# NEW SOURCE CONSTRUCTION PERMIT Prevention of Significant Deterioration (PSD) Permit Office of Air Quality

And

# Vigo County Air Pollution Control 103 South Third Street Terre Haute, IN 47807

## Duke Energy Vigo, LLC 5255 Darwin Road West Terre Haute, IN 47885

(herein known as the Permittee) is hereby authorized to construct and operate subject to the conditions contained herein, the emission units described in Section A (Source Summary) of this permit.

This permit is issued to the above mentioned company under the provisions of 326 IAC 2-1.1, 326 IAC 2-5.1, 326 IAC 2-6.1 and 40 CFR 52.780, with conditions listed on the attached pages.

This permit is also issued under the provisions of 326 IAC 2-2, 40 CFR 52.21, and 40 CFR 52.124 (Prevention of Significant Deterioration), with conditions listed on the attached pages.

Operation Permit No.: CP 167-12481-00125		
Original signed by Paul Dubenetzky Issued by: Paul Dubenetzky, Branch Chief Office of Air Quality	Issuance Date:	June 6, 2001

Page 2 of 36 CP-167-12481 ID-167-00125

### **TABLE OF CONTENTS**

Α	SOUR	CE SUMMARY4
	A.1	General Information [326 IAC 2-5.1-3(c)] [326 IAC 2-6.1-4(a)]
	A.2	Emission Units and Pollution Control Equipment Summary
	A.3	Part 70 Permit Applicability [326 IAC 2-7-2]
	A.4	Acid Rain Permit Applicability [326 IAC 2-7-2]
в	GENE	RAL CONSTRUCTION CONDITIONS
	B.1	Permit No Defense [IC 13]
	B.2	Definitions
	B.3	Effective Date of the Permit [IC 13-15-5-3]
	B.4	Revocation of Permits [326 IAC 2-1.1-9(5)]
	B.5	Local Agency Requirement
	B.6	NSPS Reporting Requirements
С	SOUR	CE OPERATION CONDITIONS
	C.1	PSD Major Source Status [326 IAC 2-2]
	C.2	Preventive Maintenance Plan [326 IAC 1-6-3]
	C.3	Source Modification [326 IAC 2-7-10.5]
	C.4	Inspection and Entry [326 IAC 2-5.1-3(e)(4)(B)] [326 IAC 2-6.1-5(a)(4)]
	C.5	Transfer of Ownership or Operation [326 IAC 2-6.1-6(d)(3)]
	C.6	Permit Revocation [326 IAC 2-1-9]
	C.7	Opacity [326 IAC 5-1]
	C.8	Fugitive Dust Emissions [326 IAC 6-4]
	C.9	Stack Height [326 IAC 1-7]
	C.10	Performance Testing [326 IAC 3-6]
	C.11	Compliance Monitoring [326 IAC 2-1.1-11]
	C.12	Maintenance of Monitoring Equipment [IC 13-14-1-13]
	C.13	Monitoring Methods [326 IAC 3]
	C.14	Compliance Monitoring Plan - Failure to Take Response Steps [326 IAC 1-6]
	0.15	Actions Related to Noncompliance Demonstrated by a Stack Test
	Recor	d Keeping and Reporting Requirements
	C.16	Malfunctions Report [326 IAC 1-6-2]
	C.17	Monitoring Data Availability [326 IAC 2-6.1-2] [IC 13-14-1-3]
	C.18	General Record Keeping Requirements [326 IAC 2-6.1-2]
	C.19	General Reporting Requirements [326 IAC 2-1.1-11] [326 IAC 2-6.1-2] [IC 13-14-1-13]
D.1	Comb	ined Cycle Operation18
	Emiss	ion Limitations and Standards
	D.1.1	Prevention of Significant Deterioration [326 IAC 2-2]
	D.1.2	Particulate Matter Emission Limitations for Combustion Turbines/Duct Burners
	D.1.3	Opacity Limitations

- D.1.4 Particulate Matter (PM/PM<sub>10</sub>) Emission Limitations for Cooling Tower
   D.1.5 Particulate Matter (PM/PM<sub>10</sub>) Emission Limitations for Inlet Chiller
- Startup and Shutdown Limitations for Combustion Turbines D.1.6
- Nitrogen Oxide (NO<sub>X</sub>) Emission Limitations for Combustion Turbines/Duct Burners D.1.7
- D.1.8 Carbon Monoxide (CO) Emission Limitations for Combustion Turbines/Duct Burners

Duke Energy Vigo, LLC West Terre Haute, Indiana Permit Reviewer: David Howard Page 3 of 36 CP-167-12481 ID-167-00125

- D.1.9 Sulfur Dioxide (SO2) Emission Limitations for Combustion Turbines/Duct Burners
- D.1.10 Volatile Organic Compound Emission Limitations for Combustion Turbines/Duct Burners
- D.1.11 40 CFR 60, Subpart GG (Stationary Gas Turbines)
- D.1.12 40 CFR Part 60, Subpart Da (Electricity Utility Steam Generating Units)
- D.1.13 Formaldehyde Limitations
- D.1.14 Ammonia Limitations
- D.1.15 Preventive Maintenance Plan [326 IAC 1-6-3]

#### **Compliance Determination Requirements**

- D.1.16 Performance Testing
- D.1.17 40 CFR Part 60, Subpart GG Compliance Requirements (Stationary Gas Turbines)
- D.1.18 Continuous Emission Monitoring (CEMs)

#### **Record Keeping and Reporting Requirements**

- D.1.19 Record Keeping Requirements
- D.1.20 Reporting Requirements

#### 

#### **Emission Limitations and Standards**

- D.2.1 Prevention of Significant Deterioration [326 IAC 2-2]
- D.2.2 Particulate Matter Emission Limitations for the Auxiliary Boiler
- D.2.3 Opacity Limitations
- D.2.4 Nitrogen Oxide (NO<sub>X</sub>) Emission Limitations for the Auxiliary Boiler
- D.2.5 Carbon Monoxide (CO) Emission Limitations for the Auxiliary Boiler
- D.2.6 Sulfur Dioxide (SO<sub>2</sub>) Emission Limitations for the Auxiliary Boiler
- D.2.7 Volatile Organic Compound (VOC) Emission Limitations for the Auxiliary Boiler
- D.2.8 Natural Gas Limitations
- D.2.9 Prevention Maintenance Plan [326 IAC 1-6-3]

#### **Compliance Determination Requirements**

D.2.10 Performance Testing

#### **Record Keeping and Reporting Requirements**

- D.2.11 Record Keeping Requirements
- D.2.12 Reporting Requirements

#### 

#### **Emission Limitations and Standards**

D.3.1 BACT Limitation for the Fire Pump

D.3.2 BACT Limitation for the Emergency Generator

#### **Compliance Determination Requirements**

D.3.3 Testing Requirements [325 IAC 2-1.1-11]

#### **Record Keeping and Reporting Requirements**

- D.3.4 Record Keeping Requirements
- D.3.5 Reporting Requirements

### **SECTION A**

#### SOURCE SUMMARY

This permit is based on information requested by the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ), and Vigo County Air Pollution Control (VCAPC). The information describing the source contained in conditions A.1 through A.3 is descriptive information and does not constitute enforceable conditions. However, the Permittee should be aware that a physical change or a change in the method of operation that may render this descriptive information obsolete or inaccurate may trigger requirements for the Permittee to obtain additional permits or seek modification of this permit pursuant to 326 IAC 2, or change other applicable requirements presented in the permit application.

A.1 General Information [326 IAC 2-5.1-3(c)] [326	i IAC 2-6.1-4(a)]	
---	-------------------	--

The Permittee owns and operates a 620 megawatt electric generating station.

Authorized Individual:	Kevin Grant
Source Address:	5255 Darwin Road, West Terre Haute, IN 47885
Mailing Address:	5400 Westheimer Court, Houston, TX 77056-5310
Phone Number:	(713) 627-5698
SIC Code:	4911
County Location:	Vigo
County Status:	Attainment for all criteria pollutants
Source Status:	Major (1 of the 28), under PSD

#### A.2 Emissions units and Pollution Control Equipment Summary

This stationary source is approved to construct and operate the following emissions units and pollution control devices:

- (a) Two (2) natural gas-fired combustion turbine generators, designated as units Turbine 1 and Turbine 2 with a maximum heat input capacity of 1,984 MMBtu/hr (per unit on a higher heating value basis), and exhausts to stacks designated as 1 and 2, respectively.
- (b) Two (2) heat recovery steam generators, designated as units HRSG1 and HRSG2 with two (2) associated duct burners, designated as DB1 and DB2, with a maximum heat input rating of 575 MMBtu/hr (per unit on a higher heating value basis).
- (c) One (1) reheat condensing steam turbine.
- (d) Two (2) selective catalytic reduction systems.
- (e) One (1) auxiliary boiler, designated as unit Aux1 with a maximum heat input rating of 46.6 MMBtu/hr, and exhausts to stack designated as 3.
- (f) One (1) cooling tower, designated as Cool1 and exhausts to stack designated as 6.
- (g) One (1) chiller cooling tower, designated as Chill1 and exhausts to stack designated as 7.
- (h) One (1) emergency diesel generator utilizing low sulfur diesel fuel, with a maximum heat input capacity of 8.01 MMBtu/hr and exhausts to stack designated as 4.

(i) One (1) backup fire pump utilizing low sulfur diesel fuel, with a maximum rated heat input capacity of 2.90 MMBtu/hr and exhausts to stack designated as 5.

#### A.3 Part 70 Permit Applicability [326 IAC 2-7-2]

This stationary source is required to have a Part 70 permit by 326 IAC 2-7-2 (Applicability) because:

- (a) It is a major source, as defined in 326 IAC 2-7-1(22);
- (b) It is an affected source under Title IV (Acid Deposition Control) of the Clean Air Act, as defined in 326 IAC 2-7-1(3);
- (c) It is a source in a source category designated by the United States Environmental Protection Agency (U.S. EPA) under 40 CFR 70.3 (Part 70 Applicability).

#### A.4 Acid Rain Permit Applicability [326 IAC 2-7-2]

This stationary source shall be required to have a Phase II, Acid Rain permit by 40 CFR 72.30 (Applicability) because:

- (a) The combustion turbines are new units under 40 CFR 72.6.
- (b) The source cannot operate the combustion units until their Phase II, Acid Rain permit has been issued.

Page 6 of 36 CP-167-12481 ID-167-00125

#### SECTION B GENERAL CONSTRUCTION CONDITIONS

THIS SECTION OF THE PERMIT IS BEING ISSUED UNDER THE PROVISIONS OF 326 IAC 2-1.1 AND 40 CFR 52.780, WITH CONDITIONS LISTED BELOW.

B.1 Permit No Defense [IC 13]

This permit to construct does not relieve the Permittee of the responsibility to comply with the provisions of the Indiana Environmental Management Law (IC 13-11 through 13-20; 13-22 through 13-25; and 13-30), the Air Pollution Control Law (IC 13-17) and the rules promulgated thereunder, as well as other applicable local, state, and federal requirements.

#### B.2 Definitions

Terms in this permit shall have the definition assigned to such terms in the referenced regulation. In the absence of definitions in the referenced regulation, any applicable definitions found in IC 13-11, 326 IAC 1-2, and 326 IAC 2-1.1-1 shall prevail.

#### B.3 Effective Date of the Permit [40 CFR 124]

Pursuant to 40 CFR 124.15, 40 CFR 124.19, and 40 CFR 124.20, the effective date of this permit will be thirty (30) days after the service of notice of the decision, except as provided in 40 CFR 124. Three (3) days shall be added to the thirty (30) day period if service of notice is by mail.

#### B.4 Revocation of Permits [326 IAC 2-2-8]

Pursuant to 326 IAC 2-2-8(a)(1) and 40 CFR 52.21, this permit to construct shall expire if construction is not commenced within eighteen (18) months after receipt of this approval or if construction is discontinued for a period of eighteen (18) months or more.

### B.5 First Time Operation Permit [326 IAC 2-6.1]

This document shall also become a first time operating permit pursuant to 326 IAC 2-5.1-3 when, prior to start of operation, the following requirements are met:

- (a) Any modifications required by 326 IAC 2-1.1 and 326 IAC 2-7-10.5 as a result of a change in the design or operation of emissions units described by this permit have been obtained prior to obtaining an Operation Permit Validation Letter.
- (b) The attached Affidavit of Construction shall be submitted to the Office of Air Quality (OAQ), Permit Administration & Development Section, and Vigo County Air Pollution Control (VCAPC).
  - (1) If the Affidavit of Construction verifies that the facilities covered in this Construction Permit were constructed as proposed in the application, then the facilities may begin operating on the date the Affidavit of Construction is postmarked or hand delivered to IDEM and VCAPC.
  - (2) If the Affidavit of Construction does not verify that the facilities covered in this Construction Permit were constructed as proposed in the application, then the Permittee shall receive an Operation Permit Validation Letter from the Chief of the Permit Administration & Development Section prior to beginning operation of the facilities.

Page 7 of 36 CP-167-12481 ID-167-00125

- (c) If construction is completed in phases; i.e., the entire construction is not done continuously, a separate affidavit must be submitted for each phase of construction. Any permit conditions associated with operation start up dates such as stack testing for New Source Performance Standards (NSPS) shall be applicable to each individual phase.
- (d) Upon receipt of the Operation Permit Validation Letter from the Chief of the Permit Administration & Development Section, the Permittee shall attach it to this document.
- (e) The operation permit will be subject to annual operating permit fees pursuant to 326 IAC 2-7-19 (Fees).
- (f) Pursuant to 326 IAC 2-7-4(a)(1)(A)(ii) and 326 IAC 2-5.1-4, the Permittee shall apply for a Title V operating permit within twelve (12) months of the date on which the source first meets an applicability criterion of 326 IAC 2-7-2.

#### B.6 Local Agency Requirement

An application for an operation permit must be made ninety (90) days before start up to:

Vigo County Air Pollution Control 103 South Third Street Terre Haute, IN 47807

The operation permit issued by Vigo County shall contain as a minimum the conditions in the Operation Conditions section of this permit.

#### B.7 NSPS Reporting Requirement

Pursuant to the New Source Performance Standards (NSPS), Part 60.7, Part 60.8, the source owner/operator is hereby advised of the requirement to report the following at the appropriate times:

- (a) Commencement of construction date (no later than 30 days after such date);
- (b) Anticipated start-up date (not more than 60 days or less than 30 days prior to such date);
- (c) Actual start-up date (within 15 days after such date); and
- (d) Date of performance testing (at least 30 days prior to such date), when required by a condition elsewhere in this permit.

Reports are to be sent to:

Indiana Department of Environmental Management Compliance Data Section, Office of Air Quality 100 North Senate Avenue P.O. Box 6015 Indianapolis, IN 46206-6015

And

Vigo County Air Pollution Control

Page 8 of 36 CP-167-12481 ID-167-00125

103 South Third Street Terre Haute, IN 47807

The application and enforcement of these standards have been delegated to the IDEM, OAQ. The requirements of 40 CFR Part 60 are also federally enforceable.

#### SOURCE OPERATION CONDITIONS

Entire Source

#### C.1 Major Source

SECTION C

Pursuant to 326 IAC 2-2 (Prevention of Significant Deterioration) and 40 CFR 52.21, and 326 IAC 2-7 (Part 70 Permit Program) this source is a major source.

#### C.2 Preventive Maintenance Plan [326 IAC 1-6-3]

- (a) If required by specific condition(s) in Section D of this permit, the Permittee shall prepare and maintain Preventive Maintenance Plans (PMP) ninety (90) days after the commencement of normal operations after the first construction phase, including the following information on each emissions unit:
  - (1) Identification of the individual(s) responsible for inspecting, maintaining, and repairing emission control devices;
  - (2) A description of the items or conditions that will be inspected and the inspection schedule for said items or conditions;
  - (3) Identification and quantification of the replacement parts that will be maintained in inventory for quick replacement.
- (b) The Permittee shall implement the Preventive Maintenance Plans as necessary to ensure that failure to implement the Preventive Maintenance Plan does not cause or contribute to a violation of any limitation on emissions or potential to emit.
- (c) PMP's shall be submitted to IDEM, OAQ, and VCAPC upon request and shall be subject to review and approval by IDEM, OAQ, and VCAPC. IDEM, OAQ, and VCAPC may require the Permittee to revise its Preventive Maintenance Plan whenever lack of proper maintenance causes or contributes to any violation.

#### C.3 Source Modification [326 IAC 2-7-10.5]

- (a) The Permittee must comply with the requirements of 326 IAC 2-7-10.5 whenever the Permittee seeks to construct new emissions units, modify existing emissions units, or otherwise modify the source.
- (b) Any application requesting an amendment or modification of this permit shall be submitted to:

Indiana Department of Environmental Management Permits Branch, Office of Air Quality 100 North Senate Avenue, P.O. Box 6015 Indianapolis, Indiana 46206-6015

And

Vigo County Air Pollution Control

#### 103 South Third Street Terre Haute, IN 47807

Any such application should be certified by the "responsible official" as defined by 326 IAC 2-7-1(34) only if a certification is required by the terms of the applicable rule.

### C.4 Inspection and Entry [326 IAC 2-5.1-3(e)(4)(B)] [326 IAC 2-6.1-5(a)(4)]

Upon presentation of proper identification cards, credentials, and other documents as may be required by law, and subject to the Permittee's right under all applicable laws and regulations to assert that the information collected by the agency is confidential and entitled to be treated as such, the Permittee shall allow IDEM, OAQ, VCAPC, U.S. EPA, or an authorized representative to perform the following:

- Enter upon the Permittee's premises where a permitted source is located, or emissions related activity is conducted, or where records must be kept under the conditions of this permit;
- (b) Have access to and copy, at reasonable times, any records that must be kept under this title or the conditions of this permit or any operating permit revisions;
- Inspect, at reasonable times, any processes, emissions units (including monitoring and air pollution control equipment), practices, or operations regulated or required under this permit or any operating permit revisions;
- (d) Sample or monitor, at reasonable times, substances or parameters for the purpose of assuring compliance with this permit or applicable requirements; and
- (e) Utilize any photographic, recording, testing, monitoring, or other equipment for the purpose of assuring compliance with this permit or applicable requirements.

#### C.5 Transfer of Ownership or Operation [326 IAC 2-6.1-6(d)(3)] Pursuant to [326 IAC 2-6.1-6(d)(3)]

- (a) In the event that ownership of this source is changed, the Permittee shall notify IDEM, OAQ, Permits Branch, and VCAPC, within thirty (30) days of the change.
- (b) The written notification shall be sufficient to transfer the permit to the new owner by an notice-only change pursuant to 326 IAC 2-6.1-6(d)(3).
- (c) IDEM, OAQ, and VCAPC shall issue a revised permit.

The notification which shall be submitted by the Permittee does require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1.

### C.6 Permit Revocation [326 IAC 2-1-9] Pursuant to 326 IAC 2-1-9(a)(Revocation of Permits), this permit to construct and operate may be revoked for any of the following causes:

(a) Violation of any conditions of this permit.

- (b) Failure to disclose all the relevant facts, or misrepresentation in obtaining this permit.
- (c) Changes in regulatory requirements that mandate either a temporary or permanent reduction of discharge of contaminants. However, the amendment of appropriate sections of this permit shall not require revocation of this permit.
- (d) Noncompliance with orders issued pursuant to 326 IAC 1-5 (Episode Alert Levels) to reduce emissions during an air pollution episode.
- (e) For any cause which establishes in the judgment of IDEM and VCAPC, the fact that continuance of this permit is not consistent with purposes of this article.

#### C.7 Opacity [326 IAC 5-1]

Pursuant to 326 IAC 5-1-2 (Opacity Limitations), except as provided in 326 IAC 5-1-3 (Temporary Alternative Opacity Limitations), opacity shall meet the following, unless otherwise stated in this permit:

- (a) Opacity shall not exceed an average of forty percent (40%) in any one (1) six (6) minute averaging period as determined in 326 IAC 5-1-4.
- (b) Opacity shall not exceed sixty percent (60%) for more than a cumulative total of fifteen (15) minutes, sixty (60) readings as measured according to 40 CFR 60, Appendix A, Method 9 or fifteen (15) one (1) minute non-overlapping integrated averages for a continuous opacity) monitor in a six (6) hour period.

#### C.8 Fugitive Dust Emissions [326 IAC 6-4]

The Permittee shall not allow fugitive dust to escape beyond the property line or boundaries of the property, right-of-way, or easement on which the source is located, in a manner that would violate 326 IAC 6-4 (Fugitive Dust Emissions). 326 IAC 6-4-2(4) is not federally enforceable.

C.9 Stack Height [326 IAC 1-7]

The Permittee shall comply with the applicable provisions of 326 IAC 1-7 (Stack Height Provisions), for all exhaust stacks through which a potential (before controls) of twenty-five (25) tons per year or more of particulate matter or sulfur dioxide is emitted by using good engineering practices (GEP) pursuant to 326 IAC 1-7-3.

#### **Testing Requirements**

- C.10 Performance Testing [326 IAC 3-6]
  - (a) Compliance testing on new emissions units shall be conducted within 60 days after achieving maximum production rate, but no later than180 days after initial start-up, if specified in Section D of this approval. All testing shall be performed according to the provisions of 326 IAC 3-6 (Source Sampling Procedures), except as provided elsewhere in this permit, utilizing any applicable procedures and analysis methods specified in 40 CFR 51, 40 CFR 60, 40 CFR 61, 40 CFR 63, 40 CFR 75, or other procedures approved by IDEM, OAQ.

A test protocol, except as provided elsewhere in this permit, shall be submitted to:

Indiana Department of Environmental Management

Page 12 of 36 CP-167-12481 ID-167-00125

Compliance Data Section, Office of Air Quality 100 North Senate Avenue, P. O. Box 6015 Indianapolis, Indiana 46206-6015

And

Vigo County Air Pollution Control 103 South Third Street Terre Haute, IN 47807

no later than thirty-five (35) days prior to the intended test date. The Permittee shall submit a notice of the actual test date to the above address so that it is received at least two weeks prior to the test date.

(b) IDEM, OAQ, and VCAPC must receive all test reports within forty-five (45) days after the completion of the testing. IDEM, OAQ, and VCAPC may grant an extension, if the source submits to IDEM, OAQ, a reasonable written explanation within five (5) days prior to the end of the initial forty-five (45) day period.

The documentation submitted by the Permittee does not require certification by the "authorized individual" as defined by 326 IAC 2-1.1-1.

#### **Compliance Monitoring Requirements**

C.11 Compliance Monitoring [326 IAC 2-1.1-11]

Compliance with applicable requirements shall be documented as required by this permit. The Permittee shall be responsible for installing any necessary equipment and initiating any required monitoring related to that equipment. All monitoring and record keeping requirements not already legally required shall be implemented when operation begins.

- C.12 Maintenance of Monitoring Equipment [IC 13-14-1-13]
  - (a) In the event that a breakdown of the monitoring equipment occurs, a record shall be made of the times and reasons of the breakdown and efforts made to correct the problem. To the extent practicable, supplemental or intermittent monitoring of the parameter should be implemented at intervals no less frequent than required in Section D of this permit until such time as the monitoring equipment is back in operation. In the case of continuous monitoring, supplemental or intermittent monitoring of the parameter should be implemented at intervals no less than one (1) hour until such time as the continuous monitor is back in operation.
  - (b) The Permittee shall install, calibrate, quality assure, maintain, and operate all necessary monitors and related equipment. In addition, prompt corrective action shall be initiated whenever indicated.
- C.13
   Monitoring Methods [326 IAC 3]

   Any monitoring or testing required by Section D of this permit shall be performed according to the provisions of 326 IAC 3, 40 CFR 60, Appendix A, or other approved methods as specified in this permit.
- C.14 Compliance Monitoring Plan Failure to Take Response Steps [326 IAC 1-6] [326 IAC 2-2-4]

- (a) The Permittee is required to implement a compliance monitoring plan to ensure that reasonable information is available to evaluate its continuous compliance with applicable requirements. This compliance monitoring plan is comprised of:
  - (1) This condition;
  - (2) The Compliance Determination Requirements in Section D of this permit;
  - (3) The Compliance Monitoring Requirements in Section D of this permit;
  - (4) The Record Keeping and Reporting Requirements in Section C (Monitoring Data Availability, General Record Keeping Requirements, and General Reporting Requirements) and in Section D of this permit; and
  - (5) A Compliance Response Plan (CRP) for each compliance monitoring condition of this permit. CRP's shall be submitted to IDEM, OAQ, and VCAPC upon request and shall be subject to review and approval by IDEM, OAQ, and VCAPC. The CRP shall be prepared within ninety (90) days after the commencement of normal operation after the first phase of construction and shall be maintained on site, and is comprised of:
    - (A) Response steps that will be implemented in the event that compliance related information indicates that a response step is needed pursuant to the requirements of Section D of this permit; and
    - (B) A time schedule for taking such response steps including a schedule for devising additional response steps for situations that may not have been predicted.
- (b) For each compliance monitoring condition of this permit, appropriate response steps shall be taken when indicated by the provisions of that compliance monitoring condition. Failure to perform the actions detailed in the compliance monitoring conditions or failure to take the response steps within the time prescribed in the Compliance Response Plan, shall constitute a violation of the permit unless taking the response steps set forth in the Compliance Response Plan would be unreasonable.
- (c) After investigating the reason for the excursion, the Permittee is excused from taking further response steps for any of the following reasons:
  - (1) The monitoring equipment malfunctioned, giving a false reading. This shall be an excuse from taking further response steps providing that prompt action was taken to correct the monitoring equipment.
  - (2) The Permittee has determined that the compliance monitoring parameters established in the permit conditions are technically inappropriate, has previously submitted a request for an administrative amendment to the permit, and such request has not been denied or;
  - (3) An automatic measurement was taken when the process was not operating; or

Duke Energy Vigo, LLC	
West Terre Haute, Indiana	
Permit Reviewer: David Howard	

Page 14 of 36 CP-167-12481 ID-167-00125

- (4) The process has already returned to operating within "normal" parameters and no response steps are required.
- (d) Records shall be kept of all instances in which the compliance related information was not met and of all response steps taken.
- C.15 Actions Related to Noncompliance Demonstrated by a Stack Test
  - (a) When the results of a stack test performed in conformance with Section C Performance Testing, of this permit exceed the level specified in any condition of this permit, the Permittee shall take appropriate corrective actions. The Permittee shall submit a description of these corrective actions to IDEM, OAQ, and VCAPC within thirty (30) days of receipt of the test results. The Permittee shall take appropriate action to minimize emissions from the affected emissions unit while the corrective actions are being implemented. IDEM, OAQ, and VCAPC shall notify the Permittee within thirty (30) days, if the corrective actions taken are deficient. The Permittee shall submit a description of additional corrective actions taken to IDEM, OAQ, and VCAPC within thirty (30) days of receipt of the notice of deficiency. IDEM, OAQ and VCPAC reserve the authority to use enforcement activities to resolve noncompliant stack tests.
  - (b) A retest to demonstrate compliance shall be performed within one hundred twenty (120) days of receipt of the original test results. Should the Permittee demonstrate to IDEM, OAQ, and VCAPC that retesting in one hundred and twenty (120) days is not practicable, IDEM, OAQ and VCAPC may extend the retesting deadline. Failure of the second test to demonstrate compliance with the appropriate permit conditions may be grounds for immediate revocation of the permit to operate the affected emissions unit.

The documents submitted pursuant to this condition do not require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1.

#### **Record Keeping and Reporting Requirements**

C.16 Malfunctions Report [326 IAC 1-6-2]

Pursuant to 326 IAC 1-6-2 (Records; Notice of Malfunction):

- (a) A record of all malfunctions, including startups or shutdowns of any facility or emission control equipment, which result in violations of applicable air pollution control regulations or applicable emission limitations shall be kept and retained for a period of three (3) years and shall be made available to the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ), Vigo County Air Pollution Control (VCAPC), or appointed representative upon request.
- (b) When a malfunction of any facility or emission control equipment occurs which lasts more than one (1) hour, said condition shall be reported to OAQ and VCAPC, using the Malfunction Report Forms (2 pages). Notification shall be made by telephone or facsimile, as soon as practicable, but in no event later than four (4) daytime business hours after the beginning of said occurrence.
- (c) Failure to report a malfunction of any emission control equipment shall constitute a violation of 326 IAC 1-6, and any other applicable rules. Information of the scope and expected

Page 15 of 36 CP-167-12481 ID-167-00125

duration of the malfunction shall be provided, including the items specified in 326 IAC 1-6-2(a)(1) through (6).

- (d) Malfunction is defined as any sudden, unavoidable failure of any air pollution control equipment, process, or combustion or process equipment to operate in a normal and usual manner. [326 IAC 1-2-39]
- C.17 Monitoring Data Availability [326 IAC 2-6.1-2] [IC 13-14-1-13]
  - (a) With the exception of performance tests conducted in accordance with Section C-Performance Testing, all observations, sampling, maintenance procedures, and record keeping, required as a condition of this permit shall be performed at all times the equipment is operating at normal representative conditions.
  - (b) As an alternative to the observations, sampling, maintenance procedures, and record keeping of subsection (a) above, when the equipment listed in Section D of this permit is not operating, the Permittee shall either record the fact that the equipment is shut down or perform the observations, sampling, maintenance procedures, and record keeping that would otherwise be required by this permit.
  - (c) If the equipment is operating but abnormal conditions prevail, additional observations and sampling should be taken with a record made of the nature of the abnormality.
  - (d) If for reasons beyond its control, the operator fails to make required observations, sampling, maintenance procedures, or record keeping, reasons for this must be recorded.
  - (e) At its discretion, IDEM and VCAPC may excuse such failure providing adequate justification is documented and such failures do not exceed five percent (5%) of the operating time in any quarter.
  - (f) Temporary, unscheduled unavailability of staff qualified to perform the required observations, sampling, maintenance procedures, or record keeping shall be considered a valid reason for failure to perform the requirements stated in (a) above.

#### C.18 General Record Keeping Requirements [326 IAC 2-6.1-2]

- (a) Records of all required monitoring data and support information shall be retained for a period of at least five (5) years from the date of monitoring sample, measurement, report, or application. These records shall be kept at the source location for a minimum of three (3) years and available upon the request of an IDEM, OAQ, and VCAPC representative. The records may be stored elsewhere for the remaining two (2) years as long as they are available upon request. If the Commissioner or Vigo County Air Pollution Control makes a written request for records to the Permittee, the Permittee shall furnish the records to the Commissioner or Vigo County Air Pollution.
- (b) Records of required monitoring information shall include, where applicable:
  - (1) The date, place, and time of sampling or measurements;
  - (2) The dates analyses were performed;
  - (3) The company or entity performing the analyses;

- (4) The analytic techniques or methods used;
- (5) The results of such analyses; and
- (6) The operating conditions existing at the time of sampling or measurement.
- (c) Support information shall include, where applicable:
  - (1) Copies of all reports required by this permit;
  - (2) All original strip chart recordings for continuous monitoring instrumentation;
  - (3) All calibration and maintenance records;
  - (4) Records of preventive maintenance shall be sufficient to demonstrate that failure to implement the Preventive Maintenance Plan did not cause or contribute to a violation of any limitation on emissions or potential to emit. To be relied upon subsequent to any such violation, these records may include, but are not limited to: work orders, parts inventories, and operator's standard operating procedures. Records of response steps taken shall indicate whether the response steps were performed in accordance with the Compliance Response Plan required by Section C Compliance Monitoring Plan Failure to take Response Steps, of this permit, and whether a deviation from a permit condition was reported. All records shall briefly describe what maintenance and response steps were taken and indicate who performed the tasks.
- (d) All record keeping requirements not already legally required shall be implemented when operation begins.

#### C.19 General Reporting Requirements [326 IAC 2-1.1-11] [326 IAC 2-6.1-2] [IC 13-14-1-13]

- (a) To affirm that the source has met all the compliance monitoring requirements stated in this permit the source shall submit a Semi-annual Compliance Monitoring Report. Any deviation from the requirements and the date(s) of each deviation must be reported. The Compliance Monitoring Report shall include the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).
- (b) The report required in (a) of this condition and reports required by conditions in Section D of this permit shall be submitted to:

Indiana Department of Environmental Management Compliance Data Section, Office of Air Quality 100 North Senate Avenue, P. O. Box 6015 Indianapolis, Indiana 46206-6015

And

Vigo County Air Pollution Control 103 South Third Street Terre Haute, IN 47807

Page 17 of 36 CP-167-12481 ID-167-00125

- (c) Unless otherwise specified in this permit, any notice, report, or other submission required by this permit shall be considered timely if the date postmarked on the envelope or certified mail receipt, or affixed by the shipper on the private shipping receipt, is on or before the date it is due. If the document is submitted by any other means, it shall be considered timely if received by IDEM, OAQ, and VCAPC on or before the date it is due.
- (d) Unless otherwise specified in this permit, any semi-annual report shall be submitted within thirty (30) days of the end of the reporting period. The reports require the certification by the "authorized individual" as defined by 326 IAC 2-1.1-1(1).
- (e) All instances of deviations must be clearly identified in such reports. A reportable deviation is an exceedance of a permit limitation or a failure to comply with a requirement of the permit or a rule. It does not include:
  - (1) An excursion from compliance monitoring parameters as identified in Section D of this permit unless tied to an applicable rule or limit; or
  - (2) A malfunction as described in 326 IAC 1-6-2; or
  - (3) Failure to implement elements of the Preventive Maintenance Plan unless lack of maintenance has caused or contributed to a deviation.
  - (4) Failure to make or record information required by the compliance monitoring provisions of Section D unless such failure exceeds 5% of the required data in any calendar quarter.

A Permittee's failure to take the appropriate response step when an excursion of a compliance monitoring parameter has occurred or failure to monitor or record the required compliance monitoring is a deviation.

- (f) Any corrective actions or response steps taken as a result of each deviation must be clearly identified in such reports.
- (g) The first report shall cover the period commencing on the date start of normal operation after the first phase of construction and ending on the last day of the reporting period.

#### **SECTION D.1**

#### **EMISSIONS UNIT OPERATION CONDITIONS**

- (a) Two (2) natural gas-fired combustion turbine generators, designated as units Turbine 1 and Turbine 2 with a maximum heat input capacity of 1,984 MMBtu/hr (per unit), and exhausts to stacks designated as 1 and 2, respectively.
- (b) Two (2) heat recovery steam generators, designated as units HRSG1 and HRSG2 with two (2) associated duct burners, designated as DB1 and DB2, with a maximum heat input rating of 575 MMBtu/hr (per unit).
- (c) One (1) reheat condensing steam turbine.
- (d) Two (2) selective catalytic reduction systems.
- (e) One (1) cooling tower, designated as Cool1 and exhausts to stack designated as 6.
- (f) One (1) chiller cooling tower, designated as Chill1 and exhausts to stack designated as 7.

(The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

#### **Emission Limitations and Standards**

D.1.1 Prevention of Significant Deterioration [326 IAC 2-2]

Pursuant to 326 IAC 2-2 (PSD), this new source is subject to the requirements of 326 IAC 2-2 (Prevention of Significant Deterioration) for emissions of PM,  $PM_{10}$ , SO<sub>2</sub>, CO, NO<sub>X</sub>, and VOC because the potential to emit for these pollutants exceed the PSD major significant thresholds. Therefore, the PSD provisions require that this new source be reviewed to ensure compliance with the National Ambient Air Quality Standards (NAAQS), the applicable PSD air quality increments, and the requirements to apply the Best Available Control Technology (BACT) for the affected pollutants.

#### D.1.2 Particulate Matter (PM/PM<sub>10</sub>) Emission Limitations for Combustion Turbines/Duct Burners

- (a) Pursuant to 326 IAC 2-2 (PSD Requirements), the total PM, sum of PM (filterable) and PM<sub>10</sub> (filterable and condensible), emissions from each combustion turbine shall not exceed 0.0107 pounds per MMBtu (higher heating value basis) which is equivalent to nineteen (19) pounds per hour for each combustion turbine.
- (b) Pursuant to 326 IAC 2-2 (PSD Requirements), the total PM, sum of PM (filterable) and PM<sub>10</sub> (filterable and condensible), emissions from each combustion turbine when its associated duct burner is operating, shall not exceed 0.012 lb/MMBtu (higher heating value basis) 27.65 pounds per hour for each combustion turbine and duct burner.

#### D.1.3 Opacity Limitations

Pursuant to 326 IAC 2-2 (PSD Requirements) the opacity from each associated combustion turbine stack shall not exceed twenty (20) percent (6-minute average), except for one 6-minute period per hour of not more than 27 percent. The opacity standards apply at all times, except during periods of startup, shutdown or malfunction. This satisfies the opacity limitations required by 326 IAC 5-1 (Opacity Limitations).

#### D.1.4 Particulate Matter Emissions (PM/PM<sub>10</sub>) for Cooling Tower

Pursuant to 326 IAC 2-2 (PSD Requirements) each cooling tower shall comply with the following:

- (1) PM emissions shall not exceed 1.051 pounds per hour, and
- (2) Employ good design and operation practices to limit emissions from the cooling towers.
- D.1.5 Particulate Matter Limitations (PM/PM<sub>10</sub>) for Chiller Cooling Tower Pursuant to 326 IAC 2-2 (PSD Requirements) each chiller cooling tower shall comply with the following:
  - (1) PM emissions shall not exceed 0.18 pounds per hour, and
  - (2) Employ good design and operation practices to limit emissions from the cooling towers.
- D.1.6
   Startup and Shutdown Limitations for Combustion Turbines

   Pursuant to 326 IAC 2-2 (PSD Requirements), a startup or shutdown is defined as less than fifty (50) percent load. Each combustion turbine generating unit shall comply with the following:
  - (a) A startup or shutdown period shall not exceed four (4) hours. Each turbine shall not exceed 473 hours per year for startups and 260 hours per year for shutdowns.
  - (b) The NO<sub>X</sub> emissions from each combustion turbine stack shall not exceed 510 pounds per startup and 49 pounds per shutdown. Each combustion turbine shall not exceed 41.5 tons per year of startup and shutdown emissions.
  - (c) The CO emissions from each combustion turbine stack shall not exceed 1,571 pounds per startup, and 220 pounds per shutdown. Each combustion turbine shall not exceed 168.7 tons per year of startup and shutdown emissions.

#### D.1.7 Nitrogen Oxides (NO<sub>X</sub>) Emission Limitations for Combustion Turbines/Duct Burners

- (a) Pursuant to 326 IAC 2-2 (PSD Requirements) each combustion turbine/steam generating unit shall comply with the following, excluding startup and shutdown periods:
  - (1) During normal combined cycle operation (fifty (50) percent load or more), the NO<sub>X</sub> emissions from each combustion turbine stack shall not exceed 3.0 ppmvd corrected to fifteen (15) percent oxygen, based on a three (3) hour averaging period, which is equivalent to 21.6 pounds per hour for each combustion turbine.
  - (2) During normal combined cycle operation (fifty (50) percent load or more), the NO<sub>X</sub> emissions from each combustion turbine stack, when its associated duct burner is operating, shall not exceed 3.0 ppmvd corrected to fifteen (15) percent oxygen, based on a three (3) hour averaging period, which is equivalent to 27.85 pounds per hour for each combustion turbine and duct burner.
  - (3) The duct burners shall not be operated until normal operation begins.

Page 20 of 36 CP-167-12481 ID-167-00125

- (4) Each combustion turbine shall be equipped with dry low-NO<sub>X</sub> burners and operated using good combustion practices to control NO<sub>X</sub> emissions.
- (5) A selective catalytic reduction (SCR) system shall be installed and operated at all times, except during periods of startup and shutdown, to control NO<sub>x</sub> emissions.
- (6) Use natural gas as the only fuel.
- (b) Pursuant to 326 IAC 2-2 (PSD Requirements), the annual NO<sub>X</sub> emission from each of the two
   (2) combustion turbines and associated duct burners, excluding startup and shutdown emissions, shall not exceed 91.33 tons per year.
- D.1.8 Carbon Monoxide (CO) Emission Limitations for Combustion Turbines/Duct Burners
  - (a) Pursuant to 326 IAC 2-2 (PSD Requirements), each steam generating unit shall comply with the following, excluding startup and shutdown periods:
    - (1) During normal combined cycle operation (fifty (50) percent load or more), the CO emissions from each combustion turbine shall not exceed 6 ppmvd corrected to 15% O<sub>2</sub> on a 24 block averaging period, which is equivalent to 26.3 pounds per hour for each combustion turbine.
    - (2) During normal operation (fifty (50) percent load of more), the CO emissions from each combustion turbine stack, when its associated duct burner is operating, shall not exceed 9 ppmvd corrected to 15% O<sub>2</sub> on a 24 hour averaging period, which is equivalent to 50.7 pounds per hour for each combustion turbine and duct burner.
    - (3) The duct burners shall not be operated until normal operation begins.
    - (4) Good combustion practices shall be applied to minimize CO emissions.
    - (5) Use natural gas as the only fuel
  - Pursuant to 326 IAC 2-2 (PSD Requirements), the annual CO emission from each of the two (2) combustion turbines and associated duct burners, excluding startup and shutdown emissions, shall not exceed 146.0 tons per year.
- D.1.9
   Sulfur Dioxide (SO<sub>2</sub>) Emission Limitations for Combustion Turbines/Duct Burners

   Pursuant to 326 IAC 2-2 (PSD Requirements), each combustion turbine and duct burner shall comply with the following:
  - (1) During normal combined cycle operation (fifty (50) percent load or more), the SO<sub>2</sub> emissions from each combustion turbine shall not exceed 0.0057 pounds per MMBtu (heating value basis), which is equivalent to 11.35 pounds per hour for each combustion turbine.
  - (2) During normal combined cycle operation of each combustion turbine when its associated duct burner is operating, the SO<sub>2</sub> emissions from each turbine stack shall not exceed 0.0057 lb/MMBtu (higher heating value basis), which is equivalent to 14.6 pounds per hour.

Page 21 of 36 CP-167-12481 ID-167-00125

- (3) The use of low sulfur natural gas as the only fuel for the combustion turbines and duct burners. The sulfur content of the natural gas shall not exceed 0.007 percent by weight (two (2) grains per 100 scf).
- (4) Perform good combustion practice.
- D.1.10 Volatile Organic Compound (VOC) Emission Limitations for Combustion Turbines/Duct Burners Pursuant to 326 IAC 8-1-6 (VOC Requirements) and 326 2-2 (PSD Requirements), the following requirements must be met:
  - (1) The VOC emissions from each combustion turbine shall not exceed 0.0016 pounds per MMBtu (higher heating value basis), which is equivalent to 3.2 pounds VOC per hour for each combustion turbine.
  - (2) The VOC emissions from each combustion turbine stack, when its associated duct burner is operating shall not exceed 0.008 pounds per MMBtu (higher heating value basis), which is equivalent to 19.3 pounds of VOC per hour.
  - (3) The use of natural gas as the only fuel.
  - (4) Good combustion practice shall be implemented to minimize VOC emissions.

#### D.1.11 40 CFR 60, Subpart GG (Stationary Gas Turbines)

The two (2) natural gas combustion turbines are subject to 40 CFR Part 60, Subpart GG (Stationary Gas Turbines) because the heat input at peak load is equal to or greater than 10.7 gigajoules per hour (10 MMBtu per hour), based on the lower heating value of the fuel fired.

Pursuant to 326 IAC 12-1 and 40 CFR 60, Subpart GG (Stationary Gas Turbines), the Permittee shall:

(1) Limit nitrogen oxides emissions from the natural gas turbines to 0.0113% by volume at 15% oxygen on a dry basis, as required by 40 CFR 60.332, to:

where STD = allowable NO<sub>x</sub> emissions (percent by volume at 15 percent oxygen on a dry basis).

- Y = manufacturer's rated heat rate at manufacturer's rated load (kilojoules per watt hour) or, actual measured heat rate based on lower heating value of fuel as measured at actual peak load for the facility. The value of Y shall not exceed 14.4 kilojoules per watt-hour.
- $F = NO_x$  emission allowance for fuel-bound nitrogen as defined in paragraph (a)(3) of 40 CFR 60.332.
- (2) Limit sulfur dioxide emissions, as required by 40 CFR 60.333, to 0.015 percent by volume at 15 percent oxygen on a dry basis, or use natural gas fuel with a sulfur content less than or equal to 0.8 percent by weight.

D.1.12 40 CFR Part 60, Subpart Da (Electric Utility Steam Generating Units)

The heat recovery steam generator (HRSG) duct burners (DB) are subject to 40 CFR Part 60, Subpart Da because the heat input capacity is greater than 250 MMBtu/hr on a higher heating value basis.

Pursuant to 40 CFR Part 60, Subpart Da, the Permittee shall:

- (a) The opacity form each combustion turbine stack, when its associated duct burner is operating, shall not exceed twenty (20) percent (6-minute average), except for on 6-minute period per hour of not more than 27 percent. The opacity standards apply at all times, except during periods of startup, shutdown or malfunction. This satisfies the opacity limitations required by 326 IAC 5-1 (Opacity Limitations).
- (b) The PM emissions from each duct burner shall not exceed 0.03 pounds per MMBtu heat input on a higher heating value basis. Compliance with Condition D.2.2 constitutes compliance with this condition.
- (c) Each duct burner shall not exceed 1.6 lb/MW-hr NO<sub>X</sub> on a thirty (30) day rolling average.
- (d) Each duct burner shall not exceed 0.20 pounds SO<sub>2</sub> per MMBtu heat input, determined on a 30-day rolling average basis.

#### D.1.13 Formaldehyde Limitations

Pursuant to 326 IAC 2-1.1-5 (Air Quality Requirements), the formaldehyde emissions from each combustion turbine shall not exceed 0.00058 pounds of formaldehyde per MMBtu.

D.1.14 Ammonia Limitations

Pursuant to 326 IAC 2-1.1-5 (Air Quality Requirements), the ammonia emissions from each combustion turbine stack shall not exceed ten (10) ppmvd corrected to 15% O<sub>2</sub>.

#### D.1.15 Preventive Maintenance Plan [326 IAC 1-6-3]

A Preventive Maintenance Plan, in accordance with Section C - Preventive Maintenance Plan, of this permit, is required for each combustion turbine and its control device.

#### **Compliance Determination Requirements**

- D.1.16 Performance Testing
  - (a) Pursuant to 326 IAC 3-5 the Permittee shall conduct a performance test, no later than onehundred and eighty days (180) after the facility startup or monitor installation, on the combustion turbine exhaust stack (1 and 2) in order to certify the continuous emission monitoring systems for NO<sub>X</sub> and CO.
  - (b) Within one hundred and eighty (180) days after initial startup, the Permittee shall perform formaldehyde stack test for each combustion turbine stack (1 and 2) utilizing a method approved by the Commissioner when operating at 50%, 75%, and 100% load. These tests shall be performed in accordance with Section C – Performance Testing, in order to verify the formaldehyde emission factor specified in condition D.1.13.
  - (c) Within one-hundred and eighty (180) days after initial startup, the Permittee shall perform NO<sub>X</sub> and CO stack tests for each combustion turbine stack (1 and 2) during a startup/shutdown period, utilizing a certified NO<sub>X</sub> and CO continuous emissions monitoring system and a fuel flow meter. These tests shall be performed in accordance with Section C – Performance Testing, in order to document compliance with Conditions D.1.6.

Page 23 of 36 CP-167-12481 ID-167-00125

- (d) Within sixty (60) days of achieving maximum production rate, but no later than one-hundred and eighty (180) days after initial startup, the Permittee shall conduct NO<sub>X</sub> and SO<sub>2</sub> stack tests for each combustion turbine stack (1 and 2) utilizing methods approved by the Commissioner. These tests shall be performed in accordance with 40 CFR 60.335 and Section C Performance Testing, in order to document compliance with Condition D.1.11
- (e) Within one-hundred and eighty (180) days after initial startup, the Permittee shall perform PM, PM<sub>10</sub> (filterable and condensible), VOC, and ammonia stack tests for each combustion turbine stack (1 and 2) utilizing methods approved by the Commissioner. These tests shall be performed in accordance with 40 CFR 60.335, 40 CFR 60.48(a), and Section C – Performance Testing, in order to document compliance with D.1.2(a) and (b), D.1.10, and D.1.14
- (f) IDEM, OAQ and VCAPC retain the authority under 326 IAC 2-1-4(f) to require the Permittee to perform additional and future compliance testing as necessary.

#### D.1.17 40 CFR Part 60, Subpart GG Compliance Requirements (Stationary Gas Turbines)

Pursuant to 40 CFR Part 60, Subpart GG (Stationary Gas Turbines), the Permittee shall monitor the nitrogen and sulfur content of the natural gas on a monthly basis as follows:

- (a) Determine compliance with the nitrogen oxide and sulfur dioxide standards in 40 CFR 60.332 and 60.333(a), per requirements described in 40 CFR 60.335(c);
- (b) Determine the sulfur content of the natural gas being fired in the turbine by ASTM Methods D 1072-80, D 3030-81, D 4084-82, D 3246-81, or other applicable methods approved by IDEM. The applicable ranges of some ASTM methods mentioned are not adequate to measure the levels of sulfur in some fuel gases. Dilution of samples before analysis (with verification of the dilution ratio) may be used, subject to the approval of the Administrator; and
- (c) Determine the nitrogen content of the natural gas being fired in the turbine by using analytical methods and procedures that are accurate to within 5 percent and are approved by the Administrator.

The analyses required above 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.

Owners, operators or fuel vendors may develop custom fuel schedules for determination of the nitrogen and sulfur content based on the design and operation of the affected facility and the characteristics of the fuel supply. These schedules shall be substantiated with data and must be approved by the Administrator before they can be used to comply with the above requirements.

#### D.1.18 Continuous Emission Monitoring (CEMs)

(a) The owner or operator of a new source with an emission limitation or permit requirement established under 326 IAC 2-5.1-3 and 326 IAC 2-2, shall be required to install a continuous emissions monitoring system or alternative monitoring plan as allowed under the Clean Air Act and 326 IAC 3-5-1(d). Duke Energy Vigo, LLC West Terre Haute, Indiana Permit Reviewer: David Howard Page 24 of 36 CP-167-12481 ID-167-00125

- (b) The Permittee shall install, calibrate, certify, operate and maintain a continuous emission monitoring system for NO<sub>X</sub> and CO, for stacks designated as 1 and 2 in accordance with 326 IAC 3-5-2 and 3-5-3.
  - (1) The continuous emission monitoring system (CEMS) shall measure NO<sub>X</sub> and CO emissions rates in pounds per hour and parts per million (ppmvd) corrected to 15% O<sub>2</sub>. The use of CEMS to measure and record the NO<sub>X</sub> and CO hourly limits, is sufficient to demonstrate compliance with the limitations established in the BACT analysis and set forth in the permit. To demonstrate compliance with the NO<sub>X</sub> limit, the source shall take an average of the parts per million (ppm) corrected to 15% O<sub>2</sub> over a three (3) hour block. To demonstrate compliance with the CO limit, the source shall take an average of the parts per million (ppm) corrected to 15% O<sub>2</sub> over a twenty four (24) hour averaging period. The source shall maintain records of the parts per million and the pounds per hour.
  - (2) The Permittee shall determine compliance with Condition D.1.6 utilizing data from the  $NO_{X}$ , CO, and  $O_2$  CEMS, the fuel flow meter, and Method 19 calculations.
  - (3) The Permittee shall submit to IDEM, OAQ, within ninety (90) days after monitor installation, a complete written continuous monitoring standard operating procedure (SOP), in accordance with the requirements of 326 IAC 3-5-4.
  - (4) The Permittee shall record the output of the system and shall perform the required record keeping, pursuant to 326 IAC 3-5-6, and reporting, pursuant to 326 IAC 3-5-7.
- (c) Pursuant to 40 CFR 60.47(d), the Permittee shall install, calibrate, certify and operate continuous emissions monitors for carbon dioxide or oxygen at each location where nitrogen oxide emissions are monitored.

### Record Keeping and Reporting Requirements [326 IAC 2-5.1-3(e)(2)] [326 IAC 2-6.1-5(a)(2)]

- D.1.19 Record Keeping Requirements
  - (a) To document compliance with Conditions D.1.2, and D.1.7 through D.1.10, the Permittee shall maintain records of the following:
    - (1) Amount of natural gas combusted (in MMCF) per turbine during each month.
    - (2) Percent sulfur of the natural gas.
    - (3) Heat input on a lower heating value basis of each turbine on a 30-day rolling average.
  - (b) To document compliance with Condition D.1.6, the Permittee shall maintain records of the following:
    - (1) The type of operation (i.e. startup or shutdown) with supporting operational data
    - (2) The total number of minutes for startup or shutdown per 24-hour averaging period per turbine

Page 25 of 36 CP-167-12481 ID-167-00125

- (3) The CEMS data, fuel flow meter data, and Method 19 calculations corresponding to each startup and shutdown period.
- (c) To document compliance with Conditions D.1.7 and D.1.8, the Permittee shall maintain records of the emission rates of NO<sub>X</sub> and CO in pounds per hour and parts per million (ppmvd) corrected to 15% oxygen.
- (d) To document compliance with Condition D.1.18, the Permittee shall maintain records, including raw data of all monitoring data and supporting information, for a minimum of five (5) years from the date described in 326 IAC 3-5-7(a). The records shall include the information described in 326 IAC 3-5-7(b).
- (e) To document compliance with D.1.11, the Permittee shall maintain records of the natural gas analyses, including the sulfur and nitrogen content of the gas, for a period of three (3) years.
- (f) All records shall be maintained in accordance with Section C General Record Keeping Requirements, of this permit.

#### D.1.20 Reporting Requirements

The Permittee shall submit the following information on a quarterly basis:

- (a) Records of excess NO<sub>X</sub> and CO emissions (defined in 326 IAC 3-5-7 and 40 CFR Part 60.7) from the continuous emissions monitoring system. These reports shall be submitted within thirty (30) calendar days following the end of each calendar quarter and in accordance with Section C General Reporting Requirements of this permit.
- (b) The Permittee shall report periods of excess emissions, as required by 40 CFR 60.334(c).
- (c) A quarterly summary of the CEMs data to document compliance with D.1.7 and D.1.8 shall be submitted to the address listed in Section C – General Reporting Requirements, of this permit, within thirty (30) days after the end of the quarter being reported.
- (d) A quarterly summary of the total number of startup and shutdown hours of operation, and emissions for the corresponding startup and shutdown to document compliance with Condition D.1.6, shall be submitted to the address listed in Section C – General Reporting Requirements, of this permit, within thirty (30) days after the end of the quarter being reported.

#### SECTION D.2 FACILITY CONDITIONS – Auxiliary Boiler

One (1) auxiliary boiler, designated as unit Aux1 with a maximum heat input rating of 46.6 MMBtu/hr (higher heating value), and exhausts to stack designated as 3.

(The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

#### **Emission Limitations and Standards**

D.2.1 Prevention of Significant Deterioration [326 IAC 2-2]

Pursuant to 326 IAC 2-2 (PSD), this new source is subject to the requirements of 326 IAC 2-2 (Prevention of Significant Deterioration) for emissions of PM,  $PM_{10}$ ,  $SO_2$ , CO,  $NO_X$ , and VOC because the potential to emit for these pollutants exceed the PSD major "significant" thresholds. Therefore, the PSD provisions require that this new source be reviewed to ensure compliance with the National Ambient Air Quality Standards (NAAQS), the applicable PSD air quality increments, and the requirements to apply the Best Available Control Technology (BACT) for the affected pollutants.

#### D.2.2 Particulate Matter Emissions (PM/PM<sub>10</sub>) for Auxiliary Boiler Pursuant to 326 IAC 2-2 (PSD Requirements) each auxiliary boiler shall comply with the following:

- (a) Emissions from the auxiliary boiler shall not exceed 0.0075 lb/MMBtu on a higher heating value basis, which is equivalent to 0.35 pounds per.
- (b) Use natural gas as the only fuel for the auxiliary boilers.
- (c) Perform good combustion practices

#### D.2.3 Opacity Limitations

Pursuant to 326 IAC 5-1-2, the Permittee shall not cause the average opacity of the auxiliary boiler stack to exceed twenty percent (20%) in any one (1) six (6) minute period. The opacity standards apply at all times, except during periods of startup, shutdown, or malfunction.

#### D.2.4 Nitrogen Oxide (NO<sub>X</sub>) Emission Limitations for Auxiliary Boiler Pursuant to 326 IAC 2-2 (PSD Requirements), the auxiliary boiler shall comply with the following:

- (a) Emissions from each auxiliary boiler shall not exceed 0.049 lb/MMBtu on a higher heating value basis, which is equivalent to 2.28 pounds per hour for each auxiliary boiler.
- (b) Use natural gas as the only fuel for the auxiliary boiler.
- (c) Operate the auxiliary boiler using low-NOx burners.

#### D.2.5 Carbon Monoxide (CO) Emission Limitations for Auxiliary Boiler Pursuant to 325 IAC 2-2 (PSD Requirements) the auxiliary boiler shall comply with the following:

(a) Emissions from the auxiliary boiler shall not exceed 0.082 lb/MMBtu on a higher heating value basis, which is equivalent to 3.8 pounds per hour.

- (b) Use natural gas as the only fuel for the auxiliary boiler.
- (c) Operate utilizing good combustion practices.
- D.2.6
   Sulfur Dioxide (SO<sub>2</sub>) Emission Limitations for Auxiliary Boiler

   Pursuant to 326 IAC 2-2 (PSD Requirements) the auxiliary boiler shall comply with the following:
  - (a) Emissions from the auxiliary boiler shall not exceed 0.0006 lb/MMBtu on a higher heating value basis, which is equivalent to 0.028 pounds per hour.
  - (b) Use natural gas, with a sulfur content of less than or equal to 0.8 percent by weight, as the only fuel for the auxiliary boilers.
  - (c) Operate utilizing good combustion practices.

#### D.2.7 Volatile Organic Compound (VOC) Emission Limitations for Auxiliary Boiler

Pursuant to 326 IAC 2-2 (PSD Requirements) and 326 IAC8-1-6 (General Reduction Requirements) the auxiliary boiler shall comply with the following:

- (a) Emissions from the auxiliary boiler shall not exceed 0.0054 lb/MMBtu on a higher heating value basis, which is equivalent to 0.25 pounds per hour.
- (b) Use natural gas as the only fuel for the auxiliary boiler.
- (c) Operate using good combustion practices.

#### D.2.8 Natural Gas Limitations

Pursuant to 326 IAC 2-2 (PSD Requirements), the natural gas usage from the auxiliary boilers shall not exceed 22.2 MMSCF per year per year, based on a twelve (12) consecutive month period.

D.2.9 Preventive Maintenance Plan [326 IAC 1-6-3]

A Preventive Maintenance Plan, in accordance with Section C - Preventive Maintenance Plan, of this permit is required for the auxiliary boiler.

#### **Compliance Determination Requirements**

- D.2.10 Performance Testing
  - (a) For compliance purposes auxiliary boiler emissions shall be calculated using the emission factors for small boilers with low NO<sub>X</sub> burners in USEPA's AP-42 Section 1.4 (07/1998) and the measured heating value.
  - (b) IDEM, OAQ and VCAPC retain the authority under 326 IAC 2-1-4(f) to require the Permittee to perform additional and future compliance testing as necessary.

#### Record Keeping and Reporting Requirements [326 IAC 2-5.1-3(e)(2)] [326 IAC 2-6.1-5(a)(2)]

D.2.11 Record Keeping Requirements

- (a) To document compliance with Conditions D.2.8, the Permittee shall maintain records of the amount of natural gas combusted for each auxiliary boiler during each month.
- (b) All records shall be maintained in accordance with Section C General Record Keeping Requirements.

#### D.2.12 Reporting Requirements

The Permittee shall submit the following information on a quarterly basis: a summary of the information to document compliance with Condition D.2.8 shall be submitted to the addresses listed in Section C - General Reporting Requirements, using the reporting forms located at the end of this permit, or their equivalent, within thirty (30) days after the end of the quarter being reported.

### SECTION D.3 FACILITY CONDITIONS – Backup Equipment

- (a) One (1) emergency diesel generator utilizing low sulfur diesel fuel, with a maximum heat input capacity of 8.01 MMBtu/hr and exhausts to stack designated as 4.
- (b) One (1) backup fire pump utilizing low sulfur diesel fuel, with a maximum rated heat input capacity of 2.90 MMBtu/hr and exhausts to stack designated as 5.

(The information describing the process contained in this facility description box is descriptive information and does not constitute enforceable conditions.)

#### **Emission Limitations and Standards**

D.3.1 BACT Limitation for Fire Pump Pursuant to 326 IAC 2-2 (PSD Requirements) the diesel fire pump shall comply with the following:

- (a) The total fuel input of the fire pump shall be limited to 10,005 gallons per twelve (12) consecutive month period, rolled on a monthly basis.
- (b) The sulfur content of the diesel fuel used by the fire pump shall not exceed 0.05 percent by weight.
- (c) Perform good combustion practice.

#### D.3.2 BACT Limitation for Emergency Generator

Pursuant to 326 IAC 2-2 (PSD Requirements) the emergency generator shall comply with the following:

- (a) The total fuel input of the emergency generator shall be limited to 27,634 gallons per twelve (12) consecutive month period, rolled on a monthly basis.
- (b) The sulfur content of the diesel fuel used by the emergency generator shall not exceed 0.05 percent by weight.
- (c) Perform good combustion practice.

#### **Compliance Determination Requirements**

D.3.3 Testing Requirements [326 IAC 2-1.1-11]

The Permittee is not required to test these emissions units by this permit. However, IDEM may require compliance testing when necessary to determine if the emissions unit is in compliance. If testing is required by IDEM or VCAPC, compliance shall be determined by a performance test conducted in accordance with Section C - Performance Testing.

#### Record Keeping and Reporting Requirements [326 IAC 2-5.1-3(e)(2)] [ 326 IAC 2-6.1-5(a)(2)]

#### D.3.4 Record Keeping Requirements

To document compliance with Conditions D.3.1 and D.3.2, the Permittee shall maintain records of the following:

- (1) Amount of diesel fuel combusted each month in the fire pump.
- (2) Amount of diesel fuel combusted each month in the emergency generator.
- (3) The percent sulfur content of the diesel fuel.

#### D.3.5 Reporting Requirements

A quarterly summary of the information to document compliance with D.3.1 and D.3.2 shall be submitted to the address listed in Section C – General Reporting Requirements, of this permit, using the reporting forms located at the end of this permit, or their equivalent, within thirty (30) days after the end of the quarter being reported.

#### **MALFUNCTION REPORT**

#### INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT OFFICE OF AIR QUALITY FAX NUMBER - 317 233-5967

#### This form should only be used to report malfunctions applicable to Rule 326 IAC 1-6 and to qualify for the exemption under 326 IAC 1-6-4.

THIS FACILITY MEETS THE APPLICABILITY REQUIREMENTS BI PARTICULATE MATTER ?, 100 LBS/HR VOC ?, 100 L ANY OTHER POLLUTANT ? EMISSIONS FROM MALFUNC EQUIPMENT CAUSED EMISSIONS IN EXCESS OF APPLICABLE	ECAUSE IT HAS POTENTIAL TO EMIT 25 LBS/HR .BS/HR SULFUR DIOXIDE ? OR 2000 LBS/HR OF TIONING CONTROL EQUIPMENT OR PROCESS ' LIMITATION
THIS MALFUNCTION RESULTED IN A VIOLATION OF: 326 IAC _ PERMIT LIMIT OF	OR, PERMIT CONDITION # AND/OR
THIS INCIDENT MEETS THE DEFINITION OF 'MALFUNCTION' AS	S LISTED ON REVERSE SIDE ? Y N
THIS MALFUNCTION IS OR WILL BE LONGER THAN THE ONE (	1) HOUR REPORTING REQUIREMENT ? Y N
COMPANY : LOCATION: (CITY AND COUNTY)	PHONE NO. ( )
PERMIT NO AFS PLANT ID: CONTROL/PROCESS DEVICE WHICH MALFUNCTIONED AND REASON:	AFS POINT ID: INSP
DATE/TIME MALFUNCTION STARTED:/ 20 PM	AM /
ESTIMATED HOURS OF OPERATION WITH MALFUNCTION CONE	DITION:
DATE/TIME CONTROL EQUIPMENT BACK-IN SERVICE/	AM/PM
TYPE OF POLLUTANTS EMITTED: TSP, PM-10, SO2, VOC,	OTHER:
ESTIMATED AMOUNT OF POLLUTANT EMITTED DURING MALFU	JNCTION:
MEASURES TAKEN TO MINIMIZE EMISSIONS:	
REASONS WHY FACILITY CANNOT BE SHUTDOWN DURING REF	PAIRS:
CONTINUED OPERATION REQUIRED TO PROVIDE <u>ESSENTIAL</u> * CONTINUED OPERATION NECESSARY TO PREVENT INJURY TO CONTINUED OPERATION NECESSARY TO PREVENT SEVERE D. INTERIM CONTROL MEASURES: (IF APPLICABLE)	SERVICES: PERSONS: AMAGE TO EQUIPMENT:
MALFUNCTION REPORTED BY:(SIGNATURE IF FAXED)	TITLE:
MALFUNCTION RECORDED BY:DATE Please note - This form should only be used to report malfunctio applicable to Rule 326 IAC 1-6 and to qualify for the exemption under 326 IAC 1-6-4.	:TIME: ns

#### 326 IAC 1-6-1 Applicability of rule

Sec. 1. This rule applies to the owner or operator of any facility required to obtain a permit under 326 IAC 2-5.1 or 326 IAC 2-6.1.

#### 326 IAC 1-2-39 "Malfunction" definition

Sec. 39. Any sudden, unavoidable failure of any air pollution control equipment, process, or combustion or process equipment to operate in a normal and usual manner.

\*<u>Essential services</u> are interpreted to mean those operations, such as, the providing of electricity by power plants. Continued operation solely for the economic benefit of the owner or operator shall not be sufficient reason why a facility cannot be shutdown during a control equipment shutdown.

If this item is checked on the front, please explain rationale:

### **Quarterly Report**

Company Name:	Duke Energy Vigo LLC
Location:	5255 Darwin Road, West Terre Haute, IN 47885
Permit No.:	CP-167-12481-00125
Source:	Auxiliary Boiler
Limit:	22.2 MMCF per twelve (12) consecutive month period

### Year: \_\_\_\_\_

Month	Usage (MMCF/month)	Usage for previous month(s) (MMCF)	Usage for twelve month period (MMCF)

- 9 No deviation occurred in this quarter.
- 9 Deviation/s occurred in this quarter. Deviation has been reported on:

Submitted by:	
Title / Position:	
Signature:	
Date:	
Phone:	

### **Quarterly Report**

Company Name:	Duke Energy Vigo LLC
Location:	5255 Darwin Road, West Terre Haute, IN 47885
Permit No.:	CP-167-12481-00125
Source:	Emergency diesel fire pump
Limit:	10,005 gallons per twelve (12) consecutive month period

Year: \_\_\_\_\_

Month	Diesel Fuel Oil Usage (gallons/month)	Diesel Fuel Oil Usage for previous month(s) (gallons)	Diesel Fuel Oil Usage for twelve month period (gallons)

- 9 No deviation occurred in this quarter.
- 9 Deviation/s occurred in this quarter. Deviation has been reported on:

Submitted by:	
Title / Position:	
Signature:	
Date:	
Phone:	

### **Quarterly Report**

Company Name:	Duke Energy Vigo LLC
Location:	5255 Darwin Road, West Terre Haute, IN 47885
Permit No.:	CP-167-12481-00125
Source:	Emergency generator
Limit:	27,634 gallons per twelve (12) consecutive month period

### Year: \_\_\_\_\_

Month	Diesel Fuel Oil Usage (gallons/month)	Diesel Fuel Oil Usage for previous month(s)	Diesel Fuel Oil Usage for twelve month period		
		(galions)	(galions)		

- 9 No deviation occurred in this quarter.
- 9 Deviation/s occurred in this quarter. Deviation has been reported on:

### **Quarterly Report**

Company Name:	Duke Energy Vigo LLC
Location:	5255 Darwin Road, West Terre Haute, IN 47885
Permit No.:	CP-167-12481-00125
Source:	Two (2) natural gas combustion turbines operating in combined cycle
Limit:	Four (4) hours per startup, and 473 hours per year for startups, and 260 hours per year for shutdowns.

Month: \_\_\_\_\_ Year: \_\_\_\_\_

Totals (hours) from previous month(s) startup\_\_\_\_\_ shutdown\_\_\_\_\_

Total hours per year for startup and shutdown for 12 month period\_\_\_\_\_

	Startup Shutdown			Startup		Shutdown			
Day/Turbine#	1	2	1	2	Day/Turbine#	1	2	1	2
1					17				
2					18				
3					19				
4					20				
5					21				
6					22				
7					23				
8					24				
9					25				
10					26				
11					27				
12					28				
13					29				
14					30				
15					31				
16					Total hours for month				

No deviation occurred in this month

Deviation/s occurred in this month. Deviation has been reported on:

Submitted by: Title/Position: Signature: Date: Phone:
# Affidavit of Construction

l,	, b	eing duly sw	orn upon my oath	n, depose and say:
(Name	of the Authorized Representative)			
1.	I live in		County, Indiana	and being of sound mind and over twenty-one
	(21) years of age, I am competent to	o give this af	ffidavit.	
		C C		
2.	I hold the position of		for	
	(Ti	itle)		(Company Name)
3.	By virtue of my position with			,I have personal
			(Company Na	me)
	knowledge of the representations co	ontained in t	his affidavit and a	m authorized to make
	these representations on behalf of			
			(Co	mpany Name)
4.	I hereby certify that Duke Energy Vi	go LLC, 525	5 Darwin Road, V	/est Terre Haute, Indiana, 47885, completed
	construction of the natural gas merc	hant power	plant on	in conformity with the
	requirements and intent of the cons	truction perr	mit application rec	ceived by the Office of Air Quality on July 12,
	2000 and as permitted pursuant to	Constructio	on Permit No. CP-	167-12481, Plant ID No. 167-00125
	issued on	_		
_				
5.	I hereby certify that Duke Energy V	igo LLC is n	now subject to the	Title V program and will submit a Title V
	operating permit application within	twelve (12)	months from the	postmarked submission date of this Affidavit
	of Construction.			
Further Affiant sa	aid not.			
l affirm under per belief.	nalties of perjury that the representation	ons containe	ed in this affidavit	are true, to the best of my information and
		Signat	ure	
		Date		
STATE OF INDIAI	NA) SS			
)				
COUNTY OF	)			
Subscr	ibed and sworn to me, a notary public	in and for		County and State of Indiana
on this	day of		, 20	
My Commission e	expires:	_		
			Signature	

Name (typed or printed)

# Indiana Department of Environmental Management Office of Air Quality

# Addendum to the Technical Support Document (TSD) for New Construction and P.S.D. Operation

Source Background and Description

Source Name:	Duke Energy Vigo, LLC
Source Location:	5255 Darwin Road, West Terre Haute, IN 47885
County:	Vigo
Construction Permit No.:	CP-167-12481-00125
SIC Code:	4911
Permit Reviewer:	David Howard

On April 20, 2001, the Office of Air Quality (OAQ) had a notice published in the *Tribune Star*, Terre Haute, Indiana, stating that Duke Energy Vigo, LLC had a applied for a Prevention of Significant Deterioration (PSD) permit for the construction of a 620 megawatt (MW) combined cycle merchant electric generating station consisting of two combustion turbine generators with a nominal heat input rate of 1,984 MMBtu per hour, two duct burners with a heat input capacity of 575 MMBtu/hr, one auxiliary boiler, and two cooling towers. The detailed description of equipment can be found in the Prevention of Significant Deterioration construction permit.

The notice also stated that the OAQ proposed to issue a permit for this installation and provided information on how the public could review the proposed permit and other documentation. Finally, the noticed informed interested parties that there was a period of thirty (30) days to provide comments on whether or not this permit should be issued as proposed.

Upon further review, the OAQ and EPA Region 5 have decided to make the following revisions and clarifications to the permit (bolded language has been added, the language with a line through it has been deleted):

Subsequent to public notice of this proposed PSD permit another combined cycle facility in Illinois was issued a PSD permit with a CO emission limit of 4 ppmvd @ 15% oxygen without duct firing (unfired) and 9 ppmvd @ 15% oxygen with duct firing (fired), utilizing good combustion as control. The OAQ reevaluated the CO limit and determined that 6 ppmvd (unfired) and 9 ppmvd (fired) at 15% oxygen to be appropriate limits. The Illinois permit has the lower CO limit of 4 ppm, however it also has a higher NO<sub>X</sub> limit of 4.5 ppmvd @15% oxygen than the proposed Duke Vigo facility. In addition, the Illinois permit allows the source to petition for removal of the continuous emission monitoring system (CEMS) after 2 years of compliance. The proposed Duke Vigo permit does not allow removal of CEMS. As the turbine ages CO levels may increase, therefore, by not allowing removal of CEMS continued compliance with the established CO emission limit will be insured.

Section D.1.8 Carbon Monoxide (CO) Emission Limitations for Combustion Turbines/Duct Burners has been changed as follows:

D.1.8 Carbon Monoxide (CO) Emission Limitations for Combustion Turbines/Duct Burners

- (a) Pursuant to 326 IAC 2-2 (PSD Requirements), each steam generating unit shall comply with the following, excluding startup and shutdown periods:
  - (1) During normal combined cycle operation (fifty (50) percent load or more), the CO emissions from each combustion turbine shall not exceed 9 6 ppmvd corrected to 15% O<sub>2</sub> on a 24 block averaging period, which is equivalent to 39.4 26.3 pounds per hour for each combustion turbine.

- (2) During normal operation (fifty (50) percent load of more), the CO emissions from each combustion turbine stack, when its associated duct burner is operating, shall not exceed 14 9 ppmvd corrected to 15% O<sub>2</sub> on a 24 hour averaging period, which is equivalent to 78.3 50.7 pounds per hour for each combustion turbine and duct burner.
- (3) The duct burners shall not be operated until normal operation begins.
- (4) Good combustion practices shall be applied to minimize CO emissions.
- (5) Use natural gas as the only fuel
- (b) Pursuant to 326 IAC 2-2 (PSD Requirements), the annual CO emission from each of the two (2) combustion turbines and associated duct burners, excluding startup and shutdown emissions, shall not exceed 232.83 146.0 tons per year.
- 2. Section D.1.16(c) has been changed in order to clarify the requirements for stack testing during startup and shutdown periods.
- D.1.16 Performance Testing
  - (a) Pursuant to 326 IAC 3-5 the Permittee shall conduct a performance test, no later than one-hundred and eighty days (180) after the facility startup or monitor installation, on the combustion turbine exhaust stack (1 and 2) in order to certify the continuous emission monitoring systems for NO<sub>X</sub> and CO.
  - (b) Within one hundred and eighty (180) days after initial startup, the Permittee shall perform formaldehyde stack test for each combustion turbine stack (1 and 2) utilizing a method approved by the Commissioner when operating at 50%, 75%, and 100% load. These tests shall be performed in accordance with Section C – Performance Testing, in order to verify the formaldehyde emission factor specified in condition D.1.13.
  - (c) Within one-hundred and eighty (180) days after initial startup, the Permittee shall perform NO<sub>X</sub> and CO stack tests for each combustion turbine stack (1 and 2) during a startup/shutdown period, utilizing methods approved by the Commissioner a certified NO<sub>X</sub> and CO continuous emissions monitoring system and a fuel flow meter. These tests shall be performed in accordance with Section C Performance Testing, in order to document compliance with Conditions D.1.6.
  - Within sixty (60) days of achieving maximum production rate, but no later than one-hundred and eighty (180) days after initial startup, the Permittee shall conduct NO<sub>X</sub> and SO<sub>2</sub> stack tests for each combustion turbine stack (1 and 2) utilizing methods approved by the Commissioner. These tests shall be performed in accordance with 40 CFR 60.335 and Section C Performance Testing, in order to document compliance with Condition D.1.11
  - Within one-hundred and eighty (180) days after initial startup, the Permittee shall perform PM, PM<sub>10</sub> (filterable and condensible), VOC, and ammonia stack tests for each combustion turbine stack (1 and 2) utilizing methods approved by the Commissioner. These tests shall be performed in accordance with 40 CFR 60.335, 40 CFR 60.48(a), and Section C Performance Testing, in order to document compliance with D.1.2(a) and (b), D.1.10, and D.1.14
  - (f) IDEM, OAQ and VCAPC retain the authority under 326 IAC 2-1-4(f) to require the Permittee to perform additional and future compliance testing as necessary.

On May 23, 2001 a public hearing was held for the Duke Energy Vigo facility's Prevention of Significant Deterioration permit and Acid Rain Deposition Control Program permit.

Page 3 of 5 CP-167-12481 ID-167-00125

Mr. Ron Rudisel presented the following comment:

- Comment 1: What kind of air impacts will I see from this plant?
- Response 1: The Prevention of Significant Deterioration (PSD) program requires that an air modeling impact analysis be conducted to determine if there will be any violation of the National Ambient Air Quality Standards (NAAQS). The Office of Air Quality utilizes a computer model, which is approved by EPA, to predict what the impact of the emissions from the proposed plant will have on the surrounding area, and compares them to the standards that are established to predict public health.

Section 109(a) of the Clean Air Acts (CAA) directs the U.S. EPA to purpose and promulgate primary and secondary NAAQS for the six criteria pollutants. The six criteria pollutants are carbon monoxide, sulfur dioxide, nitrogen dioxide, ozone, lead and particulate matter. Primary air quality standards define the air quality required to prevent any adverse impact on human health with an adequate margin of safety built in. Secondary standards are established to prevent adverse effects on vegetation, property, visibility, materials and other elements of the environment. The table below shows the current ambient air quality standards that EPA has promulgated.

Pollutant	Averaging Period	NAAQS Primary Standard (ug/m <sup>3</sup> )	NAAQS Secondary Standard (ug/m <sup>3</sup> )
Particulate Matter less than 10 micrometers/ microns (PM10)	Annual 24 hour	50 150	None None
Sulfur Dioxide (SO2)	Annual 24 Hour 3 Hour	80 365 None	None None 1300
Nitrogen Dioxide (NO2)	Annual	100	Same as primary
Ozone (O3)	1 Hour	120ppb	Same as primary
Carbon Dioxide (CO)	8 hour 1 hour	10000 40000	Same as primary Same as primary
Lead (Pb)	Calendar Quarter	1.5	Same as primary

Significant impact levels are well below primary and secondary standards and are used as triggers to determine whether a full impact analysis is necessary. The OAQ analysis is shown in the table below and provided the following concentrations for Duke Energy Vigo LLC.

		<u>Time-Averaging</u>	<u>Duke</u> <u>Maximum</u>	Significant Impact	<u>Significant</u> Monitoring
Pollutant	<u>Year</u>	<u>Period</u>	Modeled Impacts	<u>Levels</u>	<u>Levels</u>
СО	1990	1-hour	510.7	2000.0	а
СО	1993	8-hour	168.2	500.0	575.0
NO <sub>2</sub>	1991	Annual	0.87	1.0	14.0
SO <sub>2</sub>	1994	3-hour	11.7	25.0	а
SO <sub>2</sub>	1993	24-hour	2.7	5.0	13.0
SO <sub>2</sub>	1991	Annual	0.042	1.0	а
PM <sub>10</sub>	1992	24-hour	4.7	5.0	10.0
PM <sub>10</sub>	1992	Annual	0.55	1.0	а

<sup>a</sup> No limit exists for this time-averaged period

The modeling analysis can be viewed in Appendix B of the Technical Support Document (TSD).

Mrs. Theresa Klotz presented the following comment:

- Comment 1: How will the SO<sub>X</sub> emission effect the water veins where we get our water from?
- Response 1: The 1990 Clean Air Act created what is entitled the acid rain deposition control program. The purpose of this program was to dramatically reduce the emissions of the pollutants that cause acid rain and to reduce the effects of acid rain. Currently, emissions of sulfur dioxide, for instance, have been reduced by ten million tons across the United States. The second phase of the acid rain program affected the emissions of nitrogen oxides. There are no provisions of this program that apply to this plant. However, with respect to SO<sub>2</sub> there is essentially a nationwide cap that emissions cannot increase above, so, even when a new plant is permitted the program is set up to be a market-based program that relies on trading. Therefore, the plant has to purchase SO<sub>2</sub> emission credits in order to operate. The Clean Air Act addresses the national problem by greatly reducing SO<sub>2</sub> emissions across the country. The program was not set up to look at any local effects that an individual plant would have on the area, but if emissions are reduced by a very large amount across the country, then the impact of acid rain overall would be diminished.

As indicated in the previous response, the OAQ also conducts an air quality analysis to determine if emission levels exceed what is set forth in the National Ambient Air Quality Standards. The  $SO_2$  emissions are well below significant impact levels for both the 24-hour and annual averaging periods.

Additional comments were presented at the hearing which do not directly relate to the OAQ's review of the air permit. Although the OAQ does not have legal authority to address these issues in the air permit, we acknowledge these comments and concerns and have attempted to respond when possible. In some cases local government or another state agency may be able to provide additional information.

The following comments were raised by more than one person, and have been grouped together and summarized:

- Comment 1: What kind of noise levels can we expect from the proposed plant?
- Response 1: The OAQ has no regulatory authority to limit noise from facilities, however, local governments often have restrictions on noise levels from industrial sources. For further

information regarding noise level limits contact Vigo County Area Planning at 812-462-3354, the specific ordnance that deals with noise levels is the Industrial Noise Ordnance.

- Comment 2: Were will the water used in the cooling tower come from?
- Response 2: The Department of Natural Resources (DNR) has a statutory role regarding water withdrawal. For further information contact the DNR at 317-232-4160. In addition, Duke has applied for a permit with the Office of Water Quality, which regulates discharge. A discharge permit is required before operation can commence. For more information regarding the status of the water permit call the Office of Water Quality at 317-232-8670.
- Comment 3: There were several comments regarding property values and property taxes.
- Response 3: IDEM does not have legal authority to address siting of the facility in our review of the air permit application. The Indiana Utility Regulatory Commission (IURC) gives the authority to local officials to address the siting of facilities. For information regarding property taxes and property values contact your local officials.

# Indiana Department of Environmental Management Office of Air Quality

# Technical Support Document (TSD) for New Construction and P.S.D. Operation

# Source Background and Description

Source Name:	Duke Energy Vigo, LLC
Source Location:	5255 Darwin Road, West Terre Haute, IN 47885
County:	Vigo
Construction Permit No.:	CP-167-12481-00125
SIC Code:	4911
Permit Reviewer:	David Howard

The Office of Air Quality (OAQ) has reviewed an application from Duke Energy Vigo, LLC (Duke) relating to the construction and operation of the Duke Vigo Energy Facility. The proposed plant will be a 620 megawatt (MW) electric generating station. The permit specifies that the combustion turbine generators will fire only natural gas. Any addition of a backup fuel in the future will require a modification to the permit and, if applicable, go through Prevention of Significant Deterioration (PSD) review. The source will consist of the following equipment:

- (a) Two (2) natural gas-fired combustion turbine generators, designated as units Turbine 1 and Turbine 2 with a maximum heat input capacity of 1,984 MMBtu/hr (per unit on a higher heating value), and exhausts to stacks designated as 1 and 2, respectively.
- (b) Two (2) heat recovery steam generators, designated as units HRSG1 and HRSG2 with two (2) associated duct burners, designated as DB1 and DB2, with a maximum heat input rating of 575 MMBtu/hr (per unit on a higher heating value).
- (c) One (1) reheat condensing steam turbine.
- (d) Two (2) selective catalytic reduction systems.
- (e) One (1) auxiliary boiler, designated as unit Aux1 with a maximum heat input rating of 46.6 MMBtu/hr, and exhausts to stack designated as 3.
- (f) One (1) cooling tower, designated as Cool1 and exhausts to stack designated as 6.
- (g) One (1) chiller cooling tower, designated as Chill1 and exhausts to stack designated as 7.
- (h) One (1) emergency diesel generator utilizing low sulfur diesel fuel, with a maximum heat input capacity of 8.01 MMBtu/hr and exhausts to stack designated as 4.
- (i) One (1) backup fire pump utilizing low sulfur diesel fuel, with a maximum rated heat input capacity of 2.90 MMBtu/hr and exhausts to stack designated as 5.

### **Stack Summary**

Stack ID	Operation	Height (feet)	Diameter (feet)	Flow Rate (acfm)	Temperature ( <sup>0</sup> F)
1	Turbine 1 w/ Duct Burner	180.0	18.0	1,195,732	239
2	Turbine 2 w/ Duct Burner	180.0	18.0	1,195,732	239
3	Auxiliary Boiler	100.0	2.67	15,080	410

4	Emergency Diesel Generator	100.0	1.0	4,982	906
5	Diesel Fire Pump	65.6	0.83	1,822	990
6	Cooling Tower Cell (1-12)	45	30	1,143,485	110
7	Chiller Cooling Tower Cell (1-4)	23	11	153,868	96.5

# Recommendation

The staff recommends to the Commissioner that the construction and operation be approved. This recommendation is based on the following facts and conditions:

Information, unless otherwise stated, used in this review was derived from the application and additional information submitted by the applicant.

An application for the purposes of this review was received on July 12, 2000, with additional information received on September 25, 2000, October 25, 2000, January 26, 2001, February 1, 2001, February 5, 2001, and February 15, 2001.

# **Emissions Calculation**

See Appendix (Emission Calculation Spreadsheets for detailed calculations (eight (8) pages). Criteria pollutant emission rates from the turbines are based on General Electric vendor data or Supplement F of EPA AP-42 (4/00) emission factors from Chapter 3.1 (Stationary Gas Turbines for Electricity Generation) utilizing 100 percent natural gas. Criteria pollutant emission rates from the duct burners are based on vendor data or EPA AP-42 emission factors from Chapter 1.4 (Natural Gas Combustion from Boilers) utilizing 100 percent natural gas. It also should be noted that the emission factors, heat input and heat content values are based on the higher heating value (HHV). The HHV includes the energy released by condensing the water formed in the combustion reaction.

Emissions associated with startup/shutdown periods are higher than emissions associated with steady state conditions of the turbines. Therefore, the calculations for the potential to emit (PTE) also include the startup/shutdown emissions. The permit also contains separate conditions for periods of startup and shutdown.

Hazardous Air Pollutant (HAPs) emission calculations (with the exception of formaldehyde) are based on Supplement F of EPA AP-42 (4/00) emission factors from Chapter 3.1 (Stationary Gas Turbines for Electricity Generation). The HAP emission rates from the duct burners are based on EPA AP-42 emission factors from Chapter 1.4 (Natural Combustion from Boilers). An alternative emission factor for formaldehyde was submitted by source. The permit will require a formaldehyde stack test to verify the proposed formaldehyde emission factor.

### **Total Potential to Emit Emissions**

Pursuant to 326 IAC 2-1.1-1(16), Potential to Emit is defined as "the maximum capacity of a stationary source or emissions unit to emit any air pollutant under its physical and operational design. Any physical or operational limitation on the capacity of a source to emit an air pollutant, including air pollution control equipment and restrictions on hours of operation or type or amount of material combusted, stored, or processed shall be treated as part of its design if the limitation is enforceable by the U. S. EPA, the department, or the appropriate local air pollution control agency."

Dollutont	Potential Emissions	PSD Threshold Levels	
Poliulani	(tons/year)	(tons/year)	

Particulate Matter (PM)	228.53	25
Particulate Matter (PM <sub>10</sub> )	228.53	15
Sulfur Dioxide (SO <sub>2</sub> )	107.26	40
Volatile Organic Compounds (VOC)	151.74	40
Carbon Monoxide (CO)	943.44	100
Nitrogen Oxides (NO <sub>X</sub> )	934.70	40
Single HAP	9.72	10
Combination of HAPs	22.68	25

(a) The potential to emit (as defined in 326 IAC 2-7-1(29)) of NO<sub>X</sub>, CO, VOC, SO<sub>2</sub>, and PM/PM<sub>10</sub> are equal to or greater than 100 tons per year. Therefore, the source is subject to the provisions of 326 IAC 2-7.

# **County Attainment Status**

The source is located in Vigo County.

Pollutant	Status
PM <sub>10</sub>	Attainment
SO <sub>2</sub>	Attainment
NO <sub>2</sub>	Attainment
Ozone	Attainment
CO	Attainment
Lead	Attainment

- (a) Volatile organic compounds (VOC) and oxides of nitrogen (NO<sub>X</sub>) are precursors for the formation of ozone. Therefore, VOC emissions are considered when evaluating the rule applicability relating to the ozone standards. Vigo County has been designated as attainment or unclassifiable for ozone. Therefore, VOC and NO<sub>X</sub> emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2 and 40 CFR 52.21.
- (b) Vigo County has been classified as attainment or unclassifiable for SO<sub>2</sub>, PM, PM<sub>10</sub> and CO. Therefore, these emissions were reviewed pursuant to the requirements for Prevention of Significant Deterioration (PSD), 326 IAC 2-2 and 40 CFR 52.21.

# Source Status

New Source PSD Definition (emissions after controls, based on 8,760 hours of operation per year at rated capacity and/ or as otherwise limited):

Pollutant	Emissions (ton/yr)
РМ	210.59
PM <sub>10</sub>	210.59

SO <sub>2</sub>	103.18
VOC	96.86
СО	794.27
NO <sub>X</sub>	271.63
Single HAP	9.21
Combination HAPs	17.93

- (a) The NO<sub>X</sub> emissions from the combustion turbine and duct burner will be controlled by a selective catalytic reduction (SCR) system. Additionally NO<sub>X</sub> emissions from the combustion turbines will be controlled by dry low-NO<sub>X</sub> combustors. The potential to emit in the table above is the PTE after NO<sub>X</sub> control, and hours of operation limitations.
- (b) The combined cycle merchant power plant is a major stationary source because at least one regulated pollutant is emitted above its associated major source threshold level. Also the proposed facility is classified as a "fossil fuel-fired steam electric plant of more than 250 MMBtu per hour" and is therefore one of the 28 listed categories, as stated in 326 IAC 2-2.

# Part 70 Permit Determination

# 326 IAC 2-7 (Part 70 Permit Program)

This new source is subject to the Part 70 Permit requirements because the potential to emit (PTE) of:

(a) at least one of the criteria pollutant is greater than or equal to 100 tons per year,

This new source shall apply for a Part 70 (Title V) operating permit within twelve (12) months after this source becomes operational.

# Acid Rain Permit Applicability [326 IAC 2-7-2]

This stationary source shall be required to have a Phase II, Acid Rain permit by 40 CFR 72.30 (Applicability) because:

- (a) The combustion turbines are new units under 40 CFR 72.6.
- (b) The source cannot operate the combustion units until their Phase II, Acid Rain permit has been issued.

# Federal Rule Applicability

# 40 CFR 60, Subpart GG (Stationary Gas Turbines)

The two (2) natural gas combustion turbines are subject to the New Source Performance Standard (NSPS) for Stationary Gas Turbines (40 CFR Part 60, Subpart GG) because the heat input at peak load is equal to or greater than 10.7 gigajoules per hour (10 MMBtu per hour), based on the lower heating value of the fuel fired.

Pursuant to 326 IAC 12-1 and 40 CFR 60, Subpart GG (Stationary Gas Turbines), the Permittee shall:

(1) Limit nitrogen oxides emissions to 0.0113% by volume at 15% oxygen on a dry basis, as required by 40 CFR 60.332, to:

# $STD = 0.0075 \ \underline{(14.4)}_{Y} + F,$

- where STD = allowable NO<sub>x</sub> emissions (percent by volume at 15 percent oxygen on a dry basis).
  - Y = manufacturer's rated heat rate at manufacturer's rated load (kilojoules per watt hour) or, actual measured heat rate based on lower heating value of fuel as measured at actual peak load for the facility. The value of Y shall not exceed 14.4 kilojoules perwatt hour.
  - $F = NO_x$  emission allowance for fuel-bound nitrogen as defined in paragraph (a)(3) of 40 CFR 60.332.
- (2) Limit sulfur dioxide emissions, as required by 40 CFR 60.333, to 0.015 percent by volume at 15 percent oxygen on a dry basis, or use natural gas fuel with a sulfur content less than or equal to 0.8 percent by weight;
- (3) Install a continuous monitoring system to monitor and record the fuel consumption and the ratio of water to fuel being fired in the turbine, as required by 40 CFR 60.334(a);
- (a) Monitor the sulfur content and nitrogen content of the fuel being fired in the turbine, as required by 40 CFR 60.334(b).
- (5) Report periods of excess emissions, as required by 40 CFR 334(c).

The owner, operator, or fuel vendor may develop a custom fuel schedule for determination of the nitrogen and sulfur content based on the design and operation of the affected facility and the characteristics of the fuel supply. These custom fuel schedules shall be approved by the Administrator before they can be used to comply with the above requirements.

# 40 CFR Part 60, Subpart Da (Electric Utility Steam Generating Units)

The proposed plant is subject to the New Source Performance Standard (NSPS) for Electric Utility Steam Generating Units (40 CFR 60 Subpart Da) because it is an electric utility steam generating facility that will be constructed for the purpose of supplying more than one-third of its potential electric output capacity and more than 25 MW electrical output to any utility power distribution system for sale.

According to 40 CFR 60.40a(b) (Applicability), only the two duct burners (575 MMBtu per hour, each), which constitute a portion of the electric utility steam generating unit, are subject to the requirements of this rule because they are capable of combusting more than 250 MMBtu per hour heat input of fossil fuel. Pursuant to the Federal Register dated May 25, 2000, duct burners are considered to be a steam generating unit. In addition, the Federal Register dated May 25, 2000 indicates that combustion turbines are not to be considered a steam generating unit and are therefore not subject to this subpart. The Permittee may obtain approval from the U.S. EPA for the use of alternative methods for determining compliance with Part 60, Subpart Da.

- (a) Particulate matter emissions from each natural gas-fired duct burner shall not exceed 0.03 pounds per MMBtu heat input pursuant to 40 CFR 60.42a(a)(1). Opacity shall not exceed 20 percent (6-minute average), except for one 6-minute period per hour of not more than 27 percent pursuant to 40 CFR 60.42a(b).
- (b) Pursuant to 40 CFR 60.43a(b)(2) and 40 CFR 60.43a(g) (Sulfur Dioxide Standards), sulfur dioxide emissions from each natural gas-fired duct burner shall not exceed 100 percent of the potential combustion concentration (zero percent reduction) when emissions are less than 0.20 pounds per MMBtu heat input, based on a 30-day rolling average.

- (c) Pursuant to 40 CFR 60.44a(d)(2) (Nitrogen Oxide Standards), nitrogen oxide emissions from each natural gas-fired duct burner shall not exceed 1.6 pounds/MW-hr gross energy output on a 30-day rolling average.
- (d) Pursuant to 40 CFR 60.46a (Compliance Provisions), the natural gas-fired duct burners are subject to the following requirements:
  - (1) The particulate matter emission standards and nitrogen oxide standards apply at all times except during periods of startup, shutdown, or malfunction. The sulfur dioxide standards apply at all times except during periods of startup or shutdown;
  - (2) After the initial performance test required under 40 CFR 60.8, compliance with the sulfur dioxide and nitrogen oxide emission limitations are based on the average emission rate for 30 successive burner operating days. A separate performance test is completed at the end of each burner operating day after the initial performance test, and a new 30 day average emission rate for both sulfur dioxide and nitrogen oxides; and
  - (3) For the initial performance test required under 40 CFR 60.8, compliance with the sulfur dioxide and nitrogen oxide emission limitations are based on the average emission rates for the first 30 successive burner operating days. The initial performance test is the only test in which at least 30 days prior notice is required unless otherwise specified by the Administrator. The initial performance test is to be scheduled so that the first burner operating day of the 30 successive boiler operating days is completed within 60 days after achieving the maximum production rate at which the affected facility will be operated, but no later than 180 days after initial startup of the facility.
- (e) Pursuant to 40 CFR 60.47a(a) and (b) (Emission Monitoring for Opacity and Sulfur Dioxide), the duct burners are not subject to the opacity and sulfur dioxide emission monitoring requirements because only natural gas fuel is combusted.
- (f) Pursuant to 40 CFR 60.47a(c) (Emission Monitoring for Nitrogen Oxide), the Permittee shall install, calibrate, maintain, and operate a continuous monitoring system, and record the output of the system, for measuring nitrogen oxides emissions discharged to the atmosphere.
- (g) Pursuant to 40 CFR 60.47(d) (Emission Monitoring for Oxygen or Carbon Dioxide), the Permittee shall install, calibrate, maintain, and operate a continuous monitoring system, and record the output of the system, for measuring the oxygen content of the flue gases at each location where sulfur dioxide or nitrogen oxide emissions are monitored.
- (h) Pursuant to 40 CFR 60.48a (Compliance Determination Procedures), the Permittee shall use as reference methods and procedures the methods in appendix A of this part or the methods and procedures specified in this section. The Permittee shall determine compliance with the NOx standard as follows:
  - (1) The appropriate procedures in Method 19 shall be used to determine the emission rate of NOx.
  - (2) The continuous monitoring system shall be used to determine the concentrations of  $NO_X$  and  $O_2$ .
- (i) Pursuant to 40 CFR 60.49a (Reporting Requirements), the Permittee is subject to the following reporting requirements:

- (1) NOx performance test data from the initial performance test and from the performance evaluation of the continuous monitors (including the transmissometer) are submitted to the Administrator.
- (2) Information required by 40 CFR 60.49a(b) from the NOx CEM for each 24-hour period.
- (3) Information required by 40 CFR 60.49a(c) when the minimum quantity of emission data is not obtained for any 30 successive burner operating days.
- (4) For any periods for which nitrogen oxides emissions data are not available, the Permittee shall submit a signed statement indicating if any changes were made in operation of the emission control system during the period of data unavailability. Operations of the control system and affected facility during periods of data unavailability are to be compared with operation of the control system and affected facility before and following the period of data unavailability.
- (5) Pursuant to 40 CFR 60.49a(g), the Permittee shall submit a signed statement indicating whether:
  - (A) The required CEM calibration, span, and drift checks or other periodic audits have or have not been performed as specified.
  - (B) The data used to show compliance was or was not obtained in accordance with approved methods and procedures of this part and is representative of plant performance.
  - (C) The minimum data requirements have or have not been met; or, the minimum data requirements have not been met for errors that were unavoidable.
  - (D) Compliance with the standards has or has not been achieved during the reporting period.
- (6) For the purposes of the reports required under 40 CFR 60.7, periods of excess emissions are defined as all 6-minute periods during which the average opacity exceeds the applicable opacity standards under 40 CFR 42a(b). Opacity levels in excess of the applicable opacity standard and the date of such excesses are submitted to the Administrator each calendar quarter.
- (7) The Permittee shall submit the written reports to the Administrator for every calendar quarter. All quarterly reports shall be postmarked by the 30<sup>th</sup> day following the end of each calendar quarter.

40 CFR Part 60 Subpart Db (New Source Performance Standards for Industrial Steam Generating Units) The proposed plant is not subject to the New Source Performance Standards (NSPS) for Industrial Steam Generating Units because the proposed plant is subject to the requirements of 40 CFR 60 Subpart Da. According to 40 CFR 60.40b(e) (Applicability Requirements), steam generating units meeting the applicability requirements of 40 CFR 60 Subpart Da are not subject to this subpart. Pursuant to the Federal Register dated May 25, 2000, the combustion turbines are not considered to be a steam generating unit and are therefore not subject to this subpart.

40 CFR Part 60 Subpart Dc (New Source Performance Standards for Small Industrial-Commercial-Institutional Steam Generating Units)

Pursuant to New Source Performance Standards for Small Industrial Steam Generating Units any steam generating units that have a maximum design heat input capacity of 100 MMBtu/hr or less, but greater than or equal to 10 MMBtu/hr. The proposed auxiliary boilers has a maximum rated

heat input capacity of 46.6 MMBtu/hr and is therefore subject to the following requirements of Subpart Dc:

- (a) Notification include the following information:
  - (1) The design heat input capacity, and to identify the types of fuels to be combusted.
  - (2) The anticipated annual operating hours based on each individual fuel fired.
- (b) The owner or operator record and maintain records of the amounts of each fuel combusted during each day. All records required shall be maintained for a period of two (2) years following the date of such record.

# 40 CFR Part 63 (National Emission Standards for Hazardous Air Pollutants)

There are no presently proposed or final National Emission Standards for Hazardous Air Pollutants (NESHAP) regulations for electric utility steam generating units.

# State Rule Applicability

326 IAC 1-5-2 and 326 IAC 1-5-3 (Emergency Reduction Plans)

Pursuant to 326 IAC 1-5-2 (Emergency Reduction Plans; Submission):

- (a) The Permittee shall prepare written emergency reduction plans (ERPs) consistent with safe operating procedures.
- (b) These ERPs shall be submitted for approval to:

Indiana Department of Environmental Management Compliance Branch, Office of Air Quality 100 North Senate Avenue, P.O. Box 6015 Indianapolis, Indiana 46206-6015

within 180 days from the date on which this source commences operation.

- (c) If the ERP is disapproved by IDEM, OAQ, the Permittee shall have an additional thirty (30) days to resolve the differences and submit an approvable ERP. If after this time, the Permittee does not submit an approvable ERP, then IDEM, OAQ shall supply such a plan.
- (d) These ERPs shall state those actions that will be taken, when each episode level is declared, to reduce or eliminate emissions of the appropriate air pollutants.
- (e) Said ERPs shall also identify the sources of air pollutants, the approximate amount of reduction of the pollutants, and a brief description of the manner in which the reduction will be achieved.
- (f) Upon direct notification by IDEM, OAQ that a specific air pollution episode level is in effect, the Permittee shall immediately put into effect the actions stipulated in the approved ERP for the appropriate episode level. [326 IAC 1-5-3]

Pursuant to 326 IAC 1-5-3 (Implementation of ERP), the Permittee shall put into effect the actions stipulated in the approved ERP upon direct notification by OAQ that a specific air pollution episode is in effect.

Page 9 of 13

- (a) The Permittee shall prepare and maintain Preventive Maintenance Plans (PMPs) within ninety (90) days after issuance of this permit, including the following information on each:
  - (1) Identification of the individual(s) responsible for inspecting, maintaining, and repairing emission units;
  - (2) A description of the items or conditions that will be inspected and the inspection schedule for said items or conditions.
  - (3) Identification and quantification of the replacement parts that will be maintained in inventory for quick replacement.
- (b) The Permittee shall implement the Preventive Maintenance Plans as necessary to ensure that lack of proper maintenance does not cause or contribute to a violation of any limitation on emissions or potential to emit.
- (c) PMP's shall be submitted to IDEM, OAQ and VCAPC upon request and shall be subject to review and approval by IDEM, OAQ and VCAPC.

### 326 IAC 1-7 (Stack Height Provisions)

Stacks are subject to the requirements of 326 IAC 1-7 (Stack Height Provisions) because the potential emissions which exhaust through the above-mentioned stacks, are greater than 25 tons per year of PM and SO<sub>2</sub>. This rule requires that the stack be constructed using Good Engineering Practice (GEP), unless field studies or other methods of modeling show to the satisfaction of IDEM that no excessive ground level concentrations, due to less than adequate stack height, will result.

The height of the proposed stack will be less than the GEP stack height. Therefore, a dispersion model to determine the significant ambient air impact area was developed and analysis of actual stack height with respect to GEP was performed. Appendix B discusses the results of these modeling exercise.

### 326 IAC 2-4.1-1 (New Source Toxics Rule)

The New Source Toxics Control rule requires any new or reconstructed major source of hazardous air pollutants (HAPs) for which there are no applicable NESHAP to implement maximum achievable control technology (MACT), determined on a case-by-case basis, when the potential to emit is greater than 10 tons per year of any single HAP. Information on emissions of the 187 hazardous air pollutants are listed in the OAQ Construction Permit Application, Form Y (set forth in the Clean Air Act Amendments of 1990). These pollutants are either carcinogenic or otherwise considered toxic and are commonly used by industry.

The New Source Toxic Rule is not applicable because any single HAP emission is not greater than or equal to 10 tons per year and any combination HAP emissions are not greater than or equal to 25 tons per year.

### 326 IAC 2-2 (Prevention of Significant Deterioration)

This new source is subject to the requirements of 326 IAC 2-2 (Prevention of Significant Deterioration) for emissions of PM,  $PM_{10}$ , SO<sub>2</sub>, CO, NO<sub>X</sub> because the potential to emit for these pollutants exceed the PSD major significant thresholds, as specified in 326 IAC 2-2-1. Therefore, the PSD provisions require that this new source be reviewed to ensure compliance with the National Ambient Air Quality Standard (NAAQS), the applicable PSD air quality increments, and the requirements to apply the Best Available Control Technology (BACT) for the affected pollutants.

The attached modeling analysis, included in Appendix B, was conducted to show that the major new source does not violate the NAAQS and does not exceed the incremental consumption above eighty percent (80%) of the PSD increment for any affected pollutant.

The BACT Analysis Report, included in Appendix C, was conducted for the major source PSD pollutants for each process on a case-by-case basis by reviewing similar process controls and new available technologies. The BACT determination is based on the cost per ton of pollutant removed, energy requirements, and environmental impacts. The following BACT emission limitations apply to the proposed source:

# **Combined Cycle Operation**

Pollutant	Combustion Turbine	Limit (ppmvd @ 15% O <sub>2</sub> )	Combustion Turbines and Duct Burners	Limit (ppmvd @ 15% O <sub>2</sub> )	Startup/Shutdown	Limit (lb/startup and shutdown
NO <sub>X</sub>	Dry Low-NOx Combustors and SCR	3.0 (3 hour block avg.)	Dry Low-NOx Combustors and SCR	3.0 (3 hour block avg.)	Limited to 4 hours per startup/shutdown and Duct Burners not operated until normal operation begins	510/SU and 49/SD
со	Good Combustor Design and Combustion Control	9 (24 hour avg.)	Good Combustor Design and Combustion Control	14.2 (24 hour avg.)	Limited to 4 hours per startup/shutdown and Duct Burners not operated until normal operation begins	1571/SU and 220/SD
VOC	Good Combustion Control	1.4	Good Combustion Control	9.3	N/A	N/A
SO <sub>2</sub>	Natural Gas as Sole Fuel	0.0057 lb/MMBtu	Natural Gas as Sole Fuel	0.0057 lb/MMBtu	N/A	N/A
PM/PM <sub>10</sub>	Natural Gas as Sole Fuel and Good Combustion Practice	0.011 lb/MMBtu	Natural Gas as Sole Fuel and Good Combustion Practice	0.019 lb/MMBtu	N/A	N/A

# **Auxiliary Boiler**

Pollutant	Auxiliary Boiler	Limit (Ib/MMBtu)
NO <sub>X</sub>	Natural Gas as Sole Fuel and Low NOx Combustors	0.049
со	Good Combustion Practice	0.082
VOC	Good Combustion Practice	0.0054
SO <sub>2</sub>	Natural Gas as Sole Fuel	0.0006
PM/PM <sub>10</sub>	Natural Gas as Sole Fuel and Good Combustion Practice	0.007

# **Cooling Towers**

Pollutant	Big Tower	Limit	Small Tower	Limit
NO <sub>X</sub>	N/A	N/A	N/A	N/A

СО	N/A	N/A	N/A	N/A
VOC	N/A	N/A	N/A	N/A
SO <sub>2</sub>	N/A	N/A	N/A	N/A
PM/PM <sub>10</sub>	Drift Eliminators	4.6 tpy	Drift Eliminators	0.789 tpy

# 326 IAC 2-6 (Emission Reporting)

The proposed facility is subject to 326 IAC 2-6 (Emission Reporting) because at least one listed pollutant exceeds its emission threshold level, because the source will emit more than 100 tons per year of  $NO_X$  and CO. Pursuant to this rule, the owner/operator of this facility must annually submit an emission statement of the facility. The annual statement must be received by July 1 of each year and must contain the minimum requirements as specified in 326 IAC 2-6-4.

# 326 IAC 3-5 (Continuous Monitoring of Emissions)

The proposed facility is subject to 326 IAC 3-5 (Continuous Monitoring of Emissions) because the unit is a fossil fuel-fired steam generator with a heat input capacity greater than 100 MMBtu per hour as defined by 326 IAC 3-5-1(b)(2).

- (a) Pursuant to 326 IAC 3-5-1(c)(2)(A)(i), and opacity monitor is not required because only gaseous fuel is combusted. The only fuel combusted at this source is natural gas.
- (b) Pursuant to 326 IAC 3-5-1(c)(2)(B), an SO<sub>2</sub> continuous emission monitor (CEM) is not required because each steam generating unit is not equipped with an SO<sub>2</sub> control and 40 CFR 60 Subpart Da does not require an SO<sub>2</sub> monitor because only natural gas is combusted.
- (c) Pursuant to 326 IAC 3-5-1(d)(1), the owner or operator of a new source with an emission limitation or permit requirement established under 326 IAC 2-5.1-3 and 326 IAC 2-2 shall be required to install a continuous emission monitoring system or alternative monitoring plan as allowed under the Clean Air Act and 326 IAC 3-5.

For NO<sub>X</sub> and CO, the Permittee shall install, calibrate, certify, operate and maintain a continuous monitoring system for stacks designated as 1 and 2 in accordance with 326 IAC 3-5-2 and 3-5-3.

- (1) The continuous emission monitoring system (CEMS) shall measure NO<sub>X</sub> and CO emissions rates in pounds per hour and parts per million (ppmvd) at 15% O<sub>2</sub>. The use of CEMS to measure and record the NO<sub>X</sub> and CO hourly limits, is sufficient to demonstrate compliance with the limitations established in the BACT analysis. To demonstrate compliance with the NO<sub>X</sub> limit, the source shall take an average of the parts per million (ppm) at 15% O<sub>2</sub> over a three (3) hour block. To demonstrate compliance with the CO limit, the source shall take an average of the parts per million (ppm) 15% O<sub>2</sub> over a twenty four (24) hour period. The source shall maintain records of the parts per million and the pounds per hour.
- (2) The Permittee shall submit to IDEM, OAQ, within ninety (90) days after monitor installation, a complete written continuous monitoring standard operating procedure (SOP), in accordance with the requirements of 326 IAC 3-5-4.

Page 12 of 13 CP-167-12481 ID-167-00125

(3) The Permittee shall record the output of the system and shall perform the required record keeping, pursuant to 326 IAC 3-5-6, and reporting, pursuant to 326 IAC 3-5-7. The source shall also be required to maintain records of the amount of natural gas combusted per turbine on a monthly basis and the heat input capacity.

Compliance with this condition shall determine continuous compliance with the  $NO_X$ , CO and  $SO_2$  emission limits established under the PSD BACT (326 IAC 2-2).

# 326 IAC 5-1-2 (Opacity Limitations)

Pursuant to 326 IAC 5-1-2 (Opacity Limitations) except as provided in 326 IAC 5-1-3 (Temporary Exemptions), the opacity shall meet the following:

- (a) Opacity shall not exceed an average of 40% any one (1) six (6) minute averaging period.
- (b) Opacity shall not exceed 60% for more than a cumulative total of 15 minutes (60 readings as measured according to 40 CFR 60, Appendix A, Method 9 or fifteen (15) one (1) minute non-overlapping integrated averages for a continuous opacity monitor) in a 6-hour period.

# 326 IAC 6-2 (Particulate Emissions Limitations for Sources of Indirect Heating)

The proposed electric generation plant is not subject to the requirements of 326 IAC 6-2 because the combustion turbines are not utilized for indirect heating.

# 326 IAC 6-4 (Fugitive Dust Emission Limitations)

The proposed source is subject to the requirements of 326 IAC 6-4 because this rule applies to all sources of fugitive dust. Pursuant to the applicability requirements, "fugitive dust " means the generation of particulate matter to the extent that some portion of the material escapes beyond the property line of boundaries of the property, right-of-way, or easement on which the source is located. The source shall be considered in violation of this rule if any of the criteria presented in 326 IAC 6-4-2 are violated.

# 326 IAC 6-5 (Fugitive Particulate Matter Emission Limitations)

The proposed source is subject to the requirements of 326 IAC 6-5 because the source is required to obtain a permit pursuant to 326 IAC 2. However, the OAQ shall exempt the source from the fugitive control plan pursuant to 326 IAC 6-5-3(b) because the proposed plant will not have material delivery of handling systems that would generate fugitive emissions and all of the roads and parking areas located at the proposed facility will be paved.

### 326 IAC 7-1 (Sulfur Dioxide Emission Limitations)

The proposed power plant is subject to the requirements of 326 IAC 7-1 because the plant is a fuel combustion facility and the  $SO_2$  potential to emit is greater than 25 tons per year. Pursuant to 326 IAC 7-1.1-2, there are no specific emission limitations for the combustion of natural gas. Pursuant to 326 IAC 7-2-1, the Permittee shall submit natural gas reports of the calendar month average sulfur content, heat content, natural fuel consumption and sulfur dioxide emission rate in pounds per million Btu, upon request of OAQ.

### 326 IAC 8-1-6 (New facilities; general reduction requirements)

Pursuant to 326 IAC 8-1-6 (New facilities; general reduction requirements), the requirements of BACT shall apply to each turbine because the potential to emit of VOC is greater than or equal to 25 tons per year per unit. Pursuant to 326 IAC 8-1-6, the source shall perform good combustion practices as BACT.

Duke Energy Vigo, LLC. West Terre Haute, Indiana Permit Reviewer: David Howard Page 13 of 13 CP-167-12481 ID-167-00125

### 326 IAC 8 (Volatile organic Compound Requirements)

The proposed power plant is not subject to any other state VOC requirements because there is not a source specific RACT for the proposed operation.

# 326 IAC 9 (Carbon Monoxide Emission Limits)

Pursuant to 326 IAC 9 (Carbon Monoxide Emission Limits), the source is subject to this rule because it is a stationary source which emits CO emissions and commenced operation after March 21, 1972. Under this rule, there is not a specific emission limit because the source is not an operation listed under 326 IAC 9-1-2.

# 326 IAC 10 (Nitrogen Oxides)

326 IAC 10 does not apply to the source because it is not located in the specified counties (Clark and Floyd) listed under 326 IAC 10-1-1.

# **Air Toxic Emissions**

Indiana presently requests applicants to provide information on emissions of the 189 hazardous air pollutants set out in the Clean Air Act Amendments of 1990. These pollutants are either carcinogenic or otherwise considered toxic and are commonly used by industries. They are listed as air toxics on the Office of Air Quality (OAQ) Construction Permit Application Form Y.

- (a) This new source will emit levels of air toxics less than those which constitute a major source according to Section 112 of the 1990 Amendments to Clean Air Act.
- (b) See attached spreadsheets for detailed air toxic calculations (pages 1-4).

# Conclusion

The construction of this combined cycle merchant power plant will be subject to the conditions of the attached proposed **Construction Permit No. CP-167-12481-00125.** 

#### Appendix A: Emissions Calculations

Company Name:	Duke Energy Vigo, LLC
Address:	5255 Darwin Road, West Terre Haute, IN 47885
Construction Permit No .:	167-12481-00125
Permit Reviewer:	David Howard

PTE								
Pollutant	Turbine w/ DB	Startup	Auxiliary Boiler	Big Cooling Tower	Small Cooling Tower	Emergency Generator	Fire Pump	Total
NOx	836.30	83	10.00	0	0	3.06	2.33	934.70
CO	585.03	337.4	16.74	0	0	3.76	0.50	943.44
VOC	150.01	N/A	1.10	0	0	0.44	0.19	151.74
SO2	106.88	N/A	0.12	0	0	0.10	0.15	107.26
PM/PM10	221.26	N/A	1.53	4.603	0.789	0.18	0.164	228.53
Formaldehyde	9.37	N/A	3.50E-01	0	0	0	0	9.72
Combined HAP	22.31	N/A	3.67E-01	0	0	0	0	22.68

Limited PTE									
Pollutant	Turbine w/ DB	Startup	Auxiliary Boiler	Big Cooling Tower	Small Cooling Tower	Emergency Generator	Fire Pump	Total	
NOx	182.67	83	0.57	0	0	3.06	2.334	271.63	
CO	451.65	337.4	0.96	0	0	3.76	0.503	794.27	
VOC	96.17	0	0.06	0	0	0.44	0.191	96.86	
SO2	102.92	0	0.01	0	0	0.10	0.153	103.18	
PM/PM10	204.77	0	0.09	4.603	0.789	0.18	0.164	210.59	
Formaldehyde	9.19	0	2.00E-02	0	0	0	0	9.21	
Combined HAP	17.90	0	2.09E-02	0	0	0	0	17.93	

#### Page 2 of 8

#### Combustion Turbine and Duct Burner Potential to Emit Calculations - Before Controls or Federally Enforceable Limits

Combustion Turbine Heat input @ 52.3 F Combustion Turbine Heat input @ -27 F (worst max) Duct Burner Heat input

1771	MMBtu/hr
1984	MMBtu/hr
575	MMBtu/hr



Startup

733

Turbine Operation (hrs/yr) Turbine w/ Duct Burner Operation (hrs/yr)

Normal Operation
3527
4500

3527	
4500	

Combustion Turbine									
Pollutant	Heat Input	Emission Factor	lb/hr	PTE/CT	Total PTE				
NO <sub>X</sub>	1771 MMBtu/hr	0.0333 lb/MMBtu	66.07	236.69 tons/yr	473.39 tons/yr				
CO	1771 MMBtu/hr	0.0198 lb/MMBtu	39.28	140.74 tons/yr	281.47 tons/yr				
VOC	1771 MMBtu/hr	0.0016 lb/MMBtu	3.17	12.41 tons/yr	24.82 tons/yr				
SO <sub>2</sub>	1771 MMBtu/hr	0.0057 lb/MMBtu	11.31	44.21 tons/yr	88.43 tons/yr				
PM/PM <sub>10</sub>	1771 MMBtu/hr	0.0107 lb/MMBtu	19.05	83.00 tons/yr	166.00 tons/yr				

Combustion Turbine w/Duct Burners									
Pollutant	Heat Input	Emission Factor	lb/hr	PTE/CT+DB	Total PTE				
NO <sub>X</sub>	2336 MMBtu/hr	0.0446 lb/MMBtu	112.08	418.15 tpy	836.30 tpy				
CO	2336 MMBtu/hr	0.0312 lb/MMBtu	78.31	292.52 tpy	585.03 tpy				
VOC	2336 MMBtu/hr	0.008 lb/MMBtu	19.29	75.00 tpy	150.01 tpy				
SO <sub>2</sub>	2336 MMBtu/hr	0.0057 lb/MMBtu	14.59	53.44 tpy	106.88 tpy				
PM/PM <sub>10</sub>	2336 MMBtu/hr	0.0118 lb/MMBtu	27.64	110.63 tpy	221.26 tpy				

Summary of PTE for CTs and DBs								
Pollutant	Total Ib/hr	Total PTE/unit (tpy)	Total PTE (tpy)					
NO <sub>X</sub>	112.08	418.15	836.30					
СО	78.31	292.52	585.03					
VOC	19.29	75.00	150.01					
SO <sub>2</sub>	14.59	53.44	106.88					
PM/PM <sub>10</sub>	27.64	110.63	221.26					

\*Combustion turbine and duct burner emission factors are vendor provide data

\*PTE/turbine, Heat Input, and Total PTE are based on the annual average temperature of 52.3 F

\*Short term lb/hr calculations are based on worst case -27 F

\*NOx and CO PTE calculations are calculated based on 8760 hrs/yr-startup/shutdown periods (I.e. 8760-733). NOx and CO emissions during startup/shutdown are evaluated seperately \*VOC, PM/MP10, and SO2 calculations are based on 8760 hrs/yr

	Combustion Turbine											
Pollutant	Heat Input	Emission Factor Ib/hr		Limited PTE/CT	Total Limited PTE							
NO <sub>X</sub>	1771 MMBtu/hr	0.0109 lb/MMBtu	21.63	34.04 tons/yr	68.08 tons/yr							
СО	1771 MMBtu/hr	0.0198 lb/MMBtu	39.28	61.84 tons/yr	123.68 tons/yr							
VOC	1771 MMBtu/hr	0.0016 lb/MMBtu	3.17	6.04 tons/yr	12.07 tons/yr							
SO <sub>2</sub>	1771 MMBtu/hr	0.0057 lb/MMBtu	11.31	21.50 tons/yr	43.00 tons/yr							
PM <sub>10</sub>	1771 MMBtu/hr	0.0107 lb/MMBtu	19.05	40.36 tons/yr	80.73 tons/yr							

Combustion Turbine and Duct Burner Potential to Emit Calculation - After Control or Federally Enforceable Limits

Combustion Turbine w/Duct Burner											
Pollutant	Heat Input	Emission Factor	lb/hr	Limited PTE/CT and DB	Total Limited PTE						
NO <sub>X</sub>	2336 MMBtu/hr	0.0109 lb/MMBtu	27.89	57.29 tpy	114.58 tpy						
CO	2336 MMBtu/hr	0.0312 lb/MMBtu	78.31	163.99 tpy	327.97 tpy						
VOC	2336 MMBtu/hr	0.008 lb/MMBtu	19.29	42.05 tpy	84.10 tpy						
SO2	2336 MMBtu/hr	0.0057 lb/MMBtu	14.59	29.96 tpy	59.92 tpy						
PM <sub>10</sub>	2336 MMBtu/hr	0.0118 lb/MMBtu	27.64	62.02 tpv	124.04 tpv						

	Summary of Limited PTE for CTs and DBs									
Pollutant	Total Ib/hr	Total Limited PTE/unit (tpy)	Total limited PTE (tpy)							
NO <sub>X</sub>	27.89	91.33	182.67							
СО	78.31	225.83	451.65							
VOC	19.29	48.08	96.17							
SO2	14.59	51.46	102.92							
PM <sub>10</sub>	27.64	102.38	204.77							

\*NOx emission factor for combustion turbine and duct burner is based on control with SCR

\*Combustion turbine and duct burner emission factors are vendor provide data

\*PTE/turbine, Heat Input, and Total PTE are based on the annual average temperature of 52.3 F

\*Short term lb/hr calculations are based on worst case -27 F

\*NOx and CO PTE calculations are calculated based on 8760 hrs/yr-startup/shutdown periods (I.e. 8760-733). NOx and CO emissions during startup/shutdown are evaluated seperately

\*VOC, PM/MP10, and SO2 calculations are based on 8760 hrs/yr

### Startup/Shutdown Emissions

Max number hours per year of startup Max number hours per year of shutdown 473.3 260

Pollutant	Emission Rate Emission Rate Startup Shutdown (lb/startup) (lb/shutdown)		Emission Rate/Turbine (tons/yr)	Total Emissions (tons/yr)
NO <sub>X</sub>	510	49	41.5	83
со	1571	220	168.7	337.4

		Duct E	Burners			Combustic	on Turbines		Project Tota	l CTs + DBs
HAPs	Emission Factor (lb/MMBtu)	Emission Rate (lb/hr)	PTE (8760 hrs/yr)	ton/yr @4500 hrs/yr	Emission Factor (lb/MMBtu)	Emission Rate (lb/hr)	PTE (tpy) 8760 hrs/yr	ton/yr @ 8760 hrs/yr	tons/yr before control	tons/yr after control
Benzene	2.00E-06	1.15E-03	5.04E-03	2.59E-03	1.17E-05	2.31E-02	9.04E-02	9.04E-02	0.1909	0.1860
Dichlorobenzene	1.14E-06	6.57E-04	2.88E-03	1.48E-03					0.0058	0.0030
Formaldehyde	7.35E-05	4.23E-02	1.85E-01	9.51E-02	5.80E-04	1.15E+00	4.50E+00	4.50E+00	9.37	9.19
Xylenes					6.22E-05	1.23E-01	4.82E-01	4.82E-01	0.9645	0.9645
Hexane	1.71E-03	9.86E-01	4.32E+00	2.22E+00					8.6349	4.4357
Ethylbenzene					3.11E-05	6.17E-02	2.41E-01	2.41E-01	0.4823	0.4823
1,3 Butadiene					4.18E-07	8.29E-04	3.24E-03	3.24E-03	0.0065	0.0065
Napthalene	5.81E-07	3.34E-04	1.46E-03	7.52E-04	1.26E-06	2.51E-03	9.80E-03	9.80E-03	0.0225	0.0211
Toluene	3.24E-06	1.86E-03	8.16E-03	4.19E-03	1.26E-04	2.51E-01	9.80E-01	9.80E-01	1.9755	1.9676
PAH					2.14E-06	4.24E-03	1.66E-02	1.66E-02	0.0332	0.0332
POM	8.40E-08	4.83E-05	2.12E-04	1.09E-04					0.0004	0.0002
Acetaldehyde					3.89E-05	7.71E-02	3.01E-01	3.01E-01	0.6028	0.6028
Arsenic	1.90E-07	1.10E-04	4.80E-04	2.46E-04					0.0010	0.0005
Beryllium	1.14E-08	6.57E-06	2.88E-05	1.48E-05					0.0001	0.0000
Cadmium	1.05E-06	6.02E-04	2.64E-03	1.36E-03					0.0053	0.0027
Chromium	1.33E-06	7.67E-04	3.36E-03	1.73E-03					0.0067	0.0035
Cobalt	8.00E-08	4.60E-05	2.01E-04	1.04E-04					0.0004	0.0002
Manganese	3.62E-07	2.08E-04	9.11E-04	4.68E-04					0.0018	0.0009
Mercury	2.48E-07	1.42E-04	6.24E-04	3.20E-04					0.0012	0.0006
Nickel	2.00E-06	1.15E-03	5.04E-03	2.59E-03					0.0101	0.0052
Selenium	2.29E-08	1.31E-05	5.76E-05	2.96E-05					0.0001	0.0001
	single	ed HAP	4.32 4.53	2.22 2.33			4.50 6.62	4.50 6.62	9.37 22.31	9.19 17.90

#### Combustion Turbine and Duct Burner Potential to Emit Calculations for HAPs

\*Emission Factors based on AP-42 (4/2000) with a heating value of natural gas of 1050 Btu/scf

\*Formaldehyde emission factor for the combustion turbine was submitted by the company. The emission factor was derived from

Natural Gas Utility Boiler Calculation

Auxiliary Boiler Heat Input Rate

46.6 MMBtu/hr

Number of Boilers 1

Boiler Operation (hrs/yr) 500

Auxiliary Boiler												
Pollutant	Hea	at Input	Emission Factor		lb/hr	Boiler PTE		PTE after Control or Enforcable Limits				
NO <sub>X</sub>	46.6	MMBtu/hr	4.90E-02	lb/MMBtu	2.283	10.001	ton/yr	0.571	ton/yr			
СО	46.6	MMBtu/hr	8.20E-02	lb/MMBtu	3.821	16.737	ton/yr	0.955	ton/yr			
VOC	46.6	MMBtu/hr	5.40E-03	lb/MMBtu	0.252	1.102	ton/yr	0.063	ton/yr			
SO <sub>2</sub>	46.6	MMBtu/hr	5.88E-04	lb/MMBtu	0.027	0.120	ton/yr	0.007	ton/yr			
PM <sub>10</sub>	46.6	MMBtu/hr	7.50E-03	lb/MMBtu	0.350	1.531	ton/yr	0.087	ton/yr			

\*Emission factors are from AP-42 Table 1.4-2 utilizing Low NOx Burners

\*Emission factors are based on a heating value of natural gas of 1050 Btu/scf

Pollutant	Emission Factor (Ib/MMscf)	Emission Factor (Ib/MMBtu)	Emission Rate (Ib/hr)	PTE Before Control (tpy)	PTE After Control or Enforceable Limit (tpy)
Benzene	2.10E-03	2.00E-06	9.32E-05	4.08E-04	2.33E-05
Diclorobenzene	1.20E-03	1.14E-06	5.33E-05	2.33E-04	1.33E-05
Formaldehyde	7.50E-02	7.14E-05	3.33E-03	1.46E-02	8.32E-04
Hexane	1.80E+00	1.71E-03	7.99E-02	3.50E-01	2.00E-02
Napthalene	6.10E-04	5.81E-07	2.71E-05	1.19E-04	6.77E-06
Toluene	3.40E-03	3.24E-06	1.51E-04	6.61E-04	3.77E-05
POM	8.87E-05	8.45E-08	3.94E-06	1.72E-05	9.84E-07
Arsenic	2.00E-04	1.90E-07	8.88E-06	3.89E-05	2.22E-06
Beryllium	1.20E-05	1.14E-08	5.33E-07	2.33E-06	1.33E-07
Cadmium	1.10E-03	1.05E-06	4.88E-05	2.14E-04	1.22E-05
Chromium	1.40E-03	1.33E-06	6.21E-05	2.72E-04	1.55E-05
Cobalt	8.40E-05	8.00E-08	3.73E-06	1.63E-05	9.32E-07
Manganese	3.80E-04	3.62E-07	1.69E-05	7.39E-05	4.22E-06
Mercury	2.60E-04	2.48E-07	1.15E-05	5.05E-05	2.88E-06
Nickel	2.10E-03	2.00E-06	9.32E-05	4.08E-04	2.33E-05
Selenium	2.40E-05	2.29E-08	1.07E-06	4.67E-06	2.66E-07
		Single HAP		3.50E-01	2.00E-02
		Combined H	AP	3.67E-01	2.09E-02

\*HAPs emission factors based on AP-42 1.4-3

#### **Cooling Tower Emissions**

### Big Tower (Cells 1-12)

		Value	Unit	Calculation
Flow of Water	r at 100% Load	174996	gpm	vendor information
Cooling Wate	r Flowrate	87567998.4	lb/hr	Flowrate (gal/min) * 8.34 lb/gal * 60 min/hr
Total Disolved Solids (TDS)		2000	ppm	vendor information
Cooling Water TDS Fraction		0.002	lb TDS/lb	TDS/10 <sup>6</sup> lb/ppm
Drift Loses (%	6 of cooling water)	0.0006	%	vendor information
Liquid Drift Lo	osses	525.408	lb/hr	Cooling water flow rate lb/hr * 0.001/100
Solids Drift Losses		1.051	lb/hr	Liquid Drift Losses * TDS Fraction lb TDS/lb
	PM <sub>10</sub> /TSD Emission	4.603	ton/yr	

#### Small Tower (Cells 1-4)

		Value	Unit	Calculation
Flow of Wate	r at 100% Load	30000	gpm	vendor information
Cooling Wate	r Flowrate	15012000	lb/hr	Flowrate (gal/min) * 8.34 lb/gal * 60 min/hr
Total Disolved Solids (TDS)		2000	ppm	vendor information
Cooling Water TDS Fraction		0.002	lb TDS/lb	TDS/10 <sup>6</sup> lb/ppm
Drift Loses (%	of cooling water)	0.0006	%	vendor information
Liquid Drift Lo	osses	90.072	lb/hr	Cooling water flow rate lb/hr * 0.001/100
Solids Drift Losses		0.180	lb/hr	Liquid Drift Losses * TDS Fraction lb TDS/lb
	PM <sub>10</sub> /TSD Emission	0.789	ton/yr	

hrs/yr

#### Emission Calculation for Back-up Diesel Generator

 Heat Input Capacity
 8.01
 MMBtu/hr
 Maximum Hours of Operation
 500

 Horsepower
 947
 hp

 Weight Percent Sulfur
 0.05
 %

Pollutant	Emission Factor (lb/MMBtu)	Emission Rate (Ib/hr)	PTE (tons/yr)
NO <sub>X</sub>	1.53	12.26	3.06
СО	1.88	15.06	3.76
VOC	0.221	1.77	0.44
SO <sub>2</sub>	0.0505	0.40	0.10
PM <sub>10</sub>	0.088	0.70	0.18

\*Emission factors based on vendor provided data

#### Emission Calculation for Emergency Diesel Fire Pump

Heat Input Capacity	2.9	MMBtu/hr	Maximum Ho	36	5 hrs/yr	
Horsepower	400	hp				
			Weight Percent Sulfur	0.05 %		

	-		-	
Pollutant	Emission Factor (lb/MMBtu) >250 and <600	Emission Factor (lb/MMBtu) >600	Emission Rate (lb/hr)	PTE (tons/yr)
NOX	4.41	1.9	12.789	2.334
СО	0.95	0.85	2.755	0.503
VOC	0.36	0.1	1.044	0.191
SO2	0.29	0.0505	0.841	0.153
PM10	0.31	0.0573	0.899	0.164

\*Emission factors based on AP-42 Table 3.3-2, 3.4-1, and 3.4-2

# Appendix B

# Air Quality Analysis

Source Name: Source Location: County: Construction Permit No.: SIC Code: Duke Energy Vigo, LLC 5255 Darwin Road, West Terre Haute, IN 47885 Vigo CP-167-12481-00125 4911

# Introduction

Duke Energy Vigo, LLC (Vigo Energy) has applied for a Prevention of Significant Deterioration (PSD) permit to construct and operate a baseload combined-cycle power plant near Terre Haute in Vigo County, Indiana. The site is located at Universal Transverse Mercator (UTM) coordinates 457096.0 East and 4361597.0 North or 6 miles southwest of Terre Haute. The combined cycle power plant would consist of two nominal 160 megawatts (MW) GE 7FA natural gas fired combustion turbines, two heat recovery steam generators (HRSG) with duct burners, a gas fired auxiliary boiler, a back-up generator, a small diesel firewater pump, a cooling tower for the gas turbines' inlet air chiller and a twelve cell wet cooling tower. Vigo County is designated as attainment for the National Ambient Air Quality Standards. These standards for Nitrogen Dioxide (NO<sub>2</sub>), Sulfur Dioxide (SO<sub>2</sub>), Carbon Monoxide (CO) and Particulate Matter less than 10 microns (PM<sub>10</sub>) are set by the United States Environmental Protection Agency (U.S. EPA) to protect the public health and welfare.

Earth Tech Inc. prepared the PSD permit application for Vigo Energy. The permit application was received by the Office of Air Quality (OAQ) on July 12, 2000 with modeling received on August 14, 2000. This document provides OAQ=s Air Quality Modeling Section's review of the PSD permit application including an air quality analysis performed by the OAQ.

### Air Quality Analysis Objectives

The OAQ review of the air quality impact analysis portion of the permit application will accomplish the following objectives:

- A. Establish which pollutants require an air quality analysis based on source emissions.
- B. Determine the ambient air concentrations of the source's emissions and provide analysis of actual stack height with respect to Good Engineering Practice (GEP).
- C. Demonstrate that the source will not cause or contribute to a violation of the National Ambient Air Quality Standard (NAAQS) or Prevention of Significant Deterioration (PSD) increment.
- D. Perform an analysis of any air toxic compound for the health risk factor on the general population.
- E. Perform a brief qualitative analysis of the source's impact on general growth, soils, vegetation and visibility in the impact area with emphasis on any Class I areas. The nearest Class I area is Kentucky's Mammoth Cave National Park, which is 261 kilometers or 161 miles from the proposed power plant in Vigo County, Indiana.

# Summary

Duke Energy Vigo, LLC has applied for a PSD construction permit to construct and operate a combined cycle power facility, 6 miles southwest of Terre Haute in Vigo County, Indiana. The PSD application was prepared by Earth Tech, Inc. of Concord, Massachusetts. Vigo County is currently designated as attainment for all criteria pollutants. Emission rates of five pollutants (Nitrogen Dioxide (NO<sub>2</sub>), Sulfur Dioxide (SO<sub>2</sub>), Carbon Monoxide (CO), Volatile Organic Compounds (VOCs) and Particulate Matter less than 10 microns (PM<sub>10</sub>)) associated with the proposed power facility exceeded significant emission rates established in state and federal law, thus requiring air quality modeling. Modeling results taken from the Industrial Source Complex Short Term (ISCST3) model showed all pollutant impacts were predicted to be less than the significant impact levels and significant monitoring de minimis levels for purposes of a

National Ambient Air Quality Standards analysis. OAQ conducted Hazardous Air Pollutant (HAPs) modeling and all HAP 8-hour maximum concentrations modeled below 0.5% of each Permissible Exposure Limit (PEL). There was no impact review conducted for the nearest Class I area, which is Mammoth Cave National Park in Kentucky, due to the modeled concentrations from the source falling below significant impact increments for both Class I and Class II areas. An additional impact analysis on the surrounding area was conducted and no significant impact on economic growth, soils, vegetation, federal and state endangered species or visibility from the proposed facility was expected.

# Part A - Pollutants Analyzed for Air Quality Impact

Indiana Administrative Code (326 IAC 2-2) PSD requirements apply in attainment and unclassifiable areas and require an air quality impact analysis of each regulated pollutant emitted in significant amounts by a new major stationary source or modification. Significant emission levels for each pollutant are defined in 326 IAC 2-2-1. CO, NO<sub>x</sub>, SO<sub>2</sub>, VOCs and PM<sub>10</sub> will be emitted from Vigo Energy and will exceeded their significant emission rates as shown in Table 1. An air quality analysis is required. It should be noted that all emissions are based on the Best Available Control Technology (BACT) determination and other limitations resulting from the OAQ review of the application.

TABLE 1 – Vigo Energy Significant Emission Rates (tons/yr)				
Pollutant	Maximum Allowable Emissions	Significant Emission Rate		
CO	794.27	100.0		
NO <sub>x</sub>	271.63	40.0		
SO <sub>2</sub>	103.18	40.0		
PM <sub>10</sub>	210.59	15.0		
VOC (ozone)	96.86	40.0		

Significant emission rates are established to determine whether a source is required to conduct an air quality analysis. If a source exceeds the significant emission rate for a pollutant, air dispersion modeling is required for that specific pollutant. A modeling analysis for each pollutant is conducted to determine whether the source modeled concentrations will exceed significant impact increments. Modeled concentrations below significant impact increments are not required to conduct further air quality modeling. Modeled concentrations exceeding the significant impact level are required to conduct more refined modeling which includes source inventories and background data. These procedures are defined in AGuidelines for Air Quality Maintenance Planning and Analysis, Volume 10, Procedures for Evaluating Air Quality Impacts of New Stationary Sources@ October 1977, U.S. EPA Office of Air Quality Planning and Standards (OAQPS).

# Part B - Significant Impact Analysis

An air quality analysis, including air dispersion modeling, was performed to determine the maximum concentrations of the source emissions on receptors outside of the facility property lines. The modeled emission rates include the start-up and shutdown emissions.

# **Model Description**

The Office of Air Quality review used the Industrial Source Complex Short-Term (ISCST3) model, Version 3, dated April 10, 2000 to determine maximum off-property concentrations or impacts for each pollutant. All regulatory default options were utilized in the United States Environmental Protection Agency (U.S. EPA) approved model, as listed in the 40 Code of Federal Register Part 51, Appendix W AGuideline on Air Quality Models. The Auer Land Use Classification scheme was referred to determine the land use in a 3-kilometer (1.9-mile) radius from the source. The area is considered agricultural; therefore a rural classification was used. The model also utilized the Schulman-Scare algorithm to account for building downwash effects. Stacks associated with the proposed combined cycle power facility are below the Good

Page 3 of 8 CP-167-12481 ID-167-00125

Engineering Practice (GEP) formula for stack heights. This indicates that wind flow over and around surrounding buildings can influence the dispersion of concentrations coming from the stacks. 326 IAC 1-7-3 requires a study to demonstrate that excessive modeled concentrations will not result from stacks with heights less than the GEP stack height formula. These aerodynamic downwash parameters were calculated using U.S. EPA=s Building Profile Input Program (BPIP).

### **Meteorological Data**

The meteorological data used in the ISCST3 model consisted of surface data from the Indianapolis Airport National Weather Service station merged with the mixing heights from Peoria, Illinois Airport National Weather Service Station for the latest available five-year period (1990-1994). The 1990-1994 meteorological data was obtained from the U.S. EPA Support Center for Regulatory Air Model electronic Bulletin Board and preprocessed into ISCST3 format with U.S. EPAs PCRAMMET program.

### **Receptor Grid**

Ground-level points (receptors) surrounding the source were input into the model to determine the maximum modeled concentrations that would occur at each point. OAQ modeling utilized receptor grids out to 20 kilometers (12.4 miles) for all pollutants. Dense receptor grids surrounded the property with receptors spaced every 100 meters (328 feet) out to 2 kilometers (1.25 miles), receptors spaced every 200 meters (656 feet) from 2 kilometers to 4 kilometers (2.5 miles), receptors spaced every 500 meters (1640 feet) from 4 kilometers to 10 kilometers (6.2 miles) and 1000 meters (3280 feet) from 10 kilometers to 20 kilometers. Discrete receptors were placed 100 meters on Vigo Energy property lines and also at areas where potentially sensitive groups might be located, such as schools, parks or penitentiaries.

### **Modeled Results**

Maximum modeled concentrations for each pollutant over its significant emission rate are listed below in Table 2 and are compared to each pollutant-s significant impact level for Class II areas, as specified by U.S. EPA in Federal Register, Volume 43, No. 118, page 26398 Monday, June 19, 1978.

TABLE 2 – Summary of OAQ Significant Impact Analysis for Vigo County (ug/m3)					
Pollutant	<u>Year</u>	<u>Time-Averaging</u> <u>Period</u>	<u>Duke</u> <u>Maximum</u> Modeled Impacts	<u>Significant</u> Impact Levels	<u>Significant</u> <u>Monitoring</u> <u>Levels</u>
СО	1990	1-hour	510.7	2000.0	а
СО	1993	8-hour	168.2	500.0	575.0
NO <sub>2</sub>	1991	Annual	0.87	1.0	14.0
SO <sub>2</sub>	1994	3-hour	11.7	25.0	а
SO <sub>2</sub>	1993	24-hour	2.7	5.0	13.0
SO <sub>2</sub>	1991	Annual	0.042	1.0	а
PM <sub>10</sub>	1992	24-hour	4.7	5.0	10.0
PM <sub>10</sub>	1992	Annual	0.55	1.0	а

<sup>a</sup> No limit exists for this time-averaged period

All modeled concentrations for each pollutant at all applicable time-averaged periods were below both the significant impact increment and significant monitoring de minimis levels. No excessive concentrations will result due to stack heights less than the GEP stack height formula. Existing air quality concentrations as recorded by monitors throughout the area are below National Ambient Air Quality Standards for each pollutant. No significant short-term or long-term health impacts are expected as a result

Page 4 of 8 CP-167-12481 ID-167-00125

of the proposed facility and no further refined air quality analysis is required as well as no pre-construction monitoring requirements. Emission rates and modeling results for each worst-case determination per unit can be found in Appendix A.

# Part C - Ozone Impact Analysis

Ozone formation tends to occur in hot, sunny weather when NOx and VOC emissions photochemically react to form ozone. Many factors such as light winds, hot temperatures and sunlight are necessary for higher ozone production. As per OAQ instruction, Earth Tech submitted its own ozone transport analysis from the proposed Vigo Energy facility. This included a wind rose analysis and the Reactive Plume Model (RPM-IV) analysis, which Earth Tech has used in previous ozone analysis for other projects. The results of the wind rose analysis and the RPM-IV modeling show that any potential ozone impacts from the facility would occur to the northeast and relatively close to the facility.

# **OAQ Three-Tiered Ozone Review**

OAQ incorporates a three-tiered approach in evaluating ozone impacts from a single source. The first step is to determine how NOx and VOC emissions from the new source compare to area-wide NOx and VOC emissions from Vigo County as well as the surrounding counties of Clay, Parke, Sullivan and Vermillion. Results from this analysis show 263.9 tons/yr of NOx would comprise less than 0.5% of the area-wide NOx emissions from point, area, onroad, nonroad mobile sources and biogenic emissions (naturally-occurring emissions from trees, grass and plants). Vigo Energy-s VOC emissions of 105.7 tons/yr comprise less than 0.5% of the area-wide VOC emissions from the different sources listed above.

A second step is to review historical monitored data to determine ozone trends for an area and the applicable monitored value assigned to an area for designation determinations. This value is known as the design value for an area. The nearest ozone monitor within this region is the Terre Haute monitor in Vigo County which is 16 kilometers or 10 miles to the northeast of the proposed site. This monitor is considered downwind of the proposed facility. The design value for the Terre Haute monitor for the 1-hour ozone standard over the latest three years of monitoring data is 107 parts per billion (ppb). Wind rose analysis indicates that prevailing winds in the area occur from the southwest and west-southwest during the summer months of May through September when ozone formation is most likely to occur. Ozone impacts from Vigo Energy would likely fall northeast and east-northeast of the facility.

A third step in evaluating the ozone impacts from a single source is to estimate the source's individual impact through a screening procedure. The Reactive Plume Model-IV (RPM-IV) has been used in past air quality reviews to determine 1-hour ozone impacts from single VOC/NOx source emissions. RPM-IV is listed as an alternative model in Appendix B to the 40 Code of Federal Register Part 51, Appendix W AGuideline on Air Quality Models<sup>®</sup>. The model is unable to simulate all meteorological and chemistry conditions present during an ozone episode (period of days when ozone concentrations are high). Results from RPM-IV are an estimation of potential ozone impacts. Modeling for 1 hour ozone concentrations was conducted for June 18, 1994 (a high ozone day) to compare to the ozone NAAQS limit. The maximum cell concentration of ozone for each time and distance specified was used to compare to the ambient ozone. OAQ modeling results assumed the short-term emission rates of NO<sub>2</sub> and VOCs and are shown in Table 3.

The impact (difference between the plume-injected and ambient modes) from Vigo Energy was 0.3 ppb early in the plume development. All ambient plus plume-injected modes were below the NAAQS limit for ozone at every time period and every distance. No modeled 1-hour NAAQS violations of ozone occurred.

TABLE 3 - RPM-IV Modeling for Vigo Energy					
<u>Time</u>	<b>Distance</b>	Ambient	Plume-Injected	Source Impact	
(hours)	(meters)	(ppb)	(ppb)	(ppb)	
700.0	118.0	26.1	26.4	0.3	
800.0	7110.0	51.6	51.9	0.3	
900.0	13100.0	72.3	72.3	0.0	
1000.0	19700.0	89.4	89.4	0.0	
1100.0	26700.0	103	103	0.0	
1200.0	32600.0	112	111	-1	
1300.0	40200.0	116	115	-1	
1400.0	51600.0	119	117	-2	
1500.0	63600.0	119	117	-2	
1600.0	81200.0	120	117	-3	
1700.0	101000.0	120	117	-3	
1800.0	116000.0	120	117	-3	
1900.0	127000.0	120	117	-3	

From this three-tiered approach, ozone formation is a regional issue and the emissions from Vigo Energy will represent a small fraction of NOx and VOC emissions in the area. Ozone contribution from Vigo Energy emissions is expected to be minimal. Ozone historical data shows that the area monitors have design values below the ozone NAAQS of 120 ppb and the Vigo Energy ozone impact based on the emissions and modeling will have minimal impact on ozone concentrations in the area.

# Part E - Hazardous Air Pollutant Analysis and Results

As part of the air quality analysis, OAQ requests data concerning the emission of 188 Hazardous Air Pollutants (HAPs) listed in the 1990 Clean Air Act Amendments which are either carcinogenic or otherwise considered toxic. These substances are listed as air toxic compounds on the State of Indiana, Department of Environmental Management, Office of Air Qualitys construction permit application Form Y. Any one HAP over 10 tons/year or all HAPs with total emissions over 25 tons/year will be subject to toxic modeling analysis. OAQ performed toxic modeling using the ISCST3 model for all HAPs. Maximum 8-hour concentrations were determined and the concentrations were recorded as a percentage of each HAP Permissible Exposure Limit (PEL). The PELs were established by the Occupational Safety and Health Administration (OSHA) and represent a workers exposure to a pollutant over an 8-hour work day or a 40-hour work week. In Table 4 below, the results of the HAP analysis with the emission rates, modeled concentrations and the percentages of the PEL for each HAP are listed. All HAPs concentrations were modeled below 0.5% of their respective PELs. The 0.5% of the PEL represents a safety factor of 200 taken into account when determining the health risk of the general population.

TABLE 4 - HAPS Analysis for Vigo Energy					
	Total HAP	Maximum 8-hour	_	Percent of PEL	
Hazardous Air Pollutants	Emissions	<u>concentrations</u>	PEL		
	(tons/year)	(ug/m3)	(ug/m3)	(%)	
1,3 Butadiene	0.00374	0.00016	2200000.0	0.00000007	
Acetaldehyde	0.35	0.0154	360000.0	0.0000043	
Benzene	0.101	0.00486	3200.0	0.00015	

Page 7 of 8 CP-167-12481 ID-167-00125

Ethyl Benzene	0.278	0.0123	435000.0	0.0000028
Formaldehyde	5.25	0.23	930.0	0.025
Naphthalene	0.013	0.00057	50000.0	0.000001
PAHs	0.019	0.00085	а	
Propylene Oxide	0.25	0.0112	240000.0	0.0000047
Toluene	1.14	0.0051	750000.0	0.000007
Xylene	0.56	0.025	435000.0	0.0000057

<sup>a</sup> No limit exists for this time-averaged period

# Part F - Additional Impact Analysis

PSD regulations require additional impact analysis be conducted to show that impacts associated with the facility would not adversely affect the surrounding area. The Vigo Energy PSD permit application provided an additional impact analysis performed by Earth Tech. This analysis included an impact on economic growth, soils, vegetation and visibility and is listed in Section 6.5 of their application.

### **Economic Growth and Impact of Construction Analysis**

A construction workforce of 200 is expected and Vigo Energy will employ up to 20 people selected from the local and regional area once the facility is operational. Secondary emissions are not expected to significantly impact the area as all roadways will be paved. Industrial and residential growth is predicted to have negligible impact in the area since it will be dispersed over a large area and new home construction is not expected to significantly increase. Any commercial growth, as a result of the proposed power facility, will occur at a gradual rate and will be accounted for in the background concentration measurements from air quality monitors. A minimal number of support facilities will be needed. There will be no adverse impact in the area due to industrial, residential or commercial growth.

### Soils Analysis

Secondary NAAQS limits were established to protect general welfare, which includes soils, vegetation, animals and crops. Soil types in Vigo County are of the Alluvial Terrace - Gray Brown, Podzolic, Allison, Huntington and Genesee Associations of which is predominately Miami silt loam with Clyde silty clay loam (Soil Survey of Vigo County, U.S. Department of Agriculture). The general landscape consists of Wabash Lowland or flat to gently rolling terrain (1816-1966 Natural Features of Indiana - Indiana Academy of Science). According to the insignificant modeled concentrations of CO, NO<sub>2</sub>, SO<sub>2</sub> and PM<sub>10</sub> and the HAPs analysis, the soils will not be adversely affected by the proposed facility.

### **Vegetation Analysis**

Due to the agricultural nature of the land, crops in the Vigo County area consist mainly of corn, soybeans, wheat and hay (1997 Agricultural Census for Vigo County). The maximum modeled concentrations of the proposed power facility for CO, NO<sub>2</sub>, SO<sub>2</sub> and PM<sub>10</sub> are well below the threshold limits necessary to have adverse impacts on surrounding vegetation such as autumn bent, nimblewill, barnyard grass, bishopscap and horsetail milkweed (Flora of Indiana - Charles Deam). SO2 sensitivity screening results show 1-hour and 3-hour modeling results would fall well below sensitivity values established by U.S. EPA in AA Screening Procedure for the Impacts of Air Pollution Sources on Plants, Soils and Animalse. Livestock in the county consist mainly of hogs, beef and milk cows, sheep and chickens (1997 Agricultural Census for Vigo County) and will not be adversely impacted from Vigo Energy. Trees in the area are mainly Beech, Maple, Oak and Hickory. These are hardy trees and due to the insignificant modeled concentrations, no significant adverse impacts are expected.

### Federal and State Endangered Species Analysis

Page 8 of 8 CP-167-12481 ID-167-00125

Federally endangered or threatened species as listed in the U.S. Fish and Wildlife Service, Division of Endangered Species for Indiana include 12 species of mussels, 4 species of birds, 2 species of bat and butterflies and 1 specie of snake. The mussels and birds listed are commonly found along major rivers and lakes while the bats are found near caves. The agricultural nature of the land overall has disturbed the habitats of the butterflies and snake and the proposed facility is not expected to impact the area.

Federally endangered or threatened plants as listed in the U.S. Fish and Wildlife Service, Division of Endangered Species for Indiana list two threatened and one endangered species of plants. The endangered plant is found along the sand dunes in northern Indiana while the two threatened species do not thrive on cultivated or grazing land. The proposed facility is not expected to impact the area.

The state of Indiana-s list of endangered, special concern and extirpated nongame species, as listed in the Department of Natural Resources, Division of Fish and Wildlife, contains species of birds, amphibians, fish, mammals, mollusks and reptiles which may be found in the area of the Vigo Energy proposed facility. However, the impacts are not expected to have any additional adverse effects on the habitats of the species than what has already occurred from the agricultural activity in the area.

### **Additional Analysis Conclusions**

The nearest Class I area to the proposed power facility is the Mammoth Cave National Park located approximately 261 km southwest in Kentucky. Operation of the proposed power facility will not adversely affect the visibility at this Class I area. The results of the additional impact analysis conclude the Vigo Energy's proposed power facility will have no adverse impact on economic growth, soils, vegetation, endangered or threatened species or visibility on any Class I area.

Source Name: Source Location: County: Construction Permit No.: SIC Code: Permit Reviewer: Duke Energy Vigo, LLC 5255 Darwin Road, West Terre Haute, IN 47885 Vigo CP-167-12481-00125 4911 David Howard

The Office of Air Quality (OAQ) has performed the following federal BACT review for the proposed electric generating plant to be owned and operated by Duke Energy North America, Inc. The review was performed for the two natural gas combustion turbines, two duct burners, two cooling towers and one auxiliary boiler.

The source is located in Vigo County, which is designated as attainment or unclassifiable for all criteria pollutants (VOC, NO<sub>X</sub>, CO, PM<sub>10</sub>, SO<sub>2</sub> and Lead). Therefore, these pollutants were reviewed pursuant to the PSD Program (326 IAC 2-2 and 40 CFR 52.21). These pollutants are subject to BACT review because the pollutant emissions are above PSD significant threshold levels set forth in 326 IAC 2-2. BACT is an emission limitation based on the maximum degree of reduction for each pollutant subject to regulation under 326 IAC 2-2. In accordance with the "Top-Down" analysis for Best Available Control Technology, with guidance set forth in USEPA 1990 draft *New Source Review Workshop Manuel*, the BACT analysis takes into account the energy, environment, and economic impacts on the source. These reductions may be determined through the application of available control techniques, process design, and/or operational limitations. These reductions are needed to demonstrate that the remaining emissions after BACT implementation will not cause or contribute to significant air pollution thereby protecting public health and the environment.

# Combined Cycle Best Available Control Technology (BACT)

# (A) Two Natural Gas-Fired Combustion Turbines and Two Natural Gas-Fired Duct Burners

The two combustion turbines at the proposed Duke Energy Vigo power plant will be General Electric 7FA (Model 7241) models equipped with General Electric dry low-NO<sub>X</sub> combustion systems. The maximum heat input rating for each of the combustion turbines is 1,984 MMBtu per hour. Auxiliary or supplemental duct firing is included as part of each combustion turbine/heat recovery steam generator. The maximum heat input capacity for each duct burner is 575 MMBtu per hour. Auxiliary duct firing will be used to increase electric power production during periods of peak electrical demand and will be limited to 4,500 hours per year.

# (1) **PM BACT Review**

There are three potential sources of filterable particulate emissions from combustion sources: mineral matter found in the fuel, solids or dust in the ambient air used for combustion and unburned carbon or soot formed by incomplete combustion of the fuel. There is no source of mineral matter in the fuel for natural gas-fired sources such as the proposed power generation plant. In addition, as a precautionary measure to protect the high speed rotating equipment within a combustion air in the combustion turbine. Finally, the potential for soot formation in a natural gas-fired combustion turbine. Finally, the potential for soot formation in a natural gas-fired combustion turbine with duct burners is very low because of the excess air combustion conditions under which the fuel is burned. As a result, there is no real source of filterable particulate origination from either the turbine or duct burner.

There are two sources of condensible particulate emissions from combustion sources: condensible organics that are the result of incomplete combustion and sulfuric acid mist which is found as sulfuric acid dihydrate. For natural gas-fired sources such as the proposed power plant, there should be no condensible organics originating from the
source because the main components of natural gas (i.e. methane and ethane) are not condensible at the temperatures found in a Method 202 ice bath. As such, any condensed organics are from the ambient air. The most likely condensible particulate matter from natural gas-fired combustion sources is the sulfuric acid dihydrate, which results when the sulfur in the fuel and in the ambient air is combusted and the cools.

<u>Control Options Evaluated</u> – The following control options where evaluated in the BACT review:

Baghouse (Fabric Filter) Electrostatic Precipitator (ESP) Venturi Scrubber

<u>Technically Infeasible Control Options</u> – Traditional add on particulate control, such as the above listed, have not been applied to natural gas fired combustion turbines. High temperature regimes, fine particulate and low particulate rates coupled with significant airflow rates make add on particulate control equipment technically infeasible.

<u>Existing BACT Emission Limitations</u> – The EPA RACT/BACT/LAER Clearinghouse (RBLC) is a database system that provides emissions limit data for industrial processes throughout the United States. The follow table represents issued emission rates for GE Frame 7 turbines.

Company	Facility	Throughput (MMBtu/hr)	Emission Rate (lb/MMBtu)	Control Description
Proposed Duke	Turbine (7FA)	1984	0.011	Good
Vigo Facility	Duct Burner	575	0.012 (CT + DB)	Combustion
Selkirk Cogen.,	Turbine (7FA)	1173	0.012	Good
INT	Duct Burner	206		Composition
Whiting Clean	Turbine (7FA)	1735	0.0104	Good
Energy, IN	Duct Burner	821		Composition
I SP Nelson II	Turbine	2166	0.0193	Good
	Duct Burner	350	0.0100	Combustion
	Turbine	2166	0.0102	Good
LSP Kendall, IL	Duct Burner	350	0.0183	Combustion
Gordonsville Energy, VA	Turbine (7EA)	1430	0.0035*	Good Combustion
Duke Power Lincoln, NC	Turbine (7 Frame)	1313	0.0038*	Good Combustion
CP&L Harstville, SC	Turbine W501	1521	0.0039*	Good Combustion
Hardee Station, FL	Turbine (7EA)	1268	0.0039*	Good Combustion
CP&L Goldsboro 1, NC	Turbine (7FA)	1908	0.0047*	Good Combustion
CP&L Goldsboro 2, NC	Turbine (7FA)	1819	0.0049*	Good Combustion
Ecoelectrica L.P., PR	Turbine W501F	1900	0.005*	Good Combustion
SMEPA-Mosell, MS	Turbine (7EA)	1299	0.0057*	Good Combustion

Saranac Energy, NY	Turbine (7EA)	1123	0.0062*	Good Combustion
Lakewood Cogen, NJ	Turbine (ABB GT11N)	1073	0.0023	Good Combustion

\* These limits do not include condensible PM<sub>10</sub> (Method 202)

Compliance with the particulate matter limits presented in the above table is demonstrated based on measurement of either the filterable particulate fraction only or the combined filterable and condensible particulate fractions. Because the majority if not all of the filterable particulate is  $PM_{10}$ , and because vendor information indicates that at least half of the total particulate is condensible, the limits based solely on demonstrating compliance using only the filterable component were considered non representative for the purpose of comparison. Therefore, these limits were eliminated from the review.

Two other facilities that have lower limits than the proposed Duke Energy facility are Whiting Clean Energy and Lakewood Cogeneration. The Whiting Clean Energy facility is located in a  $PM_{10}$  nonattainment area and, therefore is subject to LAER and  $PM_{10}$ emission reduction credits. The source took a lower limit in order to avoid  $PM_{10}$  offset credits. While the Lakewood Cogeneration facility has a lower  $PM_{10}$  emission limit, the test methodology could not be verified to determine if both front half and back half had been captured in the stack testing. Additionally, the corresponding  $NO_X$  and CO emission are higher than the proposed Duke facility. It is not expected that the proposed Duke facility will emit more particulate matter than these two facilities because there is no feasible add on control technology for combustion turbine. The top level of control for a combustion turbine is considered to be a clean burning fuel. Natural gas is the cleanest burning fuel and is therefore considered the best control technology.

As stated above, the combustion of natural gas generates negligible amounts of particulate matter. There is a degree of variability inherent to the test method (Method 202) used to determine compliance with the proposed particulate limits. The variability from this test result is from several factors. First, there is such a large volume of exhaust gas stream compared to small amount of particulate. For example, the concentration of particulate matter could be the same for two gas steams, however, if one of the gas streams is at a lower flow rate the pound per hour emission rate would be less than a gas stream that is at a higher flow rate. Second, as with any test there is a possibility of human error, which have the potential to bias the test higher or lower than what is actually being emitted. In addition, the inlet air filters are not a hundred percent efficient, so any particulate that passes through the filters with the inlet combustion air will also leave the exhaust stack. The higher the background concentration of particulate matter in the ambient air the more will pass through the combustion turbine stack. Ambient air particulate concentration can vary depending on location, activity in the area, and weather conditions.

<u>Conclusion</u> – Based on the information presented above, the  $PM/PM_{10}$  BACT shall be the use of natural gas as the sole fuel, good combustion practice, and a duct burner fuel usage limitation equivalent to 4,500 hours per year. Each turbine shall not exceed 0.011 lb/MMBtu, which equivalent to 19.0 pounds per hour. Each combustion turbine when its associated duct burner is firing shall not exceed 0.012 lb/MMBtu, which is equivalent to 27.65 pounds per hour.

### (2) $NO_X BACT Review$

Oxides of nitrogen (NO<sub>X</sub>) emissions from combustion turbines consist of two types: thermal NO<sub>X</sub> and fuel NO<sub>X</sub>. Thermal NO<sub>X</sub> is created by the high temperature reaction of nitrogen and oxygen in the combustion air. The amount formed is a function of the combustion chamber design and the combustion turbine operating parameters, including

flame temperature, residence time, combustion pressure, and fuel/air ratios at the primary combustion zone. The rate of thermal NO<sub>X</sub> formation is an exponential function of the flame temperature. Fuel NO<sub>X</sub> is formed by the gas-phase oxidation of char nitrogen. Fuel NO<sub>X</sub> formation is largely independent of combustion temperature and the nature of the organic nitrogen compound. Its formation is dependent on fuel nitrogen content and the combustion oxygen levels. Natural gas contains a negligible amount of fuel nitrogen, therefore fuel NO<sub>X</sub> is insignificant. As such, the only type of NO<sub>X</sub> formation from natural gas combustion is thermal NO<sub>X</sub>.

<u>Control Options Evaluated</u> – The following control options and work practice techniques were evaluated in the BACT review:

Dry Low NO<sub>X</sub> Burners Water/Steam Injection SCONO<sub>X</sub> System Selective Catalytic Reduction (SCR) Catalytic Combustion (XONON)

<u>Technically Infeasible Control Options</u> – Two of the control options were considered to be technically infeasible: water/steam injection, and catalytic combustion (XONON). Water and steam injection directly into the flame area of the turbine combustor provides a heat sink that lowers the flame temperature and reduces thermal NO<sub>X</sub> formation. The water or steam injection rate is typically described on a mass basis by a water-to-fuel ratio or a steam-to-fuel ratio. Higher water-to-fuel or steam-to-fuel ratios translate to greater NO<sub>X</sub> reductions, but may also increase emissions of CO and other hydrocarbons, reduce turbine combustion efficiency, increase maintenance requirements and cause potential flame outs. Water or steam injection control is limited to controlling NO<sub>X</sub> to 25 ppm @ 15% O<sub>2</sub>. Because the proposed GE turbines will be equipped with DLN combustors that reduce NO<sub>X</sub> to 9 ppm at 15% O<sub>2</sub>, which is lower than that attainable with wet control, this control alternative utilizing water or steam injection will be excluded from further BACT consideration for the source.

Catalytic combustion (XONON) is a recently developed front-end technology that relies on flameless combustion of fuel to reduce  $NO_X$  emissions. The XONON system prevents the formation of thermal  $NO_X$  during combustion of the fuel by oxidizing a fuel/air mixture across small catalyst beds to burn fuel at less that the flame temperature at which thermal  $NO_X$  formation begins. The system does use a partial flame downstream to complete the combustion process, thus, producing small amounts of  $NO_X$  emissions. XONON technology replaces the traditional diffusion or lean premix combustion cans of the combustion turbine. This represents the only catalytic control that may lend itself for a reasonable retrofit to existing units. This technology has only been demonstrated, and being offered on small turbines (i.e. no larger than 1.5 MW). Additionally the RBLC does not list any entries for catalytic combustion as BACT for combustion turbines.

<u>Ranking of Remaining Feasible Control Options</u> – The following technically feasible NO<sub>X</sub> control options were are ranked by efficiency:

Rank	Control	Facility	Control Efficiency	Emission Limit (ppm)
1	SCONOx w/Dry Low NOx	Turbine	90+	2.0-4.5
Burners	Burners	Duct Burner	90+	2.0-4.5
SCR w/Dry Low NOx		Turbine	80-90+	2.5-4.5
2	Burners	Duct Burner	80-90+	2.5-4.5
3	Dry Low NOx Burners	Turbine	N/A	9-15

Duct Burner	N/A	20-30

<u>Discussion</u> – Dry Low-NOx (DLN) combustion utilizes lean combustion and reduced combustor residence time as  $NO_X$  control techniques to reduce emissions from the turbine. In the past gas turbine combustors were designed for operation with one to one air to fuel stoichmetric ratio. However, with fuel-lean combustion, the additional excess air cools the flame and reduces the rate of thermal  $NO_X$  formation. With reduced residence time combustors, dilution air is added sooner than with standard combustors resulting in the combustion gases being at a high temperature for a shorter time, thus reducing the rate of thermal  $NO_X$  formation. The dry low-NOx burners are an integral design feature to the GE 7FA turbines. Based on GE vendor specifications, the combustion turbines can achieve an emission limit of 9 ppm.

#### SCONOx

The SCONOx system is a new flue gas clean up system that uses a coated oxidation catalyst to remove both NO<sub>X</sub> and CO, and offers promise of reducing NO<sub>X</sub> to below 3 ppmvd. The oxidation catalyst oxidizes CO to CO<sub>2</sub> and NO<sub>X</sub> to NO<sub>2</sub>. The NO<sub>2</sub> is then absorbed onto a potassium carbonate coated catalyst. Because the potassium carbonate coating is consumed as part of the absorption step it must frequently by regenerated. To regenerate the potassium coating it is contacted with a reducing gas, hydrogen, in the absence of oxygen. During regeneration flue gas dampers are used to isolate a section of the coated catalyst. Once the catalyst has been isolated from the oxygen rich turbine exhaust, natural gas is used to generate hydrogen gas. An absence of oxygen is necessary to retain the reducing properties necessary for regeneration. Hydrogen reacts with potassium nitrites and nitrates during regeneration to from H<sub>2</sub>0 and N<sub>2</sub> that is emitted from the stack.

SCONOx catalyst is subject to the same fouling and masking degradation that is experienced by any catalyst operating in a turbine exhaust stream. Trace impurities either ingested from ambient air or internal sources accumulate on the surface of the catalyst, eventually masking active catalyst sites over time. Catalyst aging is also experienced with any catalyst operating within a turbine exhaust stream, however, due to the lack of experience and data with this system it is difficult to confidently predict the life and cost of the catalyst. At this time, the SCONOx system has only been applied on small industrial, cogeneration turbines. The valving system used during the regeneration step to isolate the catalyst from the exhaust gas flow requires a complete redesign before the system can be scaled up for use on units larger than that which is currently operating. There is long term maintenance and reliability concerns related to the mechanical components on the large-scale turbine projects due to the number of parts that must operate reliably within the turbine exhaust environment.

Economic evaluation of SCONOx was conducted to show the cost effectiveness of this technology. Based on vendor quotes from Goal Line a cost per ton of  $NO_X$  removed was estimated to be \$38,000. This cost is not considered to be economically feasible for the proposed facility.

### Selective Catalytic Reduction (SCR)

The SCR system is a post combustion control technology in which injected ammonia reacts with  $NO_X$  in the presence of a catalyst to form water and nitrogen. Technical factors related to this technology include the catalyst reactor design, optimum operating temperatures, sulfur content of the fuel, and ammonia slip. Sulfur content of the fuel can be a concern for systems that use an SCR system utilizing high sulfur fuels, however given pipeline quality natural gas catalyst life can be expected to be reasonable. The catalyst promote partial oxidation of sulfur dioxide to sulfur trioxide, which combines with

water to form sulfur acidic mist. SCR, like all systems utilizing a catalyst, is subject to catalyst deactivation over time. Catalyst deactivation occurs through physical deactivation and chemical poisoning. The level of NO<sub>X</sub> emission reduction is a function of the catalyst volume and ammonia to NO<sub>X</sub> ratio. Typically SCR catalyst manufacturers will guarantee a life of three years for low emission rate, high performance catalyst systems. A final consideration with an SCR system is ammonia slip. Manufacturers typically estimate 10-20 ppm of unreacted ammonia emissions when making NO<sub>X</sub> control guarantees at very low emission levels, however a properly operated SCR system will typically have small amounts of ammonia slip. To achieve low NO<sub>X</sub> limits, SCR vendors suggest a higher ammonia injection rate than what is stoichiometrically required, which results in ammonia slip. Ammonia slip can also occur when the exhaust temperature falls outside the optimum catalyst reaction, or when the catalyst becomes prematurely fouled or exceeds its life expectancy. For a given catalyst volume, higher NH<sub>3</sub> to NO<sub>X</sub> ratios can be used to achieve higher NO<sub>X</sub> emission reduction rate.

<u>Existing BACT Emission Limitations</u> – The EPA RBLC is a database system that provides emission limit data for industrial processes throughout the United States. The following table represents emission limitations established for similar sized combustion turbines:

Company	Facility Throughput (MMBtu/hr)		Emission Limit ppm@15%O <sub>2</sub>	Control Description
Proposed Duke	Turbine	1984	3.0 (3-hr block	
Vigo Facility	Duct Burner	575	average)	DLN + SCR
Casco Ray Energy CO, ME	Turbine	2x170 MW	3.5 (3-hr block avg.)	DLN + SCR
LSP-Cottage Grove LP, MN	Turbine	1988	4.5	DLN + SCR
Portland General Electric, OR	Turbine	1720	4.5	SCR
Hermiston Generating Co.	Turbine	1696	4.5	SCR
SPA Campbell Soup, CA	Turbine	1257	3.0 (3-hr block avg.)	DLN + SCR
Sunlaw Cogen., CA	Turbine	32 MW	2.5 (annual avg.)	WI + SCONO $_X$
Gorham Energy Limited, ME	Turbine	3x300 MW	2.5 (3-hr block avg.)	DLN + SCR
Wood River Refinery Cogen., IL	Turbine	3x211	3.5 (24-hr avg.)	DLN + SCR
Sithe / Independence Power, NY	Turbine	4x2133	4.5	DLN + SCR
Mystic Station, MA	Turbine	275 MW	2.0 (1-hr avg.)	DLN + SCR
Cabot Power Corp, MA	Turbine	350 MW	2.0 (1-hr avg)	DLN + SCR
Whiting Clean Energy, IN	Turbine	545 MW	3.0 (3-hr rolling avg)	DLN + SCR

Based on the RBLC review there are two facilities that have been permitted with a 2.0 ppm emission limit utilizing SCR. However, neither of these two sites has been constructed, so the 2.0 ppm limit has not been demonstrated in practice to be feasible. Additionally, these two facilities were located in nonattainment areas, therefore the sources were subject to LAER. Two other facilities have been permitted at 2.5 ppm, but only one is in operation (Sunlaw Cogeneration). This facility has CEM data to support the

unit can achieve 2.5 ppm utilizing SCONOx. The Sunlaw Congeneration facility is substantially smaller than the proposed facility at 32 MW opposed to the proposed Duke Vigo facility at 640 MW. The SCONOX technology has been demonstrated effective on smaller turbines, however, as discussed above the SCONOX system has long term maintenance and reliability concerns related to mechanical components on large scale turbine projects. In addition, as discussed above SCONOX was determined to be economically infeasible for the proposed Duke Vigo facility.

SCR has become a widely used and accepted control technology for NO<sub>X</sub> emission control for natural gas-fired combustion turbines. Facilities have been permitted utilizing SCR have been permitted from 4.5 ppmvd @ 15% O<sub>2</sub> down to 2 ppmvd @ 15% O<sub>2</sub>. The SPA Campbell Soup is a recently permitted facility utilizing SCR, as required by a LAER determination that has been in operation for approximately 3 years. The CEMs data for the SPA Campbell Soup facility supports the emission rates from the turbine, based on a 3-hour block average, have been approximately 2.5 ppm. As noted before catalyst degrades with time, so the system may become less efficient as the catalyst ages. Also, the SPA Campbell Soup facility was a LAER determination, however, the difference between BACT and LAER is economic feasibility. The source was requested to do a cost analysis to determine if a 3.0 ppm NO<sub>X</sub> limit was economically feasible. The analysis showed that a 3.0 ppm NO<sub>X</sub> to be economically feasible.

<u>Conclusion</u> – Based on the information presented above, the NO<sub>X</sub> BACT shall be the use of low NO<sub>X</sub> burner design in conjunction with SCR control with an emission limit of 3.0 ppmvd @ 15% O<sub>2</sub> based on a 3-hour block average, and a duct burner fuel usage limitation equivalent to 4,500 hours per year. The emission limit is equivalent to 21.6 pounds of NO<sub>X</sub> per hour for each combustion turbine and 27.85 pounds of NO<sub>X</sub> per hour when its associated duct burner is in operation.

During periods of startup and shutdown (less than 50 percent load) the  $NO_X$  emissions shall not exceed 510 pounds per startup and 49 pounds per shutdown. The startup or shutdown period shall not exceed four (4) hours. Duct burners shall not operate until normal operation begins.

# (3) CO BACT Review

Carbon monoxide emissions from combustion turbines are a result of incomplete combustion of natural gas. Improperly tuned turbines operating at off design levels decrease combustion efficiency resulting in increased CO emissions. Control measures taken to decrease the formation of  $NO_X$  during combustion may inhibit complete combustion, which could increase CO emissions. Lowering combustion temperatures through premixed fuel combustion can be counterproductive with regard to CO emissions. However, improved air/fuel mixing inherent to newer combustor design and control systems limits the impact of fuel staging on CO emissions.

<u>Control Options Evaluated</u> – The following control options were evaluated in the BACT review:

Oxidation Catalyst Good Design/Operation

<u>Discussion</u> – As stated before CO emissions are a result of incomplete combustion. CO emission can be limited by ensuring complete and efficient combustion of the natural gas in the turbine. Complete combustion is a function of time, temperature and turbulence. Combustion control techniques are used to maximize fuel efficiency and to ensure complete combustion. Many of these controls are inherent in the design of many of the newer natural gas-fired combustion turbines and duct burners.

Oxidation catalyst uses a precious metal based catalyst to promote the oxidation of CO to  $CO_2$ . The oxidation of CO to  $CO_2$  utilizes the excess air present in the turbine exhaust; the activation energy required for the reaction to proceed is lowered in the presence of the catalyst. Technical factors relating to this technology include catalyst reactor design, optimum operating temperature, back pressure loss to the system, catalyst life, and potential collateral increases in emissions of  $PM_{10}$ . Oxidation catalyst reactors operate in a temperature range of 700 to 900 °F. At temperatures lower than this range CO conversion to  $CO_2$  reduces rapidly. The catalyst sintering. Cost of an oxidation catalyst can be high with the largest cost associated with the catalyst itself. Catalyst life varies, but typically a 3 to 6 year life can be expected. An oxidation catalyst for the Duke Vigo facility has been determined to be economically infeasible with a cost per ton of CO removed at \$5,150 for each gas turbine, and \$3,400 per ton for each turbine when duct firing.

<u>Existing BACT Emission Limitations</u> – The RBLC is a database system that provides emission limit data for industrial processes throughout the United States. The table below represents some entries in the RBLC that are similar in size and operation.

Company	Facility	Throughput (MMBtu/hr)	Emission Limit ppm@15%O <sub>2</sub>	Control Description
Proposed Duke	Turbine	1984	9	Good
Vigo Facility	Duct Burner	575	14.2	Combustion
Duke Energy New Somyrna Beach, FL	Turbine	500 MW	12	Good Combustion
Auburndale Power Partners, FL	Turbine	1214	15	Good Combustion
Hermiston Generating Co, OR	Turbine (2)	1696	15	Good Combustion
Nerragansett Electric/New England Power, RI	Turbine/ Duct Burner	1360	11	Good Combustion
Portland General Electric, OR	Turbine (2)	1720	15	Good Combustion
Savannah Electric and Power, GA	Turbine	1032	9	Good Combustion
Champion International, ME	Turbine	175 MW	9	Good Combustion
Dighton Power, MA	Turbine	1327	3	Oxidation Catalyst
Berkshire Power, ME	Turbine	1792	4.5	Oxidation Catalyst
Gorham Energy, ME	Turbine	900 MW	5	Oxidation Catalyst

Three of the facilities, Dighton Power, Berkshire Power, and Gorham Energy, used an oxidation catalyst in CO attainment areas. Economic analyses preformed on these facilities showed that it was economically feasible to use an oxidation catalyst. A cost analysis for the proposed Duke Vigo facility showed it would cost 5,150 dollars per ton of

CO removed. The costs of the projects listed above were around 1,000 to 1,200 dollars per ton of CO removed. The difference in the cost is a result of higher inlet CO concentration. Due to new technological advancements in combustion, turbines are able to achieve a lower inlet CO emission through combustion control techniques. With a resulting lower inlet emission the cost per ton of CO removed increases, making it economically infeasible for CO emission control. Other facilities have been required to use an oxidation catalyst because they were subject to LAER, which does not take into account economics when determining emission control.

<u>Conclusion</u> – Based on the information presented above, the CO BACT shall be the use of natural gas, good design/operation, and a duct burner fuel usage limitation equivalent to 4,500 hours per year. Each combustion turbine shall not exceed 9 ppm CO, which is equivalent to 39.4 pounds per hour. Each combustion turbine, when its associated duct burner is firing shall not exceed 14 ppm, which is equivalent to 78.3 pounds per hour.

During periods of startup and shutdown (less than 50 percent load) the CO emissions shall not exceed 1,571 pounds per startup and 220 pounds per shutdown. The startup or shutdown period shall not exceed four (4) hours. Duct burners shall not operate until normal operation begins.

# (4) SO<sub>2</sub> BACT Review

Sulfur dioxide (SO<sub>2</sub>) emissions are emitted from combustion turbines as a result of the oxidation of the sulfur in the fuel. SO<sub>2</sub> emissions are directly proportional to the sulfur content of the fuel. Emissions from natural gas-fired turbines are low because pipeline quality gas has a low sulfur content (2 grains of sulfur per standard cubic foot of gas). A properly designed and operated turbine utilizing a low sulfur natural gas will have low SO<sub>2</sub> emissions.

<u>Control Options Evaluated</u> – the following control options were evaluated in the BACT review:

Flue Gas Desulfurization System Use of Low Sulfur Fuel

<u>Discussion</u> – A flue gas desulfurization system (FGD) is comprised of a spray dryer that uses lime as a reagent followed by particulate control or wet scrubber that uses limestone as a reagent. FGD is an established technology principally on coal fired and high sulfur oil fired steam electric generating stations. FGD systems have not been installed on natural gas fired combustion turbines because of technical and cost factors associated with treating large volumes of high temperature exhaust gas containing low SO<sub>2</sub> levels. FGD typically operates at an inlet temperature of approximately 400 to 500 °F. In addition, FGD systems are not typically effective for streams with low sulfur SO<sub>2</sub> concentrations such as natural gas fired sources. The concentration of SO<sub>2</sub> in the exhaust gas is the driving force for the reaction between SO<sub>2</sub> and the reagent. Therefore, removal efficiencies are significantly reduced with lower inlet concentrations of SO<sub>2</sub>.

FGD systems also have energy and environmental impacts associated with their operation. A significant amount of energy is required to operate a FGD system due to the pressure drop over the scrubbers. There are also environmental impacts due to the disposal of the spent reagent and the high water use required for a wet scrubbing system. For the technical, energy, and environmental reasons presented above, FGD was excluded from further consideration in the BACT analysis

The use of low sulfur fuels is the next level of control that was evaluated for the proposed facility. Pipeline quality natural gas has the lowest sulfur content of all the fossil fuels. The NSPS established a maximum allowable SO<sub>2</sub> emission associated with combustion

turbines and requires either an SO<sub>2</sub> emission limitation of 150 ppmvd at 15 percent oxygen or a maximum fuel content of 0.8 percent by weight (40 CFR 60 Subpart GG). Natural gas combustion results in SO<sub>2</sub> emissions at approximately 1 ppmvd. Therefore, the very low SO<sub>2</sub> emission rate that results from the use of natural gas as the sole fuel represents BACT for control of SO<sub>2</sub> emissions from the combustion turbine.

<u>Conclusion</u> – Based on the information presented above, the  $SO_X$  BACT shall be the use of low sulfur natural gas (less than 0.8 percent sulfur by weight), good combustion practices, and a duct burner fuel usage limitation equivalent to 4,500 hours per year. The  $SO_X$  emission limit from each turbine shall not exceed 0.0057 lb/MMBtu, which is equivalent to 11.35 pounds  $SO_2$  per hour. Each combustion turbine when its associated duct burner is firing shall not exceed 0.0057 lb/MMBtu, which is equivalent to 14.6 pounds  $SO_2$  per hour.

# (5) VOC BACT Review

The VOC emissions from natural gas-fired sources are the result of two possible formation pathways: incomplete combustion and recombination of the products of incomplete combustion. Complete combustion is a function of three variables; time, temperature and turbulence. Once the combustion process begins, there must be enough residence time at the required combustion temperature to complete the process, and during combustion there must be enough turbulence or mixing to ensure that the fuel gets enough oxygen from the combustion air. Combustion systems with poor control of the fuel to air ratio, poor mixing, and insufficient residence time at combustion temperature have higher VOC emissions than those with good combustion practice.

<u>Control Options Evaluated</u> – The following control options and work practice were evaluated in the BACT review:

Catalytic Oxidation Good Design/Operation

<u>Discussion</u> – An oxidation catalyst designed to control CO would also provide some control for VOC emissions. The level of control is dependent on the content of the natural gas. The same technical factors that apply to the use of an oxidation catalyst technology for control of CO emissions (narrow operating temperature range, loss of catalyst activity over time, and system pressure losses) apply to the use of this technology for collateral control of VOC emissions.

Since an oxidation catalyst was shown to not be cost effective for control of CO, it would not be cost effective for control of VOCs at a much lower emission rate (approximately 20 percent of the annual CO emissions) and lower control efficiency. An oxidation catalyst is therefore not considered BACT for the control of VOC emissions at the proposed facility.

<u>Existing BACT Emission Limitations</u> – The EPA RBLC is a database system that provides emission limit data for industrial processes throughout the United States. The table below represents similar operations that have been recently permitted.

Company	Facility	Throughput MMBtu/hr	Emission Limit Contro Ib/MMBtu Descript	
Proposed Duke	Turbine	1984	0.0016	Combustion
Vigo Facility	Duct Burner	575	0.008 (CT+DB)	Control
Gorham Energy, ME	Turbine	2194	0.0017	Oxidation Catalyst
Carolina Power & Light, NC	Turbine	1908	0.0015	Combustion Control

Duke Power Lincoln, NC	Turbine	1247	0.004	Combustion Control	
Duke Power Lincoln, NC	Turbine	1313	0.0015	Combustion Control	
Alabama Power & Light	Turbine Duct Burner	1777	0.016	Combustion Control	
Lakewood	Turbine	1190	0.0046	Combustion	
NJ	Duct Burner	131	0.0017	Control	
Auburndale Power Partners	Turbine	1214	6 lb/hr	Combustion Control	
Berkshire Power Development, MA	Turbine	1792	6.3 lb/hr	Combustion Control	
LSP-Cottage Grove, MN	Turbine Duct Burner	1988	0.008	Combustion Control	
Narragansett Electric, RI	Turbine Duct Burner	1360	5 ppm	Combustion Control	
Saranac Energy,	Turbine	1123	0.0045	Oxidation	
NY	Duct Burner	553	0.011	Catalyst	
Southern	Turbine	1000 MW	0.008	Combustion	
Energy, MI	Duct Burner		0.000	Control	
IS Power II	Turbine	1100 MW	0.012	Combustion	
LS Power, IL	Duct Burner		0.019	Control	

The RBLC does not list any entries that require an oxidation catalyst for a combined cycle operation reviewed under PSD BACT. Also an oxidation catalyst would not be economically feasible because of the lower inlet VOC emissions associated with new combustion technology. The Duke Power Lincoln and Carolina Power & Light generation plants have VOC emission rates slightly lower than the proposed facility. The difference in emission is due to different turbine models and site specific conditions. While the VOC emissions are lower for these two facilities their corresponding NO<sub>X</sub> and CO emissions also are higher.

<u>Conclusion</u> - Based on the information presented above, the VOC BACT shall be the use of pipeline quality natural gas, good combustion practices, and a duct burner fuel usage limitation equivalent to 4,500 hours per year. The VOC emission limit from each turbine shall not exceed 0.0016 lb/MMBtu, which is equivalent to 3.2 pounds VOC per hour. Each combustion turbine when its associated duct burner is firing shall not exceed 0.008 lb/MMBtu, which is equivalent to 19.3 pounds VOC per hour.

# (B) Auxiliary Boiler

The auxiliary boiler has a maximum heat input capacity of 46.6 MMBtu per hour, and will exclusively use natural gas as fuel. The auxiliary boiler will be limited to 500 operating hours per year. The purpose of the auxiliary boiler is to provide heat to the heat recovery steam generator (HRSG) steam drums during startup periods to prevent lengthy cold startups thus reducing the increased emissions associated with startup conditions. The auxiliary boiler will also be used to provide steam for sparging the condensed water used in the HRSG to remove dissolved air and supplying sealing steam to the steam turbines when they are shut down to reduce corrosion and maintain the vacuum on the condensate tank. All of these operations will occur when the HRSGs are shut down.

### (1) **PM BACT Review**

There are three potential sources of filterable emissions from combustion sources: mineral matter found in the fuel, solids or dust in the ambient air used for combustion,

and unburned carbon formed by incomplete combustion of the fuel. Due to the fact that natural gas is a gaseous fuel, filterable PM emissions are typically low. Particulate mater from natural gas combustion has both filterable and condensible fractions. The particulate matter generated from natural gas combustion is usually larger molecular weight hydrocarbons that are not fully combusted. Increased PM emissions may result from poor air/fuel mixing or maintenance problems.

There are two sources of condensible particulate emissions form combustion sources: condensible organics that are the result of incomplete combustion and sulfuric acid mist which is found as sulfuric acid dihydrate. For natural gas-fired sources such as the auxiliary boilers there should be no condensible organics originating from the source because the main components of natural gas (i.e. methane and ethane) are not condensible at the temperatures found in Method 202 ice bath. As such, any condensed organics are from the ambient air. The most likely condensible particulate matter from natural gas combustion sources is the sulfuric acid dihydrate, which results when the sulfur in the fuel and the ambient air is combusted and then cools.

<u>Control Options Evaluated</u> – The following control options were evaluated in the BACT review:

Fabric Filter (Baghouse) Electrostatic Precipitator (ESP) Wet Scrubber

<u>Technically Infeasible Control Options</u> – All control options are basically technically infeasible because the sole fuel for the proposed auxiliary boilers is natural gas, which has little to no ash that would contribute to the formation of PM or  $PM_{10}$ . Add-on controls have never been applied to commercial natural gas fired boilers, therefore, add on particulate matter control equipment will not be considered in this BACT review.

Existing BACT Emission Limitations – The EPA RACT/BACT/LAER Clearinghouse (RBLC) is a database that provides emission limit data for industrial processes throughout the United States. The database for boilers contains many entries, below are some of the entries of the more stringent limitations.

Company	Facility	Heat Input MMBtu/hr	Emission Rate		Control Description
Proposed Duke Vigo Facility	Boiler	46.6	0.0075	lb/MMBtu	Good Design and Operation
Air Liquide America Corp, LA	Boiler	95	0.01	lb/MMBtu	Good Design and operation, use natural gas as fuel
Darling International, CA	Boiler	31.2	0.0137	lb/MMBtu	No control
Kamine/Besicorp Corning L.P., NY	Auxiliary Boiler	33.5	0.0051	lb/MMBtu	Combustion control
Kamine/Besicorp Syracuse L.P., NY	Utility Boiler	33	0.01	lb/MMBtu	Fuel specification
Mid-Georgia Cogeneration	Boiler	60	0.005	lb/MMBtu	Complete Combustion
O.H. Kruse Grain and Milling, CA	Backup Boiler	10	0.012	lb/MMBtu	No Control
Solvay Soda Ash Joint Venture Trona Mine/Soda	Boiler	100	5	lb/MMBtu	Minimal Particulate Emissions and

Ash, WY			Low Emitting
			i uei

The BACT for  $PM/PM_{10}$  listed in the RBLC for natural gas fired boilers is combustion control. All of the above listed entries utilize a fuel specification of natural gas or good design and operation (i.e. good combustion). As stated above  $PM/PM_{10}$  emissions from natural gas fired sources are low, making add on  $PM/PM_{10}$  control both economically and technically infeasible.

<u>Conclusion</u> – Based on the information presented above the  $PM/PM_{10}$  BACT for the auxiliary boiler is good combustion practice, the use of natural gas as its only fuel, and limited to 500 hours of operation per year. The  $PM/PM_{10}$  emissions from the 46.6 MMBtu/hr auxiliary boiler shall not exceed 0.0075 lb/MMBtu, which is equivalent to 0.35 pounds per hour.

## (2) NO<sub>X</sub> BACT Review

Nitrogen oxide formation during combustion consists of three types, thermal NO<sub>x</sub>, prompt  $NO_{X_{r}}$  and fuel  $NO_{X_{r}}$ . The principal mechanism of  $NO_{X}$  formation in natural gas combustion is thermal  $NO_x$ . The thermal  $NO_x$  mechanism occurs through the thermal dissociation and subsequent reaction of nitrogen and oxygen molecules in the combustion air. Most  $NO_X$  formed through the thermal  $NO_X$  is affected by three factors: oxygen concentration, peak temperature, and time of exposure at peak temperature. As these factors increase, NO<sub>X</sub> emission levels increase. The emission trends due to changes in these factors are fairly consistent for all types of natural gas-fired boilers and furnaces. Emission levels vary considerably with the type and size of combustor and with operating conditions (e.g. combustion air temperature, volumetric heat release rate, load, and excess oxygen level). The second mechanism of  $NO_x$  formation, prompt  $NO_x$ , occurs through early reactions of nitrogen molecules in the combustion air and hydrocarbon radicals from the fuel. Prompt NO<sub>X</sub>, reactions occur within the flame and are usually negligible when compared to the amount on NO<sub>X</sub> formed through the thermal  $NO_X$  mechanism. The final mechanism of  $NO_X$  formation, fuel  $NO_X$ , stems from the evolution and reaction of fuel-bonded nitrogen compounds with oxygen. Due to the characteristically low fuel nitrogen content of natural gas, NO<sub>X</sub> formation through the fuel NO<sub>x</sub> mechanism is insignificant.

<u>Control Options Evaluated</u> – The following control options were evaluated in the BACT review:

Flue Gas Recirculation (FGR) Low NOx Burners

<u>Discussion</u> – Flue Gas Recirculation (FGR) incorporates the recirculation of a portion of the flue gas back to the primary combustion zone as a replacement for the combustion air. The recirculated combustion products provide inert gases that lower the adiabatic flame temperature and the overall oxygen concentration in the combustion zone. As a result, FGR controls NO<sub>x</sub> emissions by reducing the generation of thermal NO<sub>x</sub>.

Low NOx burners are a specially designed burner that employ a two staged combustion within the burner. Primary combustion typically occurs at a lower temperature under oxygen deficient conditions and secondary combustion is completed with excess air.

Existing BACT Emission Limitations – The EPA RACT/BACT/LAER Clearinghouse (RBLC) is a database system that provides emission limit data for industrial processes throughout the United States. The database for boilers was large, containing over 200 entries. The following table represents more stringent emission limitations for similar boilers:

Company	Facility	Heat Input MMBtu/hr	Emiss	ion Rate	Control Description
Proposed Duke Vigo Facility	Boiler	46.6	0.049	lb/MMBtu	Good Design and Operation
Air Liquide America Corp, LA	Boiler	95	0.05	lb/MMBtu	Good Design and operation, use natural gas as fuel
Darling International, CA	Boiler	31.2	0.036	lb/MMBtu	Low NO <sub>X</sub> Burner w/FGR
Huls America, AL	Boiler	38.9	0.075	lb/MMBtu	Low NO <sub>X</sub> Burners
I/N Kote, IN	Boiler	70.8	0.05	lb/MMBtu	Fuel Spec. and FGR
Kamine/Besicorp Corning, NY	Boilers	33.5	0.32	lb/MMBtu	Low NO <sub>X</sub> Burners
Kamine/Beiscorp, NY	Boilers	33	0.035	lb/MMBtu	FGR
Mid-Georgia Cogen., GA	Boiler	60	0.1	lb/MMBtu	Low NO <sub>X</sub> Burner w/FGR
O.H. Kruse Grain and Milling, CA	Boiler	10	0.106	lb/MMBtu	No Control
Shell Offshore, Inc., LA	Boiler	48.2	0.1	lb/MMBtu	Low NO <sub>X</sub> Burner
Sunland Refinery, CA	Boiler	12.6	0.36	lb/MMBtu	Fuel Spec. and Low NO <sub>X</sub> Burners
Toyota Motor Corp, IN	Boiler	58	0.1	lb/MMBtu	Low NO <sub>X</sub> Burner

Based on the RBLC review, there are two facilities, with similar heat input capacity, that have been permitted with a lower  $NO_X$  emission limitation than the proposed Duke Energy Vigo facility. The Darling International facility utilizes Low  $NO_X$  burners along with flue gas recirculation to achieve lower limits than the proposed Mirant Sugar Creek facility. This facility is located in a nonattainment area, therefore LAER was applied. A flue gas recirculation was evaluated for the proposed Duke Energy Vigo facility would be economically infeasible because of the very limited hours of operation at 500 hours per year. The other facility that utilizes a flue gas recirculation system to obtain a lower limit that the proposed Duke Energy Vigo facility is of similar size, however, it does not employ low  $NO_X$  burners. As a result, there is a higher  $NO_X$  exhaust concentration, making flue gas recirculation system economically feasible. There are several larger boilers that have been permitted with a flue gas recirculation system, however, a larger boiler will have a higher  $NO_X$  emission rate, therefore making a flue gas recirculation system economically feasible.

<u>Conclusion</u> – Based on the information presented above, the NO<sub>X</sub> BACT shall be the use of Low NO<sub>X</sub> burner design in conjunction with a fuel specification of natural gas only, and a fuel usage limitation, equivalent to 500 hours of operation per year. The NO<sub>X</sub> emissions from the boiler shall not exceed 0.049 lb/MMBtu, which is equivalent to 2.28 pounds per hour.

# (3) $SO_2$ BACT Review

Sulfur dioxide emissions from natural gas-fired combustion sources are low because pipeline quality gas has a low sulfur content. A properly designed and operated boiler utilizing low sulfur natural gas will insure minimal  $SO_2$  emissions.

<u>Control Options Evaluated</u> – the following control options were evaluated in the BACT review:

Flue Gas Desulfurization System Use of Low Sulfur Fuel

<u>Discussion</u> – A flue gas desulfurization system (FGD) is comprised of a spray dryer that uses lime as a reagent followed by particulate control or wet scrubber that uses limestone as a reagent. Lime is injected by a spray dryer into the flue gas in the form of fine droplets under well-controlled conditions such that the droplets will absorb SO<sub>2</sub> from the flue gas and then become dry particulate due to evaporation of water. A particulate control device then captures the dry particulate. The captured particles are removed from the system and disposed.

This control option will generate dry solid waste, consisting mainly of lime and CaSO<sub>4</sub>. This waste must be disposed of in a solid waste landfill, giving this option additional environmental concerns. Removal efficiencies decrease as the amount of sulfur contained in the fuel decreases. Also pipeline quality natural gas contains very little sulfur, thus making any FGD economically infeasible. Based on additional environmental concerns with the FGD solid waste, low sulfur removal efficiencies, and cost to control, FGD will be eliminated further from this BACT analysis.

The use of low sulfur fuels was the next level of control that was evaluated for the proposed facility. Pipeline quality natural gas has the lowest sulfur content of all the fossil fuels. Therefore, the very low  $SO_2$  emission rate that results from the use of natural gas as the sole fuel represents BACT for control of  $SO_2$  emissions from the auxiliary boiler.

<u>Conclusion</u> – Based on the information presented above, the SO<sub>X</sub> BACT shall be the use of natural gas (less than 0.8 percent sulfur by weight) which is inherently low in sulfur, good combustion practices, and a fuel usage limitation, equivalent to 500 hours of operation per year. The SO<sub>X</sub> emission limit from the boiler shall not exceed 0.0006 lb/MMBtu, which is equivalent to 0.028 pounds per hour.

# (4) CO BACT Review

Carbon monoxide emissions from boilers are a result of incomplete combustion of natural gas. Improperly tuned boilers operating at off design levels decrease combustion efficiency resulting in increased CO emissions. Control measures taken to decrease the formation of NO<sub>X</sub> during combustion may inhibit complete combustion, which could increase CO emissions. Lowering combustion temperatures through premixed fuel combustion can be counterproductive with regard to CO emissions. However, improved air/fuel mixing inherent to newer combustor design and control systems limits the impact of fuel staging on CO emissions.

<u>Control Options Evaluated</u> – The following control options were evaluated in this BACT review:

Good Combustion Control

<u>Discussion</u> – Good combustion practice is the considered BACT for CO control on natural gas fired boilers. Burner manufactures control CO emissions by maintaining various operational combustion parameters. Fuel conditions, draft and changes in air can be adjusted to insure good combustion.

<u>Existing BACT Emission Limitations</u> – The EPA RBLC provides a emission limit data for industrial processes throughout the United States. The following table represents the more stringent BACT emission limitations established for boilers:

Company	Facility	Heat Input MMBtu/hr	Emiss	ion Rate	Control Description
Proposed Duke Vigo Facility	Boiler	46.6	3.82	lb/hr	Good Design and Operation
Air Liquide America Corp, LA	Boiler	95	3.7	lb/hr	Good Design and operation
Mid-Georgia Cogen., GA	Boiler	60	3	lb/hr	Complete Combustion
Archer Daniels Midland Co., IL	Boiler	350	14	lb/hr	Good Combustion practices
Darling International, CA	Boiler	31.2	2.8	lb/hr	Good Combustion
Indelk Energy, MI	Boiler	99	14.85	lb/hr	Combustion Control
Kamine/Besicorp, NY	Boiler	33	1.26	lb/hr	No controls
Lakewood Cogen., NJ	Boiler	131	5.5	lb/hr	Boiler Design
Champion International, AL	Boiler	5.8	0.522	lb/hr	Good Combustion Practice
Stafford Railsteel Corp., AR	Boiler	46.5	0.7	lb/hr	Fuel Spec.
Quincy Soybean Co., AR	Boiler	68	10.6	lb/hr	Good Combustion Practices

All of the entries listed in the above table list good combustion practice and good design/operation as CO BACT. As stated above CO emissions are a result of incomplete combustion of natural gas.

<u>Conclusion</u> – Based on the information presented above, the CO BACT shall be the use good combustion practice, and a fuel usage limitation, equivalent to 500 hours of operation per year. Emissions from the boiler shall not exceed 0.082 lb/MMBtu, which is equivalent to 3.82 pounds per hour.

# (5) VOC BACT Review

The VOC emissions from natural gas-fired sources are the result of two possible formation pathways: incomplete combustion and recombination of the products of incomplete combustion. Complete combustion is a function of three variables; time, temperature and turbulence. Once the combustion process begins, there must be enough residence time at the required combustion temperature to complete the process, and during combustion there must be enough turbulence or mixing to ensure that the fuel gets enough oxygen from the combustion air. Combustion systems with poor control of the fuel to air ratio, poor mixing, and insufficient residence time at combustion temperature have higher VOC emissions than those with good controls do.

<u>Control Options Evaluated</u> – The following control options and work practice were evaluated in the BACT review:

Thermal Oxidation Catalytic Oxidation Good Design/Operation <u>Discussion</u> – Thermal oxidation is a proven technology to control VOC emissions, however it has never been used on natural gas-fired combustion source. Because of the low VOC concentration generated from the use of natural gas and good combustion practice the thermal oxidation technology is ineffective. In addition, the thermal oxidation technology requires additional combustion of natural gas, which result in additional environmental impacts; i.e., an in turn would generate more emissions.

Oxidation catalyst technology uses precious metal-based catalysts to promote the oxidation of CO and unburned hydrocarbon to  $CO_2$ . The amount of VOC conversion is compound specific and a function of the available oxygen and operating temperature. The optimal operating temperature range for VOC conversion ranges from 650 to  $1000^{\circ}F$ . In addition the use of an oxidation catalyst would require additional combustion of natural gas, which increase  $NO_X$  and CO emissions.

<u>Existing BACT Emission Limitations</u> – The EPA RBLC is a database system that provides emission limit data for industrial processes throughout the United States. The table below represents the more stringent BACT emission limitations for boilers:

Company	Facility	Heat Input MMBtu/hr	Emission Rate		Control Description
Proposed Duke Vigo Facility	Boiler	46.6	0.25	lb/hr	Good Design and Operation
Mid-Georgian Cogen., GA	Boiler	60	0.3	lb/hr	Complete Combustion
Stafford Railsteel Corp., AR	Boiler	46.5	0.8	tpy	Fuel Spec. Natural Gas
Waupaca Foundry, IN	Boiler	93.9	0.55	lb/hr	Good Combustion Practice
Weyerhaeuser Co., MS	Boiler	400	0.52	lb/hr	Efficient Operation
Willamette Industries, LA	Boiler	335	1.0	lb/hr	Design and Operation
Kamine/Besicorp, NY	Boiler	2.5	0.01	lb/hr	No controls
Transamerica Refining Corp., LA	Boiler	1.2	0.01	lb/hr	Good Combustion Practices

The majority of the entries in the RBLC list good combustion, fuel specification, and good design and operation as BACT for VOC emission control. For boilers with similar heat input capacities as the proposed, a VOC emission limit of 0.25 lb/hr, is one of the lowest emission rates. The Kamine/Besicorp and Transamerica Refining Corporation have the lowest emission rate, however both of these boilers are considerably smaller than the proposed Sugar Creek auxiliary boilers.

<u>Conclusion</u> – Based on the information presented above, the VOC BACT for each auxiliary boiler at the proposed Duke Vigo facility shall be good design and operation, and a fuel usage limitation equivalent to 500 hours per year. Emissions from the boiler shall not exceed 0.0054 lb/MMBtu, which is equivalent to 0.25 pounds per hour.

### (C) Cooling Tower

Evaporative cooling towers are designed to cool process cooling water by contacting the water with air, and evaporating some of the water. Thus, these units use the latent heat of water vaporization to exchange heat between the process air and the air passing through the tower. This type of cooling tower typically contains a wetted medium to promote evaporation, by

providing a large surface area and/or by creating many water drops with a large cumulative surface area. Some of the liquid water may be entrained in the air stream and be carried out of the tower.

## (1) **PM BACT Review**

Emissions of particulate matter from cooling towers are created when water droplets escaping the tower evaporate, and the dissolved and suspended solids within these droplets become airborne. Particulate emissions from towers are controlled by installing drift eliminators, devices that are designed to minimize total liquid drift (dissolved solids on water droplets from evaporative cooling towers).

### Control Options Evaluated

#### **Drift Eliminators**

<u>Discussion</u> – The technologies available to control  $PM_{10}$  emissions from evaporative cooling towers are limited to devices that minimize drift. Drift eliminators represent the top level of PM control technology for cooling towers. Drift eliminators consists of several layers of plastic chevrons located within the tower to knock out and coalesce fine water droplets before they can be emitted to the atmosphere.

<u>Existing BACT Emission Limitations</u> – The EPA is a database system that provides emission limit data for industrial processes throughout the United States. The table below represents the more stringent BACT emission limitations for cooling towers:

Company	Facility	Control	Total Liquid Drift (% flow)	PM/PM <sub>10</sub> BACT Limitations (lb/hr)	Compliance Status
Proposed Duke Vigo Facility	Cooling Tower (12 cell)	Drift Eliminator	0.0006	1.05	N/A
Proposed Duke Vigo Facility	Cooling Tower (4 cell)	Drift Eliminator	0.0006	0.18	N/A
Crown/Vista Energy, NJ	Cooling Tower	Drift Eliminator	0.1	5.9	None Required
Texaco Bakersfield	Cooling Tower	Cellular Type Drift Eliminator		1.26	None Required
Ecoelectrica LP, PR	Cooling Tower	2-Stage Drift Eliminator	0.0015	60	None Required
Lakewood Cogen, NJ	Cooling Tower	Drift Eliminator	0.002	0.874	None Required
Crystal River, Units 1,2,3, FL	Cooling Tower	High Eff. Drift Eliminator	0.004	428	None Required
Crystal River, Units 4,5, FL	Cooling Tower	High Eff. Drift Eliminator		175	None Required

Emissions of particulate matter from cooling towers are created when water droplets escaping the tower evaporate, and the dissolved and suspended solids within these droplets become airborne. For a given solids concentration (defined by the cooling water

source, tower design and operating specifications), particulate matter emissions from cooling towers depend on the amount of water that drifts from the tower. The amount of drift from evaporative cooling towers, usually expressed as a percent of circulating water flow, is called liquid drift. Total liquid drift is controlled by drift eliminators, which are installed in the tower cells.

<u>Conclusion</u> – Based on the information presented, the PM BACT shall be to use high efficiency drift eliminators on each cooling tower cell. The total liquid drift rate shall not exceed 0.0006 percent. The total particulate emissions from the cooling towers shall not exceed 1.23 (1.05 + 0.18) pounds per hour