

March 5, 2008

Mr. Allen Wallace, Power Plant Manager
Public Works Commission
P.O. Box 1089
Fayetteville, North Carolina 28302-1089

Dear Mr. Wallace:

SUBJECT: Air Quality Permit No. 03029T15
Facility ID: 06/26/00094
Public Works Commission - Butler-Warner Generation Plant
Fayetteville
Cumberland County
Fee Class: Title V

In accordance with your completed Air Quality Permit Application for a **renewal** of a Title V permit received March 1, 2007, we are forwarding herewith Air Quality **Permit No. 03029T15** to the Public Works Commission-Butler-Warner Generation Plant, located in Fayetteville, Cumberland County, North Carolina authorizing the construction and operation, of the emission source(s) and associated air pollution control device(s) specified herein. Additionally, any emissions activities determined from your Air Quality Permit Application as being insignificant per 15A North Carolina Administrative Code 2Q .0503(8) have been listed for informational purposes as an "ATTACHMENT." Please note the requirements for the annual compliance certification are contained in General Condition P in Section 3 of Part I. **The current owner is responsible for submitting a compliance certification for the entire year regardless of who owned the facility during the year.**

As the designated responsible official it is your responsibility to review, understand, and abide by all of the terms and conditions of the attached permit. It is also your responsibility to ensure that any person who operates any emission source and associated air pollution control device subject to any term or condition of the attached permit reviews, understands, and abides by the condition(s) of the attached permit that are applicable to that particular emission source.

If any parts, requirements, or limitations contained in this Air Quality Permit are unacceptable to you, you have the right to request a formal adjudicatory hearing within 30 days following receipt of this permit, identifying the specific issues to be contested. This hearing request must be in the form of a written petition, conforming to NCGS (North Carolina General Statutes) 150B-23, and filed with **both** the Office of Administrative Hearings, 6714 Mail Service Center, Raleigh, North Carolina 27699-6714 and the Division of Air Quality, Permitting Section, 1641 Mail Service Center, Raleigh, North Carolina 27699-1641.

Mr. Allen Wallace

March 5, 2008

Page 2

The form for requesting a formal adjudicatory hearing may be obtained upon request from the Office of Administrative Hearings. Please note that this permit will be stayed in its entirety upon receipt of the request for a hearing. Unless a request for a hearing is made pursuant to NCGS 150B-23, this Air Quality Permit shall be final and binding 30 days after issuance.

You may request modification of your Air Quality Permit through informal means pursuant to NCGS 150B-22. This request must be submitted in writing to the Director and must identify the specific provisions or issues for which the modification is sought. Please note that this Air Quality Permit will become final and binding regardless of a request for informal modification unless a request for a hearing is also made under NCGS 150B-23.

The construction of new air pollution emission source(s) and associated air pollution control device(s), or modifications to the emission source(s) and air pollution control device(s) described in this permit must be covered under an Air Quality Permit issued by the Division of Air Quality prior to construction unless the Permittee has fulfilled the requirements of GS 143-215-108A(b) and received written approval from the Director of the Division of Air Quality to commence construction. Failure to receive an Air Quality Permit or written approval prior to commencing construction is a violation of GS 143-215.108A and may subject the Permittee to civil or criminal penalties as described in GS 143-215.114A and 143-215.114B.

This Air Quality Permit shall be effective from **March 5, 2008** until **February 28, 2013**, is nontransferable to future owners and operators, and shall be subject to the conditions and limitations as specified therein.

Should you have any questions concerning this matter, please contact Mr. Booker T. Pullen, at (919) 715-6248.

Sincerely yours,

Donald R. van der Vaart, Ph.D., P.E.,
Chief

Enclosure

c: Gregg Worley, EPA Region 4
Fayetteville Regional Office
Central Files

Changes to existing Title V Permit No. 03029T14 per application (2600094.07A):

Old Page No.	New Page No.	Condition No.	Changes
Page 1	Page 1	Cover letter	Changed date, revised permit number, added "Renewal" language to cover page, removed the requirement to submit an application within twelve months
Page 2	Page 2	Cover letter	Changed date on letter, changed effective date of permit, Changed the expiration date of the permit, added EPA Region IV to "c" list
Page 3	Page 3	Insignificant activities table	Changed permit revision to T15
Page 4	Page 4	Table	Updated the "changes to the permit" table to reflect the changes per this application
Body of the permit			
Page 1	Page 1	Cover page	Changed: permit revision, "replaces permit" date, effective date of permit, application number, permit issue date, complete application date, and removed renewal date
Page 2	Page 2	Table of Contents	Removed Part II Section
All pages	All pages	Heading of page	Changed the revision no. of Permit to T15
Page 3	Page 3	Specific Limitation and Conditions	Removed * from beside control device No. GT2C-1
Page 4	Page 4	Specific Limitation and Conditions	Removed footnote from the bottom of table
Pages 5 -10	N/A	Specific Limitation and Conditions	Removed 40 CFR 52 Subpart II references from the permit, because 2D .0521 is now Federally Enforceable Removed 40 CFR 52 Subpart II references from the permit, because 2D .0521 is now Federally Enforceable
Page 9	Page 8	Specific Limitation and Conditions	Added "NSPS Subpart GG" to description in Condition "C"
Pages 10-11	Page 9-12	Specific Limitation and Conditions	Revised NSPS, Subpart GG requirements, removed the last sentence of Section 2.1.C.3.f.i from the permit
Pages 12-13	N/A	Multiple Emissions	Removed the NOx allocation tables
N/A	Pages 13-14	Multiple Emissions	Added CAIR conditions
Pages 23-25	N/A	Part II	Removed Part II Section from the permit
Pages 14-22	Page 15-23	General Conditions	Added revised General Conditions

Air Quality Permit No. 03029T15
Public Works Commission, Butler-Warner Generation Plant

Attachment: Insignificant Activities

Emissions Source ID	Emission Source Description	Insignificant Regulation
IVE-1	Lube oil vapor extractor	15A NCAC 2Q .0503(8)
IVE-2	Lube oil vapor extractor	15A NCAC 2Q .0503(8)
IVE-3	Lube oil vapor extractor	15A NCAC 2Q .0503(8)
IVE-4	Lube oil vapor extractor	15A NCAC 2Q .0503(8)
IVE-5	Lube oil vapor extractor	15A NCAC 2Q .0503(8)
IVE-6	Lube oil vapor extractor	15A NCAC 2Q .0503(8)
IVE-7	Lube oil vapor extractor	15A NCAC 2Q .0503(8)
IVE-8	Lube oil vapor extractor	15A NCAC 2Q .0503(8)
IVE-9	Lube oil vapor extractor	15A NCAC 2Q .0503(8)
ICT	Cooling tower	15A NCAC 2Q .0503(8)
ISE3	Black start diesel engine (500 hp)	15A NCAC 2Q .0503(8)
ISE4	Black start diesel engine (500 hp)	15A NCAC 2Q .0503(8)
ITANK1	One No. 2 fuel oil fixed-roof storage tanks (500,000 gallons storage capacity) with atmospheric vent	15A NCAC 2Q .0503(8)
ITANK2	One No. 2 fuel oil fixed-roof storage tanks (500,000 gallons storage capacity) with atmospheric vent	15A NCAC 2Q .0503(8)
ITANK3	One No. 2 fuel oil fixed-roof storage tanks (500,000 gallons storage capacity) with atmospheric vent	15A NCAC 2Q .0503(8)
ITANK4	One No. 2 fuel oil fixed-roof storage tanks (500,000 gallons storage capacity) with atmospheric vent	15A NCAC 2Q .0503(8)
ITANK5	One No. 2 fuel oil fixed-roof storage tanks (1,000,000 gallons storage capacity) with atmospheric vent	15A NCAC 2Q .0503(8)
ITANK6	One No. 2 fuel oil fixed-roof storage tanks (1,000,000 gallons storage capacity) with atmospheric vent	15A NCAC 2Q .0503(8)
ITANK7	One No. 2 fuel oil fixed-roof storage tanks (1,000,000 gallons storage capacity) with atmospheric vent	15A NCAC 2Q .0503(8)

**State of North Carolina,
Department of Environment
and Natural Resources**

Division of Air Quality



AIR QUALITY PERMIT

Permit No.	Replaces Permit No.	Issue Date	Effective Date	Expiration Date
03029T15	03029T14	March 5, 2008	March 5, 2008	February 28, 2013

Until such time as this permit expires or is modified or revoked, the below named Permittee is permitted to construct and operate the emission source(s) and associated air pollution control device(s) specified herein, in accordance with the terms, conditions, and limitations within this permit. This permit is issued under the provisions of Article 21B of Chapter 143, General Statutes of North Carolina as amended, and Title 15A North Carolina Administrative Codes (15A NCAC), Subchapters 2D and 2Q, and other applicable Laws.

Pursuant to Title 15A NCAC, Subchapter 2Q, the Permittee shall not construct, operate, or modify any emission source(s) or air pollution control device(s) without having first submitted a complete Air Quality Permit Application to the permitting authority and received an Air Quality Permit, except as provided in this permit.

Permittee: **Public Works Commission, City of Fayetteville
Butler-Warner Generation Plant**

Facility ID: **2600094**

Facility Site Location: **2274 Custer Ave., State Road 1723**
City, County, State, Zip: **Fayetteville, Cumberland County, NC 28301**

Mailing Address: **P.O. Drawer 1089**
City, State, Zip: **Fayetteville, NC 28302**

Application Number: **2600094.07A**
Complete Application Date: **February 19, 2007**

SIC Code: **4911**
Division of Air Quality, **Fayetteville Regional Office**
Regional Office Address: **225 Green Street, Suite 714**
Fayetteville, NC 28301-5043

Permit issued this the **5th** day of **March, 2008**

Donald R. van der Vaart, Ph.D., P.E., Chief, Air Permits Section
By Authority of the Environmental Management Commission

Table Of Contents

PART I

- SECTION 1: PERMITTED EMISSION SOURCE(S) AND ASSOCIATED AIR POLLUTION CONTROL DEVICE(S)
- SECTION 2: SPECIFIC LIMITATIONS AND CONDITIONS
- 2.1- Emission Source(s) Specific Limitations and Conditions
(Including specific requirements, monitoring/testing, recordkeeping, and reporting requirements)
 - 2.2- Multiple Emission Source(s) Specific Limitations and Conditions
(Including specific requirements, monitoring/testing, recordkeeping, and reporting requirements)
- SECTION 3: GENERAL PERMIT CONDITIONS

ATTACHMENTS

List of Acronyms

PART II

This permit does not contain an air permit.

PART I

The Division of Air Quality (DAQ), the United States Environmental Protection Agency (EPA), and citizens as defined under the federal Clean Air Act have the authority to enforce the terms, conditions, and limitations contained in Part I of this permit unless otherwise specified. However, state-enforceable-only requirements are enforceable only by DAQ, and neither EPA nor citizens have authority to enforce state-enforceable-only requirements.

Under Title 15A NCAC 2Q, the operation of emission source(s) and associated air pollution control device(s) listed in Part I of this permit is based on plans, specifications, operating parameters, and other information as submitted in the air permit application.

SECTION 1- PERMITTED EMISSION SOURCE(S) AND ASSOCIATED AIR POLLUTION CONTROL DEVICE(S)

The following table contains a summary of all permitted emission sources and associated air pollution control devices:

Emission Source I.D. No.	Emission Source Description	Control Device I.D. No.	Control Device Description
GT-1	one (1) natural gas/ No. 2 fuel oil-fired simple-cycle/combined-cycle turbine generator (General Electric Model No. 5001P, 341.1 million Btu per hour nominal heat input rate), with exhaust gas directed through one heat recovery steam generator (HRSG-2) during combined-cycle operation or to the atmosphere through an exhaust stack during simple-cycle operation	GT1C-1	one (1) NO _x -reducing water injection system installed on the turbine generator
GT-2	one (1) natural gas/ No. 2 fuel oil-fired simple-cycle/combined-cycle turbine generator (General Electric Model No. 5001P, 341.1 million Btu per hour nominal heat input rate), with exhaust gas directed through one heat recovery steam generator (HRSG-1) during combined-cycle operation or to the atmosphere through an exhaust stack during simple-cycle operation	GT2C-1	one (1) NO _x -reducing water injection system installed on the turbine generator
GT-3	one (1) natural gas/ No. 2 fuel oil-fired simple-cycle/combined-cycle turbine generator (General Electric Model No. 5001P, 341.1 million Btu per hour nominal heat input rate),with exhaust gas directed through one heat recovery steam generator (HRSG-1) during combined-cycle operation or to the atmosphere through an exhaust stack during simple-cycle operation	GT3C-1	one (1) NO _x -reducing water injection system installed on the turbine generator
GT-4	one (1) natural gas/No. 2 fuel oil-fired simple-cycle turbine generator (General Electric Model No. 5001P, 341.1 million Btu per hour nominal heat input rate)	GT4C-1	one (1) NO _x -reducing water injection system installed on the turbine generator
GT-5	one (1) natural gas/No. 2 fuel oil-fired simple-cycle turbine generator (General Electric Model No. 5001P, 341.1 million Btu per hour nominal heat input rate)	GT5C-1	one (1) NO _x -reducing water injection system installed on the turbine generator

-Table continued on the next page-

The following table contains a summary of all permitted emission sources and associated air pollution control devices: (continued)

Emission Source I.D. No.	Emission Source Description	Control Device I.D. No.	Control Device Description
GT-6	one (1) natural gas/ No. 2 fuel oil-fired simple-cycle/combined-cycle turbine generator (General Electric Model No. 5001P, 341.1 million Btu per hour nominal heat input rate), with exhaust gas directed through one heat recovery steam generator (HRSG-3) during combined-cycle operation or to the atmosphere through an exhaust stack during simple-cycle operation	GT6C-1	one (1) NO _x -reducing water injection system installed on the turbine generator
GT-7	one (1) natural gas/ No. 2 fuel oil-fired simple-cycle/combined-cycle turbine generator (General Electric Model No. 5001P, 341.1 million Btu per hour nominal heat input rate), with exhaust gas directed through one heat recovery steam generator (HRSG-3) during combined-cycle operation or to the atmosphere through an exhaust stack during simple-cycle operation	GT7C-1	one (1) NO _x -reducing water injection system installed on the turbine generator
GT-8 NSPS, Subpart GG	one (1) natural gas/ No. 2 fuel oil-fired simple-cycle/combined-cycle turbine generator (General Electric Model No. 5001P, 341.1 million Btu per hour nominal heat input rate),with exhaust gas directed through one heat recovery steam generator (HRSG-2) during combined-cycle operation or to the atmosphere through an exhaust stack during simple-cycle operation	GT8C-1	one (1) NO _x -reducing water injection system installed on the turbine generator

SECTION 2 - SPECIFIC LIMITATIONS AND CONDITIONS

2.1- Emission Source(s) Specific Limitations and Conditions

The emission source(s) and associated air pollution control device(s) listed below are subject to the following specific terms, conditions, and limitations, including the monitoring, recordkeeping, and reporting requirements specifically identified herein as applicable requirements:

- A. Five (5) natural gas/ No. 2 fuel oil-fired simple-cycle/combined-cycle internal combustion turbines (General Electric Model No. 5001P, 341.1 million Btu per hour nominal heat input rate each, ID Nos. GT-1, GT-2, GT-3, GT-6, and GT-7), each equipped with water injection for NOx control, and with exhaust gas directed through one of three heat recovery steam generators (ID Nos. HRSG-1, HRSG-2, or HRSG-3) during combined-cycle operation or to the atmosphere through an exhaust stack during simple-cycle operation.**

The following table provides a summary of limits and standards for the emission source(s) described above:

Regulated Pollutant	Limits/Standards	Applicable Regulation
sulfur dioxide emissions	2.3 pounds per million Btu heat input	15A NCAC 2D .0516
visible emissions	20 percent opacity (except during startup, shutdowns, and malfunctions) when averaged over a six-minute period except that six-minute periods averaging not more than 87 percent opacity may occur not more than once in any hour nor more than four times in any 24-hour period	15A NCAC 2D .0521
nitrogen oxide emissions	as defined in Subsection 2.2 A.1.	15A NCAC 2D .1417
carbon monoxide emissions	Keep PSD avoidance demonstration and all pertinent data related to the modification (adding water injection nozzles to GT-2) for a period of 10 years	15A NCAC 2D .0530 (v)

1. 15A NCAC 2D .0516: SULFUR DIOXIDE EMISSIONS FROM COMBUSTION SOURCES

- a. Emissions of sulfur dioxide from these sources shall not exceed **2.3 pounds per million Btu heat input**. Sulfur dioxide formed by the combustion of sulfur in fuels, wastes, ores, and other substances shall be included when determining compliance with this standard. [15A NCAC 2D .0516 and 2D .0608]

Testing [15A NCAC 2D .0501(c)(4)]

- b. If emissions testing is required, the testing shall be performed in accordance with 15A NCAC 2D .0501(c)(4) and General Condition JJ. If the results of this test are above the limit given in Section 2.1 A.1.a above, the Permittee shall be deemed in noncompliance with 15A NCAC 2D .0516.

Monitoring/Recordkeeping/Reporting [15A NCAC 2Q .0508(f) and 2D .0608]

- c. No monitoring/recordkeeping/reporting is required for sulfur dioxide emissions from the firing of natural gas or No. 2 fuel oil in these sources.

2. 15A NCAC 2D .0521: CONTROL OF VISIBLE EMISSIONS

- a. Visible emissions from these sources shall not be more than **20 percent opacity** (except during startup, shutdowns, and malfunctions) when averaged over a six-minute period except that six-minute periods averaging not more than 87 percent opacity may occur not more than once in any hour nor more than four times in any 24-hour period. [15A NCAC 2D .0521(c)]

Testing [15A NCAC 2D .0501(c)(8)]

- b. If emissions testing is required, the testing shall be performed in accordance with 15A NCAC 2D .0501(c)(8) and General Condition JJ.

Monitoring [15A NCAC 2Q .0508(f)]

- c. To assure compliance, the Permittee shall perform a Method 9 test for 1 hour in accordance with 15A NCAC 2D .0501(c)(8) when the cumulative number of hours firing of No. 2 fuel oil only by this source exceeds more than 950 hours but less than 1050 hours. This monitoring protocol shall be repeated after each 1000 hours of operation. No monitoring is required while this source fires natural gas. The Permittee shall be deemed in noncompliance if the prescribed monitoring is not implemented or performed.

Recordkeeping [15A NCAC 2Q .0508(f)]

- d. The results of the monitoring shall be maintained in a logbook (written or electronic format) on-site and made available to an authorized representative upon request. The logbook shall record the following:
 - i. the date and time of each recorded action;
 - ii. the results of each observation and/or test noting those sources with emissions that were observed to be in noncompliance along with any corrective actions taken to reduce visible emissions; and
 - iii. the results of any corrective actions performed.The Permittee is deemed in non-compliance if the prescribed records are not maintained.

Reporting [15A NCAC 2Q .0508(f)]

- e. The Permittee shall submit the results of the Method 9 test within 30 days of completion of the test. All instances of deviations from the requirements of this permit must be clearly identified.

3. Applicability of General Conditions

The facility may operate any of these emission sources, while firing on natural gas or fuel oil, without the concurrent operation of its associated water injection system.

4. 15A NCAC 2D .0530 (v): PSD applicability (carbon monoxide)

Monitoring/Recordkeeping

- i. In accordance with 15A NCAC 2D .0530 (v), the owner or operator of a source using projected-actual emissions to demonstrate that Prevention of Significant Deterioration (PSD) requirements do not apply shall maintain records of emissions related to the modification for 10 years if the project involves increasing the unit's potential to emit the New Source Review pollutant (CO) by a significant amount as defined in 40 CFR 51.166(b)(23)(i), when compared to the pre-modification potential-to-emit.

The Permittee may use continuous emissions monitoring data, operational levels, fuel usage data, source test results, or any other readily available data of sufficient accuracy for the purpose of documenting Unit No. 2's (ID No. GT-2) post-change actual annual utilization.

- ii. If the Director of the Division of Air Quality determines that the actual annual utilization rate for Unit No. 2 (ID No. GT-2) for any of the reported 10 years has exceeded the respective projected future annual utilization rate as included in permit application 2600094.07B and the Permittee further determines that this increase in utilization is due to the installation of the breech loaded fuel nozzles (water injection system) on Unit No. 2 (ID No. GT-2) and such increased utilization would have resulted in a significant net emission increase at the time of submittal of application for installation of the breech loaded fuel nozzles (water injection system), the Permittee shall be deemed in violation of 15A NCAC 2D .0530.

B. Two (2) natural gas/No. 2 fuel oil-fired simple-cycle turbine generators (General Electric Model No. 5001P, 341.1 million Btu per hour nominal heat input rate each, ID Nos. GT-4 and GT-5), each equipped with water

injection for NO_x control

The following table provides a summary of limits and standards for the emission source(s) described above:

Regulated Pollutant	Limits/Standards	Applicable Regulation
sulfur dioxide emissions	2.3 pounds per million Btu heat input	15A NCAC 2D .0516
visible emissions	20 percent opacity (except during startup, shutdowns, and malfunctions) when averaged over a six-minute period except that six-minute periods averaging not more than 87 percent opacity may occur not more than once in any hour nor more than four times in any 24-hour period	15A NCAC 2D .0521
nitrogen oxide emissions	as defined in Subsection 2.2 A.1	15A NCAC 2D .1417

1. 15A NCAC 2D .0516: SULFUR DIOXIDE EMISSIONS FROM COMBUSTION SOURCES

- a. Emissions of sulfur dioxide from these sources shall not exceed **2.3 pounds per million Btu heat input**. Sulfur dioxide formed by the combustion of sulfur in fuels, wastes, ores, and other substances shall be included when determining compliance with this standard. [15A NCAC 2D .0516 and 2D .0608]

Testing [15A NCAC 2D .0501(c)(4)]

- b. If emissions testing is required, the testing shall be performed in accordance with 15A NCAC 2D .0501(c)(4) and General Condition JJ. If the results of this test are above the limit given in Section 2.1 B.1.a above, the Permittee shall be deemed in noncompliance with 15A NCAC 2D .0516.

Monitoring/Recordkeeping/Reporting [15A NCAC 2Q .0508(f) and 2D .0608]

- c. No monitoring/recordkeeping/reporting is required for sulfur dioxide emissions from the firing of natural gas or No. 2 fuel oil in these sources.

2. 15A NCAC 2D .0521: CONTROL OF VISIBLE EMISSIONS

- a. **State-Only Requirement** [15 A NCAC 2D .0521(d)]

Visible emissions from these sources shall not be more than **20 percent opacity** (except during startup, shutdowns, and malfunctions) when averaged over a six-minute period except that six-minute periods averaging not more than 87 percent opacity may occur not more than once in any hour nor more than four times in any 24-hour period. [15A NCAC 2D .0521(c)]

Testing [15A NCAC 2D .0501(c)(8)]

- b. If emissions testing is required, the testing shall be performed in accordance with 15A NCAC 2D .0501(c)(8) and General Condition JJ.

- c. To assure compliance, the Permittee shall perform a Method 9 test for 1 hour in accordance with 15A NCAC 2D .0501(c)(8) when the cumulative number of hours firing of No. 2 fuel oil only by this source exceeds more than 950 hours but less than 1050 hours. This monitoring protocol shall be repeated after each 1000 hours of operation. No monitoring is required while this source fires natural gas. The Permittee shall be deemed in noncompliance if the prescribed monitoring is not implemented or performed.

Recordkeeping [15A NCAC 2Q .0508(f)]

- d. The results of the monitoring shall be maintained in a logbook (written or electronic format) on-site and made available to an authorized representative upon request. The logbook shall record the following:
- the date and time of each recorded action;
 - the results of each observation and/or test noting those sources with emissions that were observed to be in noncompliance along with any corrective actions taken to reduce visible emissions; and
 - the results of any corrective actions performed.

The Permittee is deemed in non-compliance if the prescribed records are not maintained.

Reporting [15A NCAC 2Q .0508(f)]

- e. The Permittee shall submit the results of the Method 9 test within 30 days of completion of the test. All instances of deviations from the requirements of this permit must be clearly identified.

3. Applicability of General Conditions

The facility may operate any of these emission sources, while firing on natural gas or fuel oil, without the concurrent operation of its associated water injection system.

- C. One (1) natural gas/No. 2 fuel oil-fired simple-cycle/combined-cycle internal combustion turbine (ID No. GT-8, NSPS Subpart GG) equipped with water injection for NO_x control and with exhaust gas directed through a heat recovery steam generator (ID No. HRSG-1) during combined-cycle operation or to the atmosphere through an exhaust stack during simple-cycle operation.**

The following table provides a summary of limits and standards for the emission source(s) described above:

Regulated Pollutant	Limits/Standards	Applicable Regulation
sulfur dioxide emissions	0.015 percent by volume @ 15 percent Oxygen and on a dry basis or 0.8 percent weight sulfur in fuel	15A NCAC 2D .0524 (40 CFR Part 60, Subpart GG)
nitrogen oxide emissions	Firing natural gas: 86 ppmv at 15 percent Oxygen and on a dry basis Firing No. 2 fuel oil: 85 ppmv at 15 percent O ₂ on a dry basis As defined in Subsection 2.2 A.1	15A NCAC 2D .0524 (40 CFR Part 60 Subpart GG) 15A NCAC 2D .1417
visible emissions	20 percent opacity (except during startup, shutdowns, and malfunctions) when averaged over a six-minute period except that six-minute periods averaging not more than 87 percent opacity may occur not more than once in any hour nor more than four times in any 24-hour period	15A NCAC 2D .0521

1. 15A NCAC 2D .0521: CONTROL OF VISIBLE EMISSIONS

- a. **State-Only Requirement** [15 A NCAC 2D .0521(d)]

Visible emissions from these sources shall not be more than **20 percent opacity** (except during startup, shutdowns, and malfunctions) when averaged over a six-minute period except that six-minute periods averaging not more than 87 percent opacity may occur not more than once in any hour nor more than four times in any 24-hour period. [15A NCAC 2D .0521(c)]

Testing [15A NCAC 2D .0501(c)(8)]

- b. If emissions testing is required, the testing shall be performed in accordance with 15A NCAC 2D .0501(c)(8) and General Condition JJ.

Monitoring [15A NCAC 2Q .0508(f)]

- c. To assure compliance, the Permittee shall perform a Method 9 test for 1 hour in accordance with 15A NCAC 2D .0501(c)(8) when the cumulative number of hours firing of No. 2 fuel oil only by this source exceeds more than 950 hours but less than 1050 hours. This monitoring protocol shall be repeated after each 1000 hours of operation. No monitoring is required while this source fires natural gas. The Permittee shall be deemed in noncompliance if the prescribed monitoring is not implemented or performed .

Recordkeeping [15A NCAC 2Q .0508(f)]

- d. The results of the monitoring shall be maintained in a logbook (written or electronic format) on-site and made available to an authorized representative upon request. The logbook shall record the following:
- i. the date and time of each recorded action;

- ii. the results of each observation and/or test noting those sources with emissions that were observed to be in noncompliance along with any corrective actions taken to reduce visible emissions; and
- iii. the results of any corrective actions performed.

The Permittee is deemed in non-compliance if the prescribed records are not maintained.

Reporting [15A NCAC 2Q .0508(f)]

- e. The Permittee shall submit the results of the Method 9 test within 30 days of completion of the test. All instances of deviations from the requirements of this permit must be clearly identified.

2. 15A NCAC 2D .0524: NEW SOURCE PERFORMANCE STANDARDS – SULFUR DIOXIDE
[40 CFR PART 60 SUBPART GG]

- a. The Permittee shall comply with all applicable provisions, including the notification, testing, reporting, recordkeeping, and monitoring requirements contained in Environmental Management Commission Standard 15A NCAC 2D .0524, "New Source Performance Standards (NSPS) as promulgated in 40 CFR Part 60, Subpart GG, including Subpart A "General Provisions." [15A NCAC 2D .0524]
- b. NSPS Emissions Limitations - As required by 15A NCAC 2D .0524, the following permit limits shall not be exceeded:

Affected Facility	Pollutant	Emission Limit
combustion turbine (ID No. GT-8)	sulfur dioxide emissions	0.015 percent by volume * or 0.8 percent weight sulfur in fuel

* allowable sulfur dioxide emissions at 15 percent Oxygen on a dry basis.

Testing [15A NCAC 2D .0501]

- c. If emissions testing is required, the testing shall be performed in accordance with General Condition JJ. If the results of this test are above the limit given in Section 2.1 C.2.b above, the Permittee shall be deemed in noncompliance with 15A NCAC 2D .0524.

Monitoring/Recordkeeping [15A NCAC 2Q .0508(f)]

- d. The following custom fuel monitoring schedule shall apply to this facility. This custom fuel monitoring schedule is contingent on the firing of pipeline quality natural gas by the combustion turbines.
 - i. The natural gas fuel at this site meets the definition of "natural gas" under 40 CFR 60.331(u). Therefore, no sulfur monitoring is required.
 - ii. The sulfur content of the fuel oil shall be determined using total sulfur methods described in 60.335(b)(10) [ASTM D129-00, D2622-98, D4294-02, D1266-98, D5453-00, or D1552-01 (all incorporated by reference, see 60.17)].
 - iii. The frequency of sulfur content determination for fuel shall be conducted using methodologies consistent with section 2.2.4.2 of Appendix D to Part 75. A sample shall be collected after completion of additions and prior to use of oil at each individual storage tank. No additions or blending shall be done to the sampled tank prior to combustion. If additions are made to the tank, then a new sample shall be drawn and analyzed.
 - iv. The fuel analyses may be performed by the owner or operator, a service contractor retained by the owner or operator, the fuel vendor, or any other qualified agency.
 - v. Records of sample analysis and pertinent fuel supplier information shall be retained for a period of five (5) years. This information shall be made available to Division of Air Quality personnel upon request.

- e. **Reporting** [15A NCAC 2Q .0508(f), 40 CFR 60.334]
The Permittee shall submit a semi-annual summary report, acceptable to the Regional Air Quality Supervisor, of monitoring and recordkeeping activities postmarked on or before January 30 of each calendar year for the preceding six-month period between July and December, and July 30 of each calendar year for the preceding six-month period between January and June.

3. 15A NCAC 2D .0524: NEW SOURCE PERFORMANCE STANDARDS – NITROGEN OXIDE
[40 CFR PART 60 SUBPART GG]

- a. The Permittee shall comply with all applicable provisions, including the notification, testing, reporting, recordkeeping, and monitoring requirements contained in Environmental Management Commission Standard 15A NCAC 2D .0524, "New Source Performance Standards (NSPS) as promulgated in 40 CFR Part 60, Subpart GG, including Subpart A "General Provisions." [15A NCAC 2D .0524]
- b. **NSPS Emissions Limitations** - As required by 15A NCAC 2D .0524, the following permit limits shall not be exceeded:

Affected Facility	Pollutant	Emissions Limit
combustion turbine (ID No. GT-8)	nitrogen oxide emissions	$STD^* = 0.0075 \times [(14.4 / Y^{**}) + F^{***}] \times 10,000 = 89 \text{ ppm}$ (percent by volume at 15 percent oxygen on a dry basis)

* STD = allowable nitrogen oxides emissions in percent by volume at 15 percent O₂ on a dry basis.
 ** Y = manufacturer's rated heat rate at manufacturer's rated load (Y = 12.18 kilojoules/watt-hour)
 *** F = NO_x emission allowance for fuel bound nitrogen as defined in 40CFR60.332(a)(3), F = 0.

Testing [15A NCAC 2D .0501]

- c. If emissions testing is required, the testing shall be performed in accordance with General Condition JJ. If the results of this test are above the limit given in Section 2.1 C.3.b above, the Permittee shall be deemed in noncompliance with 15A NCAC 2D .0524.

Monitoring/Recordkeeping [15A NCAC 2Q .0508(f), 40 CFR §60.334 (h)]

- d. Monitoring of fuel nitrogen shall not be required while firing natural gas or No. 2 fuel oil in any turbine generator.
- e. The owner or operator of any stationary gas turbine subject to the provisions of this subpart and using water injection to control NO_x emissions shall install and operate a continuous monitoring system to monitor and record the fuel consumption and the ratio of water-to-fuel being fired in the turbine. This system shall be accurate to within ±5.0 percent and shall be approved by the Administrator. In accordance with 40 CFR 60.334(g), the Permittee shall develop and keep on-site a parameter monitoring plan, which explains the procedures used to document proper operation of the NO_x emission controls. The plan shall include the parameter(s) monitored and the acceptable range(s) of the parameter(s) as well as the basis for designating the parameter(s) and acceptable range(s). For affected units that are also subject to 40 CFR 75 and that use the low mass emissions methodology in §75.19 or the NO_x emission measurement methodology in Appendix E to 40 CFR 75, the Permittee may meet the requirements of this Section by developing and keeping on-site a quality-assurance plan, as described in §75.19 (e)(5) or in Section 2.3 of Appendix E and Section 1.3.6 of Appendix B to 40 CFR 75. If the fuel consumption and the ratio of water-to-fuel being fired in the turbines is not monitored and recorded continuously, if the parameter monitoring plan is not developed or kept on-site, if the Permittee does not comply with the requirements of §75.19 or Appendix E to 40 CFR 75, as applicable, or there is an excess emission for any unit operating hour as described in Section 2.2 C.2.f.i below, the Permittee shall be deemed in noncompliance with 15A NCAC 2D .0524.

Reporting [15A NCAC 2Q .0508(f), 40 CFR 60.334]

- f. The Permittee shall report excess emissions and monitor downtime, in accordance with §60.7(c). Excess emissions shall be reported for all periods of unit operation, including startup, shutdown and malfunction. For the purpose of reports required under §60.7(c), periods of excess emissions and monitor downtime that shall be reported are defined as follows:

- i. Excess emissions shall be any unit operating hour for which the average water-to-fuel ratio, as measured by the continuous monitoring system, falls below the acceptable water-to-fuel ratio needed to demonstrate compliance with Section 2.2 C.2.b and C.3.b. above, as established during the performance test required in §60.8.
- ii. A period of monitor downtime shall be any unit operating hour in which water is injected into the turbine, but the essential parametric data needed to determine the water-to-fuel ratio are unavailable or invalid.
- iii. Each excess emission report shall include the average water-to-fuel ratio, average fuel consumption, ambient conditions (temperature, pressure, and humidity), gas turbine load, (if applicable) the nitrogen content of the fuel during each excess emission, and the graphs or figures developed under §60.335(a). The Permittee does not have to report ambient conditions if the Permittee opts to use the worst case ISO correction factor as specified in §60.334(b)(3)(ii), or if the Permittee is not using the ISO correction equation under the provisions of §60.335(b)(1).
- iv. If the Permittee elects to take an emission allowance for fuel bound nitrogen, then excess emissions and periods of monitor downtime are:
 - (A) An excess emission shall be the period of time during which the fuel-bound nitrogen (N) is greater than the value measured during the performance test required in §60.8 and used to determine the allowance. The excess emission begins on the date and hour of the sample which shows that N is greater than the performance test value, and ends with the date and hour of a subsequent sample which shows a fuel nitrogen content less than or equal to the performance test value.
 - (B) A period of monitor downtime begins when a required sample is not taken by its due date. A period of monitor downtime also begins on the date and hour that a required sample is taken, if invalid results are obtained. The period of monitor downtime ends on the date and hour of the next valid sample.
- g. The Permittee shall submit a summary report of the observations by January 30 of each calendar year for the preceding six-month period between July and December, and July 30 of each calendar year for the preceding six-month period between January and June. All instances of deviations from the requirements of this permit must be clearly identified.

2.2- Multiple Emission Source(s) Specific Limitations and Conditions

A. 15A NCAC 2D .1417: Emission Allocations for Large Combustion Sources

Five (5) natural gas/No. 2 fuel oil-fired simple-cycle/combined-cycle internal combustion turbines (ID Nos. GT-1, GT-2, GT-3, GT-6, GT-7) each equipped with water injection for NO_x control, and each with exhaust gas directed through one of three heat recovery steam generators (ID No. HRSG-1, HRSG-2, or HRSG-3) during combined-cycle operation or to the atmosphere through an exhaust stack during simple-cycle operation.

Two (2) natural gas/No. 2 fuel oil-fired simple-cycle internal combustion turbines (ID Nos. GT-4, GT-5) each equipped with water injection for NO_x control, and

One (1) natural gas/No. 2 fuel oil-fired simple-cycle/combined-cycle internal combustion turbine (ID Nos. GT-8) equipped with water injection for NO_x control and with exhaust gas directed through a heat recovery steam generator (ID No. HRSG-2) during combined-cycle operation or to the atmosphere through an exhaust stack during simple-cycle operation.

The above emission sources are subject to the sum total of the individual source allocations as provided in the following regulation:

Regulated Pollutant	Limits/Standards	Applicable Regulation
Nitrogen dioxide	All turbines: Emissions Allocations or Budget Trading Program	15A NCAC 2D .1417

1. **After** November 1, 2000, and after the EPA promulgates revisions 40 CFR Part 51, Subpart G, revising the nitrogen oxide budget for North Carolina, the following limits apply. Except as allowed under Budget Trading Program [15A NCAC 2D .1417(d)], sources named in the table below shall not exceed during the ozone season, the nitrogen oxide (NOx) emission allocations until revised in accordance with 15A NCAC 2D .1420.

FACILITY	SOURCE	NOx EMISSION ALLOCATIONS (Tons/Ozone Season) 2006 and Later
Public Works Commission, Butler-Warner Generation Plant	Combustion Turbine (ID No. GT-1)	49
	Combustion Turbine (ID No. GT-2)	49
	Combustion Turbine (ID No. GT-3)	49
	Combustion Turbine (ID No. GT-4)	63
	Combustion Turbine (ID No. GT-5)	63
	Combustion Turbine (ID No. GT-6)	52
	Combustion Turbine (ID No. GT-7)	49
	Combustion Turbine (ID No. GT-8)	49

- Monitoring, Recordkeeping, and Reporting** [15A NCAC 2D .1404 (d) and 15A NCAC 2Q .0508(f)]
2. The Permittee shall demonstrate compliance with the above emissions allocations using the procedure in 40 CFR 75.19 "Optional SO₂, NO_x, and CO₂ Emissions Calculation for Low Mass Emissions (LME) Units". Sources (ID Nos. GT-1 through GT-8) shall comply with testing, monitoring, recordkeeping, and reporting requirements, as applicable in 40 CFR 75.19 and 40 CFR 75 Subpart H.

B. 15A NCAC 2D .2400 “Clean Air Interstate Rule” (CAIR)

1. The annual allocations of sulfur dioxide and nitrogen dioxide allowances shall be determined by the US EPA. The emissions of sulfur dioxide and nitrogen dioxide of a source shall not exceed the number of allowance that it has in its compliance account established and administered in accordance with 15A NCAC 2D .2408.
2. Emission measurement requirements:
 - a. Emission measurements recorded and reported according to 40 CFR Part 96 Subpart HH shall be used to determine compliance by each CAIR NO_x source with its limitation according to 40 CFR 96.106(c).
 - a. Emission measurements recorded and reported according to 40 CFR Part 96 Subpart HHH shall be used to determine compliance by each CAIR SO₂ source with its limitation according to 40 CFR 96.206(c).
3. Excess Emissions:
 - a. The provisions of 40 CFR 96.106(d) shall be used for excess NO_x emissions.
 - b. The provisions of 40 CFR 96.206(d) shall be used for excess SO₂ emissions

Monitoring/Reporting/Recordkeeping [15A NCAC 2D .2407]

4. The owner or operator of a CAIR unit shall comply with the monitoring, recordkeeping, and reporting requirements in:
 - a. 40 CFR 96.106(b) and (e) and in 40 CFR Part 96, Subpart HH for each CAIR NO_x unit;
 - b. 40 CFR 96.206(b) and (e) and in 40 CFR Part 96, Subpart HHH for each CAIR SO₂ unit;
 - c. 40 CFR 96.306(b) and (e) and in 40 CFR Part 96, Subpart HHHH for each CAIR Ozone Season NO_x unit.

Trading Program and Banking [15A NCAC 2D .2408]

5. The United States Environmental Protection Agency shall administer the allowance tracking system according to the procedures in:
 - a. 40 CFR Part 96, Subpart FF and Subpart GG for nitrogen oxides;
 - b. 40 CFR Part 96, Subpart FFF and Subpart GGG for sulfur dioxide; and

- c. 40 CFR Part 96, Subpart FFFF and Subpart GGGG for ozone season nitrogen oxides.
6. The owners and operators of each source covered under this Section shall have a compliance account in the EPA administered tracking system that satisfies the requirements of:
 - a. 40 CFR 96.151 for nitrogen oxides,
 - b. 40 CFR 96.251 for sulfur dioxides, and
 - b. 40 CFR 96.351 for ozone season nitrogen oxides.
7. Any person may apply to open a general account to hold and transfer allowances by using the procedures and meeting the requirements in:
 - a. 40 CFR96.151(b) for nitrogen oxides and may close that account using the procedures in 40 CFR96.157,
 - b. 40 CFR 96.251(b) for sulfur dioxides and may close that account using the procedures in 40CFR96.257, and
 - c. 40 CFR 96.351(b) for ozone season nitrogen oxides and may close that account using the procedures in 40CFR96.357.
8. Allowance transfers:
 - a. Any person who has a compliance or general account established under 40CFR96.151 may transfer allowances using the procedures in 40 CFR 96.160.
 - b. Any person who has a compliance or general account established under 40CFR96.251 may transfer allowances using the procedures in 40 CFR 96.260.
 - c. Any person who has a compliance or general account established under 40 CFR 96.351 may transfer allowances using the procedures in 40 CFR 96.360.
9. Persons with accounts shall submit information to EPA following the requirements of:
 - a. 40 CFR 96.152 for nitrogen oxides,
 - b. 40 CFR 96.252 for sulfur dioxides, and
 - c. 40 CFR 96.352 for ozone season nitrogen oxides.
10. Any person who has a compliance account or a general account may bank allowances for future use or transfer under:
 - a. 40 CFR 96.155 for nitrogen oxides,
 - b. 40 CFR 96.255 for sulfur dioxides, and
 - c. 40 CFR 96.355 for ozone season nitrogen oxides.
11. The appeal procedures for decisions of the Administrator are set forth in:
 - a. 40 CFR 96.108 for nitrogen oxides,
 - b. 40 CFR 96.208 for sulfur dioxides, and
 - c. 40 CFR 96.308 for ozone season nitrogen oxides.

SECTION 3 - GENERAL CONDITIONS

This section describes terms and conditions applicable to this Title V facility. All references to the “permit” in this section apply only to Part I of the permit.

A. **General Provisions** [NCGS 143-215 and 15A NCAC 2Q .0508(i)(16)]

1. Terms not otherwise defined in this permit shall have the meaning assigned to such terms as defined in 15A

NCAC 2D and 2Q.

2. The terms, conditions, requirements, limitations, and restrictions set forth in this permit are binding and enforceable pursuant to NCGS 143-215.114A and 143-215.114B, including assessment of civil and/or criminal penalties. Any unauthorized deviation from the conditions of this permit may constitute grounds for revocation and/or enforcement action by the DAQ.
3. This permit is not a waiver of or approval of any other Department permits that may be required for other aspects of the facility which are not addressed in this permit.
4. This permit does not relieve the Permittee from liability for harm or injury to human health or welfare, animal or plant life, or property caused by the construction or operation of this permitted facility, or from penalties therefore, nor does it allow the Permittee to cause pollution in contravention of state laws or rules, unless specifically authorized by an order from the North Carolina Environmental Management Commission.
5. Except as identified as state-only requirements in this permit, all terms and conditions contained herein shall be enforceable by the DAQ, the EPA, and citizens of the United States as defined in the Federal Clean Air Act.
6. Any stationary source of air pollution shall not be operated, maintained, or modified without the appropriate and valid permits issued by the DAQ, unless the source is exempted by rule. The DAQ may issue a permit only after it receives reasonable assurance that the installation will not cause air pollution in violation of any of the applicable requirements. A permitted installation may only be operated, maintained, constructed, expanded, or modified in a manner that is consistent with the terms of this permit.

B. **Permit Availability** [15A NCAC 2Q .0507(k) and .0508(i)(9)(B)]

The Permittee shall have available at the facility a copy of this permit and shall retain for the duration of the permit term one complete copy of the application and any information submitted in support of the application package. The permit and application shall be made available to an authorized representative of Department of Environment and Natural Resources upon request.

C. **Severability Clause** [15A NCAC 2Q .0508(i)(2)]

In the event of an administrative challenge to a final and binding permit in which a condition is held to be invalid, the provisions in this permit are severable so that all requirements contained in the permit, except those held to be invalid, shall remain valid and must be complied with.

D. **Submissions** [15A NCAC 2Q .0507(e) and 2Q .0508(i)(16)]

Except as otherwise specified herein, two copies of all documents, reports, test data, monitoring data, notifications, request for renewal, and any other information required by this permit shall be submitted to the appropriate Regional Office. Refer to the Regional Office address on the cover page of this permit. For continuous emissions monitoring systems (CEMS) reports, continuous opacity monitoring systems (COMS) reports, quality assurance (QA)/quality control (QC) reports, acid rain CEM certification reports, and NOx budget CEM certification reports, one copy shall be sent to the appropriate Regional Office and one copy shall be sent to:

Supervisor, Stationary Source Compliance
North Carolina Division of Air Quality
1641 Mail Service Center
Raleigh, NC 27699-1641

E. **Duty to Comply** [15A NCAC 2Q .0508(i)(2)]

The Permittee shall comply with all terms, conditions, requirements, limitations and restrictions set forth in this permit. Noncompliance with any permit condition except conditions identified as state-only requirements constitutes a violation of the Federal Clean Air Act. Noncompliance with any permit condition is grounds for enforcement action, for permit termination, revocation and reissuance, or modification, or for denial of a permit renewal application.

F. **Circumvention** - STATE ENFORCEABLE ONLY

The facility shall be properly operated and maintained at all times in a manner that will effect an overall reduction in air pollution. Unless otherwise specified by this permit, no emission source may be operated without the concurrent operation of its associated air pollution control device(s) and appurtenances.

G. **Permit Modifications**

1. Administrative Permit Amendments [15A NCAC 2Q .0514]
The Permittee shall submit an application for an administrative permit amendment in accordance with 15A NCAC 2Q .0514.
2. Transfer in Ownership or Operation and Application Submittal Content [15A NCAC 2Q .0524 and 2Q .0505]
The Permittee shall submit an application for an ownership change in accordance with 15A NCAC 2Q.0524 and 2Q .0505.
3. Minor Permit Modifications [15A NCAC 2Q .0515]
The Permittee shall submit an application for a minor permit modification in accordance with 15A NCAC 2Q .0515.
4. Significant Permit Modifications [15A NCAC 2Q .0516]
The Permittee shall submit an application for a significant permit modification in accordance with 15A NCAC 2Q .0516.
5. Reopening for Cause [15A NCAC 2Q .0517]
The Permittee shall submit an application for reopening for cause in accordance with 15A NCAC 2Q .0517.

H. **Changes Not Requiring Permit Modifications**

1. Section 502(b)(10) Changes [15A NCAC 2Q .0523(a)]
 - a. "Section 502(b)(10) changes" means changes that contravene an express permit term or condition. Such changes do not include changes that would violate applicable requirements or contravene federally enforceable permit terms and conditions that are monitoring (including test methods), recordkeeping, reporting, or compliance certification requirements.
 - b. The Permittee may make Section 502(b)(10) changes without having the permit revised if:
 - i. the changes are not a modification under Title I of the Federal Clean Air Act;
 - ii. the changes do not cause the allowable emissions under the permit to be exceeded;
 - iii. the Permittee notifies the Director and EPA with written notification at least seven days before the change is made; and
 - iv. the Permittee shall attach the notice to the relevant permit.
 - c. The written notification shall include:
 - i. a description of the change;
 - ii. the date on which the change will occur;
 - iii. any change in emissions; and
 - iv. any permit term or condition that is no longer applicable as a result of the change.
 - d. Section 502(b)(10) changes shall be made in the permit the next time that the permit is revised or renewed, whichever comes first.
2. Off Permit Changes [15A NCAC 2Q .0523(b)]
The Permittee may make changes in the operation or emissions without revising the permit if:
 - a. the change affects only insignificant activities and the activities remain insignificant after the change; or
 - b. the change is not covered under any applicable requirement.
3. Emissions Trading [15A NCAC 2Q .0523(c)]
To the extent that emissions trading is allowed under 15A NCAC 2D, including subsequently adopted maximum achievable control technology standards, emissions trading shall be allowed without permit revision pursuant to 15A NCAC 2Q .0523(c).

I.A. **Reporting Requirements for Excess Emissions and Permit Deviations**

[15A NCAC 2D .0535(f) and 2Q .0508(f)(2)]

“Excess Emissions” - means an emission rate that exceeds any applicable emission limitation or standard allowed by any rule in Sections .0500, .0900, .1200, or .1400 of Subchapter 2D; or by a permit condition; or that exceeds an emission limit established in a permit issued under 15A NCAC 2Q .0700. (*Note: Definitions of excess emissions under 2D .1110 and 2D .1111 shall apply where defined by rule.*)

“Deviations” - for the purposes of this condition, any action or condition not in accordance with the terms and conditions of this permit including those attributable to upset conditions as well as excess emissions as defined above lasting less than four hours.

Excess Emissions

1. If a source is required to report excess emissions under NSPS (15A NCAC 2D .0524), NESHAPS (15A NCAC 2D .1110 or .1111), or the operating permit provides for periodic (e.g., quarterly) reporting of excess emissions, reporting shall be performed as prescribed therein.
2. If the source is not subject to NSPS (15A NCAC 2D .0524), NESHAPS (15A NCAC 2D .1110 or .1111), or these rules do NOT define "excess emissions," the Permittee shall report excess emissions in accordance with 15A NCAC 2D .0535 as follows:
 - a. Pursuant to 15A NCAC 2D .0535, if excess emissions last for more than four hours resulting from a malfunction, a breakdown of process or control equipment, or any other abnormal condition, the owner or operator shall:
 - i. notify the Regional Supervisor or Director of any such occurrence by 9:00 a.m. Eastern Time of the Division's next business day of becoming aware of the occurrence and provide:
 - name and location of the facility;
 - nature and cause of the malfunction or breakdown;
 - time when the malfunction or breakdown is first observed;
 - expected duration; and
 - estimated rate of emissions;
 - ii. notify the Regional Supervisor or Director immediately when corrective measures have been accomplished; and
 - iii. submit to the Regional Supervisor or Director within 15 days a written report as described in 15A NCAC 2D .0535(f)(3).

Permit Deviations

3. Pursuant to 15A NCAC 2Q .0508(f)(2), the Permittee shall report deviations from permit requirements (terms and conditions) as follows:
 - a. Notify the Regional Supervisor or Director of all other deviations from permit requirements not covered under 15A NCAC 2D .0535 quarterly. A written report to the Regional Supervisor shall include the probable cause of such deviation and any corrective actions or preventative actions taken. The responsible official shall certify all deviations from permit requirements.

I.B. Other Requirements under 15A NCAC 2D .0535

The Permittee shall comply with all other applicable requirements contained in 15A NCAC 2D .0535, including 15A NCAC 2D .0535(c) as follows:

1. Any excess emissions that do not occur during start-up and shut-down shall be considered a violation of the appropriate rule unless the owner or operator of the sources demonstrates to the Director, that the excess emissions are a result of a malfunction. The Director shall consider, along with any other pertinent information, the criteria contained in 15A NCAC 2D .0535(c)(1) through (7).
2. 15A NCAC 2D .0535(g). Excess emissions during start-up and shut-down shall be considered a violation of the appropriate rule if the owner or operator cannot demonstrate that excess emissions are unavoidable.

J. Emergency Provisions [40 CFR 70.6(g)]

The Permittee shall be subject to the following provisions with respect to emergencies:

1. An emergency means any situation arising from sudden and reasonably unforeseeable events beyond the control of the facility, including acts of God, which situation requires immediate corrective action to restore normal operation, and that causes the facility to exceed a technology-based emission limitation under the permit, due to unavoidable increases in emissions attributable to the emergency. An emergency shall not include noncompliance to the extent caused by improperly designed equipment, lack of preventive

maintenance, careless or improper operation, or operator error.

2. An emergency constitutes an affirmative defense to an action brought for noncompliance with such technology-based emission limitations if the conditions specified in 3. below are met.
3. The affirmative defense of emergency shall be demonstrated through properly signed contemporaneous operating logs or other relevant evidence that include information as follows:
 - a. an emergency occurred and the Permittee can identify the cause(s) of the emergency;
 - b. the permitted facility was at the time being properly operated;
 - c. during the period of the emergency the Permittee took all reasonable steps to minimize levels of emissions that exceeded the standards or other requirements in the permit; and
 - d. the Permittee submitted notice of the emergency to the DAQ within two working days of the time when emission limitations were exceeded due to the emergency. This notice must contain a description of the emergency, steps taken to mitigate emissions, and corrective actions taken.
4. In any enforcement proceeding, the Permittee seeking to establish the occurrence of an emergency has the burden of proof.
5. This provision is in addition to any emergency or upset provision contained in any applicable requirement specified elsewhere herein.

K. **Permit Renewal** [15A NCAC 2Q .0508(e) and 2Q .0513(b)]

This permit is issued for a fixed term of five years for facilities subject to Title IV requirements and for a term not to exceed five years in the case of all other facilities. This permit shall expire at the end of its term. Permit expiration terminates the facility's right to operate unless a complete renewal application is submitted at least nine months before the date of permit expiration. If the Permittee or applicant has complied with 15A NCAC 2Q .0512(b)(1), this permit shall not expire until the renewal permit has been issued or denied. All terms and conditions of this permit shall remain in effect until the renewal permit has been issued or denied.

L. **Need to Halt or Reduce Activity Not a Defense** [15A NCAC 2Q .0508(i)(4)]

It shall not be a defense for a Permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.

M. **Duty to Provide Information (submittal of information)** [15A NCAC 2Q .0508(i)(9)]

1. The Permittee shall furnish to the DAQ, in a timely manner, any reasonable information that the Director may request in **writing** to determine whether cause exists for modifying, revoking and reissuing, or terminating the permit or to determine compliance with the permit.
2. The Permittee shall furnish the DAQ copies of records required to be kept by the permit when such copies are requested by the Director. For information claimed to be confidential, the Permittee may furnish such records directly to the EPA upon request along with a claim of confidentiality.

N. **Duty to Supplement** [15A NCAC 2Q .0507(f)]

The Permittee, upon becoming aware that any relevant facts were omitted or incorrect information was submitted in the permit application, shall promptly submit such supplementary facts or corrected information to the DAQ. The Permittee shall also provide additional information as necessary to address any requirement that becomes applicable to the facility after the date a complete permit application was submitted but prior to the release of the draft permit.

O. **Retention of Records** [15A NCAC 2Q .0508(f) and 2Q .0508 (l)]

The Permittee shall retain records of all required monitoring data and supporting information for a period of at least five years from the date of the monitoring sample, measurement, report, or application. Supporting information includes all calibration and maintenance records and all original strip-chart recordings for continuous monitoring information, and copies of all reports required by the permit. These records shall be maintained in a form suitable and readily available for expeditious inspection and review. Any records required by the conditions of this permit shall be kept on site and made available to DAQ personnel for inspection upon request.

P. **Compliance Certification** [15A NCAC 2Q .0508(n)]

The Permittee shall submit to the DAQ and the EPA (Air and EPCRA Enforcement Branch, EPA, Region 4, 61 Forsyth Street, Atlanta, GA 30303) postmarked on or before March 1 a compliance certification (for the preceding calendar year) by a responsible official with all federally-enforceable terms and conditions in the permit, including emissions limitations, standards, or work practices. It shall be the responsibility of the current owner to submit a compliance certification for the entire year regardless of who owned the facility during the year. The compliance certification

shall comply with additional requirements as may be specified under Sections 114(a)(3) or 504(b) of the Federal Clean Air Act. The compliance certification shall specify:

1. the identification of each term or condition of the permit that is the basis of the certification;
2. the compliance status (with the terms and conditions of the permit for the period covered by the certification);
3. whether compliance was continuous or intermittent; and
4. the method(s) used for determining the compliance status of the source during the certification period.

Q. **Certification by Responsible Official** [15A NCAC 2Q .0520]

A responsible official shall certify the truth, accuracy, and completeness of any application form, report, or compliance certification required by this permit. All certifications shall state that based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.

R. **Permit Shield for Applicable Requirements** [15A NCAC 2Q .0512]

1. Compliance with the terms and conditions of this permit shall be deemed compliance with applicable requirements, where such applicable requirements are included and specifically identified in the permit as of the date of permit issuance.
2. A permit shield shall not alter or affect:
 - a. the power of the Commission, Secretary of the Department, or Governor under NCGS 143-215.3(a)(12), or EPA under Section 303 of the Federal Clean Air Act;
 - b. the liability of an owner or operator of a facility for any violation of applicable requirements prior to the effective date of the permit or at the time of permit issuance;
 - c. the applicable requirements under Title IV; or
 - d. the ability of the Director or the EPA under Section 114 of the Federal Clean Air Act to obtain information to determine compliance of the facility with its permit.
3. A permit shield does not apply to any change made at a facility that does not require a permit or permit revision made under 15A NCAC 2Q .0523.
4. A permit shield does not extend to minor permit modifications made under 15A NCAC 2Q .0515.

S. **Termination, Modification, and Revocation of the Permit** [15A NCAC 2Q .0519]

The Director may terminate, modify, or revoke and reissue this permit if:

1. the information contained in the application or presented in support thereof is determined to be incorrect;
2. the conditions under which the permit or permit renewal was granted have changed;
3. violations of conditions contained in the permit have occurred;
4. the EPA requests that the permit be revoked under 40 CFR 70.7(g) or 70.8(d); or
5. the Director finds that termination, modification, or revocation and reissuance of the permit is necessary to carry out the purpose of NCGS Chapter 143, Article 21B.

T. **Insignificant Activities** [15A NCAC 2Q .0503]

Because an emission source or activity is insignificant does not mean that the emission source or activity is exempted from any applicable requirement or that the owner or operator of the source is exempted from demonstrating compliance with any applicable requirement. The Permittee shall have available at the facility at all times and made available to an authorized representative upon request, documentation, including calculations, if necessary, to demonstrate that an emission source or activity is insignificant.

U. **Property Rights** [15A NCAC 2Q .0508(i)(8)]

This permit does not convey any property rights in either real or personal property or any exclusive privileges.

V. **Inspection and Entry** [15A NCAC 2Q .0508(l) and NCGS 143-215.3(a)(2)]

1. Upon presentation of credentials and other documents as may be required by law, the Permittee shall allow the DAQ, or an authorized representative, to perform the following:
 - a. enter the Permittee's premises where the permitted facility is located or emissions-related activity is conducted, or where records are kept under the conditions of the permit;
 - b. have access to and copy, at reasonable times, any records that are required to be kept under the conditions of the permit;
 - c. inspect at reasonable times and using reasonable safety practices any source, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under the permit; and
 - d. sample or monitor substances or parameters, using reasonable safety practices, for the purpose of assuring compliance with the permit or applicable requirements at reasonable times.

Nothing in this condition shall limit the ability of the EPA to inspect or enter the premises of the Permittee under Section 114 or other provisions of the Federal Clean Air Act.

2. No person shall refuse entry or access to any authorized representative of the DAQ who requests entry for purposes of inspection, and who presents appropriate credentials, nor shall any person obstruct, hamper, or interfere with any such authorized representative while in the process of carrying out his official duties. Refusal of entry or access may constitute grounds for permit revocation and assessment of civil penalties.

W. **Annual Fee Payment** [15A NCAC 2Q .0508(i)(10)]

1. The Permittee shall pay all fees in accordance with 15A NCAC 2Q .0200.
2. Payment of fees may be by check or money order made payable to the N.C. Department of Environment and Natural Resources. Annual permit fee payments shall refer to the permit number.
3. If, within 30 days after being billed, the Permittee fails to pay an annual fee, the Director may initiate action to terminate the permit under 15A NCAC 2Q .0519.

X. **Annual Emission Inventory Requirements** [15A NCAC 2Q .0207]

The Permittee shall report by **June 30 of each year** the actual emissions of each air pollutant listed in 15A NCAC 2Q .0207(a) from each emission source within the facility during the previous calendar year. The report shall be in or on such form as may be established by the Director. The accuracy of the report shall be certified by a responsible official of the facility.

Y. **Confidential Information** [15A NCAC 2Q .0107 and 2Q .0508(i)(9)]

Whenever the Permittee submits information under a claim of confidentiality pursuant to 15A NCAC 2Q .0107, the Permittee may also submit a copy of all such information and claim directly to the EPA upon request. All requests for confidentiality must be in accordance with 15A NCAC 2Q .0107.

Z. **Construction and Operation Permits** [15A NCAC 2Q .0100 and .0300]

A construction and operating permit shall be obtained by the Permittee for any proposed new or modified facility or emission source which is not exempted from having a permit prior to the beginning of construction or modification, in accordance with all applicable provisions of 15A NCAC 2Q .0100 and .0300.

AA. **Standard Application Form and Required Information** [15A NCAC 2Q .0505 and .0507]

The Permittee shall submit applications and required information in accordance with the provisions of 15A NCAC 2Q .0505 and .0507.

BB. **Financial Responsibility and Compliance History** [15A NCAC 2Q .0507(d)(3)]

The DAQ may require an applicant to submit a statement of financial qualifications and/or a statement of substantial compliance history.

CC. **Refrigerant Requirements (Stratospheric Ozone and Climate Protection)** [15A NCAC 2Q .0501(e)]

1. If the Permittee has appliances or refrigeration equipment, including air conditioning equipment, which use Class I or II ozone-depleting substances such as chlorofluorocarbons and hydrochlorofluorocarbons listed as refrigerants in 40 CFR Part 82 Subpart A Appendices A and B, the Permittee shall service, repair, and maintain such equipment according to the work practices, personnel certification requirements, and certified recycling and recovery equipment specified in 40 CFR Part 82 Subpart F.
2. The Permittee shall not knowingly vent or otherwise release any Class I or II substance into the environment during the repair, servicing, maintenance, or disposal of any such device except as provided in 40 CFR Part 82 Subpart F.
3. The Permittee shall comply with all reporting and recordkeeping requirements of 40 CFR 82.166. Reports shall be submitted to the EPA or its designee as required.

DD. **Prevention of Accidental Releases - Section 112(r)** [15A NCAC 2Q .0508(h)]

If the Permittee is required to develop and register a Risk Management Plan with EPA pursuant to Section 112(r) of the Clean Air Act, then the Permittee is required to register this plan in accordance with 40 CFR Part 68.

EE. **Prevention of Accidental Releases General Duty Clause - Section 112(r)(1) - FEDERALLY-ENFORCEABLE ONLY**

Although a risk management plan may not be required, if the Permittee produces, processes, handles, or stores any amount of a listed hazardous substance, the Permittee has a general duty to take such steps as are necessary to prevent the accidental release of such substance and to minimize the consequences of any release.

FF. **Title IV Allowances** [15A NCAC 2Q .0508(i)(1)]

This permit does not limit the number of Title IV allowances held by the Permittee, but the Permittee may not use allowances as a defense to noncompliance with any other applicable requirement. The Permittee's emissions may not exceed any allowances that the facility lawfully holds under Title IV of the Federal Clean Air Act.

GG. **Air Pollution Emergency Episode** [15A NCAC 2D .0300]

Should the Director of the DAQ declare an Air Pollution Emergency Episode, the Permittee will be required to operate in accordance with the Permittee's previously approved Emission Reduction Plan or, in the absence of an approved plan, with the appropriate requirements specified in 15A NCAC 2D .0300.

HH. **Registration of Air Pollution Sources** [15A NCAC 2D .0200]

The Director of the DAQ may require the Permittee to register a source of air pollution. If the Permittee is required to register a source of air pollution, this registration and required information will be in accordance with 15A NCAC 2D .0202(b).

II. **Ambient Air Quality Standards** [15A NCAC 2D .0501(e)]

In addition to any control or manner of operation necessary to meet emission standards specified in this permit, any source of air pollution shall be operated with such control or in such manner that the source shall not cause the ambient air quality standards in 15A NCAC 2D .0400 to be exceeded at any point beyond the premises on which the source is located. When controls more stringent than named in the applicable emission standards in this permit are required to prevent violation of the ambient air quality standards or are required to create an offset, the permit shall contain a condition requiring these controls.

JJ. **General Emissions Testing and Reporting Requirements** [15A NCAC 2Q .0508(i)(16)]

If emissions testing is required by this permit or the DAQ or if the Permittee submits emissions testing to the DAQ in support of a permit application, the Permittee shall perform such testing in accordance with the appropriate EPA reference method(s) as approved by the DAQ and follow the procedures outlined below. The Permittee must request **in writing** and receive approval from the DAQ for an alternate test method or procedure.

1. The Permittee shall submit a completed Protocol Submittal Form to the DAQ Regional Supervisor at least 45 days prior to the scheduled test date. A copy of the Protocol Submittal Form may be obtained from the

Regional Supervisor.

2. The Permittee shall notify the Regional Supervisor of the specific test dates at least 15 days prior to testing in order to afford the DAQ the opportunity to have an observer on-site during the sampling program.
3. During all sampling periods, the Permittee shall operate the emission source(s) under maximum normal operating conditions or alternative operating conditions as deemed appropriate by the Regional Supervisor or his delegate.
4. The Permittee shall submit **two** copies of the test report to the DAQ. The test report shall contain at a minimum the following information:
 - a. a certification of the test results by sampling team leader and facility representative;
 - b. a summary of emissions results and text detailing the objectives of the testing program, the applicable state and federal regulations, and conclusions about the testing and compliance status of the emission source(s);
 - c. a detailed description of the tested emission source(s) and sampling location(s) process flow diagrams, engineering drawings, and sampling location schematics should be included as necessary;
 - d. all field, analytical, and calibration data necessary to verify that the testing was performed as specified in the applicable test methods;
 - e. example calculations for at least one test run using equations in the applicable test methods and all test results including intermediate parameter calculations; and
 - f. documentation of facility operating conditions during all testing periods and an explanation relating these operating conditions to maximum normal operation. If necessary, provide historical process data to verify maximum normal operation.
5. The testing requirement(s) shall be considered satisfied only upon written approval of the test results by the DAQ.
6. The DAQ will review emission test results with respect exclusively to the specified testing objectives as proposed by the Permittee and approved by the DAQ. The use of the test results beyond the stated objectives remains subject to the approval of the DAQ.

KK. **Reopening for Cause** [15A NCAC 2Q .0517]

1. A permit shall be reopened and revised under the following circumstances:
 - a. additional applicable requirements become applicable to a facility with remaining permit term of three or more years;
 - b. additional requirements (including excess emission requirements) become applicable to a source covered by Title IV;
 - c. the Director or EPA finds that the permit contains a material mistake or that inaccurate statements were made in establishing the emissions standards or other terms or conditions of the permit; or
 - d. the Director or EPA determines that the permit must be revised or revoked to assure compliance with the applicable requirements.
2. Any permit reopening shall be completed or a revised permit issued within 18 months after the applicable requirement is promulgated. No reopening is required if the effective date of the requirement is after the expiration of the permit term unless the term of the permit was extended pursuant to 15A NCAC 2Q .0513(c).
4. Except for the state-enforceable only portion of the permit, the procedures set out in 15A NCAC 2Q .0507, .0521, or .0522 shall be followed to reissue the permit. If the State-enforceable only portion of the permit is reopened, the procedures in 15A NCAC 2Q .0300 shall be followed. The proceedings shall affect only those parts of the permit for which cause to reopen exists.

4. The Director shall notify the Permittee at least 60 days in advance of the date that the permit is to be reopened, except in cases of imminent threat to public health or safety the notification period may be less than 60 days.
5. Within 90 days, or 180 days if the EPA extends the response period, after receiving notification from the EPA that a permit needs to be terminated, modified, or revoked and reissued, the Director shall send to the EPA a proposed determination of termination, modification, or revocation and reissuance, as appropriate.

LL. **Reporting Requirements for Non-Operating Equipment** [15A NCAC 2Q .0508(i)(16)]

The Permittee shall maintain a record of operation for permitted equipment noting whenever the equipment is taken from and placed into operation. During operation the monitoring recordkeeping and reporting requirements as prescribed by the permit shall be implemented within the monitoring period.

ATTACHMENT

List of Acronyms

AOS	Alternate Operating Scenario
BACT	Best Available Control Technology
Btu	British thermal unit
CEM	Continuous Emission Monitor
CFR	Code of Federal Regulations
CAA	Clean Air Act
DAQ	Division of Air Quality
DENR	Department of Environment and Natural Resources
EMC	Environmental Management Commission
EPA	Environmental Protection Agency
FR	Federal Register
GACT	Generally Available Control Technology
HAP	Hazardous Air Pollutant
MACT	Maximum Achievable Control Technology
NCAC	North Carolina Administrative Code
NCGS	North Carolina General Statutes
NESHAPS	National Emission Standards for Hazardous Air Pollutants
NO_x	Nitrogen Oxides
NSPS	New Source Performance Standard
OAHA	Office of Administrative Hearings
PM	Particulate Matter
PM₁₀	Particulate Matter with Nominal Aerodynamic Diameter of 10 Micrometers or Less
POS	Primary Operating Scenario
PSD	Prevention of Significant Deterioration
SIC	Standard Industrial Classification
SIP	State Implementation Plan
SO₂	Sulfur Dioxide
tpy	Tons Per Year
VOC	Volatile Organic Compound