

One Energy Place
Pensacola, Florida 32520

Tel 850.444.6111

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DEC 09 2003

BUREAU OF AIR REGULATION



Certified Mail

December 2, 2003

Mr. Scott M. Sheplak
Department of Environmental Protection
Bureau of Air Regulation
2600 Blair Stone Road
Mail Station #5510
Tallahassee, Florida 32399-2400

Dear Mr. Sheplak:

RE: Lansing Smith Electric Generating Plant – Title V Revision
Permit Number: 0050014
Phase II NOx Averaging Plan Revision

The Southern Company recently revised the Acid Rain Phase II NOx Averaging Plan due to the retirement of several generating units in Georgia. This plan was originally implemented in 1999 at Gulf Power for Plants Crist, Lansing Smith and Scholz. The new plan will be effective for years 2004 through 2008. Please find attached a revised Phase II NOx Averaging Plan and subsequent request to revise the Lansing Smith Title V permit. Please coordinate this request with our upcoming Title V permit renewal application earmarked for review in mid-2004.

Please let me know if you have any questions regarding our application for revision to the Lansing Smith Title V permit.

Sincerely,

A handwritten signature in black ink that reads "Dwain Waters, Q.E.P." with a stylized flourish at the end.

G. Dwain Waters, Q.E.P.
Air Quality Programs Supervisor

cc:w/o attachment:

J. O. Vick, Gulf Power Company
Trey Hall, Gulf Power Company
Marie Largilliere, Gulf Power Company
Danny Herrin, Southern Company Services
Gary Perko, Hopping, Green & Smith
Sandra Veazey, FDEP- NWF District



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Division of Air Resource Management

APPLICATION FOR AIR PERMIT - LONG FORM

BUREAU OF AIR REGULATION

I. APPLICATION INFORMATION

Air Construction Permit – Use this form to apply for an air construction permit for a proposed project:

- subject to prevention of significant deterioration (PSD) review, nonattainment area (NAA) new source review, or maximum achievable control technology (MACT) review; or
- where the applicant proposes to assume a restriction on the potential emissions of one or more pollutants to escape a federal program requirement such as PSD review, NAA new source review, Title V, or MACT; or
- at an existing federally enforceable state air operation permit (FESOP) or Title V permitted facility.

Air Operation Permit – Use this form to apply for:

- an initial federally enforceable state air operation permit (FESOP); or
- an initial/revised/renewal Title V air operation permit.

Air Construction Permit & Revised/Renewal Title V Air Operation Permit (Concurrent Processing Option)
– Use this form to apply for both an air construction permit and a revised or renewal Title V air operation permit incorporating the proposed project.

To ensure accuracy, please see form instructions.

Identification of Facility

1. Facility Owner/Company Name: Gulf Power Company	
2. Site Name: Lansing Smith Electric Generating Plant	
3. Facility Identification Number: 0050014	
4. Facility Location... Street Address or Other Locator: 4300 County Road City: Southport County: Bay Zip Code: 32409	
5. Relocatable Facility? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	6. Existing Title V Permitted Facility? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Application Contact

1. Application Contact Name: G. Dwain Waters	
2. Application Contact Mailing Address... Organization/Firm: Gulf Power Company Street Address: One Energy Place City: Pensacola State: Florida Zip Code: 32520-0328	
3. Application Contact Telephone Numbers... Telephone: (850) 444 - 6527 Fax: (850) 444 - 6217	
4. Application Contact Email Address: gdwaters@southernco.com	

Application Processing Information (DEP Use)

1. Date of Receipt of Application:	
2. Project Number(s):	
3. PSD Number (if applicable):	

APPLICATION INFORMATION

4. Siting Number (if applicable):	
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APPLICATION INFORMATION

Purpose of Application

This application for air permit is submitted to obtain: (Check one)

Air Construction Permit

Air construction permit.

Air Operation Permit

Initial Title V air operation permit.

Title V air operation permit revision.

Title V air operation permit renewal.

Initial federally enforceable state air operation permit (FESOP) where professional engineer (PE) certification is required.

Initial federally enforceable state air operation permit (FESOP) where professional engineer (PE) certification is not required.

Air Construction Permit and Revised/Renewal Title V Air Operation Permit (Concurrent Processing)

Air construction permit and Title V permit revision, incorporating the proposed project.

Air construction permit and Title V permit renewal, incorporating the proposed project.

Note: By checking one of the above two boxes, you, the applicant, are requesting concurrent processing pursuant to Rule 62-213.405, F.A.C. In such case, you must also check the following box:

I hereby request that the department waive the processing time requirements of the air construction permit to accommodate the processing time frames of the Title V air operation permit.

Application Comment

The purpose of this application is to update the Title IV Acid Rain Permit to incorporate a revised NOx Averaging Plan. The revision is due to the retirement of several generating units within the Southern Company system. These units have been deleted from the Phase II NOx Averaging Plan. See the Phase II NOx Averaging Plan application for details.

APPLICATION INFORMATION

Scope of Application

Emissions Unit ID Number	Description of Emissions Unit	Air Permit Type	Air Permit Proc. Fee
001	Boiler Number 1 – 1944.8 MMBtu/hour (Phase II Acid Rain Unit)	N/A	N/A
002	Boiler Number 2 – 2246.2 MMBtu/hour (Phase II Acid Rain Unit)	N/A	N/A
003	Combustion Turbine -542 MMBtu/hour Peaking Unit	N/A	N/A
004	170 MW Gas Combustion Turbine with HRSG and Duct Burner (Acid Rain Unit)	N/A	N/A
005	170 MW Gas Combustion Turbine with HRSG and Duct Burner (Acid Rain Unit)	N/A	N/A
006	Cooling Tower	N/A	N/A
007	Material Handling of Coal and Ash	N/A	N/A
008	Fugitive PM Sources – On site vehicles	N/A	N/A
009	General Purpose Internal Combustion Engines	N/A	N/a

Application Processing Fee

Check one: Attached - Amount: \$ _____ Not Applicable

APPLICATION INFORMATION

Owner/Authorized Representative Statement

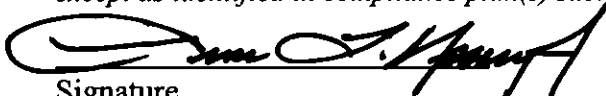
Complete if applying for an air construction permit or an initial FESOP.

1. Owner/Authorized Representative Name :
2. Owner/Authorized Representative Mailing Address... Organization/Firm: Street Address: City: State: Zip Code:
3. Owner/Authorized Representative Telephone Numbers... Telephone: () - ext. Fax: () -
4. Owner/Authorized Representative Email Address:
5. Owner/Authorized Representative Statement: <i>I, the undersigned, am the owner or authorized representative of the facility addressed in this air permit application. I hereby certify, based on information and belief formed after reasonable inquiry, that the statements made in this application are true, accurate and complete and that, to the best of my knowledge, any estimates of emissions reported in this application are based upon reasonable techniques for calculating emissions. The air pollutant emissions units and air pollution control equipment described in this application will be operated and maintained so as to comply with all applicable standards for control of air pollutant emissions found in the statutes of the State of Florida and rules of the Department of Environmental Protection and revisions thereof and all other requirements identified in this application to which the facility is subject. I understand that a permit, if granted by the department, cannot be transferred without authorization from the department, and I will promptly notify the department upon sale or legal transfer of the facility or any permitted emissions unit.</i> _____ Signature _____ Date

APPLICATION INFORMATION

Application Responsible Official Certification

Complete if applying for an initial/revised/renewal Title V permit or concurrent processing of an air construction permit and a revised/renewal Title V permit. If there are multiple responsible officials, the "application responsible official" need not be the "primary responsible official."

1. Application Responsible Official Name: Gene L. Ussery, Jr.
2. Application 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.
3. Application Responsible Official Mailing Address... Organization/Firm: Gulf Power Company Street Address: One Energy Place City: Pensacola State: Florida Zip Code: 32520-0100
4. Application Responsible Official Telephone Numbers... Telephone: (850) 444-6383 ext. Fax: (850) 444-6744
5. Application Responsible Official Email Address: <u>glussery@southernco.com</u>
6. Application Responsible Official Certification: <i>I, the undersigned, am a responsible official of the Title V source addressed in this air permit application. I hereby certify, based on information and belief formed after reasonable inquiry, that the statements made in this application are true, accurate and complete and that, to the best of my knowledge, any estimates of emissions reported in this application are based upon reasonable techniques for calculating emissions. The air pollutant emissions units and air pollution control equipment described in this application will be operated and maintained so as to comply with all applicable standards for control of air pollutant emissions found in the statutes of the State of Florida and rules of the Department of Environmental Protection and revisions thereof and all other applicable requirements identified in this application to which the Title V source is subject. I understand that a permit, if granted by the department, cannot be transferred without authorization from the department, and I will promptly notify the department upon sale or legal transfer of the facility or any permitted emissions unit. Finally, I certify that the facility and each emissions unit are in compliance with all applicable requirements to which they are subject, except as identified in compliance plan(s) submitted with this application.</i>  Signature <u>12.2.03</u> Date

APPLICATION INFORMATION

Professional Engineer Certification

1. Professional Engineer Name: Gregory N. Terry Registration Number: 52786
2. Professional Engineer Mailing Address... Organization/Firm: Gulf Power Company Street Address: One Energy Place City: Pensacola State: Florida Zip Code: 32520-0340
3. Professional Engineer Telephone Numbers... Telephone: (850) 429 - 2381 Fax: (850) 429 - 2246
4. Professional Engineer Email Address: <u>gnterry@southernco.com</u>
5. Professional Engineer Statement: <i>I, the undersigned, hereby certify, except as particularly noted herein*, that:</i> <i>(1) To the best of my knowledge, there is reasonable assurance that the air pollutant emissions unit(s) and the air pollution control equipment described in this application for air permit, when properly operated and maintained, will comply with all applicable standards for control of air pollutant emissions found in the Florida Statutes and rules of the Department of Environmental Protection; and</i> <i>(2) To the best of my knowledge, any emission estimates reported or relied on in this application are true, accurate, and complete and are either based upon reasonable techniques available for calculating emissions or, for emission estimates of hazardous air pollutants not regulated for an emissions unit addressed in this application, based solely upon the materials, information and calculations submitted with this application.</i> <i>(3) If the purpose of this application is to obtain a Title V air operation permit (check here <input type="checkbox"/> , if so), I further certify that each emissions unit described in this application for air permit, when properly operated and maintained, will comply with the applicable requirements identified in this application to which the unit is subject, except those emissions units for which a compliance plan and schedule is submitted with this application.</i> <i>(4) If the purpose of this application is to obtain an air construction permit (check here <input type="checkbox"/> , if so) or concurrently process and obtain an air construction permit and a Title V air operation permit revision or renewal for one or more proposed new or modified emissions units (check here <input checked="" type="checkbox"/> , if so), I further certify that the engineering features of each such emissions unit described in this application have been designed or examined by me or individuals under my direct supervision and found to be in conformity with sound engineering principles applicable to the control of emissions of the air pollutants characterized in this application.</i> <i>(5) If the purpose of this application is to obtain an initial air operation permit or operation permit revision or renewal for one or more newly constructed or modified emissions units (check here <input type="checkbox"/> , if so), I further certify that, with the exception of any changes detailed as part of this application, each such emissions unit has been constructed or modified in substantial accordance with the information given in the corresponding application for air construction permit and with all provisions contained in such permit.</i> Signature <u>Gregory N. Terry</u> Date <u>12-01-2003</u> (seal)

* Attach any exception to certification statement.

Florida Department of Environmental Protection

Phase II NO_x Averaging Plan

For more information, see instructions for DEP Form No. 62-210.900(1)(a)4. and refer to 40 CFR 76.11

This submission is: New Revised

STEP 1

Identify the units participating in this averaging plan by plant name, state, and boiler ID# from NADB. In column (a), fill in each unit's applicable emission limitation from 40 CFR 76.5, 76.6, or 76.7. In column (b), assign an alternative contemporaneous annual emissions limitation in lb/mmBtu to each unit. In column (c), assign an annual heat input limitation in mmBtu to each unit. Continue to page 3 if necessary.

Plant Name	State	ID#	(a) Emission Limitation	(b) Alt. Contemp. Emission Limitation	(c) Annual Heat Input Limit
See Page 3.					

STEP 2

Use the formula to enter the Btu-weighted annual emission rate averaged over the units if they are operated in accordance with the proposed averaging plan and the Btu-weighted annual average emission rate for the same units if they are operated in compliance with 40 CFR 76.5, 76.6, or 76.7. The former must be less than or equal to the latter.

Btu-weighted annual emission rate averaged over the units if they are operated in accordance with the proposed averaging plan

Btu-weighted annual average emission rate for same units operated in compliance with 40 CFR 76.5, 76.6 or 76.7

0.47

0.47

≤

$$\frac{\sum_{i=1}^n (R_{Li} \times HI_i)}{\sum_{i=1}^n HI_i}$$

≤

$$\frac{\sum_{i=1}^n [R_{li} \times HI_i]}{\sum_{i=1}^n HI_i}$$

Where,

- R_{Li} = Alternative contemporaneous annual emission limitation for unit i, in lb/mmBtu, as specified in column (b) of Step 1;
- R_{li} = Applicable emission limitation for unit i, in lb/mmBtu, as specified in column (a) of Step 1;
- HI_i = Annual heat input for unit i, in mmBtu, as specified in column (c) of Step 1;
- n = Number of units in the averaging plan

Southern Company Averaging Plan
Participating Plants

This plan is effective for calendar year _____ through calendar year _____ unless notification to terminate the plan is given.

STEP 3

Mark one of the two options and enter dates.

Treat this plan as identical plans, each effective for one calendar year for the following calendar years: 2004, 2005, 2006, 2007 and 2008 unless notification to terminate one or more of these plans is given.

STEP 4

Read the special provisions and certification, enter the name of the designated representative, and sign and date.

Special Provisions

Emission Limitations

Each affected unit in an approved averaging plan is in compliance with the Acid Rain emission limitation for NO_x under the plan only if the following requirements are met:

- (i) For each unit, the unit's actual annual average emission rate for the calendar year, in lb/mmBtu, is less than or equal to its alternative contemporaneous annual emission limitation in the averaging plan, and
 - (a) For each unit with an alternative contemporaneous emission limitation less stringent than the applicable emission limitation in 40 CFR 76.5, 76.6, or 76.7, the actual annual heat input for the calendar year does not exceed the annual heat input limit in the averaging plan,
 - (b) For each unit with an alternative contemporaneous emission limitation more stringent than the applicable emission limitation in 40 CFR 76.5, 76.6, or 76.7, the actual annual heat input for the calendar year is not less than the annual heat input limit in the averaging plan, or
- (ii) If one or more of the units does not meet the requirements of (i), the designated representative shall demonstrate, in accordance with 40 CFR 76.11(d)(1)(ii)(A) and (B), that the actual Btu-weighted annual average emission rate for the units in the plan is less than or equal to the Btu-weighted annual average rate for the same units had they each been operated, during the same period of time, in compliance with the applicable emission limitations in 40 CFR 76.5, 76.6, or 76.7.
- (iii) If there is a successful group showing of compliance under 40 CFR 76.11(d)(1)(ii)(A) and (B) for a calendar year, then all units in the averaging plan shall be deemed to be in compliance for that year with their alternative contemporaneous emission limitations and annual heat input limits under (i).

Liability

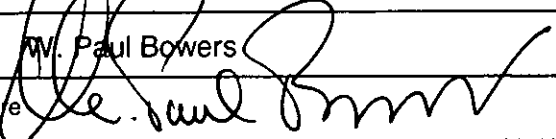
The owners and operators of a unit governed by an approved averaging plan shall be liable for any violation of the plan or this section at that unit or any other unit in the plan, including liability for fulfilling the obligations specified in part 77 of this chapter and sections 113 and 411 of the Act.

Termination

The designated representative may submit a notification to terminate an approved averaging plan, in accordance with 40 CFR 72.40(d), no later than October 1 of the calendar year for which the plan is to be terminated.

Certification

I am authorized to make this submission on behalf of the owners and operators of the affected source or affected 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.

Name	W. Paul Bowers	
Signature		Date
		18 Nov 03'

Southern Company Averaging Plan Participating Plants

Plant Name (from Step 1)

as Listed in Step 1.

NO_x Averaging - Page 3

STEP 1
Continue the
identification of
units from Step 1,
page 1, here.

Plant Name	State	ID #	(a)	(b)	(c)
			Emission Limitation	Alt. Contemp. Emission Limitation	Annual Heat Input Limit
Barry	AL	1	0.40	0.57	9,899,353
Barry	AL	2	0.40	0.57	8,827,877
Barry	AL	3	0.40	0.57	16,115,170
Barry	AL	4	0.40	0.45	26,192,590
Barry	AL	5	0.40	0.45	51,553,955
Bowen	GA	1	0.45	0.42	45,308,998
Bowen	GA	2	0.45	0.43	44,124,507
Bowen	GA	3	0.45	0.43	59,801,873
Bowen	GA	4	0.45	0.43	60,182,168
Branch	GA	1	0.68	0.99	13,188,369
Branch	GA	2	0.50	0.72	18,342,165
Branch	GA	3	0.68	0.84	26,905,201
Branch	GA	4	0.68	0.84	30,127,590
Crist	FL	4	0.45	0.52	5,591,320
Crist	FL	5	0.45	0.60	5,479,586
Crist	FL	6	0.50	0.45	21,086,630
Crist	FL	7	0.50	0.45	34,569,955
Daniel	MS	1	0.45	0.33	30,626,415
Daniel	MS	2	0.45	0.33	40,588,498
Gadsden	AL	1	0.45	0.70	2,711,382
Gadsden	AL	2	0.45	0.70	3,120,871
Gaston	AL	1	0.50	0.52	18,858,472
Gaston	AL	2	0.50	0.52	16,624,702
Gaston	AL	3	0.50	0.52	18,430,084
Gaston	AL	4	0.50	0.52	18,740,418
Gaston	AL	5	0.45	0.48	47,511,274
Gorgas	AL	6	0.46	0.55	4,410,470
Gorgas	AL	7	0.46	0.55	4,567,585
Gorgas	AL	8	0.40	0.50	9,965,627
Gorgas	AL	9	0.40	0.50	9,120,885
Gorgas	AL	10	0.40	0.35	45,358,619

Southern Company Averaging Plan Participating Plants

Plant Name (from Step 1)

as Listed in Step 1.

NO_x Averaging - Page 4

Plant Name	State	ID #	(a)	(b)	(c)
			Emission Limitation	Alt. Contemp. Emission Limitation	Annual Heat Input Limit
Greene Co	AL	1	0.68	0.82	17,363,013
Greene Co	AL	2	0.46	0.50	19,145,604
Hammond	GA	1	0.50	0.83	6,007,234
Hammond	GA	2	0.50	0.83	5,605,352
Hammond	GA	3	0.50	0.83	6,386,989
Hammond	GA	4	0.50	0.45	26,721,145
Kraft	GA	1	0.45	0.58	3,578,077
Kraft	GA	2	0.45	0.58	3,745,253
Kraft	GA	3	0.45	0.58	7,231,649
L. Smith	FL	1	0.40	0.62	11,275,531
L. Smith	FL	2	0.40	0.44	9,250,882
McDonough	GA	1	0.45	0.42	18,180,480
McDonough	GA	2	0.45	0.42	17,346,682
McIntosh	GA	1	0.50	0.86	11,087,042
Miller	AL	1	0.46	0.37	47,413,738
Miller	AL	2	0.46	0.37	52,747,691
Miller	AL	3	0.46	0.28	44,422,395
Miller	AL	4	0.46	0.28	47,115,364
Mitchell	GA	3	0.45	0.62	6,652,246
Scherer	GA	1	0.40	0.50	52,573,864
Scherer	GA	2	0.40	0.50	55,563,600
Scherer	GA	3	0.45	0.29	53,365,333
Scherer	GA	4	0.40	0.30	70,093,731
Scholz	FL	1	0.50	0.68	2,365,039
Scholz	FL	2	0.50	0.77	2,429,511
Wansley	GA	1	0.45	0.41	53,141,279
Wansley	GA	2	0.45	0.42	49,741,786
Watson	MS	4	0.50	0.50	16,243,776
Watson	MS	5	0.50	0.65	35,347,433
Yates	GA	1	0.45	0.48	4,977,822
Yates	GA	2	0.45	0.48	4,976,029
Yates	GA	3	0.45	0.48	4,080,042
Yates	GA	4	0.45	0.40	6,554,969
Yates	GA	5	0.45	0.40	6,415,254
Yates	GA	6	0.45	0.33	19,199,860
Yates	GA	7	0.45	0.30	15,577,083

STEP 1
Continue the identification of units from Step 1, page 1, here.