

Facility Name: **Walton County Power, LLC**
 City: Monroe
 County: Walton County
 AIRS #: 04-13-297-00042

Application #: TV-13692
 Date Application Received: March 27, 2002
 Date Application Deemed
 Administratively Complete: April 30, 2002
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 Permit No: 4911-297-0042-V-01-0

Program	Review Engineers	Review Managers
SSPP	Brian Gregory	James Capp
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ISMP	Bradley Belflower	Larry Webber
Toxics	Not Applicable	Not Applicable

Introduction

This narrative is being provided to assist the reader in understanding the content of the attached draft Part 70 operating permit. Complex issues and unusual items are explained herein simpler terms and/or greater detail than is sometimes possible in the actual permit. This permit is being issued pursuant to: (1) Georgia Air Quality Act, O.C.G.A § 12-9-1, et seq. and (2) Georgia Rules for Air Quality Control, Chapter 391-3-1, and (3) Title V of the Clean Air Act Amendments of 1990. Section 391-3-1-.03(10) of the Georgia Rules for Air Quality Control incorporates requirements of Part 70 of Chapter I of Title 40 of the Code of Federal Regulations promulgated pursuant to the Federal Clean Air Act. The primary purpose of this permit is to consolidate and identify existing state and federal air requirements applicable to Walton County Power, LLC and to provide practical methods for determining compliance with these requirements. The following narrative is designed to accompany the draft permit and is presented in the same general order as the permit. It initially describes the facility receiving the permit, the applicable requirements and their significance, and the methods for determining compliance with those applicable requirements. This narrative is intended as an adjunct for the reviewer and to provide information only. It has no legal standing. Any revisions made to the permit in response to comments received during the public participation and EPA review process will be described in an addendum to this narrative.

I. Facility Description**A. Facility Identification**

1. Facility Name: Walton County Power, LLC

2. Parent/Holding Company Name

The parent company of the facility is Progress Ventures, Inc, which is a Progress Energy Company.

3. Previous and/or Other Name(s)

The facility was previously known as Louisville Gas and Electric (LG&E) Monroe Power plant. Progress Ventures, Inc. completed the purchase of the facility from LG&E on February 15, 2002

4. Facility Location

920 Birch Street
Monroe, Georgia 30659

5. Attainment or Non-attainment Area Location

The facility is located in an attainment area. However, it is located in Walton County, which is considered an area that contributes to the status to the Atlanta Metro Nonattainment Region.

6. Class I Area Impacts

The facility is not located within 100 km of a Class I area.

B. Site Determination

The Walton County Power facility (AFS 297-00042) is adjacent to the MPC Generating, LLC facility (AFS 297-00040), which has a parent company of Progress Genco Ventures, LLC. The two facilities are under different parent companies, however Progress Energy owns their respective parent companies.

The two facilities have independent operating staff, but because of the ownership the facilities are considered under common control. The two facilities share the same property line and are considered adjacent. Finally, the two digit SIC code is the same for the facilities. Therefore, the facilities are considered one Title V source.

C. Existing Permits

Table 1: List of Current Permits as Amended

Permit Number and/or Purpose of Issuance	Date of Issuance and Date of Amendments (if any)	Comments	
		Yes	No
4911-297-0042-E-04-0	April 3, 2002	X	
4911-297-0042-E-05-0	April 3, 2002	X	

Table 2: Comments on Specific Permits

Permit Number	Comments
4911-297-0042-E-04-0	Operating permit issued to new owner, Progress Ventures, Inc.
4911-297-0042-E-05-0	Acid Rain permit issued to new owner, Progress Ventures, Inc.

D. Process Description

1. SIC Codes(s)

Major: 4911
Other: None

2. Description of Product(s)

The facility produces electricity for sale.

3. Overall Facility Process Description

The facility consists of three Siemens V84.3 combustion turbines, T1, T2, and T3, each with a base load rating of 162 MW @ 59 °F. All three turbines fire natural gas exclusively and utilize Dry Low NOx technology for pollution emission reductions. Each turbine exhausts through its own 70-ft stack.

The facility has a natural gas fired heater with a heat input capacity of 4.0 MMBtu/hr. This heater is used to condition and preheat the natural gas that is fed to the combustion turbines. Also included at the facility are a 100 kW emergency generator and a 100-hp emergency firewater pump. The generator and pump are fired with low sulfur (0.05 weight percent) No. 2 diesel.

4. Overall Process Flow Diagram (optional)

The facility has provided an overall process flow diagram in their Title V application.

E. Regulatory Status

1. PSD/NSR

The facility is a major source under PSD, because the facility is contiguous and adjacent to the MPC Generating facility (Permit No. 4911-297-0040-V-06-1), they are under common ownership/control, and they are under the same 2-digit SIC Code. Initially, the two facilities were not under common control when they were constructed, and thus were separate sites under PSD. (Note: The facility is not one of the 28 named source categories.)

2. Title V Major Source Status by Pollutant: Title V Site including Walton County Power and MPC Generating

Table 3: Title V Major Source Status

Pollutant	Is the Pollutant Emitted?	If emitted, what is the facility's Title V status for the pollutant?		
		Major Source Status	Major Source Requesting SM Status	Non-Major Source Status
PM	✓			✓
PM ₁₀	✓			✓
SO ₂	✓	✓		
VOC	✓			✓
NO _x	✓	✓		
CO	✓	✓		
TRS	✓			✓
H ₂ S	✓			✓
Individual HAP	✓			✓
Total HAPs	✓			✓

3. MACT Standards

This Title V site, including Walton County Power and MPC Generating, is not subject to a proposed or final MACT standard.

4. Program Applicability

Program Code	Applicable (y/n)
Program Code 6 - PSD	No
Program Code 8 – Part 61 NESHAP	No
Program Code 9 - NSPS	Yes
Program Code M – Part 63 NESHAP	No
Program Code V – Title V	Yes

Regulatory Analysis

II. Facility Wide Requirements

- A. Emission and Operating Caps: None applicable.
- B. Applicable Rules and Regulations: None applicable.
- C. Compliance Status: Refer to Section VII.F
- D. Operational Flexibility: Refer to Section VII.A
- E. Permit Conditions: None applicable.

III. Regulated Equipment Requirements

A. Brief Process Description

Three Siemens V84.3 combustion turbines, T1, T2, and T3, generate 162 MW of electricity, each. Each unit is fired with natural gas and exhausts through a 70-foot stack. The combustion turbines each have a Dry Low NOx burner technology incorporated into the design for pollution reduction. The facility also has heater H1 for preheating the natural gas, which likewise runs on natural gas. The facility has an emergency generator and firewater pump, both of which run on low sulfur distillate fuel.

B. Equipment List for the Process

Emission Units		Specific Limitations/Requirements		Air Pollution Control Devices	
ID No.	Description	Applicable Requirements/Standards	Corresponding Permit Conditions	ID No.	Description
T1	Siemens V84.3a Combustion Turbine	391-3-1-.02(2)(b) 391-3-1-.02(2)(g) 391-3-1-.02(2)(nnn) 40 CFR 60 Subpart GG Acid Rain	3.2.1, 3.2.2, 3.3.1, 3.3.2, 3.4.4, 3.4.7, 5.2.1, 5.2.2, 5.2.4, 5.2.5, 5.2.6, 5.2.7, 6.2.1, 6.2.2, 6.2.3, 6.2.6, 6.2.7, 6.2.9	None	DLN*
T2	Siemens V84.3a Combustion Turbine	391-3-1-.02(2)(b) 391-3-1-.02(2)(g) 391-3-1-.02(2)(nnn) 40 CFR 60 Subpart GG Acid Rain	3.2.1, 3.2.2, 3.3.1, 3.3.2, 3.4.4, 3.4.7, 5.2.1, 5.2.2, 5.2.4, 5.2.5, 5.2.6, 5.2.7, 6.2.1, 6.2.2, 6.2.3, 6.2.6, 6.2.7, 6.2.9	None	DLN*
T3	Siemens V84.3a Combustion Turbine	391-3-1-.02(2)(b) 391-3-1-.02(2)(g) 391-3-1-.02(2)(nnn) 40 CFR 60 Subpart GG Acid Rain	3.2.1, 3.2.2, 3.3.1, 3.3.2, 3.4.4, 3.4.7, 5.2.1, 5.2.2, 5.2.4, 5.2.5, 5.2.6, 5.2.7, 6.2.1, 6.2.2, 6.2.3, 6.2.6, 6.2.7, 6.2.9	None	DLN*
H1	Natural Gas Heater	391-3-1-.02(2)(d) 391-3-1-.02(2)(g)	3.2.1, 3.4.1, 3.4.2, 3.4.3, 5.2.3, 6.2.1, 6.2.8, 6.2.8	None	None
G1	Emergency Diesel Generator	391-3-1-.02(2)(g) 391-3-1-.02(2)(b)	3.2.1, 3.4.4, 3.4.5, 5.2.3, 6.2.4, 6.2.5, 6.2.8	None	None
P1	Fire Water Pump	391-3-1-.02(2)(g) 391-3-1-.02(2)(b)	3.2.1, 3.4.4, 3.4.5, 5.2.3, 6.2.4, 6.2.8	None	None

* DLN – Dry Low NOx

C. Equipment & Rule Applicability

Emission and Operating Caps

The facility is a synthetic minor source under the PSD regulations because its potential emissions were limited below 250 tpy at the time it was constructed and it continues to be limited below 250 tpy. Also, it is not one of the 28 named source categories under PSD. The combustion turbines T1, T2, T3; heater H1; generator G1; and pump P1 are therefore limited to less than 250 tpy of NOx emissions. The likelihood that any other criteria pollutants will exceed the 250 tpy threshold is negligible, and no other emissions caps for any other criteria pollutants are placed on the facility for PSD avoidance purposes.

Applicable Rules and Regulations

Combustion Turbines T1, T2, and T3

The specific State and Federal rules that apply to the combustion turbines are 40 CFR 60 Subpart GG – “Standards of Performance for Stationary Gas Turbines” which limits nitrogen oxide (NO_x) emissions and fuel sulfur content; Georgia Rule 391-3-1-.02(2)(b) and (g) which limits visible emissions and fuel sulfur content; Georgia Rule 391-3-1-.03(1) and (2) which limit the potential emissions in order to avoid PSD review; and Georgia Rule 391-3-1-.02(2)(nnn) which limits the NO_x emissions during the ozone season.

The combustion turbines use a hybrid burner technology to control carbon monoxide (CO), volatile organic compound (VOC), and NO_x emissions. The dry low NO_x hybrid burner design technology on the V84.3 combustion turbines has been shown to achieve 15 ppmv @ 15% oxygen NO_x emissions. This gives the Division reasonable assurance that the 40 CFR 60 Subpart GG NO_x limit of 113 ppmv at 15% oxygen will be met. For compliance with the short-term NSPS emission limit and annual emissions cap on NO_x, the combustion turbines will use a continuous emissions monitoring system (CEMS).

The facility is located in the counties contributing to the Atlanta non-attainment area and is subject to Georgia Rule 391-3-1-.02(2)(nnn). Therefore, the allowable NO_x emission rate is limited to 30 ppm at 15% oxygen, dry basis, during the ozone season, which is May 1 to September 30. This rule applies because the turbines were permitted prior to April 1, 2000 and fire natural gas. The rule will take effect May 1, 2003.

By firing only the clean burning fuel, natural gas, the combustion turbines are in reasonable assurance of compliance with the visible emissions limits of Georgia Air Quality Rule 391-3-1-.02(2)(b) and the fuel sulfur content in NSPS Subpart GG [40 CFR 60.332(b)], which subsumes Rule 391-3-1-.02(2)(g).

There is no allowable PM or VOC emission rate from these turbines specified by either a State or Federal rule, regulation, or permit condition.

Table 1: Combustion Turbine Emissions Limits

Parameter	Federal or State Limit
NO _x	113 ppmv @ 15% oxygen
NO _x (Ozone Season)	30 ppmv @ 15% oxygen
Fuel Sulfur Content	0.8% sulfur by weight
Visible Emissions	40% opacity
VOC	Not Applicable
PM	Not Applicable

Fuel Heater H1

The Gas Technology heater H1 is an indirect water bath heater and as such meets the definition of “fuel-burning equipment” in the Georgia Rule 391-3-1-.01(cc). Heater H1 is used to control the temperature of the natural gas prior to being introduced to the combustion turbines. This heater is rated at 4.0 MMBtu/hr and it is fired exclusively with natural gas.

Heater H1 is not subject to 40 CFR 60, Subpart Dc – “Standard of Performance for Small Industrial-Commercial-Institutional-Steam Generating units” because it has a maximum design heat input capacity less than 10 MMBtu/hr.

The allowable PM emissions limit of 0.5 lb/MMBtu from heater H1 is established in Georgia Rule 391-3-1-.02(2)(d)2.(1). The allowable opacity limit is specified by Georgia Rule 391-3-1-.02(2)(d)3 which is twenty (20) percent during a six-minute average except for one six-minute average per hour not to exceed 27%. The allowable sulfur content for the fuel combusted by this heater is specified in Georgia Rule 391-3-1-.02(2)(g), namely 2.5 weight percent. The use of natural gas as the fuel provides reasonable assurance that the PM emission limit, the visible emissions limit and the fuel sulfur content will not be exceeded.

Walton County will be required to track NOx emissions from H1 by monitoring the cumulative hours of operation and by multiplying that value by a NOx emission factor of 0.9 lb/hr. This factor comes from SIP Permit Application Number 12343 dated June 16, 2000 Section V.

Emergency Diesel Generator G1

The Caterpillar D100P1 is an internal combustion engine generator that has a power output of 100-kW. Generator G1 is subject to Georgia Rule 391-3-1-.02(b), which limits the visible emissions to 40% opacity.

The generator is also required to operate as an emergency generator. This means that the generator should only operate when the local utility is not available and during periods of testing, maintenance, and repair. Based on this operating limit, the heater will not be subject to Georgia Rule 391-3-1-.02(2)(mmm) – NOx Emissions from Stationary Gas Turbines and Stationary Engines used to Generate Electricity.

Georgia Rule 391-3-1-.02(2)(g) – “Sulfur Dioxide” applies to the generator G1. However, since the facility stated in their application that the maximum allowable fuel sulfur content in the firewater pump is 0.05% by weight, the Rule (g) fuel sulfur contents are subsumed.

The NOx emissions from the generator will be included in the 249 tpy PSD avoidance limit. The factor of 6.2 lb/hr and the hours of operation of the generator will be used to determine the NOx emissions from the generator.

Emergency Firewater Pump P1

The Clarke Detroit Diesel PDFPL is an internal combustion engine pump that has a design power output of 100-hp. Firewater Pump P1 is subject to Georgia Rule 391-3-1-.02(2)(b), which limits the visible emissions to 40% opacity.

Georgia Rule 391-3-1-.02(2)(g) – “Sulfur Dioxide” applies to the firewater pump P1. However, since the facility stated in their application that the maximum allowable fuel sulfur content in the firewater pump is 0.05% by weight, the Rule (g) fuel sulfur contents are subsumed.

Firewater pump P1 is included in the 249 tpy PSD avoidance limit for NOx emissions. The factor of 4.65 lb/hr and the hours of operation of the pump will be used to determine the NOx emissions from the pump.

- D. Compliance Status: Refer to Section VII.F
- E. Operational Flexibility: Refer to Section VII.A
- F. Permit Conditions

The permit conditions are described above in the Equipment and Rule Applicability section. There are no unusual conditions that need to be highlighted here.

IV. Testing Requirements (with Associated Record Keeping and Reporting)**A. General Testing Requirements**

This facility is not currently required to perform any emissions testing. However, a condition specifying that the Division can require testing on any emissions unit is included. The test methods used to determine compliance with the limitation in Part 3 are listed and a general condition requiring notification of any test and submission of a test are also provided.

B. Specific Testing Requirements

Not Applicable.

V. Monitoring Requirements (with Associated Record Keeping and Reporting)

A. General Monitoring Requirements

Condition 5.1.1 requires that all monitors be operated continuously except during breakdowns and repairs. Any repair maintenance should be completed in an expeditious manner so downtime is minimized. All data should be recorded during any calibration activity to help verify that the calibration was performed and completed properly.

B. Specific Monitoring Requirements

Turbines T1, T2, and T3, are subject to the requirements of Subpart GG and Georgia Rule (nnn) for NO_x emissions; Subpart GG and Georgia Rule (g) for fuel sulfur content; and Georgia Rule (b) for visible emissions. As noted in Part 3 of this narrative, NSPS GG limits the NO_x emissions to a maximum of approximately 113 ppmvd, at 15% oxygen for T1, T2, and T3. Rule (nnn) limits the NO_x emissions from the turbines to 30 ppmvd at 15% oxygen during the ozone season. NO_x emissions are monitored with a Continuous Emissions Monitoring System (CEMS), which is required by the Acid Rain regulation and Section 2.121 of the Division's Procedures for Testing and Monitoring Sources of Air Pollution. Monitoring is also specified to collect the data required to make the ISO corrections to the NO_x concentrations, which requires the collection of the combustor inlet absolute pressure. Any one-hour average NO_x concentration from any turbine which exceeds 113 ppmvd, at 15% oxygen and ISO for T1, T2, and T3, must be reported as an exceedance. Similarly, any 3-hour average NO_x concentration from any turbine that exceeds 30 ppmvd at 15% oxygen during the ozone season must be reported as an exceedance.

The CEMS is also used to determine the contribution of NO_x emissions on an annual basis from the turbines to verify compliance with the facility-wide PSD Avoidance NO_x emission limit of 249 tpy. CEMS data combined with fuel usage monitoring and procedures specified in the permit conditions are used to monitor NO_x emissions to assure compliance with the PSD avoidance limit.

The facility must record the sulfur content in the natural from the semiannual analysis by the supplier. This record provides assurance of compliance from the facility that the 0.8% sulfur content limitation is being met.

Natural gas is a clean burning fuel, producing very minor amounts of particulate matter, therefore the likelihood of violating the forty (40) percent opacity standard in Georgia Rule 391-3-1-.02(2)(b) is minimal. Thus no additional periodic monitoring is prescribed.

Heater H1 is subject to Georgia Rules 391-3-1-.02(2)(d) and (g) for PM emissions, visible emissions, and for fuel sulfur content; and Georgia Rule 391-3-1-.03(2)(c) to limit NO_x emissions for PSD Avoidance purposes. This heater is fired exclusively with natural gas. Natural gas is a clean burning fuel and therefore the likelihood of violating the opacity and PM emission standards in Georgia Rule (d) are minimal. Hence, no additional periodic monitoring is prescribed to verify compliance with these standards. Natural gas contains negligible amounts of sulfur and thus the likelihood of violating the fuel sulfur content limit in Georgia Rule (g) is

minimal. Consequently, no additional periodic monitoring is prescribed to verify compliance with these standards.

The facility must keep verification that the fuel oil received for combustion in generator G1 and firewater pump P1 is No. 2 fuel oil with a sulfur content of less than 0.05%. This provides assurance of compliance with the fuel sulfur content limit of 0.05% and Georgia Rule (g). Also, the possibility that the Georgia Rule (b) opacity limit will be exceeded is minimal while burning No. 2 fuel oil, therefore no additional monitoring is needed.

The facility is also required to monitor the operating hours of the heater H1, generator G1, and the firewater pump P1. This is done in order to calculate the NOx emissions for this equipment and to show their contribution to the 249 tpy NOx emissions limit.

VI. Other Record Keeping and Reporting Requirements

A. General Record Keeping and Reporting Requirements

The Permit contains general requirement for the maintenance of all records for a period of five years following the date of entry and requires the prompt reporting of all related information to deviations from applicable requirements. Records, including identification of any excess emissions, exceedances, or excursions from the applicable monitoring triggers, the cause of such occurrences, and the corrective action taken, are required to be kept by the Permittee and reporting is required on a semiannual basis.

B. Specific Record Keeping and Reporting Requirements

The turbines are subject to a maximum allowable fuel sulfur content of 0.8 weight percent in accordance with NSPS GG [40 CFR 60.333(b)]. Subpart GG [40 CFR 60.334(b)(2)] requires daily monitoring of the sulfur content and nitrogen content of the natural gas. Walton County Power's existing permit requires that the sulfur content of the natural gas be tracked and recorded on a semi-annual basis and it removes the requirement to track the nitrogen content. The facility will be required to maintain semi-annual certifications, provided by the fuel supplier, of the sulfur content of natural gas burned in the turbines and any semi-annual analysis of which shows a sulfur content in excess of 0.8 weight percent must be reported as an excess emissions, as defined by subpart GG. Semiannual analysis by the fuel supplier is an alternate fuel sampling frequency for gas turbines subject to subpart GG and was approved by the U.S. EPA Region 4; March 31, 1988.

Compliance with the twelve month rolling total NO_x emission rate from the six significant emission units is tracked by using the NO_x CEMS data and the facility operational data to compute the combined NO_x mass emission rate. The NO_x mass emission rate from the turbines is to be computed by multiplying the total NO_x emissions in units of lb/MMBtu, as determined in accordance with the procedures of 40 CFR Part 75, by the total heat input. If the emission rate (lb/MMBtu) data is missing from the CEMS unit, data substitution can be used as described in 40 CFR 75 Subpart D. The contribution of the heater, generator and firewater pump toward the 249-tpy limit is determined through the procedures of Condition 6.2.8 in the permit. The facility is required to maintain monthly records, which specify the twelve consecutive month total NO_x emissions (in tons) from T1, T2, T3, H1, G1, and P1, combined. Failure to maintain NO_x emissions from T1, T2, T3, H1, G1, and P1, combined, below or equal to 249 tons during any twelve consecutive months must be reported as an exceedance.

Condition 6.1.4 outlines the quarterly reporting requirements. Walton County Power must include the twelve consecutive month total NO_x emissions (tons) from T1, T2, T3, H1, G1, and P1, combined for each month in the reporting period. In addition if there are no NO_x emission exceedances, as defined by Condition 6.1.7.b.ii, Walton County Power must so note that in the quarterly report to the Division.

The facility must maintain a written record of when generator G1 is used and for what purpose. This is required to assure that the generator is being used in emergency situations, or during periods of testing, maintenance, or repair.

VII. Specific Requirements**A. Operational Flexibility**

This permit includes the standard conditions allowing section 502(b)(10) changes and off-permit changes. Additional operational flexibility provisions do not need to be incorporated into this Title V permit as their permit already provides sufficient flexibility for the facility. The applicant did not include any alternative operating scenarios in their Title V application.

B. Alternative Requirements

There are no alternative requirements that need to be incorporated into the title V Permit.

C. Insignificant Activities

Walton County Power has 13 petroleum liquid storage tanks with a capacity less than or equal to 10,000 gallons, as indicated in Section 4.10 of the Title V application.

D. Temporary Sources

This section is not applicable to this facility. 40 CFR 70.6(e) requires the Georgia EPD to provide for the permitting of certain types of temporary sources. This facility currently has no such sources and is unlikely to have such sources in the future. However, they may add temporary sources provided that the facility follows any necessary regulatory procedures for the operation of such sources. This may include amending the Title V permit, if necessary.

E. Short-Term Activities

There are no short-term activities that need to be incorporated into the Title V permit.

F. Compliance Schedule/Progress Reports

The facility is in compliance with all Air Quality Regulations. Therefore, no compliance schedule or progress reports are necessary.

G. Emissions Trading

The facility is not involved in any emissions trading programs other than the Acid Rain Program.

H. Acid Rain Requirements

This facility is subject to requirements in Title IV of the Clean Air Act. They are subject to 40 CFR 72 (permits), 73 (sulfur dioxide), and 75 (monitoring). They are not subject to the nitrogen oxide provisions (40 CFR 76) of the Acid Rain regulations because the turbines do not have the capability to burn coal. Each of the turbines is an affected unit under the Acid Rain regulations.

The Walton County Power facility was issued a Phase II Acid Rain permit on October 20, 1999 (Permit No. 4911-297-0042-E-02-0). The facility is required, under 40 CFR 75, to monitor certain pollutants and parameters, including NO_x emissions, SO₂ emissions, CO₂ emissions, and heat input. These pollutants and parameters are reported directly to the EPA, electronically, on a quarterly basis. On May 17, 2001, Walton County Power completed the Certification Program for their CEMS, in accordance with Part 75.

The Phase II Permit Application for the Walton County Power facility is attached to the Title V Permit as part of the Permit to ensure that all Acid Rain applicable requirements are incorporated in the Title V permit.

I. Prevention of Accidental Releases

This facility is not subject to the requirements of 40 CFR 68.

J. Stratospheric Ozone Protection Requirements

The facility does not operate equipment that is subject to the Title VI regulations.

K. Pollution Prevention

There are no pollution prevention provisions incorporated into this Title V Permit.

L. Specific Conditions

None Applicable.

VIII. General Provisions

Generic provisions have been included in this permit to address the requirements in 40 CFR Part 70 that apply to all Title V sources, and the requirements in Chapter 391-3-1 of the Georgia Rules for Air Quality Control that apply to all stationary sources of air pollution.

Addendum to Narrative

The 30-day public comment period for the draft Title V permit for Walton County Power, LLC, in Monroe, Georgia ended on January 3, 2003. Walton County Power, LLC submitted comments to the Division on January 2, 2003. The Sierra Club also submitted two sets of comments to the Division on January 2 and 3, 2003. The comments are summarized and addressed below:

SIERRA CLUB COMMENTS – Mailed on January 2, 2003***1. General Comments******1.1 THE PERMIT SHOULD REQUIRE THE PERMITTEE TO SUBMIT ALL MONITORING INFORMATION TO EPD.***

According to 40 CFR § 70.6(a)(3)(iii)(A) and 42 U.S.C. § 7661(c)(a), permits issued by state agencies must require the permittee to submit reports on all required monitoring at least every 6 months. The reporting of excess emissions, exceedances, and/or excursions by Condition 6.1.4 does not meet this requirement. As we have stated in earlier comments, Section 5.3.1 should require submission of the records from the specific monitoring systems and activities required under Section 5.2, at least semiannually. (See also our specific comment 2.4 below with regard to monitoring and reporting requirements under Section 6.2.)

A Title V permit is supposed to enable the public to track emission levels and the degree to which a permittee complies with air pollution laws and regulations. Access to monitoring data is therefore indispensable.

EPD Response:

The section of the United States Code cited by the commenter requires that the Permittee submit, no less than every six months, results of any required monitoring. CFR Chapter 40, Part 70.6(a)(3)(iii) and Georgia Rule 391-3-1-.03(10)(d)1.(i), which codifies this federal requirement, require the submittal, at least every six months, of reports of any required monitoring. These citations do not require the submittal of copies of all monitoring data recorded by the Permittee, as is implied by the final line of the comment above; rather, they require submittal of reports on the results of this monitoring. The conditions within the draft permit are sufficient to meet these requirements. Note that Condition 5.3.1, noted in the comment above, is not a general reporting requirement meant to satisfy the requirements of §70.6(a)(3)(iii)(A).

The EPA has noted in a July 7, 1993 document entitled “Questions and Answers on the Requirements of Operating Permits Program Regulations” that the Permittee is not required to submit raw data on monitoring/testing as part of its monitoring reports. The Permittee is required to keep required monitoring data and support information. Support information includes all calibration and maintenance records for continuous monitoring, and copies of all reports required by the permit. Reports are required to contain the results of the monitoring required in the permit.

For further information, please see the formal response from EPA to the Sierra club related to this issue, an excerpt of which is included here for reference purposes:

“40 CFR Part 70 does not specify what form the monitoring report must take. Although the semi-annual monitoring reports required by EPD focus on the reporting of deviations, one can conclude that the monitoring results which are not reported as deviations are considered to be in compliance with the applicable permit terms or conditions by definition. This interpretation is further supported by the fact that EPD still requires reports stating that there were no deviations when there were, in fact, no

deviations for a given reporting period. EPD's permits include considerable detail regarding what must be included in a semi-annual monitoring report."

[Letter from Winston A. Smith, Director, Air Pesticide and Toxics Management Division, US EPA, to Robert Ukeily, Counsel for the Sierra Club, dated March 29, 2002]

1.2 *THE PERMIT SHOULD ALLOW ALL CREDIBLE EVIDENCE UNAMBIGUOUSLY.*

The permit should contain a condition which makes it clear that all credible evidence is admissible. Condition 8.23.1, titled "Use of Any Credible Evidence or Information", is incoherent and unintelligible. Furthermore, the cited reference [391-3-1-.02(3)(a)] has no bearing on the issue. This condition cannot be considered practicably enforceable in its present form.

EPD Response:

EPD believes this issue has been previously addressed and resolved. However, in order to review a partial history of this issue, an excerpt from the US EPA's formal response to this topic is included here:

"For clarification purposes, Condition 4.1.3 identifies the required reference methods to be used to satisfy any testing requirements; it is not intended, in any way, to limit the use of credible evidence. In fact, Condition 4.1.3 allows the use of all credible evidence and information. Georgia Rule 391-3-1-.02(3)(a), which serves as the underlying authority for Condition 4.1.3, references EPD's *Procedures for Testing and Monitoring Sources of Air Pollutants*, which permits the use of all credible evidence. Section 1.3(g) of this document states that "nothing. . . shall preclude the use, including the exclusive use, of any credible evidence or information." Both the rule and referenced procedures are approved parts of Georgia's State Implementation Plan (SIP). Although the language in Condition 6.1.3 may appear to limit the use of credible evidence, EPA believes that this was not the intention of EPD and that such language does not ultimately limit the use of credible evidence because the Georgia SIP expressly prohibits such an exclusion.

Nonetheless, for further clarification, EPD has added a general condition to the permit template which expressly states that nothing shall preclude the use of any credible evidence. This will ensure that such language will be included in the title V permits issued or renewed in the future by EPD."

[Letter from Winston A. Smith, Director, Air Pesticide and Toxics Management Division, US EPA, to Robert Ukeily, Counsel for the Sierra Club, dated March 29, 2002]

1.3 *CONDITION 8.15.1 IS NOT ONLY ENFORCEABLE BY THE STATE.*

Condition 8.15.1 is labeled as enforceable only by the state. As we have noted in earlier comments, this is actually a federal requirement contained in 42 U.S.C. § 7423. Therefore, this condition should not be labeled as state only enforceable condition.

EPD Response:

42 U.S.C. § 7423, titled "Stack Heights", does not relate to the circumvention of applicable standards which is the topic of Condition 8.15.1. Regardless, Condition 8.15.1 is directly from the Georgia Air Quality Rules. It is not part of Georgia's SIP nor is it an applicable federal regulation. Therefore, it has been appropriately classified as a State Only Enforceable condition.

1.4 *CONDITION 2.3 MUST INCLUDE SIP GENERAL PROVISIONS.*

Condition 2.3 provides facility-wide SIP rule standards. As such, it must include the requirements of section 391-3-1-.02(2)(a)1 of the Georgia Rules for Air Quality. Briefly, that the facility shall not “cause, permit, or allow the emission ... of such quantities of air contaminants as will cause, or tend to cause, by themselves or in conjunction with other air contaminants a condition of air pollution ... which is injurious or which unreasonably interferes with the enjoyment of life or use of property in such area of the State as is affected thereby. Complying with any of the other sections ... shall in no way exempt ... from this provision.”

EPD Response:

Georgia Rule 391-3-1-.02(2)(a)1 is included in the permit in Condition 8.17.2.

2. SPECIFIC COMMENTS

2.1 *PSD AVOIDANCE NOT PRACTICABLY ENFORCEABLE.*

*For PSD avoidance, Condition 3.2.1 caps the emissions of nitrogen oxides from Walton County Power operations at 249 tons during any twelve consecutive months. Condition 6.1.7.b.i defines emissions greater than 249 tpy as reportable exceedances. However, the consecutive twelve-month NOx emissions are to be calculated from data generated by the continuous monitoring system (see Conditions 6.2.6 – 6.2.9). Such data cannot be regarded as 100% accurate. If the twelve-month emissions are to be determined as indicated, the PSD-avoidance cap should be set at a level that assumes no more than 95% accuracy, that is, 237 tpy (237*1.05=249). Otherwise, Condition 3.2.1 will not be enforceable as a practical matter.*

EPD Response:

The Division believes it has provided sufficient monitoring and recordkeeping to provide adequate assurance of compliance with the PSD avoidance limits placed on the facility.

2.2 *THE PERMIT LACKS PROVISIONS FOR CARBON MONOXIDE.*

The Narrative classifies the permittee as a major source of carbon monoxide but does not provide data on levels of CO emissions. In any case, the permit should contain a cap for CO emissions along with monitoring or periodic testing requirements.

EPD Response:

There are currently no Federal or State regulations for CO emissions from simple-cycle combustion turbine facilities. The Division believes the limit on the NOx emissions provides reasonable assurance that CO emissions will be below the PSD major source threshold. The facility performed a performance test on the three combustion turbines on May 11, 2001, which showed that the CO emissions are significantly lower than the NOx emissions. Therefore, the facility will remain well below the CO emission thresholds if the facility maintains the NOx emissions below the limit.

2.2 *AVERAGES SHOULD BE DEFINED.* (The Sierra Club comments repeated the number 2.2)

Condition 6.1.7 requires reporting exceedances in average 1-hour NOx concentrations (6.1.7.b.ii) and in average 3-hour NOx emission rates (6.1.7.b.iii). The permit should include explicit definitions of these averages. For example, the average 1-hour adjusted NOx concentration can be defined as in paragraph 7.4 of Method 20 in the Division’s Procedures for Testing and Monitoring Sources of Air Pollutants, e.g., “calculate the

average adjusted NO_x concentration by summing the adjusted values for each sample point and dividing by the number of points for each hour". This would prevent possible ambiguities and render Condition 6.1.7 enforceable as a practical matter.

EPD Response:

The Division believes that citing the "Procedures for Testing and Monitoring Sources of air Pollutants", which specifies averaging times, is adequate, and thus there is no need to duplicate this particular definition in the permit.

2.3 *CONDITIONS LACK PROPER REFERENCES.*

According to 40 CFR 70.6(a)(1)(i), "[t]he permit shall specify and reference the origin of and authority for each term or condition."

2.3.1 Monitoring Requirements.

The specific monitoring requirements under Section 5.2 do not comply with this rule. This section contains six conditions, all citing the same two general references - 391-3-1-.02(6)(b)1 and 40 CFR 70.6(a)(3)(i). Only one of the conditions (5.2.4) cites one additional general reference - 391-3-1-.02(2)(nnn), and the last two conditions also cite Alternative Testing and Monitoring for Combustion Turbines Approved by U.S. EPA Region 4, May 26, 2000.

The latter document is apparently not yet available on the Internet. In any case, it will be very helpful to all concerned to see the specifics in the body of the permit (assuming that the Region 4 document does spell them out). As a minimum, Condition 5.2.5 should include a definition of the average adjusted one-hour NO_x concentrations (see above); and Condition 5.2.6 should specify the meaning of 'hourly' in "hourly records of ambient temperature, relative humidity, and barometric pressure". The conditions are not practicably enforceable otherwise.

Condition 5.2.2 requires the permittee to operate a continuous monitoring system for the quantity of natural gas burned in each combustion turbine and for the combustor inlet absolute pressure on each of the combustion turbines. The cited general references are not specific enough. Consequently, it is not immediately clear why the permit requires monitoring these parameters. Adequate references may clarify the purpose of the condition.

EPD Response:

In regards to the citing of the general references corresponding to monitoring, recordkeeping, and reporting, the State and Federal regulations do not explicitly prescribe monitoring, recordkeeping and, reporting with the associated limits. However, the State and Federal regulations have given the permitting authority the ability to prescribe a method of monitoring, recordkeeping, reporting that provides a reasonable assurance of compliance with the imposed limits.

For further clarification regarding defining "hourly" and "averages", refer to the Division response to Comment 2.2 (the second 2.2).

Condition 5.2.2 requires the facility to monitor the natural gas flow and combustor inlet pressure in order to perform the necessary calculations to assure compliance with the limits in the permit. The natural gas flow (total heat input) is used to determine the actual NO_x pound per hour emissions in Condition 6.2.6, and the

combustor inlet pressure is used in Condition 5.2.5 to correct the nitrogen oxides concentration to ISO conditions. These requirements are necessary to provide the Division with a reasonable assurance of compliance for the facility and the prescribed limits.

2.3.2 Record Keeping and Reporting Requirements.

The specific record keeping and reporting requirements under Section 6.2 contain nine conditions which only cite one or both of the same two general references as in Section 5.2.

Condition 6.2.8 is especially deficient. It contains no references at all, yet it provides factors for calculating monthly NO_x emissions from emission units G1, P1, and H1. The accompanying Narrative states that the factor for H1 comes from SIP Permit Application Number 12343 dated June 16, 2000. There is no reference anywhere to the origin of the remaining two factors. Since the permit does not even require any periodic testing for the three factors, the permit must unquestionably cite the authority for using them and include a proper justification for not requiring periodic testing.

EPD Response:

The facility provided the manufacturers' specification to the Division in the comments mailed on January 2, 2003. Please see Walton County Power, LLC Comment 7 for further clarification. The Division agrees that a citation is needed for the condition, and the appropriate citation was added.

2.4 ALL COMPLIANCE RECORDS SHOULD BE SUBMITTED TO THE DIVISION.

Title V is supposed to make it possible for the public to determine the degree to which facilities comply with air pollution laws and regulations. Hence the Division should aim to provide open access to all compliance records. This applies especially to the requirements under Section 6.2 of the permit.

EPD Response:

The Division provides public access to all files pertaining to the permitting process, facility correspondence, and all facility compliance reports received by the Program at the Air Protection Branch, 4244 International Parkway, Suite 120, Atlanta, Georgia 30354.

2.4.1 Sulfur Content.

Conditions 6.2.1 and 6.2.4 require semiannual supplier certifications of the sulfur content in their fuel shipments. The Division should require submission of these certifications to the Division, along with evidence from the permittee that the only fuel combusted in the facility was the certified fuel.

2.4.2 Generator Operation.

Condition 6.2.5 requires the permittee to maintain a written log specifying the time and purpose of each period of operation of the backup generator. A copy of this log should be submitted to the Division at least semiannually.

2.4.3 NO_x Data.

Condition 6.2.10 requires the permittee to submit a semiannual report of nitrogen oxide emissions, based on data and calculations specified in Conditions 6.2.6 – 6.2.9. The records from the latter

conditions (6.2.6, 6.2.7, 6.2.8, and 6.2.9) should be submitted to the Division along with the semiannual reports.

EPD Response:

With regards to the sulfur reporting and generator operation, the facility is only required to maintain the records at the facility site. The Division is only required to determine facility compliance with the limits imposed on the facility. If the facility is out of compliance with any of the limits then, the facility must report the deviation.

The Division is not required to obtain the NOx emission calculations performed by the facility. The Division is required to obtain the results of the monitoring and recordkeeping that proves that the facility is in compliance with annual NOx emission limit imposed on the facility.

Please refer to Comment 1.1 regarding the submission of monitoring records and reports, for further clarification.

2.5 AMBIGUOUS CONDITIONS ARE NOT PRACTICABLY ENFORCEABLE.

Section 7.1.1. allows the facility to make certain changes provided it meets certain conditions. Among other things, the facility is required to submit a prior notification to the Division. Paragraph 7.1.1.a specifies the content of the notification: it is to include a description of the change, the date on which it is proposed to occur, and "any change in emissions". To clarify this condition, the text should be amended to read "any change in emissions as a result of the change".

A corresponding change should be made in the text of condition 7.2.1.b.

EPD Response:

The Division believes no changes need to be made to either Condition.

2.6 SECTION 112(r) PROBLEM.

Condition 7.10.1 is to apply "when and if the requirements of 40 CFR Part 68 become applicable." In order to make the permit enforceable as a practical matter, the permit must state whether Section 112(r) applies. See IN THE MATTER OF KINGS PLAZA, ORDER RESPONDING TO PETITIONER'S REQUEST TO OBJECT, Petition No.: II-2000-03, at pp. 30-31, Issue 5.

EPD Response:

Condition 7.10.1 does not need to be changed.

2.7 TYPOGRAPHICAL ERRORS RENDER CONDITIONS UNENFORCEABLE.

Condition 6.2.1 states: "The sulfur content of the natural gas burned in combustion turbines T1, T2, T3, and heater H1 shall be monitored by the submittal or [my emphasis] a semiannual analysis of natural gas by the supplier." Please correct 'or' to 'of'.

EPD Response:

The Division agrees and the Condition was changed appropriately.

2.8 THE NARRATIVE REQUIRES ENHANCEMENT.

To provide a complete factual and legal basis for the corresponding permit, the Narrative must include an explanation for the statement in its Section 3 that the Title V site which encompasses Walton County Power is not subject to any existing or future MACT.

Note also that Section C makes Walton County authorities responsible for compliance when it states that "Walton County will be required to track NOx emissions from H1 by monitoring the cumulative hours of operation and by multiplying that value by a NOx emission factor of 0.9 lb/hr". The responsible party is probably Walton County Power, not Walton County.

EPD Response:

The Division agrees and all references made to Walton County refer to Walton County Power.

2.9 DATA IN THE DRAFT PERMIT SHOULD BE ACCURATE.

In Section 1.3 of the draft permit, the heater is defined as a 4.0 MMBtu/hr unit. According to application data, this is a 5.48 MMBtu/hr heater with a 6.3 MMBtu max. The permit should be corrected.

EPD Response:

The Title V application submitted on March 25, 2002 and posted on the Division web page lists the heater as 4.0 MMBtu/hr. No change will be made to the permit.

SIERRA CLUB COMMENTS – Mailed on January 3, 2003**1) A Title V Permit Cannot have an Effective Date 18 Months After EPD Received the Application**

The draft permit available on EPD's web page says that the permit is effective January 1, 2004. However, the Application summary indicated that EPD received the application on March 27, 2002. O.C.G.A § 12-9-7(i) provides that if the director does not make a decision to issue, deny, or review a Title V permit within 18 months after EPD receives the application, the application is considered refused and is considered denied 30 days later unless applicant administrative appeals the failure to issue the permit. Creating an effective date more than 18 months after EPD received the application is contrary to the intent of O.C.G.A § 12-9-7(i).

EPD Response:

The Division will issue the permit when the Director has signed it. 40 CFR 70 does not prohibit the Division from having a future effective date for an issued permit. No changes will be made to the permit.

WALTON COUNTY POWER, LLC COMMENTS – Mailed on January 2, 2003**1. Condition 3.1 Emission Units**

For the Natural Gas Heater (H1), corresponding permit condition 6.2.8 is listed twice and appears to be a typographical error. The second reference to 6.2.8 should be changed to 6.2.9.

EPD Response:

The Division agrees and changes were made appropriately.

2. Condition 4.1.3c General Testing Requirements

Please consider restating the permit Condition 4.1.3c., under General Testing Requirements, as follows:

“Method 3 or 3A shall be used for the determination of gas stream molecular weight and excess air correction factor.”

The above statement is clear, unambiguous, and most importantly consistent with the language provided by the agency in the corresponding condition in the Title V permit for the MPC Generating Company, (formerly known as Monroe Power Plant), Monroe, Walton County.

EPD Response:

The Division does not generally disagree with the wording and the appropriate changes were made to the permit. The phrase “and excess air correction factor” was not included.

3. Condition 4.1.3d General Testing Requirements

Please consider restating the permit Condition 4.1.3d., under General Testing Requirements, as follows:

“Method 3B shall be used for the determination of the emissions rate correction factor or excess air. As an alternative to Method 3B, Method 3A may be used.”

The above statement is clear, unambiguous, and most importantly consistent with the language provided by the agency in the corresponding condition in the Title V permit for the MPC Generating Company, (formerly known as Monroe Power Plant), Monroe, Walton County.

EPD Response:

The Division does not disagree with the wording and the appropriate changes were made to the permit.

4. Condition 5.2.1a, Specific Monitoring Requirements

Please consider restating the permit Condition 5.2.1c. as follows:

“A Continuous Emission Monitoring System (CEMS) for measuring NO_x concentration and diluent (either oxygen or carbon dioxide) discharge to the atmosphere from each combustion turbine, T1, T2, and T3. The one-hour average nitrogen oxides emission rates shall be recorded in pound per million Btu heat input, on a lower heating value basis, and ppm, corrected to 15percent oxygen on a dry basis.”

The above statement is clear, unambiguous, and most importantly consistent with the language provided by the agency in the corresponding condition in the Title V permit for the MPC Generating Company, (formerly known as Monroe Power Plant), Monroe, Walton County.

EPD Response:

The Division does not generally disagree with the wording change and the appropriate changes were made to the permit. The phrase “on a lower heating value basis” was removed.

5. *Condition 5.2.5 and 5.2.6, specific Monitoring Requirements*

The corresponding condition in the Title V for the MPC Generating Company, (formerly known as Monroe Power Plant), Monroe, Walton County, states that the condition for measurement of meteorological variables and ISO correction of NOx emissions becomes effective 120 days from the date of issuance of the Permit. We respectfully request that Conditions 5.2.5 and 5.2.6 in the Walton County Power air permit also become effective 120 days from the issuance of the permit. This will allow time for the facility to implement this requirement, which is not explicitly stated as a condition within the current permit.

EPD Response:

The permit will not go into effect until January 1, 2004. This will provide the facility with an ample amount of time to implement any changes that are required by the Title V permit.

6. *Condition 6.1.7.b(iii), Exceedances*

We request that a sentence be added to the Condition to make it clear that periods of allowed excess emissions during startup, shutdown, or malfunction are excluded from the calculation of the 3-hour average, as long as the conditions defined in Georgia's rule on excess emission [Rule 391-3-.02(2)(a)7] are met. This change would add clarity for plant operations and administrative staff concerning compliance requirements for the facility.

EPD Response:

The Division requires that all necessary data be submitted for the three-hour average, indicating periods of startup, shutdown, and malfunction. The facility is subject to Georgia Rule 391-3-1-.02(2)(a)7 and to specify so, this condition was added as Condition 7.14.1. Rule 391-3-1-.02(2)(a)7 may allow for excess emissions in certain cases provided that (1) the best operational practices to minimize emissions are adhered to, (2) all associated air pollution control equipment is operated in a manner consistent with good air pollution control practice for minimizing emissions and (3) the duration of excess emissions is minimized.

7. *Condition 6.2.8, specific Record Keeping and Reporting Requirements*

The facility indicates that the equipment specifications listed in Section 3.30 of the Title V handout explicitly define the NOx emission factors for the Emergency Generator and Firewater Pump. The facility also provided further documentation in the comments regarding the equipment specifications.

The emission factor for the Emergency Generator, G1: 2.53 pounds of NOx per hour

The emission factor for the Fire Water Pump, P1: 2.0 pounds of NOx per hour

EPD response:

The Division agrees to make the changes to the permit. The emission factors in Conditions 6.2.8a and 6.2.8b will be changed to 2.53 lb/hr of NOx and 2.0 lb/hr of NOx, respectively.

8. *Condition 6.2.10, Specific Recordkeeping and Reporting Requirements*

The sentence in the middle of the paragraph that reads "The reports shall contain the 12-consecutive." Is believed to be a typographical error and should be deleted.

EPD Response:

The Division agrees, and the appropriate changes were made.

9. Title V Application Review Document

We request that within the Facility Description section of this review document that the status of the plant with respect to PSD be clarified by noting that PSD rules apply prospectively following the change in ownership of the facility. This status would be consistent with communication previously offered by Mr. Jac Capp of GA-EPD to Mr. Michael Kennedy, Progress Energy.

EPD Response:

Please refer to Section E.1 Regulatory Status: PSD/NSR for clarification on the PSD status of the facility. To further explain the site status, prior to the ownership change of the Walton County Power facility the facility was Minor under PSD. After the ownership change, the facility was classified as a major source under PSD, because the facility is contiguous and adjacent to the MPC Generating facility (AIRS No. 297-00040).