in the Acid Rain regulations extends to a Phase II NOx Averaging Plan that is timely and complete (see 40 CFR 72.32(b)). Further, a complete Phase II NOx Averaging Plan is binding on the owners and operators until issuance or denial of the Acid Rain permit (see 40 CFR 72.32(c)). Under these rule provisions the units included in the Southern Company Phase II NOx Averaging Plan are required to operate in accordance with the terms of the averaging plan until the final approval of the plan (i.e., when all permitting authorities with jurisdiction over the units in the plan have approved the plan) (see 40 CFR 72.40(b)(2)).

If you have any questions or concerns regarding this matter, please contact Jenny Jachim of the EPA Region 4 staff at (404) 562-9126.

Sincerely,

A handwritten signature in cursive script that reads "Douglas Neeley". The signature is written in dark ink and is positioned above the typed name.

R. Douglas Neeley  
Chief  
Air & Radiation Technology Branch  
Air, Pesticides and Toxics  
Management Branch

cc: W. Danny Herrin, Southern Company Services, Inc.  
Ronald W. Gore, Alabama Department of Environmental Management  
Ronald C. Methier, Environmental Protection Division  
James L. Carroll, Jefferson County Department of Health  
Dwight Alpern, Acid Rain Division  
Robert Miller, Acid Rain Division

## Appendix H-1, Permit History/ID Number Changes

Gulf Power Company  
Scholz Plant

[DRAFT/PROPOSED/FINAL]Permit No.: 0630014-001-AV  
Facility ID No.: 0630014

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### Permit History (for tracking purposes):

E.U.

<u>ID No.</u>	<u>Description</u>	<u>Permit No.</u>	<u>Issue Date</u>	<u>Expiration Date</u>	<u>Extended Date</u>	<u>Revised Date(s)</u>
-001	Coal Fired Boiler #1	AO32-211311	4/17/92	4/1/97		
-002	Coal Fired Boiler #2	AO32-211311	4/17/92	4/1/97		

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### (if applicable) ID Number Changes (for tracking purposes):

From: Facility ID No.: 10PCY320014

To: Facility ID No.: 0630014

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## Florida Department of Environmental Regulation

Northwest District • 160 Governmental Center • Pensacola, Florida 32501-5794

Lawton Chiles, Governor

Carol M. Browner, Secretary

PERMITTEE:  
Gulf Power Company

I.D. Number: 10PCY32001401 and 02  
Permit/Certification Number: AO32-211311  
Date of Issue: April 17, 1992

Expiration Date: April 1, 1997  
County: Jackson  
Latitude/Longitude: 30°40'08"N/84°53'13"W  
Section/Township/Range: 12/3N/7W  
Project: Scholz Units No. 1 and No. 2  
Coal Fired Boilers

This permit is issued under the provisions of Section 403.087, Florida Statutes, and Florida Administrative Code Rules 17-2 and 17-4. The above named applicant, hereinafter called Permittee, is hereby authorized to perform the work or operate the facility shown on the application and approved drawing(s), plans, and other documents attached hereto or on file with the Department and made a part hereof and specifically described as follows:

Operation of Scholz Units No. 1 and No. 2, both coal fired boilers, generating 50 megawatts of electricity for each unit. Particulate emissions from each Unit are controlled by an electrostatic precipitator manufactured by Buell Model BAL 2X38L-44-2P. Sulfur dioxide emissions are controlled by the sulfur content of the coal used as fuel. Sulfur dioxide, nitrogen dioxide, oxygen and opacity are monitored by continuous emission monitors on each Unit.

Located at the south end of State Road 271, 2.2 miles south of U.S. 90, three miles southeast of Sneads, west bank of Apalachicola River.

Specific Condition No. 7 requires logging excess emissions.  
Specific Condition No. 8 requires keeping a maintenance log.  
Specific Condition No. 9 requires submitting quarterly excess emissions reports.  
Specific Condition No. 11 requires annual particulate emissions tests due before the end of September.  
Specific Condition No. 12 requires maintenance of a QC program.  
Specific Condition No. 14 requires reporting of excess emissions as soon as possible.  
Specific Condition No. 15 requires actions taken upon particulate test failures.  
Specific Condition No. 18 requires submittal of permit renewal application by February 1, 1997.

*Spec. Cond. No. 16 requires submittal of annual operation reports*

PERMITTEE:  
Gulf Power Company

I.D. Number: 10PCY32001401 and 02  
Permit/Certification Number: AO32-211311  
Date of Issue: April 17, 1992

Expiration Date: April 1, 1997

### SPECIFIC CONDITIONS:

- The attached General Conditions are part of this permit.
- The maximum allowable heat inputs are those heat inputs necessary to maintain electrical load output at 110% of the level at which the most recent successful particulate emissions compliance test was conducted for each unit. If the test was conducted at less than 90% of rated capacity of the unit, permittee may operate the unit at loads up to the rated capacity (50 megawatts for each unit) for purposes of preparation for testing for up to ten calendar days. The Department shall be advised in writing prior to each testing.
- Particulate emissions shall not exceed 0.1 pounds per million Btu heat input.
- Sulfur dioxide emissions shall not exceed 6.17 pounds per million Btu heat input.
- Visible emissions shall not exceed 40% opacity.
- Excess emissions are defined as:
  - Any six-minute average for opacity which exceeds the standard.
  - Any 24-hour average for sulfur dioxide which exceeds the standard.
- A log shall be maintained showing the:
  - Duration of excess visible emissions and their causes.
  - Duration of excess SO<sub>2</sub> emissions.
- A maintenance log of the continuous monitoring system shall be kept showing:
  - Time out of service.
  - Calibrations and adjustments.
- A quarterly report of excess emissions shall be submitted within 30 days following the end of each calendar quarter. The report shall consist of each individual exceedance of opacity or SO<sub>2</sub> emissions (Specific Conditions 6 and 7) with duration, magnitude and cause. Any exceedance that is beyond the allowances of FAC Rule 17-2.250 shall be highlighted with note indicating compliance with Specific Condition 14 below.
- Units 1 and 2 use a common stack. Visible emission violations from this stack shall be attributed to both Units unless opacity meter results show the specific Unit causing the violation.

PERMITTEE:  
Gulf Power Company

I.D. Number: 10PCY32001401 and 02  
Permit/Certification Number: A032-211311  
Date of Issue: April 17, 1992

Expiration Date: April 1, 1997

SPECIFIC CONDITIONS:

11. Particulate emissions tests are required to show continuing compliance with the standards of the Department. The test results must provide reasonable assurance that the source is capable of compliance at the permitted maximum operating rate. Tests shall be conducted in accordance with EPA methods 1, 2, 3 and 17. Such tests shall be conducted once per year before the end of September. Results shall be submitted to the Department within 45 days after testing. The Department shall be notified at least 15 days prior to testing to allow witnessing.

12. Continuous SO<sub>2</sub> emission monitoring 24-hour averages are required to demonstrate compliance with the standard of the Department (Specific Condition 4). A valid 24-hour average shall consist of no less than 18 hours of valid data capture per calendar day. In the event that valid data capture is not available, the permittee shall initiate as-fired fuel sampling to demonstrate compliance with the SO<sub>2</sub> emission standard. The as-fired fuel sampling shall be initiated no later than 36 hours after the permittee has verified the problem or no later than 36 hours after the end of the affected calendar day. Fuel sampling shall continue until such time as the valid data capture is restored. In lieu of as-fired fuel sampling the permittee may elect to demonstrate SO<sub>2</sub> emission compliance by the temporary use of a spare SO<sub>2</sub> emission monitor. The spare SO<sub>2</sub> emissions monitor must be installed and collecting data in the same time frame as required above for as-fired fuel sampling.

Maintain a QC program. As a minimum the QC program must include written procedures which should describe in detail complete, step-by-step procedures and operations for each of the following activities:

1. Calibration of CEMS.
2. CD determination and adjustment of CEMS.
3. Preventative maintenance of CEMS (including spare parts inventory).
4. Data recording, calculations and reporting.
5. Accuracy audit procedures including sampling and analysis methods.
6. Program of corrective action for malfunctioning CEMS.

13. Excess emissions as stated in Florida Administrative Code Rule 17-2.250 shall be allowed.

*OES #MMBTU*

14. The Department shall be notified as soon as possible (by telephone) of excess emissions that are beyond the allowances of FAC Rule 17-2.250, such as:

- A. Any soot blowing or load changes that cause excess visible emissions for a period longer than three hours, or that exceed 60% opacity (six minute average) more than four times in any one day.
- B. Any malfunction that causes visible emissions for a period longer than two hour in any one day.
- C. A 24-hour average of SO<sub>2</sub> emissions measured by the continuous monitor that exceeds the standard, or daily average SO<sub>2</sub> emissions measured by coal analysis (in the event the permittee chooses) that exceeds the standard.

Immediately upon notification of excess emissions that are beyond the allowances, the permittee shall take the necessary steps to determine the cause and arrange a meeting with the Department within 72 hours to discuss a settlement of the violation with corrective action to avoid recurrence.

PERMITTEE:  
Gulf Power Company

I.D. Number: 10PCY32001401 and 02  
Permit/Certification Number: A032-211311  
Date of Issue: April 17, 1992

Expiration Date: April 1, 1997

SPECIFIC CONDITIONS:

15. Immediately upon notification of a particulate test report that fails to demonstrate compliance with the particulate emission limit of 0.1 pounds per million Btu heat input, the permittee shall take necessary steps to determine the cause of the test failure and arrange a meeting with the Department within 72 hours to discuss a settlement of the violation and a schedule for retesting when the cause of the test failure has been determined and corrected.

16. An annual operation report (DER Form 17-1.202(6) attached) shall be submitted by March 1 each year. The attached form shall be reproduced by the permittee and used for future annual submittals.

17. An application to renew this permit shall be submitted prior to February 1, 1997.

18. The permanent source identification numbers for these point sources are:  
10PCY32001401 Scholz Unit No. 1, and  
10PCY32001402 Scholz Unit No. 2.  
Please cite the appropriate number on all test reports and other correspondence specific to a permitted point source.

19. The Department telephone number for reporting problems, malfunctions or exceedances under this permit is (904) 436-8300, day or night, and for emergencies involving a significant threat to human health or the environment is (904) 488-1320. For routine business, telephone (904) 872-4375 during normal working hours.

Expiration date:

Issued this 17th day of April,  
1992.

April 1, 1997

STATE OF FLORIDA DEPARTMENT  
OF ENVIRONMENTAL REGULATION

*[Signature]*  
ROBERT V. KRIEDEL  
District Director



# Department of Environmental Protection

Lawton Chiles  
Governor

Twin Towers Office Building  
2600 Blair Stone Road  
Tallahassee, Florida 32399-2400

Virginia B. Wetherell  
Secretary

February 21, 1996

Mr. G. Dwain Waters  
Air Quality Programs Coordinator  
Gulf Power Company  
Post Office Box 1151  
Pensacola, Florida 32520-0328

Dear Mr. Waters:

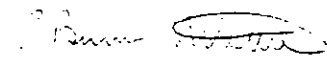
This letter is in response to your February 14 letter regarding emission fees for Crist Units 4 & 5 and Scholz Units 1 & 2.

Fees for 1995 do not apply to units that were, since January 1, 1995, Phase I affected units and had an emission reduction requirement or acid rain emission limitation.

Based on the final Phase I Acid Rain permit administrative amendments issued by the EPA, it appears that the SO<sub>2</sub> Substitution Plans were activated on February 14, 1995, with acid rain emissions limitations for the years 1995 - 1999. Therefore, no Title V emission fees apply to the four units for 1995.

If you have any questions, please do not hesitate to contact me at the letterhead address or 904/488-1344.

Sincerely,

  
John C. Brown, Jr., P.E.  
Administrator, Title V Section  
Bureau of Air Regulation

JCB/sk

cc: Tom Cascio x 2 (Acid Rain Files)  
Jonathan Holtom x 2 (Fee Files)  
Reading File  
Acid Rain Correspondence Files

} 2-21-96 JBW

Gulf Power Company  
500 Bayfront Parkway  
Post Office Box 1151  
Pensacola, FL 32520  
Telephone 904 444-6111



February 14, 1996

Mr. John Brown, P. E. Administrator  
Florida Department of Environmental Protection  
Magnolia Courtyard  
Tallahassee, Florida 32301

Dear John:

GULF POWER COMPANY EMISSION FEE EXEMPTION  
PLANT CRIST UNITS 4, 5, 6, & 7  
PLANT SCHOLZ UNITS 1 & 2

As you know, Gulf Power Company operates several electric utility generating units that are subject to Florida's Title V permitting program, and thus ordinarily would be required to pay state emission fees for these Title V units. However, pursuant to Section 403.0872(11)(a)8., Florida Statutes, and Rule 62-213.205(1)(h), F.A.C., emissions units that are "affected unit(s) under 42 U.S.C. s. 7651c" are exempt from the Department's emission fee requirements. Section 7651c of the Clean Air Act, in turn, contains the Phase I sulfur dioxide (SO<sub>2</sub>) requirements. Gulf Power Company has two generating units that are listed in Table A of Section 7651 as Phase I units (Crist Units 6 and 7). Four other units have recently been designated as Phase I "substitution units" (Crist Units 4 and 5, and Scholz Units 1 and 2) pursuant to 40 CFR 72.41. Consequently, all six of the above-listed units are subject to the Phase I SO<sub>2</sub> requirements of Section 7651c. Therefore, each of these affected units are now exempt from Florida's Title V state emission fee requirements.

Gulf Power Company would appreciate the Department's written comments regarding this matter. If you have any questions in the meantime, please do not hesitate to contact me at (904) 444-6527.

Sincerely,

G. Dwain Waters  
Air Quality Programs Coordinator

rc

*This is an original copy*