STATE OF WASHINGTON

ENERGY FACILITY SITE EVALUATION COUNCIL (EFSEC)

PROPOSED TITLE V AIR OPERATING PERMIT (AOP)

Issued To

PACIFICORP ENERGY

For The

CHEHALIS GENERATION FACILITY

PERMIT #:	**EFSEC/06-01 AOP Rev. 1**
DRAFT ISSUED:	**June 24, 2011**
EXPIRATION:	**(5 years from date of issuance)**

ENERGY FACILITY SITE EVALUATION COUNCIL
1300 South Evergreen Park Drive SW
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AIR OPERATING PERMIT #: EFSEC/06-01-AOP Rev. 1

ISSUED TO: PacifiCorp Energy
1407 West North Temple
Salt Lake City, UT 84116

PLANT SITE: Chehalis Generation Facility, 1813 Bishop Road
Chehalis, WA 98532

ISSUED BY: Energy Facility Site Evaluation Council
1300 South Evergreen Park Drive SW - PO Box 43172
Olympia, WA 98504-3172

NATURE OF BUSINESS:	Electrical Generating Facility
SIC / NAICS:	4911 / 221119
AIRS NUMBER:	53041-00005
EFFECTIVE DATE:	Date to be determined
EXPIRATION DATE:	5 years from date of issuance
RENEWAL APPLICATION DUE:	Insert date 6 months prior to expiration

PERMIT ENGINEER:

_____ _____
Clint H. Lamoreaux – SWCAA Date

REVIEWED BY:

_____ _____
Jim LaSpina – EFSEC Siting Specialist Date

APPROVED BY:

_____ _____
James O. Luce - EFSEC Chair Date

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I. ABBREVIATIONS

List of Common Abbreviations

Administrator	EPA Region X Administrator
AOP	Air Operating Permit
BAAQMD	Bay Area Air Quality Management District
BACT	Best Available Control Technology
CO	Carbon monoxide
CFR	Code of Federal Regulations
DAS	Data Acquisition and System
EFSEC	Washington Energy Facility Site Evaluation Council (a.k.a. the Council)
EPA	U.S. Environmental Protection Agency
EU	Emission Unit
EU-#	Refers to a specific emission unit numbered "#"
FCAA	Federal Clean Air Act
G#	Refers to a specific general term and condition numbered "#"
gr/dscf	Grains per dry standard cubic foot
HAP	Hazardous air pollutant
HRSG	Heat Recovery Steam Generator
IEU	Insignificant emission unit
IEU#	Insignificant emission unit numbered "#"
K#	Refers to a specific recordkeeping requirement numbered "#"
M#	Refers to a specific monitoring requirement numbered "#"
NO_X	Oxides of nitrogen
NCASI	National Council of the Paper Industry for Air and Stream Improvement, Inc.
NSPS	New Source Performance Standards (40 CFR 60)
NSR	New source review
Oil	"On-road specification diesel fuel" with a sulfur content of 0.05% or less
O_2	Oxygen
P#	Administrative permit constraint numbered "#"
PM	Particulate matter
ppmvd	Parts per million by volume, dry
PTE	Potential to emit
R#	Refers to a specific reporting requirement numbered "#"
RCW	Revised Code of Washington
Region 10	Region 10 of the U.S. Environmental Protection Agency
Req-#	Applicable requirement numbered "#"
SIP	State implementation plan
SO_2	Sulfur dioxide
SWCAA	Southwest Clean Air Agency
TAP	Toxic air pollutant
tpy	Tons per year
VOC	Volatile organic compound
WAC	Washington Administrative Code

Terms not otherwise defined in this permit have the meaning assigned to them in the referenced regulations.

CHEHALIS GENERATION FACILITY
TITLE V AIR OPERATING PERMIT

II. REGULATORY BASIS

This Air Operating Permit (AOP), issued to Chehalis Power Generating, LP, for the Chehalis Generation Facility, is authorized under the procedures established in WAC 173-401 as adopted by EFSEC in WAC 463-78, and Title V of the 1990 Federal Clean Air Act Amendments. The terms and conditions of this permit describe the emissions limitations, operating requirements, monitoring requirements, recordkeeping requirements, and reporting requirements for the permitted source.

Permit terms and conditions are divided into the following categories: General Terms and Conditions, Operating Terms and Conditions, Monitoring Terms and Conditions, Recordkeeping Terms and Conditions, and Reporting Terms and Conditions. As used in this permit, there is no distinction between "terms" and "conditions." As such, "condition" shall mean the same as "terms and conditions" as referred to in Title V of the 1990 Federal Clean Air Act Amendments.

The conditions required under this permit are determined necessary to assure and provide for certification of compliance with applicable local, state, and federal air pollution regulations and standards. A comprehensive list of the local, state, and federal air pollution requirements applicable to emissions units and other air pollution sources located at the Permittee's facility is provided in Sections V through IX. These requirements were determined applicable based on the equipment specifications and regulatory history of each emissions unit as described in the Basis Statement for this permit. These requirements are drawn from numerous regulations. The date of each requirement generally coincides with the most recent rulemaking activity. In some cases, there are multiple effective dates that reflect differences in federal versus state/local applicability. This situation is most notable with requirements that are in the Washington SIP. To clarify which version of a requirement is applicable to the facility, the effective dates of applicable requirements are presented in the following tables.

Where WAC 173-400 is cited in this permit, it is as adopted by WAC 463-78-005 [1/10/09]. WAC 463-78-005 [1/10/09] adopts the version of WAC 173-400 in effect on November 1, 2008. Where the version of WAC 173-400 adopted in the latest version of WAC 463-78-005 differs from the SIP approved version for EFSEC, both versions are cited. Where WAC 173-401 is cited in this permit, it is as adopted by WAC 463-78-005 [1/10/09]. WAC 463-39-005 [1/10/09] adopts the version of WAC 173-401 in effect on March 1, 2005.

Federal Regulations	SIP State Effective Date	State/Local Effective Date
40 CFR 60	—	7/1/2010
40 CFR 61	—	7/1/2010
40 CFR 64	—	7/1/2010
40 CFR 68	—	7/1/2010
40 CFR 75	—	7/1/2010
40 CFR 82, Subparts B and F	—	7/1/2010
40 CFR 98	—	7/1/2010

State Regulations	SIP State Effective Date	State/Local Effective Date
WAC 173-400-035	—	6/8/07

State Regulations	SIP State Effective Date	State/Local Effective Date
WAC 173-400-040(1)(a)&(b)	9/20/93	6/8/07
WAC 173-400-040(2)	—	6/8/07
WAC 173-400-040(3)(a)	9/20/93	6/8/07
WAC 173-400-040(4)	—	6/8/07
WAC 173-400-040(5)	9/20/93	6/8/07
WAC 173-400-040(7)	9/20/93	6/8/07
WAC 173-400-040(8)(a)	9/20/93	6/8/07
WAC 173-400-060	3/22/91	6/8/07
WAC 173-400-075	—	6/8/07
WAC 173-400-105(3) & (4)	9/20/93	6/8/07
WAC 173-400-105(7 & 8)	—	6/8/07
WAC 173-400-110	9/20/93	6/8/07
WAC 173-400-110(5)	9/20/93	—
WAC 173-400-114	—	6/8/07
WAC 173-400-700	—	6/8/07
WAC 463-78-115	—	1/10/09
WAC 173-401	—	10/17/2002
WAC 173-425	10/18/1990	4/13/2000
WAC 173-441	—	1/1/11
WAC 173-460	—	8/21/98

Regulatory Orders / Permits	SIP Federal Effective Date	Local Effective Date
EFSEC/95-02 Amendment 2	—	7/17/06
EFSEC/2009-01	—	9/4/09

III. EMISSION UNIT IDENTIFICATION

The following table contains emission unit identifications. Descriptions of each emission unit are contained in the Basis Statement for this Air Operating Permit.

EU #	Generating Equipment/Activity	Emission Control
EU-1	Combustion Turbine #1	Oxidation catalyst and selective catalytic reduction system
EU-2	Combustion Turbine #2	Oxidation catalyst and selective catalytic reduction system
EU-3	Auxiliary Boiler	Low emission, external flue gas recirculation

IV. PERMIT ADMINISTRATION

P1. Credible Evidence 40 CFR 51.212
40 CFR 52.12
40 CFR 52.33
40 CFR 60.11
40 CFR 61.12

For the purposes of submitting compliance certifications or establishing whether a violation of any term or condition of this permit has occurred or is occurring, nothing shall preclude the use, including the exclusive use, of any credible evidence or information, relevant to whether the permittee would have been in compliance with a specific term or condition if the appropriate performance or compliance test or procedure would have been performed.

P2. Confidentiality of Records and Information WAC 173-401-500(5) WAC 173-401-620(2)(e)

In the case where the permittee has submitted information to EFSEC under a claim of confidentiality, EFSEC may also require the permittee to submit a copy of such information directly to the Administrator. [WAC 173-401-500(5)]

Upon request, the permittee shall also furnish to the permitting authority copies of records required to be kept by the permittee or, for information claimed to be confidential, the permittee may furnish such records directly to the Administrator along with a claim of confidentiality. Permitting authorities shall maintain confidentiality of such information in accordance with RCW 70.94.205. [WAC 173-620(2)(e)]

P3. Permit Duration WAC 173-401-610

This permit shall be valid for a fixed term of 5 years.

P4. Standard Provisions WAC 173-401-620(2)

(a) *Duty to comply*. The permittee must comply with all conditions of this Chapter 401 permit. Any permit noncompliance constitutes a violation of Revised Code of Washington (RCW) Chapter 70.94 and, for federally enforceable provisions, a violation of the FCAA. Such violations are grounds for enforcement action; for permit termination, revocation and reissuance, or modification; or for denial of a permit renewal application.

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

(c) *Permit actions*. This permit may be modified, revoked, reopened, and reissued, or terminated for cause. The filing of a request by the permittee for a permit modification, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not stay any permit condition.

(d) *Property rights*. This permit does not convey any property rights of any sort, or any exclusive privilege.

(e) *Duty to provide information*. The permittee shall furnish to the permitting authority, within a reasonable time, any information that the permitting authority may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating the permit, or to determine compliance with the permit. Upon request, the permittee shall also

furnish to the permitting authority copies of records required to be kept by the permittee or, for information claimed to be confidential, the permittee may furnish such records directly to the Administrator along with a claim of confidentiality. Permitting authorities shall maintain confidentiality of such information in accordance with RCW 70.94.205.

(f) *Permit fees*. The permittee shall pay fees in accordance with RCW 70.94.162 as a condition of this permit in accordance with the permitting authority's fee schedule. Failure to pay fees in a timely fashion shall subject the permittee to civil and criminal penalties as prescribed in RCW 70.94.430 and 70.94.431.

(g) *Emissions trading*. No permit revision shall be required, under any approved economic incentives, marketable permits, emissions trading and other similar programs or processes for changes that are provided for in this permit.

(h) *Severability*. If any provision of this permit is held to be invalid, all unaffected provisions of the permit shall remain in effect and be enforceable.

(i) *Permit appeals*. This permit or any conditions in it may be appealed only by filing an appeal with the Pollution Control Hearings Board and serving it on the permitting authority within thirty days of receipt of the permit pursuant to RCW 43.21B.310. This provision for appeal in this section is separate from and additional to any federal rights to petition and review under § 505(b) of the FCAA.

(j) *Permit continuation*. This permit and all terms and conditions contained herein shall not expire until the renewal permit has been issued or denied if a timely and complete application has been submitted. An application shield granted pursuant to WAC 173-401-705(2) shall remain in effect until the renewal permit has been issued or denied if a timely and complete application has been submitted.

P5. Insignificant Emission Unit - Permit Revision WAC 173-401-530(6)

Any emission unit or activity that qualifies as insignificant solely on the basis of provisions in WAC 173-401-530(1)(a) shall not exceed the emissions thresholds specified in WAC 173-401-530(4) until this permit is modified pursuant to WAC 173-401-725.

P6. Federally Enforceable Requirements WAC 173-401-625

(a) All terms and conditions in an air operating permit, including any provisions designed to limit a source's potential to emit, are enforceable by the Administrator and citizens under the FCAA, except as indicated in paragraph (b) below.

(b) Notwithstanding subsection (a), any terms and conditions included in this permit that are not required under the FCAA or under any of its applicable requirements are specifically designated as "state" or "local" only, and are not federally enforceable under the FCAA. Terms and conditions so designated are not subject to the requirements of WAC 173-401-810.

P7. Permit Shield WAC 173-401-640

Compliance with the conditions of this permit shall be deemed compliance with all applicable requirements that are specifically identified in this permit as of the date of permit issuance. Nothing in this permit shall alter or affect the following:

(a) The provisions of section 303 of the FCAA (emergency orders), including the authority of the Administrator under that section;

(b) The liability of an owner or operator of a source for any violation of applicable requirements prior to or at the time of permit issuance;

(c) The applicable requirements of the acid rain program, consistent with section 408(a) of the FCAA;

(d) The ability of EPA to obtain information from a source pursuant to section 114 of the FCAA; and

(e) The ability of the permitting authority to establish or revise requirements for the use of reasonably available control technology (RACT) as defined in RCW 70.94.

P8. Emergency Provision WAC 173-401-645

An "emergency" as defined in WAC 173-401-645(1) shall constitute an affirmative defense to an action brought for noncompliance with technology based emission limitations. The affirmative defense of emergency shall be demonstrated through properly signed, contemporaneous operating logs, or other relevant evidence that:

(a) An emergency occurred and that the permittee can identify the causes(s) of the emergency;

(b) The permitted facility was at the time being properly operated;

(c) During the period of the emergency the permittee took all reasonable steps to minimize levels of emissions that exceeded the emission standards, or other requirements in the permit; and

(d) The permittee submitted notice of the emergency to the permitting authority within two working days of the time when emission limitations were exceeded due to the emergency or shorter periods of time specified in an applicable requirement. This notice fulfills the requirement of WAC 173-401-615(3)(b) unless the excess emissions represent a potential threat to human health and safety. This notice must contain a description of the emergency, any steps taken to mitigate emissions, and corrective actions taken.

Burden of proof lies with the permittee.

P9. Permit Expiration – Application Shield WAC 173-401-705(2)
WAC 173-401-710(3)

Permit expiration terminates the source's right to operate unless a timely and complete renewal application has been submitted consistent with WAC 173-401-710(1) and WAC 173-401-500. All terms and conditions of the permit shall remain in effect after the permit expires if a timely and complete permit application has been submitted. Operation under the terms and conditions of the expired permit will be allowed until EFSEC takes final action on the renewal application.

P10. Permit Revocation WAC 173-401-710(4)

The permitting authority may revoke a permit only upon the request of the permittee or for cause. The permitting authority shall provide at least thirty days written notice to the Permittee prior to revocation of the permit or denial of a permit renewal application. Such notice shall include an explanation of the basis for the proposed action and afford the permittee/applicant an opportunity to meet with the permitting authority prior to the authority's final decision. A revocation issued under this section may be issued conditionally with a future effective date and may specify that the revocation will not take effect if the permittee satisfies the specified conditions before the effective date.

P11. Reopenings for Cause WAC 173-401-730

This permit shall be reopened and revised under any of the following circumstances:

(a) Additional applicable requirements become applicable to a major air operating permit source with a remaining permit term of 3 or more years. Such a reopening shall be completed not later than 18 months after promulgation of the applicable requirement. No such reopening is required if the effective date of the requirement is later than the date on which the permit is due to expire, unless the original permit or any of its terms and conditions have been extended pursuant to WAC 173-401-620(2)(j);

(b) Additional requirements (including excess emissions requirements) become applicable to an affected source under the acid rain program. Upon approval by the Administrator, excess emissions offset plans shall be deemed to be incorporated into the permit;

(c) The permitting authority or Administrator determines that the permit contains a material mistake or that inaccurate statements were made in establishing the emissions standards or other terms or conditions of the permit; or

(d) The Administrator or the permitting authority determines that the permit must be revised or revoked to assure compliance with the applicable requirements.

Proceedings to reopen and issue this permit shall follow the same procedures as apply to initial permit issuance and shall affect only those parts of the permit for which cause to reopen exists. Reopenings under this section shall not be initiated before a notice of such intent is provided to the air operating permit source by the permitting authority. Such notice shall be made at least 30 days in advance of the date that the permit is to be reopened, except that the permitting authority may provide a shorter time period in the case of an emergency.

P12. Excess Emissions WAC 173-400-107

The permittee shall report excess emissions to EFSEC as soon as possible. Excess emissions due to startup or shutdown conditions or due to scheduled maintenance shall be considered unavoidable provided the source reports as required under subsection (1) of WAC 400-107 and adequately demonstrates that the excess emissions could not have been prevented or avoided.

Excess emissions due to upsets shall be considered unavoidable provided that the permittee reports as soon as possible but no later than 48 hours after discovery, and adequately demonstrates that:

(a) The event was not caused by poor or inadequate design, operation, or maintenance, or any other reasonably preventable conditions;

(b) The event was not of a recurring pattern indicative of inadequate design, operation, or maintenance;

(c) The operator took immediate and appropriate corrective action in a manner consistent with good air pollution control practice for minimizing emissions during the event, taking into account the total emissions impact of the corrective action, including slowing or shutting down the emission unit as necessary to minimize emissions, when the operator knew or should have known that an emission standard or permit condition was being exceeded; and

(d) The owner or operator(s) actions in response to the excess emissions were documented by properly signed, contemporaneous operating logs, or other relevant evidence.

V. GENERAL TERMS AND CONDITIONS

G1. Asbestos 40 CFR 61 Subpart M
WAC 173-400-075

The permittee shall comply with the provisions of 40 CFR 61 Subpart M when conducting any renovation, demolition or asbestos storage activities at the facility.

G2. Chemical Accident Prevention 40 CFR 68

The permittee shall comply with the requirements of the Chemical Accident Prevention Provisions of 40 CFR 68 no later than the following dates:

(a) Three years after the date on which a regulated substance, present above the threshold quantity, is first listed under 40 CFR 68.130; or

(b) The date on which a regulated substance is first present above a threshold quantity in a process. [40 CFR 68.10]

G3. Protection of Stratospheric Ozone 40 CFR 82, Subparts B and F

The permittee shall comply with the standards for recycling and emissions reduction as provided in 40 CFR Part 82, Subparts B and F.

G4. Duty to Supplement or Correct Application WAC 173-401-500(6)

The permittee, upon becoming aware that relevant facts were omitted or incorrect information was submitted in a permit application, shall promptly submit such supplementary facts or corrected information. In addition, an applicant shall provide additional information as necessary to address any requirements that become applicable to the source after the date it filed a complete application but prior to release of a draft permit.

G5. Certification WAC 173-401-520

All application forms, reports, and compliance certifications must be certified by a responsible official. Certification shall state that, based on information and belief formed after reasonable inquiry, the statements and information contained in the submittal are true, accurate, and complete.

G6. Inspection and Entry WAC 173-401-630(2)
WAC 173-400-105(3) & (4)

The permittee shall allow inspection and entry, upon presentation of credentials and other documents as may be required by law, by the permitting authority or an authorized representative to perform the following:

(a) Enter upon the permittee's premises where an air operating permit source is located or emissions-related activity is conducted, or where records must be kept under the conditions of the permit;

(b) Have access to and copy, at reasonable times, any records that must be kept under the conditions of the permit;

(c) Inspect at reasonable times any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under the permit; and

(d) As authorized by WAC 400-105 and the FCAA, sample or monitor at reasonable times substances or parameters for the purpose of assuring compliance with the permit or applicable requirements.

G7. Schedule of Compliance WAC 173-401-630(3)

The permittee shall continue to comply with all applicable requirements with which the source is currently in compliance, and meet on a timely basis any applicable requirements that become effective during the permit term.

G8. Permit Renewal Application WAC 173-401-710(1)

The permittee shall submit a complete permit renewal application to EFSEC no later than the date established in the permit. This permit expires on **October 10, 2016**. A renewal application is due on **October 10, 2015** and a complete renewal application is due no later than **April 10, 2016.**

G9. Transfer of Ownership or Operational Control WAC 173-401-720(1)(d)

A change in permittee due to transfer of ownership or operational control of an affected source requires a request for administrative permit amendment as governed by WAC 173-401-720.

G10. Portable Sources WAC 173-400-035
WAC 173-400-110(5)

For portable sources which locate temporarily at particular sites, the owner(s) or operator(s) shall be allowed to operate at the temporary location without filing a notice of construction application, providing that the owner(s) or operator(s) notifies EFSEC of intent to operate at the new location at least thirty days prior to starting the operation, and supplies sufficient information to enable EFSEC to determine that the operation will comply with the emission standards for a new source, and will not a cause a violation of applicable ambient air quality standards and, if in a nonattainment area, will not interfere with scheduled attainment of ambient standards. The permission to operate shall be for a limited period of time (one year or less) and EFSEC may set specific conditions for operation during that period. A temporary source shall be required to comply with all applicable emission standards. A temporary or portable source that is considered a major stationary source within the meaning of WAC 173-400-113 must also comply with the requirements for major sources in WAC 173-400.

G11. Misrepresentation and Tampering
WAC 173-400-105(7 & 8)

(a) The permittee shall not make any false material statement, representation or certification in any form, notice, or report.

(b) The permittee shall not render inaccurate any monitoring device or method required under Chapter 70.94 RCW, or any ordinance, resolution, regulation, permit, or order in force pursuant thereto.

G12. New Source Review WAC 173-400-110
WAC 173-400-700
WAC 173-460-040

The permittee shall not construct or modify a source which is required to be reviewed under WAC 173-400 or WAC 173-460 without first receiving an approval or permit under such provisions. Portable sources may be exempt from this requirement if they fulfill the criteria described in **G10 - Portable Sources**.

G13. Replacement or Substantial Alteration of Emission Control Technology at an Existing Stationary Source

WAC 173-400-114

Prior to replacing or substantially altering emission control technology or equipment installed at an existing stationary source or emission unit, the permittee shall file an air discharge permit application with EFSEC. Construction shall not commence on a project subject to review until EFSEC issues a final air discharge permit or other regulatory order. However, any air discharge permit application filed under this section shall be deemed to be approved without conditions if EFSEC takes no action within thirty days of receipt of a complete application.

G14. Outdoor Burning WAC 173-425

The permittee is prohibited from conducting outdoor burning except as allowed by WAC 173-425.

G15. Reporting of Emissions of Greenhouse Gases WAC 173-441

WAC 173-441 requires owners and operators of affected facilities to quantify and report emissions of greenhouse gases from applicable source categories listed in WAC 173-441-120. This regulation applies to any facility located in Washington State with total greenhouse gas emissions of ten thousand metric tons CO_2e or more per calendar year. The permittee shall prepare and submit greenhouse gas reports to Ecology in accordance with the provisions of WAC 173-441-050 for each affected facility.

VI. OPERATING TERMS AND CONDITIONS

The following table lists all federal, state, and/or locally enforceable operating terms and conditions applicable to the permittee. The legal authority for each requirement is enclosed in brackets below each requirement. Applicable requirements identified as having "plantwide" applicability apply to both EUs and IEUs. Some of the requirements have been partially adopted into the Washington State Implementation Plan (SIP). Only those parts adopted into the Washington SIP are federally enforceable. Requirements which are not required under the FCAA are denoted as state or local only. Monitoring requirements are used to provide a reasonable assurance of compliance with the applicable requirements, and may or may not involve the use of a reference test method.

Req. #	Requirement	Emission Point	Monitoring
Req-1	Permittee shall not cause or permit any emission which exceeds 20% opacity for more than three minutes, in any one hour. Reference Method: Ecology Method 9A [WAC 173-400-040(1)(a)&(b)]	Plantwide	M1 Visible Emissions
Req-2	Permittee shall not cause or permit fallout of particulate matter beyond the source's property boundary in sufficient quantity to interfere unreasonably with the use and enjoyment of the property on which the fallout occurs. [WAC 173-400-040(2)]	Plantwide	M1 Visible Emissions, M2 Fugitive Emissions, M3 Complaints
Req-3	Permittee shall take reasonable precautions to prevent the release of fugitive emissions from any emission unit which is a source of fugitive emissions. [WAC 173-400-040(3)(a)]	Plantwide	M2 Fugitive Emissions
Req-4	Permittee shall use recognized good practice and procedures to reduce odors to a reasonable minimum. [WAC 173-400-040(4)]	Plantwide	M3 Complaints
Req-5	Permittee shall not cause or permit emissions detrimental to persons or property. [WAC 173-400-040(5)]	Plantwide	M3 Complaints
Req-6	Permittee shall not cause or permit the installation or use of any means which conceals or masks an emission which would otherwise violate any provisions of WAC 173-400-040. [WAC 173-400-040(7)]	Plantwide	N/A
Req-7	Permittee shall take reasonable precautions to prevent emissions of fugitive dust and operate the source to minimize emissions. Reference Method: Ecology Method 9A [WAC 173-400-040(8)(a)]	Plantwide	M2 Fugitive Emissions, M3 Complaints

Req. #	Requirement	Emission Point	Monitoring
Req-8	Permittee shall not cause or allow emissions of particulate matter from a general process unit (excluding combustion) in excess of 0.1 gr/dscf of exhaust gas. Reference Method: EPA Method 5 [WAC 173-400-060]	Plantwide	M1 Visible Emissions
Req-9	Permittee shall maintain and operate equipment in a manner consistent with good air pollution control practices for minimizing emissions. [40 CFR 60.11(d) WAC 463-78-115]	EU-1, EU-2, EU-3	N/A
Req-10	No fuel which contains sulfur in excess of 0.8 percent by weight shall be burned in the combustion turbines. [40 CFR 60.333(b) WAC 463-78-115]	EU-1, EU-2	M6 SO_2 General Standard Monitoring
Req-11	The combustion turbines shall be fueled only by natural gas except when natural gas is not available and during limited test periods. When natural gas is not available and during limited test periods, the combustion turbines may be fueled by "on-road specification diesel fuel" (oil) containing no more than 0.05% sulfur by weight, as specified in 40 CFR 80.29 as amended through July 1, 1992. Each turbine may not fire oil more than 720 hours per year. [EFSEC/95-02 Amendment 2, Conditions 1.1 & 1.2]	EU-1, EU-2	M5 CEMS and Process Monitoring, M6 SO_2 General Standard Monitoring

Req. #	Requirement	Emission Point	Monitoring
Req-12	Emissions of nitrogen oxides from each HRSG exhaust stack shall not exceed any of the following: (a) 3.0 ppmvd @ 15% O_2 (1-hour average) when firing natural gas (b) 491 pounds per day when firing natural gas (c) 14.0 ppmvd @ 15% O_2 (1-hour average) when firing oil (d) 2,538 pounds per day when firing oil (e) 241 tons per year (annual total rolled monthly, both units combined) The hourly emission limit for oil firing shall apply in any hour in which both oil and natural gas are fired. If oil and natural gas are fired in the same calendar day, the calendar day emissions shall not exceed the weighted average emission limits for natural gas and oil firing, weighted according to the fraction of the day each fuel is fired. Except when reference method source testing is being conducted, these emission limits shall be applied on CEM clock hours and calendar days. Reference Method: EPA Method 7E [40 CFR 60.332(a)(1) WAC 463-78-115 [EFSEC/95-02 Amendment 2, Conditions 2.1, 2.2, 2.3, & 24]	EU-1, EU-2	M4 Performance Testing, M5 CEMS and Process Monitoring
Req-13	Emissions of carbon monoxide from each HRSG exhaust stack shall not exceed any of the following: (a) 3.0 ppmvd @ 15% O_2 (1-hour average) when firing natural gas (b) 7.7 pounds per hour (1-hour average) when firing natural gas (c) 8.0 ppmvd @ 15% O_2 (1-hour average) when firing oil (d) 24.4 pounds per hour (1-hour average) when firing oil The hourly emission limits for oil firing shall apply in any hour in which both oil and natural gas are fired. Except when reference method source testing is being conducted, these emission limits shall be applied on CEM clock hours and calendar days. Reference Method: EPA Method 10 [EFSEC/95-02 Amendment 2, Conditions 3.1, 3.2 & 24]	EU-1, EU-2	M4 Performance Testing, M5 CEMS and Process Monitoring
Req-14	Emissions of sulfur dioxide from each HRSG exhaust stack shall not exceed any of the following: (a) 10.4 pounds per hour when firing natural gas (b) 119 pounds per hour when firing oil The hourly emission limits for oil firing shall apply in any hour in which both oil and natural gas are fired. [EFSEC/95-02 Amendment 2, Conditions 4.1 & 4.2]	EU-1, EU-2	M4 Performance Testing, M5 CEMS and Process Monitoring, M6 SO_2 General Standard Monitoring

Req. #	Requirement	Emission Point	Monitoring
Req-15	Emissions of volatile organic compounds from each HRSG exhaust stack shall not exceed any of the following: (a) 7.0 pounds per hour or 152 pounds per day, whichever is more restrictive, when firing natural gas (b) 11.5 pounds per hour or 252 pounds per day, whichever is more restrictive, when firing oil The hourly emission limits for oil firing shall apply in any hour in which both oil and natural gas are fired. If oil and natural gas are fired in the same calendar day, the calendar day emissions shall not exceed the weighted average emission limits for natural gas and oil firing, weighted according to the fraction of the day each fuel is fired. Emission rates shall be expressed "as propane" unless speciation of the volatile organic compounds has been conducted sufficient to determine actual mass emission rates. Reference Method: EPA Method 18 or 25A [EFSEC/95-02 Amendment 2, Conditions 5.1 & 5.2]	EU-1, EU-2	M4 Performance Testing, M5 CEMS and Process Monitoring
Req-16	Emissions of filterable PM_{10} from each HRSG exhaust stack shall not exceed any of the following: (a) 379 pounds per day when firing natural gas (b) 480 pounds per day when firing oil If oil and natural gas are fired in the same calendar day, the calendar day emissions shall not exceed the weighted average emission limits for natural gas and oil firing, weighted according to the fraction of the day each fuel is fired. Reference Method: EPA Method 5 [EFSEC/95-02 Amendment 2, Conditions 6.1 & 6.2]	EU-1, EU-2	M4 Performance Testing, M5 CEMS and Process Monitoring
Req-17	Emissions of H_2SO_4 (sulfuric acid) from each HRSG exhaust stack shall not exceed any of the following: (a) 2.0 pounds per hour when firing natural gas (b) 19.0 pounds per hour when firing oil The hourly emission limits for oil firing shall apply in any hour in which both oil and natural gas are fired. Reference Method: EPA Conditional Test Method 8A (CTM-8A (NCASI Method 8A)) [EFSEC/95-02 Amendment 2, Conditions 7.1 & 7.2]	EU-1, EU-2	M4 Performance Testing, M5 CEMS and Process Monitoring, M6 SO_2 General Standard Monitoring
Req-18	Opacity from each HRSG exhaust stack shall not exceed 10 percent over a six minute average as measured by EPA Reference Method 9, or an equivalent method approved in advance by EFSEC. Reference Method: EPA Method 9 [EFSEC/95-02 Amendment 2, Condition 8]	EU-1, EU-2	M1 Visible Emissions

Req. #	Requirement	Emission Point	Monitoring
Req-19	Emissions of ammonia from each HRSG exhaust stack shall not exceed any of the following: (a) 10.0 ppmvd @ 15% O_2 (1-hour average) when firing natural gas (b) 612 pounds per day when firing natural gas (c) 10.0 ppmvd @ 15% O_2 (1-hour average) when firing oil (d) 683 pounds per day when firing oil If oil and natural gas are fired in the same calendar day, the calendar day emissions shall not exceed the weighted average emission limits for natural gas and oil firing, weighted according to the fraction of the day each fuel is fired. Reference Method: BAAQMD Method ST-1B [EFSEC/95-02 Amendment 2, Conditions 9.1, 9.2, 9.3 & 9.4]	EU-1, EU-2	M4 Performance Testing, M5 CEMS and Process Monitoring
Req-20	Turbine startups and shutdowns include fuel-switching activities. No more than 2 startups may occur within a 24-hour period, and no more than 200 startups may occur per calendar year (startups resulting from upset conditions excepted). Startups end when a turbine reaches 60% load, ammonia flow is stabilized, and the selective catalytic reduction and oxidation catalyst systems have reached stable normal operating temperatures, or when one of the following time limits is reached, whichever occurs first: (a) On a cold startup, 5 hours have elapsed since fuel was first fired in the combustion turbine. A cold startup is any startup occurring after the combustion turbine as been shut down for 72 hours or more. (b) For all other startups, 3 hours have elapsed since fuel was first fired in the combustion turbine. Shutdowns are limited to 3 hours per occurrence. Shutdowns begin when the combustion turbine is initially ramped down from normal operation with the intent of shutting the unit down. Shutdowns end when fuel feed to the combustion turbine ceases. [EFSEC/95-02 Amendment 2, Conditions 10.2, 10.3, 10.6, & 10.7]	EU-1, EU-2	M5 CEMS and Process Monitoring

Req. #	Requirement	Emission Point	Monitoring
Req-21	With the exception of the emission limits listed below, the emission and opacity limitations from EFSEC/95-02 – Amendment 2 do not apply during defined startup and shutdown periods. During startup and shutdown, emissions from each HRSG exhaust stack shall not exceed any of the following: (a) 263 pounds CO per hour (averaged per occurrence) when firing natural gas (b) 417 pounds CO per hour (averaged per occurrence) when firing oil (c) 292 pounds NO_X per hour (averaged per occurrence) when firing natural gas (b) 407 pounds NO_X per hour (averaged per occurrence) when firing oil Reference Method: EPA Methods 7E and 10 [EFSEC/95-02 Amendment 2, Conditions 10,1, 10.4, & 10.5]	EU-1, EU-2	M5 CEMS and Process Monitoring
Req-22	Sampling ports and platforms shall be provided on each stack, after the final pollution control device. The ports shall meet the requirements of 40 CFR 60, Method 20. [EFSEC/95-02 Amendment 2, Condition 12]	EU-1, EU-2	N/A
Req-23	Adequate permanent and safe access to the test ports shall be provided. Other arrangements may be acceptable if approved by EFSEC prior to installation. Adequate utilities for sampling and testing equipment shall be provided. [40 CFR 60.8(e) WAC 463-78-115 EFSEC/95-02 Amendment 2, Condition 13]	EU-1, EU-2	N/A
Req-24	Operation and maintenance manuals for all equipment that has the potential to affect emissions to the atmosphere shall be developed. Copies of the manuals shall be available to EFSEC or the authorized representative of EFSEC. If a failure to follow the requirements of the manuals results in excess emissions that failure may be considered credible evidence that the event was caused by poor or inadequate operation or maintenance for purposes of applying WAC 173-400-107. [EFSEC/95-02 Amendment 2, Conditions 19.1 & 19.2]	EU-1, EU-2	N/A
Req-25	Permittee shall hold SO_2 allowances not less than the total annual emissions of SO_2 for the previous calendar year (see Appendix D Acid Rain Permit). [40 CFR 72.9(c)(1) WAC 173-406-106 and –400]	EU-1, EU-2	M6 SO_2 General Standard Monitoring

Req. #	Requirement	Emission Point	Monitoring
Req-26	Emissions from the Auxiliary Boiler shall not exceed: Pollutant — Emission Limit Nitrogen oxides — 12.0 ppmvd @ 3% O_2 (1-hour average) Carbon monoxide — 50 ppmvd @ 3% O_2 (1-hour average) PM_{10} — 0.3 pounds per hour $PM_{2.5}$ — 0.3 pounds per hour Reference Methods: EPA Methods 7E, 10, 201A (EPA Method 5 is an alternative if all PM is assumed to be $PM_{2.5}$), and 202. [EFSEC/2009-01 Condition 1]	EU-3	M7 Auxiliary Boiler Monitoring, M8 Auxiliary Boiler Source Emissions Testing and Performance Monitoring
Req-27	Opacity of emissions from the Auxiliary Boiler shall not exceed zero percent for more than three minutes in any one hour period as determined in accordance with EPA Method 9 utilizing data reduction as described in Ecology Method 9A. Reference Method: EPA Method 9 with data reduction using Ecology Method 9A [EFSEC/2009-01 Condition 2]	EU-3	M1 Visible Emissions
Req-28	The Auxiliary Boiler shall burn only natural gas as fuel. [EFSEC/2009-01 Condition 3]	EU-3	N/A

VII. MONITORING TERMS AND CONDITIONS

To assure compliance with all applicable requirements, the permittee shall perform the monitoring program specified below. Each monitoring requirement is indexed according to the underlying requirement(s). Pursuant to WAC 173-401-530(2)(c), none of the following monitoring requirements apply to IEUs except as indicated. Records of monitoring activities shall be maintained in accordance with Section VIII of this permit.

M1. Visible Emission Monitoring

WAC 173-401-615(1) - [11/4/93] (All sources other than EU-1 and EU-2)
EFSEC/95-02 Amendment 2, Conditions 8.1, 8.2, 8.3, & 8.4 – July 17, 2006 (EU-1 and EU-2)

This monitoring requirement applies to Operating Terms and Conditions 1, 2, 8, 18, and 27.

The permittee shall perform visible emissions monitoring of EU-1 and EU-2 during daylight hours on the following schedule:

1. Weekly when firing natural gas

2. Daily when firing fuel oil

Visible emissions from other sources shall be monitored if indicated by a complaint or if otherwise unusual emissions are observed.

Visible emissions monitoring shall consist of at least 6 minutes of observation using EPA Method 22 or EPA Method 9 and Washington Department of Ecology Method 9A (EPA Methods 9 and 22 may be found at 40 CFR 60, Appendix A). If visible emissions are observed from EU-1 or EU-2 when conducting visible emissions monitoring, both EPA Method 9 and Washington Department of Ecology Method 9A must be utilized to demonstrate compliance with Condition 8 of EFSEC/95-02 Amendment 2 and the State opacity standards respectively. The EPA Method 9 or Washington Department of Ecology Method 9A monitoring must be conducted within 2 non-holiday weekdays of observing visible emissions with EPA Method 22. If a holiday falls during this 2-day period, the monitoring shall be performed on the first non-holiday weekday after the holiday. If the turbine is shut down during this 2-day period before monitoring can be conducted, then monitoring shall be conducted on the first non-holiday weekday after restarting.

EPA Method 22 may only be used if no visible emissions are observed during the 6-minute observation period.

If visible emissions are observed during visible emissions monitoring of sources other than EU-1 or EU-2, Washington Department of Ecology Method 9A must be used to determine the opacity of emissions.

When visible emissions monitoring with Washington Department of Ecology Method 9A is necessary, a minimum of 6 minutes of observation shall be conducted. For every reading in excess of the opacity standard, opacity shall be read for an additional 6 minutes to a maximum total of 60 minutes or 13 readings in excess of the opacity standard. For example, if a single reading of 30% opacity is made during the initial 6-minute observation period, then monitoring is required for an additional 6 minutes. If two readings of 30% opacity are recorded during the second observation period, two additional 6-minute observations must be performed. Observations continue in this manner until 60 minutes of observations or 13 readings in excess of the opacity standard have been recorded. Implementation of corrective action does not relieve the permittee from the obligation of reporting permit deviations as specified in WAC 401-615(3).

M2. Fugitive Emissions Monitoring WAC 173-401-615(1)

This monitoring requirement applies to Operating Terms and Conditions 2, 3, and 7.

The permittee shall perform monthly inspections of the facility during daylight hours to identify any excess fugitive emissions, including fugitive dust. Inspections shall also be conducted if indicated by a complaint or if otherwise unusual emissions are observed. Whenever fugitive emissions, including excessive fugitive dust, are observed during the monthly inspection or any other time, the permittee shall verify the source of the emissions. The permittee shall within 2 hours of discovery initiate investigation of the equipment involved to confirm whether the equipment is or is not experiencing a malfunction, and whether reasonable precautions and good work practices are being employed to minimize emissions.

M3. Complaint Monitoring WAC 173-401-615(1)

This monitoring requirement applies to Operating Terms and Conditions 2, 4, 5, and 7.

The permittee shall record, and maintain record of, any air quality related complaints concerning the Chehalis Generation Facility that are received by either the permittee or EFSEC. All complaints shall be investigated no later than one workday after the permittee has been notified, and those complaints subject to requirement M2 shall be addressed in a timely manner consistent with M2. The permittee shall investigate the validity of each complaint and the cause of any emissions that prompted the complaint, and initiate corrective action, if needed, in response to the complaint. Within 24 hours of notification and investigation, the permittee shall resolve the subject of the complaint, or notify EFSEC by the next working day of progress made in resolving the complaint.

M4. Performance Testing

EFSEC/95-02 Amendment 2, Conditions 15.1 & 15.2

This monitoring requirement applies to Operating Terms and Conditions 12, 13, 14, 15, 16, 17, and 19.

The permittee shall conduct source testing of EU-1 and EU-2 at least once for every eight calendar quarters to quantify emissions of PM_{10}, VOCs, and H_2SO_4. This testing must be completed no more than 720 operating hours after the end of the eighth calendar quarter. An operating quarter is any quarter in which the combustion turbine is operated for 168 or more hours.

Source testing for these parameters is to coincide with the Relative Accuracy Test Audit (RATA) required for each CEMS. If the results of three consecutive tests indicates that the source can maintain compliance with a specific pollutant's (PM_{10}, VOCs, or H_2SO_4) emission limitations, and EFSEC agrees to allow a reduced frequency of source testing, then the compliance testing frequency for that pollutant can be reduced to once every four calendar years, until a test indicates noncompliance. When a compliance test for a pollutant indicates noncompliance with the emission limitations for a specific pollutant, the frequency of source testing to quantify emissions of that pollutant shall return to once for every eight calendar quarters until the above criteria are met again.

Source testing shall consist of a minimum of three 60-minute test runs. All source testing shall be conducted at base load. Base load is the normal maximum loading for continuous turbine operation as determined by turbine exhaust temperature levels.

M5. Continuous Emission and Process Monitoring

40 CFR 75
WAC 173-401-630(1)
EFSEC/95-02 Amendment 2, Conditions 14 .1, 14.2, 14.3, 14.5, & 16

This monitoring requirement applies to Operating Terms and Conditions 11, 12, 13, 14, 15, 16, 17, 19, 20, and 21.

A CEMS shall be installed and maintained to monitor NO_X, CO, and NH_3 emissions from each combustion turbine exhaust stack as follows:

(a) The permittee shall install and maintain a system for monitoring the concentration and emission rate of NO_X and the concentration of O_2 from each combustion turbine exhaust stack in accordance with the requirements and specifications found in the following regulations:

- 40 CFR 75 – Continuous Emissions Monitoring

In order to provide for a reasonable assurance of compliance with the permitted emission limits, the CEMS shall meet the following performance criteria:

- A Relative Accuracy of 20% when the average reference method value is used in the denominator of Equation A-10 of 40 CFR 75; or a Relative Accuracy of 10% when the applicable emission standard (3.0 ppmvd @ 15% O_2, 0.011 lb/MMBtu) is used in the denominator of Equation A-10 of 40 CFR 75 in place of the arithmetic mean of the reference method values. For the purposes of this requirement, the Relative Accuracy shall be calculated from the CEMS and Reference Method output in units of pounds of NO_X per million British thermal units (lb/MMBtu) of fuel consumed.
- The calibration error as defined in 40 CFR 75, Appendix A, Section 7.2.1 shall not exceed 5%.

(b) The permittee shall install and maintain a system for monitoring the concentration and emission rate of CO from each combustion turbine exhaust stack in accordance with the requirements and specifications found in the following regulations:

- 40 CFR 60, Appendix B - Performance Specification 4A "Specifications and Test Procedures for Carbon Monoxide Continuous Emission Monitoring Systems in Stationary Sources"
- 40 CFR 60, Appendix F "Quality Assurance Procedures"

In order to provide for a reasonable assurance of compliance with the permitted emission limits, the CEMS shall meet the following performance criteria:

- A Relative Accuracy of 20% when the average reference method value is used in the denominator of Equation 2-6 of 40 CFR 60, Performance Specification 2; or a Relative Accuracy of 10% when the applicable emission standard (3.0 ppmvd @ 15% O_2) is used in the denominator of Equation 2-6 of 40 CFR 60, Performance Specification 2. For the purposes of this requirement, the Relative Accuracy shall be calculated from the CEMS and Reference Method output in units of parts per million, dry volume basis, corrected to 15% O_2.
- The criteria for excessive audit inaccuracy found in Section 5.2.3(2) of 40 CFR 60, Appendix F, Procedure 1 (cylinder gas audits) is replaced by a maximum audit inaccuracy of ±15 percent of the average audit value or 0.5 ppm, whichever is greater.

Notwithstanding the requirements in the above regulations, Relative Accuracy Test Audits (RATAs) shall be conducted at least once for every four operating quarters or eight calendar quarters, whichever comes first. RATAs shall be completed no later than 720 operating hours after the end of the fourth operating quarter or eighth calendar quarter, whichever comes first. An operating quarter is any quarter in which the combustion turbine is operated for 168 or more hours.

(c) The permittee shall install and maintain a system for monitoring the concentration and emission rate of NH_3 from each combustion turbine exhaust stack in accordance with the requirements and specifications found in the following regulations:

- 40 CFR 60, Appendix B - Performance Specification 2 "Specifications and Test Procedures for SO_2 and NO_X Continuous Emission Monitoring Systems in Stationary Sources"
- 40 CFR 60, Appendix F "Quality Assurance Procedures" In order to provide for a reasonable assurance of compliance with the permitted emission limits, the criteria for excessive audit inaccuracy in Section 5.2.3(2) of Procedure 1 is replaced by a maximum audit inaccuracy of ±15 percent of the average audit value or 1.0 ppm, whichever is greater.

Notwithstanding the requirements in the above regulations, Relative Accuracy Test Audits (RATAs) shall be conducted at least once for every four operating quarters or eight calendar quarters, whichever comes first. RATAs shall be completed no later than 720 operating hours after the end of the fourth operating quarter or eighth calendar quarter, whichever comes first. An operating quarter is any quarter in which the combustion turbine is operated for 168 or more hours.

(d) The following hourly average CEMS/data acquisition system (DAS) data shall be collected for each combustion turbine:

(1) NO_X emission concentration (ppmvd @ 15% O_2, 1-hour average);
(2) NO_X emission rate (pounds per calendar day);
(3) CO emission concentration (ppmvd @ 15% O_2, 1-hour average);
(4) CO emission rate (lb/hr, 1-hour average);
(5) NH_3 emission concentration (ppmvd @ 15% O_2, 1-hour average);
(6) NH_3 emission rate (pounds per calendar day)
(7) NH_3 flow to the SCR system (lb/hr, 1-hour average);
(8) O_2 concentration (dry volume percent, 1-hour average);
(9) Turbine fuel consumption (MMBtu/hr, 1-hour total) and type (gas or oil); and
(10) Turbine generator net electrical output (megawatts, 1-hour total).

M6. SO_2 General Standard Monitoring

40 CFR 60.334(h)(3)
WAC 463-78-115
40 CFR 75.11(d)

This monitoring requirement applies to Operating Terms and Conditions 10, 11, 14, 17, and 25.

The permittee shall calculate hourly SO_2 emission rates in accordance with 40 CFR Part 75 Appendix D. For pipeline natural gas, an emission factor of 0.0006 lb/MMBtu may be used to calculate emissions. For natural gas that does not qualify as pipeline natural gas, SO_2 emissions shall be calculated using equation D-1h of 40 CFR 75 and the results of fuel sulfur content monitoring as provided in 40 CFR 75, Appendix D, Section 2.3.

M7. Auxiliary Boiler Monitoring

40 CFR 60.48c(g)
EFSEC/2009-01 Conditions 4 & 5

This monitoring requirement applies to Operating Term and Condition 26.

The total amount of natural gas consumed by the Auxiliary Boiler shall be recorded for each calendar month.

Maintenance activities for the Auxiliary Boiler that affect emissions shall be logged for each occurrence.

M8. Auxiliary Boiler Source Emissions Testing and Performance Monitoring

EFSEC/2009-01 Conditions 9 & 10

This monitoring requirement applies to Operating Term and Condition 26.

Source emissions testing of the Auxiliary Boiler shall be conducted initially and at least once every 60 calendar months (no later than the end of the calendar month during which the initial source emissions testing was conducted) in accordance with Appendix B of this Permit. Initial source emissions testing shall be conducted within 60 days after achieving the maximum operating rate but no later than 180 days after initial operation. The Permittee shall provide adequate and safe access to sampling ports meeting the criteria of EPA Method 1 (40 CFR 60, Appendix A).

Performance monitoring of the Auxiliary Boiler shall be conducted as described in Appendix C of this Permit no later than the end of April each year in which source emissions testing is not conducted.

VIII. RECORDKEEPING TERMS AND CONDITIONS

All monitoring records shall be maintained in a readily accessible form for a minimum period of five years from the date of the monitoring sample, measurement, report, or application (WAC 173-401-615(2)(c)). Pursuant to WAC 173-401-530(2)(c), none of the recordkeeping requirements apply to IEUs. The permittee shall maintain records of required monitoring per M1 through M8. The following information shall be included in the records as applicable:

K1. General Recordkeeping WAC 173-401-615(2)
EFSEC/2009-01, Condition 6

Permittee is required to keep the following records:

(a) Inspections & Certifications
- (i) The date, place, and time of activity;
- (ii) Who conducted the inspection or certification;
- (iii) The operating conditions existing at the time of the activity; and
- (iv) Compliance status of each monitored requirement as described in this permit; and

(b) Complaints
- (i) The date, and time of complaint;
- (ii) Name of the complainant;
- (iii) The nature of the complaint;
- (iv) Date and time of the follow-up inspection;
- (v) The results of the inspection and the cause of the complaint, if discovered; and
- (vi) Corrective action taken in response to complaints and when such action was initiated.

(c) Upset Conditions (including excess emissions)
<u>Auxiliary Boiler</u> [EFSEC/2009-01, Condition 6]
- (i) Excess emissions, and upset conditions that cause excess emissions, shall be recorded for each occurrence.

(d) Sampling and Emissions Testing
- (i) The date, place, and time sampling was performed;
- (ii) The entity that performed the sampling;
- (iii) The analytical techniques used to take the sample or perform the observation;
- (iv) The operating conditions existing at the time of sampling or measurement;
- (v) The date analyses were performed;
- (vi) The entity that performed the analyses;
- (vii) The analytical techniques or methods used to perform the analyses; and
- (viii) The results of such analyses.

(e) General Recordkeeping (parameter logging requirements, design parameters, etc.)
- (i) The date and time the data was collected (as applicable) and, if not recorded by a computerized data acquisition system, the name of the person making the record; and
- (ii) The relevant parameters or data.

K2. Continuous Emissions and Process Data Recordkeeping Requirements

40 CFR 75.57, 75.58, & 75.59
WAC 173-401-615(2)

The permittee shall record and maintain for emission units EU-1 and EU-2 a file of all measurements, data, reports, and other information required by this permit at the source in a readily accessible form suitable for inspection for at least five (5) years from the date of each record. This file shall include all information required in 40 CFR Part 75 Sections 57, 58, and 59.

For all periods of operation, the file shall include the following data for each combustion turbine exhaust stack (EU-1 and EU-2):

(a) NO_X emission concentration (ppmvd @ 15% O_2, 1-hour average);
(b) NO_X emission rate (pounds per calendar day);
(c) CO emission concentration (ppmvd @ 15% O_2, 1-hour average);
(d) CO emission rate (lb/hr, 1-hour average);
(e) NH_3 emission concentration (ppmvd @ 15% O_2, 1-hour average);
(f) NH_3 emission rate (pounds per calendar day)
(g) NH_3 flow to the SCR system (lb/hr, 1-hour average);
(h) O_2 concentration (dry volume percent, 1-hour average);
(i) Turbine fuel consumption (MMBtu/hr, 1-hour total) and type (gas or oil);
(j) Turbine generator net electrical output (megawatts, 1-hour total).

IX. REPORTING TERMS AND CONDITIONS

All required reports must be certified by a responsible official consistent with WAC 173-401-520. Where an applicable requirement requires reporting more frequently than once every six months, the responsible official's certification need only be submitted once every six months, covering all required reporting since the date of the last certification.

Addresses of regulatory agencies are the following, unless otherwise instructed:

Energy Facility Site Evaluation Council 1300 South Evergreen Park Drive SW PO Box 43172 Olympia, WA 98504-3172	U.S. EPA Region X Air Operating Permits 1200 Sixth Avenue, ATW-107 Seattle, WA 98101

R1. Deviations from Permit Conditions

WAC 173-400-107
WAC 173-401-615(3)(b)
EFSEC/95-02 Amendment 2, Condition 18
EFSEC/2009-01, Conditions 11 & 13

Deviations from permit requirements shall be reported no later than thirty days after the end of the month during which the deviation is discovered. Deviations that represent a potential threat

to human health or safety shall be reported as soon as possible but no later than twelve hours after the deviation is discovered. Reports of deviations shall include:

(a) Identification of the emission unit(s) involved;
(b) The duration of the event including the beginning and end times;
(c) For emission and process parameter excesses, the magnitude of the excess;
(d) Any other agency contacted; and
(e) A brief description of the event, including:
  (i) Whether or not the deviation was due to an upset condition;
  (ii) The probable cause of the deviation; and
  (iii) The corrective action taken or planned and when the corrective action was, or will be initiated.

In accordance with WAC 400-107, excess emissions that the permittee wishes to be considered unavoidable must be reported as soon as possible. The permittee shall report the upset condition by telephone, e-mail or fascimile as initial notification to EFSEC.

R2. Complaint Reports WAC 173-401-615(3)

The permittee shall report all complaints related to air quality and the Chehalis Generation Facility to EFSEC within three business days of receipt. Complaint reports shall include the date and time of the complaint, the name of the complainant, and the nature of the complaint.

R3. Quarterly Reports 40 CFR 75.64
WAC 173-401-615(3)
EFSEC/95-02 Amendment 2, Conditions 16 & 17

The permittee shall submit the following CEMS and process data to EFSEC and EPA for each combustion turbine no later than 30 days after the end of each calendar quarter:

(a) NO_X emission concentration (ppmvd @ 15% O_2, 1-hour average);
(b) NO_X emission rate (pounds per calendar day);
(c) CO emission concentration (ppmvd @ 15% O_2, 1-hour average);
(d) CO emission rate (lb/hr, 1-hour average);
(e) NH_3 emission concentration (ppmvd @ 15% O_2, 1-hour average);
(f) NH_3 emission rate (pounds per calendar day)
(g) NH_3 flow to the SCR system (lb/hr, 1-hour average);
(h) O_2 concentration (dry volume percent, 1-hour average);
(i) Turbine fuel consumption (MMBtu/hr, 1-hour total) and type (gas or oil); and
(j) Turbine generator net electrical output (megawatts, 1-hour total).

The permittee shall submit all electronic monitoring reports required by 40 CFR 75 to EFSEC and EPA for each combustion turbine no later than 30 days after the end of each calendar quarter. For each report, a copy of EPA's response shall be submitted with each submission to EFSEC.

For each reporting element with an hourly averaging or totalizing period, the permittee shall provide data for each clock hour. For each reporting element with a daily totalizing period, the permittee shall provide data for each calendar day. The permittee shall indicate in each report whether the time is reported as "standard time" or "daylight savings" time.

The permittee shall submit all reports required by 40 CFR 75 to EFSEC (in addition to the required electronic submission to EPA's Clean Air Markets Division) in the form (electronic or paper) required by the EPA. The permittee shall submit all CEMS and process data listed in "a" through "j" above in an electronic spreadsheet format approved by EFSEC.

R4. Semi-annual Reports WAC 173-401-615(3)

Consistent with WAC 173-401-615(3) the permittee shall submit to EFSEC by October 15th and April 15th for the six month periods January through June and July through December respectively, a report on the status of all monitoring requirements. All instances of deviation from permit requirements shall be clearly identified. The semi-annual report shall contain a certification of any reports submitted during the semi-annual period that have not already been certified. The certification shall be consistent with WAC 173-401-520.

R5. Annual Compliance Certifications WAC 173-401-630(5)

(a) General: The permittee shall submit to EFSEC and EPA a certification of compliance with all terms and conditions of this permit in accordance with WAC 173-401-630(5)(d). The permittee shall submit by April 15th of the following year the following information for the period of January through December:

(i) Identification of each term or condition of the permit that is the basis of the certification;
(ii) Statement of compliance status;
(iii) Whether compliance was continuous or intermittent;
(iv) Method(s) used for determining the compliance status of the source, currently and over the reporting period consistent with WAC 173-401-615;
(v) Such other facts as EFSEC may require to determine the compliance status of the source; and
(vi) Such additional requirements as may be specified pursuant to Sections 114(a)(3) and 504(b) of the FCAA.

R6. Emission Inventory Reports WAC 173-400-105
EFSEC/2009-01, Condition 14

The permittee shall submit an inventory of annual emissions from the source each calendar year to EFSEC by April 15th of the following year in accordance with WAC 173-400-105. The inventory shall include stack and fugitive emissions of NO_X, SO_2, CO, VOC, PM, and toxic air pollutants identified in WAC 173-460.

The following emissions related records for the Auxiliary Boiler shall be reported to EFSEC by March 15th for the previous calendar year:

(a) The total amount of natural gas consumed by the Auxiliary Boiler;

(b) Air emissions of criteria air pollutants, volatile organic compounds, hazardous air pollutants, and toxic air pollutants.

R7. Source Test Reports 40 CFR 75.60(b)
EFSEC/95-02 Amendment 2, Condition 17.5
EFSEC/2009-01, Condition 12

Reports of all required source or emissions testing of the combustion turbines shall be submitted to EFSEC no later than 30 days after the end of the calendar quarter during which the testing was performed. For relative accuracy test audits conducted to comply with 40 CFR 75 requirements, if requested in writing (or by electronic mail) by EPA Regional X or EFSEC, the designated representative shall submit a hardcopy report to EPA Region X or EFSEC within 45 days after test completion or within 15 days of receiving the request, whichever is later.

The results of all source emissions testing of the Auxiliary Boiler shall be reported to EFSEC within 45 days of test completion.

X. NON-APPLICABLE REQUIREMENTS WAC 173-401-640(2)

This section lists all federal, state, and/or local requirements which might reasonably apply to the permittee, but are deemed nonapplicable after review by EFSEC.

1. Registration Program WAC 463-78-100

The permittee is under the jurisdiction of Washington's Energy Facility Site Evaluation Council (EFSEC) and is therefore required to register with EFSEC pursuant to WAC 463-39-100 (SIP), however the latest version adopted by EFSEC in WAC 463-78-100 (effective 1/10/09) exempts air operating permit sources from the registration requirements.

2. Requirements for Sources in Nonattainment Areas WAC 173-400-112

The permittee is not located in a nonattainment area for any criteria pollutant. Therefore, this regulation is not applicable.

3. Bubble Rules WAC 173-400-120

The permittee has not requested an emission bubble for any regulated pollutant. Therefore, this regulation is not applicable.

4. Issuance of Emission Reduction Credits WAC 173-400-131

The permittee has not sought emission reduction credits (ERCs). Therefore, this regulation is not applicable.

5. Use of Emission Reduction Credits WAC 173-400-136

The permittee has not sought to use emission reduction credits (ERCs). Therefore, this regulation is not applicable.

6. National Emission Standards for Hazardous Air Pollutants for Stationary Combustion Turbines 40 CFR Part 63.6080 et seq. Subpart YYYY

Subpart YYYY applies to combustion turbines built after January 14, 2003 and located at major sources of HAP emissions. The combustion turbines at this facility were built and installed prior to January 14, 2003, and this facility is not a major source of HAP emissions, therefore this regulation is not applicable to the combustion turbines at this facility.

7. Compliance Assurance Monitoring 40 CFR Part 64

Part 64 applies to certain pollutant-specific emissions units at major sources. In general, Part 64 applies to emission units that utilize a control device to achieve compliance with an emission limit for a pollutant that otherwise could be emitted at a rate exceeding the applicable major source threshold (e.g. 100 tpy criteria pollutants and VOCs, 10 tpy individual HAP). Each combustion turbine could emit more than 100 tpy of CO and NO_X if emission controls were not installed, has emission limits for these pollutants, and utilize control equipment in order to achieve compliance with the applicable emission limits. However, 40 CFR 64.2(b)(iv) exempts these emission limitations from the requirements of Part 64 because the permittee is already required to utilize CEMS to measure concentrations and emission rates of these pollutants.

8. Standards of Performance for Stationary Compression Ignition Internal Combustion Engines 40 CFR 60.4200 et seq. Subpart IIII
&
National Emissions Standards for Hazardous Air Pollutants (NESHAP) for Stationary Reciprocating Internal Combustion Engines 40 CFR 63.6580 et seq. Subpart ZZZZ

The Permittee operates a diesel-fired compressor engine at the facility. This engine is used for a variety of activities including:

1. Providing air pressure when the outside power to the facility is turned off for maintenance to prevent the fire control system from activating.
2. Cleaning the HRSGs.
3. Running portable equipment (previously used to power a jackhammer).

The following engine details were gathered during a visit to the facility on March 23, 2010:

Engine Make / Model:	John Deere / 5030TF270B
Engine Capacity:	61.5 kW (82.5 hp)
Fuel:	Diesel
EPA Emission Certification:	At least Tier 2 (complies with model year 2007 standards)
Ordered:	July 19, 2007
Installed / Delivered:	December 27, 2007

The compressor engine is mobile (mounted on a trailer) and may move from location to location within the facility. If the engine moves from site to site within the facility, never staying at any one site for more than 12 consecutive months, it is a nonroad engine. This engine never stays in the same site for more than 12 consecutive months and is therefore classified as a nonroad engine. Nonroad engines are excluded from the definition of a stationary source and therefore not subject to stationary source standards such as Subpart IIII or Subpart ZZZZ and are not subject to the Air Operating Permit program.

9. Federal Greenhouse Gas Reporting Requirements 40 CFR Part 98

The EPA greenhouse gas reporting rule was finalized September 22, 2009. In the preamble EPA responds to a question regarding whether it is an applicable requirement for the purposes of Title V:

> *As currently written, the definition of "applicable requirement" in 40 CFR 70.2 and 71.2 does not include a monitoring rule such as today's action, which is promulgated under CAA sections 114(a)(1) and 208.*

These requirements will be enforced directly by the USEPA outside of the Air Operating Permit Program.

10. National Emission Standards for Hazardous Air Pollutants for Industrial, Commercial, and Institutional Boilers - Area Sources 40 CFR 63.11193 et seq. Subpart JJJJJJ

The Permittee operates the following three steam generating units (boilers): Unit #1 Heat Recovery Steam Generator, Unit #2 Heat Recovery Steam Generator, and the Auxiliary Boiler.

The Unit #1 Heat Recovery Steam Generator and the Unit #2 Heat Recovery Steam Generator do not meet the definition of "boiler" in Subpart JJJJJJ and therefore are not subject to this regulation. The heat recovery steam generators are not fired; all heat utilized by the units originates in the combustion turbines. In accordance with 40 CFR 63.11237, the definition of "boiler" does not include "waste heat boilers". A "waste heat boiler" is defined as "…a device that recovers normally unused energy and converts it to usable heat. Waste heat boilers are also referred to as heat recovery steam generators." Subpart JJJJJJ only applies to boilers as defined in the rule.

The Auxiliary boiler is fired solely on natural gas and therefore is not subject to this regulation. Natural gas fired boilers are not included in the description of the affected sources found in 40 CFR 63.11194. 40 CFR 63.11195(e) specifically lists "gas-fired boilers" as sources that are not subject to this regulation.

APPENDIX A

STATE OF WASHINGTON DEPARTME OF ECOLOGY SURCE TEST METHOD 9A

VISIBLE DETERMINATION OF OPACITY FOR A THREE MINUTE STANDARD

1. Principle

The opacity of emissions from stationary sources is determined visually by a qualified observer.

2. Procedure

The observer must be certified in accordance with the provisions of Section 3 of 40 CFR Part 60, Appendix A, Method 9, as in effect on July 1, 1990, which are hearby adopted by reference.

The observer shall stand at a distance sufficient to provide a clear view of the emissions with the sun oriented in the 140° sector to his/her back. Consistent with maintaining the above requirement, the observer shall, as much as possible, make his/her observations from a position such that his/her line of vision is approximately perpendicular to the plume direction, and when observing opacity of emissions from rectangular outlets (e.g., roof monitors, open baghouses, noncircular stacks), approximately perpendicular to the longer axis of the outlet. The observer's line of sight should not include more than one plume at a time when multiple stacks are involved, and in any case, the observer should make his/her observations with his/her line of sight perpendicular to the longer axis of such a set of multiple stacks (e.g., stub stacks on baghouses).

The observer shall record the name of the plant, emission location, type of facility, observer's name and affiliation, a sketch of the observer's position relative to the source, and the date on a field data sheet. The time, estimated distance to the emission location, approximate wind direction, estimated wind speed, description of the sky condition (presence and color of clouds), and plume background are recorded on a field data sheet at the time opacity readings are initiated and completed.

The observer should make note of the ambient relative humidity, ambient temperature, the point in the plume that the observations were made, the estimated depth of the plume at the point of observation, and the color and condition of the plume. It is also helpful if pictures of the plume are taken.

Opacity observations shall be made at the point of greatest opacity in that portion of the plume where condensed water vapor is not present. The observer shall not look continuously at the plume, but instead shall observe the plume momentarily at 15 second intervals.

When condensed water vapor is present within the plume as it emerges from the emission outlet, opacity observations shall be made beyond the point in the plume at which condensed water vapor is no longer visible.

When water vapor in the plume condenses and becomes visible at a distinct distance from the emission outlet, the opacity of emissions should be evaluated at the emission outlet prior to the condensation of water vapor and the formation of the steam plume.

Opacity observations shall be recorded to the nearest 5 percent at 15 second intervals on an observational record sheet. Each momentary observation recorded shall be deemed to represent the average opacity of emissions for a 15 second period.

3. Analysis

The opacity of the plume is determined by individual visual observations. Opacity shall be reported as the range of values observed during a specified time period, not to exceed 60 consecutive minutes. The opacity standard is exceeded if there are more than 12 observations, during any consecutive 60-minute period, for which an opacity greater than the standard is recorded.

4. References

Federal Register, Vol. 36, No. 247, page 24895, December 23, 1971.

"Criteria for Smoke and Opacity Training School 1970 - 1971" Oregon-Washington Air quality Committee."

"Guidelines for Evaluation of Visible Emissions" EPA 340/1-75-007

Appendix B
Source Emission Testing Requirements
Auxiliary Boiler

1. Introduction:

a. The purpose of this testing is to quantify emissions of nitrogen oxides and carbon monoxide emitted from the Auxiliary Boiler in order to assure compliance with the emission limitations contained in NOC Approval EFSEC/2009-01.

2. Testing Requirements:

a. Source emissions testing of the Auxiliary Boiler shall be conducted initially and at least once every 60 calendar months (no later than the end of the calendar month during which the initial source test was conducted). Initial source emissions testing shall be conducted within 60 days after achieving the maximum operating rate but no later 180 days after initial operation. The use of an alternative test schedule or method must be pre-approved by EFSEC in writing.

b. A comprehensive test plan shall be submitted to EFSEC for review and approval at least 10 business days prior to testing.

c. EFSEC shall be notified of the test date at least 5 business days prior to testing.

d. Unless otherwise specified, for each boiler, testing for each constituent shall consist of a minimum of three sampling runs of the duration specified below.

Constituent	**Test Method or Equivalent[1]**	**Minimum Test Duration**
Stack gas velocity, flow rate	EPA Methods 1 and 2	N/A
Stack gas dry molecular weight, O_2, CO_2	EPA Method 3A	N/A
Stack gas moisture content	EPA Method 4	60 minutes
Nitrogen oxides	EPA Method 7E	60 minutes
Carbon monoxide	EPA Method 10	60 minutes

[1] The use of an alternate or equivalent test method must be pre-approved by EFSEC in writing.

Appendix B
Source Emission Testing Requirements
Auxiliary Boiler

3. Source Operation:

a. A complete record of production related parameters applicable to the testing, including but not limited to the following shall be kept during emissions testing to correlate operations with emissions and shall be recorded in the final report of the test results:

1. Unit startups and shutdowns
2. Boiler firing rate (fuel flow rate or fuel consumption rate)

b. Source operations during emissions testing must be representative of the most challenging of the intended operating conditions (e.g. full load).

4. Reporting:

The results of all required testing shall be submitted to EFSEC within 45 days of test completion. Each report shall be provided in an electronic format acceptable to EFSEC, and as a hard (paper) copy. Each report shall include:

a. A description of the source including manufacturer, model number and design capacity of the equipment, and the location of the sample ports or test locations.
b. Time and date of the test and identification and qualifications of the personnel involved.
c. A summary of results, reported in units and averaging periods consistent with the applicable emission standard or limit. CO and NO_X emissions shall be reported in units of ppmvd @ 3% O_2 and pounds per hour.
d. A summary of control system or equipment operating conditions.
e. A summary of production related parameters.
f. A description of the test methods or procedures used including all field data, quality assurance/quality control procedures and documentation.
g. A description of the analytical procedures used including all laboratory data, quality assurance/quality control procedures and documentation.
h. Copies of field data and example calculations.
i. Chain of custody information.
j. Calibration documentation.
k. Discussion of any abnormalities associated with the results.
l. A statement signed by the senior management official of the testing firm certifying the validity of the source test report.

Appendix C
Performance Monitoring Requirements
Auxiliary Boiler

1. Introduction:

a. The purpose of periodically monitoring the exhaust of the Auxiliary Boiler is to minimize emissions and provide a reasonable assurance that the unit is operating properly.

b. Periodic monitoring may be conducted with an electrochemical cell combustion analyzer, analyzers used for reference method testing, or other analyzers pre-approved by EFSEC.

2. Monitoring Requirements:

a. Monitoring to determine emission concentrations of the following constituents shall be conducted for the boiler during each calendar year. The use of an alternative test schedule must be pre-approved by EFSEC in writing.

<u>Constituents to be Measured</u>
Carbon Monoxide (CO)
Nitrogen Oxides (NO_X)
Oxygen (O_2)

b. Source operation during monitoring must be representative of maximum intended operating conditions during that year.

c. Alternative monitoring methodologies must be pre-approved by EFSEC.

3. Minimum Quality Assurance/Quality Control Measures:

a. The analyzer(s) response to span gas of a known concentration shall be determined before and after testing. No more than 12 hours may elapse between span gas response checks. The results of the analyzer response check shall not be valid if the difference between the pre-test and post-test response checks exceeds 10% of the pre-test response value.

b. The CO and NO_X span gas concentrations shall be no less than 50% and no more than 200% of the emission concentration corresponding to the permitted emission limit. A lower concentration span gas may be used if it is more representative of measured concentrations. Ambient air may be used to zero the CO and NO_X cells/analyzer(s) and span the oxygen cell/analyzer.

Appendix C
Performance Monitoring Requirements
Auxiliary Boiler

3. Minimum Quality Assurance/Quality Control Measures (continued):

c. Sampling of each exhaust stack shall consist of at least 1 test consisting of at least 5 minutes of data collection following a "ramp-up phase." The ramp-up phase ends when analyzer readings have stabilized (less than 5%/minute change in emission concentration). Emission concentrations shall be recorded at least once every 30 seconds during testing. All test data collected following the ramp-up phase(s) shall be reported to EFSEC. Alternative testing methods may be utilized provided pre-approval is obtained from EFSEC.

If the test results from any monitoring event indicate that emission concentrations may exceed 12 ppmvd NO_X @ 3% O_2 or 50 ppmvd CO @ 3% O_2, the permittee shall either perform 60 minutes of additional monitoring to more accurately quantify CO and NO_X emissions, or initiate corrective action. Additional testing or corrective action shall be initiated as soon as practical but no later than three days after the potential exceedance is identified. Corrective action includes tuning, maintenance by service personnel, limitation of boiler load, or other action taken to maintain compliance with permitted limits. Monitoring of unit emissions must be conducted within three days following completion of any corrective action to confirm that the corrective action has been effective. Corrective action shall be pursued until observed emission concentrations no longer exceed 12 ppmvd NO_X or 50 ppmvd CO, corrected to 3% O_2. Initiation of corrective action does not shield the permittee from enforcement actions by EFSEC.

4. Reporting:

a. All monitoring results shall be recorded at the facility and reported to EFSEC. The following information shall be included in the report:

(1) Time and date of the emissions evaluation;
(2) Identification of the personnel involved;
(3) A summary of results, reported in units consistent with the applicable emission standard(s) or limit(s);
(4) A summary of equipment operating conditions;
(5) A description of the evaluation methods or procedures used including all field data, quality assurance/quality control procedures and documentation; and
(6) Analyzer response check documentation.

b. Performance monitoring test results shall be corrected to 3% O_2.

c. Monitoring results shall be reported to EFSEC within 15 calendar days of test completion.

Appendix D
Acid Rain Permit No. EFSEC/06-01-AR Rev. 1

Issued by the Washington State Energy Facility Site Evaluation Council

Issued to:	**Chehalis Generation Facility, Washington**
Operated by:	**Chehalis Power Generating, LP**
Address:	1813 Bishop Road Chehalis, Washington 98532
ORIS code:	55662
Affected units:	CT1 CT2
Effective:	This Acid Rain permit, as part of the Chehalis Generation Facility Title V permit, will become effective upon the effective date of the Title V permit (October 10, 2011). The Acid Rain Permit shall have a permit term ending on October 10, 2016 (the expiration date of Title V Permit No. **EFSEC/06-01-AOP Rev. 1**

Acid Rain Permit Contents

1) Statement of Basis

2) SO_2 allowances allocated under this permit and NO_X requirements for each affected unit.

3) Comments, notes and justifications regarding permit decisions and changes made to the permit application forms during the review process, and any additional requirements or conditions as per WAC 173-406-501, "Acid Rain Permit Contents" as adopted by WAC 463-78.

4) The permit application submitted for this source. The owners and operators of the source must comply with the standard requirements and special provisions set forth in the application and in WAC 173-406-106 "Standard Requirements" as adopted by WAC 463-78.

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1) Statement of Basis

Statutory and Regulatory Authorities: In accordance with section 005 of Washington Administrative Code (WAC) 463-78 "General and Operating Permit Regulations for Air Pollution Sources," which adopts 173-406 "Acid Rain Regulation" and WAC 173-401 "Operating Permit Regulation," by reference, the Washington State Energy Facility Site Evaluation Council issues this permit pursuant to WAC 463-78. WAC 173-406 is based on the provisions of Title 40 Code of Federal Regulations (CFR) parts 72-76, which is part of the requirements established pursuant to Title IV of the Clean Air Act, 40 U.S.C. 7401, et seq., as amended by Public Law 101-549 (November 15, 1990).

2) SO_2 Allowance Allocations and NO_X Requirements for Each Affected Unit

		2011	After 2011
CT1	Facilitywide SO_2 allowances held as of March 2011	27[a]	To be determined
	Acid Rain NO_X limit	N/A[b]	N/A[b]
CT2	Facilitywide SO_2 allowances held as of March 2011	27[a]	To be determined
	Acid Rain NO_X limit	N/A[b]	N/A[b]

This Acid Rain Permit shall not be construed to exempt or exclude an affected unit from compliance with any other provisions of the Clean Air Act consistent with 40 CFR 72.9(h) and WAC 173-406-106(8) as adopted by WAC 463-78. Additional requirements for this facility include those contained in Prevention of Significant Deterioration permit EFSEC/95-02 Amendment 2.

Table Footnotes

[a] Pursuant to 40 CFR 72.9(c)(i) and WAC 173-406-106(3)(a)(i) as adopted by WAC 463-78, this unit is required to hold SO_2 allowances, as of the allowance transfer deadline, in the unit's compliance subaccount not less than the total annual emissions of sulfur dioxide for the previous calendar year from the unit. Each combustion turbine has the potential to generate up to 85 tons per year of SO_2 emissions. According to 40 CFR 72.2, a fraction of a ton greater than 0.50 is equal to 1.0 ton and a fraction of a ton less than 0.50 is equal to no tons. Depending on the unit operating hours, each unit could be required to hold between 0 and 85 SO_2 allowances.

[b] Since this unit is not a coal-fired unit, there are no applicable acid rain NO_X emission limits and a Phase II NO_X permit application is not required. A NO_X limitation is included in PSD permit EFSEC/95-02 Amendment 2.

3) Comments, Notes and Justifications

This Acid Rain Permit is deemed to incorporate the definition of terms under WAC 173-406-101 as adopted by WAC 463-78 unless otherwise expressly defined in this permit.

4) Permit Application

The permit renewal application was signed on January 5, 2011. A copy of the application is attached.

Standard Requirements

Permit Requirements

(1) The designated representative of the Chehalis Generation Facility and each affected unit at the Chehalis Generation Facility shall:

(i) Submit a complete Acid Rain permit application (including a compliance plan) under 40 CFR part 72 in accordance with the deadlines specified in 40 CFR 72.30 and WAC 173-406-301 as adopted by WAC 463-78; and

(ii) Submit in a timely manner any supplemental information that the permitting authority determines is necessary in order to review an Acid Rain permit application and issue or deny an Acid Rain permit.

(2) The owners or operators of the Chehalis Generation Facility and each affected unit at the Chehalis Generation Facility shall:

(i) Operate the unit in compliance with a complete Acid Rain permit application or a superseding Acid Rain permit issued by the permitting authority; and

(ii) Have an Acid Rain permit.

Monitoring Requirements

(1) The owners and operators and, to the extent applicable, designated representative of the Chehalis Generation Facility and each affected unit at the Chehalis Generation Facility shall comply with the monitoring requirements as provided in 40 CFR part 75.

(2) The emissions measurements recorded and reported in accordance with 40 CFR part 75 shall be used to determine compliance by the unit with the Acid Rain emissions limitations and emissions reduction requirements for sulfur dioxide and nitrogen oxides under the Acid Rain program.

(3) The requirements of 40 CFR part 75 shall not affect the responsibility of the owners and operator to monitor emissions of other pollutants or other emissions characteristics at the unit under other applicable requirements of the Act, applicable requirements of Title 463 WAC, and other provisions of the operating permit for the Chehalis Generation Facility.

Sulfur Dioxide Requirements

(1) The owners and operator of the Chehalis Generation Facility and each affected unit at the Chehalis Generation Facility shall:

(i) Hold allowances, as of the allowance transfer deadline, in the unit's compliance account (after deductions under 40 CFR 73.34(c)), not less than the total annual emissions of sulfur dioxide for the previous calendar year from the affected units at the Chehalis Generation Facility; and

(ii) Comply with the applicable Acid Rain emissions limitations for sulfur dioxide.

(2) Each ton of sulfur dioxide emitted in excess of the Acid Rain emissions limitations for sulfur dioxide shall constitute a separate violation of the Act.

(3) An affected unit shall be subject to the requirements under paragraph (1) of the sulfur dioxide requirements as follows:

(i) Starting January 1, 2000, an affected unit under WAC 173-406-103(1)(b) as adopted by WAC 463-78; or

(ii) Starting on the later of January 1, 2000 or the deadline for monitor certification under 40 CFR part 75, an affected unit under WAC 173-406-103(1)(c) as adopted by WAC 463-78.

(4) Allowances shall be held in, deducted from, or transferred among Allowance Tracking System accounts in accordance with the Acid Rain Program.

(5) An allowance shall not be deducted in order to comply with the requirements under paragraph (1) of the sulfur dioxide requirements prior to the calendar year for which the allowance was allocated.

(6) An allowance allocated by the Administrator under the Acid Rain Program is a limited authorization to emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, the Acid Rain permit application, the Acid Rain permit, or an exemption under 40 CFR 72.7, 40 CFR 72.8, WAC 174-406-104 as adopted by WAC 463-78, or WAC 173-406-105 as adopted by WAC 463-78 and no provision of law shall be construed to limit the authority of the United States to terminate or limit such an authorization.

(7) An allowance allocated by the Administrator under the Acid Rain Program does not constitute a property right.

Nitrogen Oxides Requirements

The owners and operators of the Chehalis Generation Facility and each affected unit at the Chehalis Generation Facility shall comply with the applicable Acid Rain emissions limitation for nitrogen oxides.

Excess Emissions Requirements

(1) The designated representative of an affected unit that has excess emissions in any calendar year shall submit a proposed offset plan, as required under 40 CFR part 77.

(2) The owners and operators of an affected unit that has excess emissions in any calendar year shall:

  (i) Pay without demand the penalty required, and pay upon demand the interest on that penalty, as required by 40 CFR part 77; and

  (ii) Comply with the terms of an approved offset plan, as required by 40 CFR part 77.

Recordkeeping and Reporting Requirements

(1) Unless otherwise provided, the owners and operators of the Chehalis Generation Facility and each affected unit at the Chehalis Generation Facility shall keep on site at the source each of the following documents for a period of 5 years from the date the document is created. This period may be extended for cause, at any time prior to the end of 5 years, in writing by the Administrator or permitting authority:

  (i) The certificate of representation for the designated representative for the source and each affected unit at the source and all documents that demonstrate the truth of the statements in the certification of representation, in accordance with 40 CFR 72.24; provided that the certificate and documents shall be retained on site at the source beyond such 5-year period until such documents are superseded because of the submission of a new certificate of representation changing the designated representative;

  (ii) All emissions monitoring information, in accordance with 40 CFR part 75, provided that to the extent that 40 CFR part 75 provides for a 3-year period for recordkeeping, the 3-year period shall apply;

  (iii) Copies of all reports, compliance certifications, and other submissions and all records made or required under the Acid Rain Program; and

  (iv) Copies of all documents used to complete an Acid Rain permit application and any other submission under the Acid Rain Program or to demonstrate compliance with the requirements of the Acid Rain Program.

(2) The designated representative of the Chehalis Generation Facility and each affected unit at the Chehalis Generation Facility shall submit the reports and compliance certifications

required under the Acid Rain Program, including those under WAC 173-406-800 as adopted by WAC 463-78 and 40 CFR part 75.

Liability

(1) Any person who knowingly violates any requirement or prohibition of the Acid Rain Program, a complete Acid Rain permit application, an Acid Rain permit, or an exemption under 40 CFR 72.7, 40 CFR 72.8, WAC 173-406-104 as adopted by WAC 463-78, or WAC 173-406-105 as adopted by WAC 463-78, including any requirement for the payment of any penalty owed to the United States, shall be subject to enforcement pursuant to section 113(c) of the Act and by the permitting authority pursuant to Revised Code of Washington (RCW) 80.50.150.

(2) Any person who knowingly makes any false, material statement in any record, submission, or report under the Acid Rain Program shall be subject to criminal enforcement pursuant to section 113(c) of the Act and 18 U.S.C. 1001 and by the permitting authority pursuant to RCW 80.50.150.

(3) No permit revision shall excuse any violation of the requirements of the Acid Rain Program that occurs prior to the date that the revision takes effect.

(4) The Chehalis Generation Facility and each affected unit at the Chehalis Generation Facility shall meet the requirements of the Acid Rain Program.

(5) Any provision of the Acid Rain Program that applies to the Chehalis Generation Facility (including a provision applicable to the designated representative of an affected unit) shall also apply to the owners and operators of the Chehalis Generation Facility and to the affected units at the Chehalis Generation Facility.

(6) Any provision of the Acid Rain Program that applies to an affected unit at the Chehalis Generation Facility (including a provision applicable to the designated representative of an affected unit) shall also apply to the owners and operators of such unit. Except as provided under WAC 173-406-402 (Phase II repowering extension plans) as adopted by WAC 463-78, and 40 CFR part 76, and except with regard to the requirements applicable to a unit with a common stack under 40 CFR part 75 (including 40 CFR 75.16, 40 CFR 75.17, and 40 CFR 75.18), the owners and operators and the designated representative of one affected unit shall not be liable for any violation by any other unit of which they are not the owners or operators or the designated representative and that is located at a source of which they are not owners or operators or the designated representative.

(7) Each violation of a provision of WAC 173-406-100 through 173-406-950 as adopted by WAC 463-78 and 40 CFR 72, 73, 75, 76, 77, and 78, and regulations implementing section 410 of the Act by an affected source or affected unit, or by an owner or operator or designated representative of such source or unit, shall be a separate violation of the Act.

Effect on Other Authorities

No provision of the Acid Rain Program, an Acid Rain permit application, an Acid Rain permit, or an exemption under 40 CFR 72.7, 40 CFR 72.8, WAC 173-406-104 as adopted by WAC 463-78, or WAC 173-406-105 as adopted by WAC 463-78 shall be construed as:

(1) Except as expressly provided in title IV of the Act, exempting or excluding the owners and operators and, to the extent applicable, the designated representative of an affected source or affect unit from compliance with any other provision of the Act, including the

provisions of title I of the Act relating to applicable National Ambient Air Quality Standards or State Implementation Plans;

(2) Limiting the number of allowances a unit can hold; provided, that the number of allowances held by the unit shall not affect the source's obligation to comply with any other provisions of the Act;

(3) Requiring a change of any kind in any state law regulating electric utility rates and charges, affecting any state law regarding such state regulation, or limiting such state regulation, including any prudence review requirements under such state law;

(4) Modifying the Federal Power Act or affecting the authority of the Federal Energy Regulatory Commission under the Federal Power Act; or

(5) Interfering with or impairing any program for competitive bidding for power supply in a state in which such program is established.

United States
Environmental Protection Agency
Acid Rain Program

OMB No. 2060-0258
Approval expires 11/30/2012

Acid Rain Permit Application

For more information, see instructions and 40 CFR 72.30 and 72.31.

This submission is: ☐ new ☐ revised ☒ for Acid Rain permit renewal

STEP 1

Identify the facility name, State, and plant (ORIS) code.

Facility (Source) Name	State	Plant Code
Chehalis Generation Facility	Washington	55662

STEP 2

Enter the unit ID# for every affected unit at the affected source in column "a."

a	b
Unit ID#	Unit Will Hold Allowances in Accordance with 40 CFR 72.9(c)(1)
CT1	Yes
CT2	Yes
	Yes
	Yes
	Yes
	Yes
	Yes
	Yes
	Yes
	Yes
	Yes
	Yes
	Yes
	Yes
	Yes
	Yes
	Yes
	Yes

EPA Form 7610-16 (Revised 12-2009)

Chehalis Generation Facility

Facility (Source) Name (from STEP 1)

Acid Rain - Page 2

STEP 3

Read the standard requirements.

Permit Requirements

(1) The designated representative of each affected source and each affected unit at the source shall:

(i) Submit a complete Acid Rain permit application (including a compliance plan) under 40 CFR part 72 in accordance with the deadlines specified in 40 CFR 72.30; and

(ii) Submit in a timely manner any supplemental information that the permitting authority determines is necessary in order to review an Acid Rain permit application and issue or deny an Acid Rain permit;

(2) The owners and operators of each affected source and each affected unit at the source shall:

(i) Operate the unit in compliance with a complete Acid Rain permit application or a superseding Acid Rain permit issued by the permitting authority; and

(ii) Have an Acid Rain Permit.

Monitoring Requirements

(1) The owners and operators and, to the extent applicable, designated representative of each affected source and each affected unit at the source shall comply with the monitoring requirements as provided in 40 CFR part 75.

(2) The emissions measurements recorded and reported in accordance with 40 CFR part 75 shall be used to determine compliance by the source or unit, as appropriate, with the Acid Rain emissions limitations and emissions reduction requirements for sulfur dioxide and nitrogen oxides under the Acid Rain Program.

(3) The requirements of 40 CFR part 75 shall not affect the responsibility of the owners and operators to monitor emissions of other pollutants or other emissions characteristics at the unit under other applicable requirements of the Act and other provisions of the operating permit for the source.

Sulfur Dioxide Requirements

(1) The owners and operators of each source and each affected unit at the source shall:

(i) Hold allowances, as of the allowance transfer deadline, in the source's compliance account (after deductions under 40 CFR 73.34(c)), not less than the total annual emissions of sulfur dioxide for the previous calendar year from the affected units at the source; and

(ii) Comply with the applicable Acid Rain emissions limitations for sulfur dioxide.

(2) Each ton of sulfur dioxide emitted in excess of the Acid Rain emissions limitations for sulfur dioxide shall constitute a separate violation of the Act.

(3) An affected unit shall be subject to the requirements under paragraph (1) of the sulfur dioxide requirements as follows:

(i) Starting January 1, 2000, an affected unit under 40 CFR 72.6(a)(2); or

(ii) Starting on the later of January 1, 2000 or the deadline for monitor certification under 40 CFR part 75, an affected unit under 40 CFR 72.6(a)(3).

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Sulfur Dioxide Requirements, Cont'd.

STEP 3, Cont'd.

(4) Allowances shall be held in, deducted from, or transferred among Allowance Tracking System accounts in accordance with the Acid Rain Program.
(5) An allowance shall not be deducted in order to comply with the requirements under paragraph (1) of the sulfur dioxide requirements prior to the calendar year for which the allowance was allocated.
(6) An allowance allocated by the Administrator under the Acid Rain Program is a limited authorization to emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, the Acid Rain permit application, the Acid Rain permit, or an exemption under 40 CFR 72.7 or 72.8 and no provision of law shall be construed to limit the authority of the United States to terminate or limit such authorization.
(7) An allowance allocated by the Administrator under the Acid Rain Program does not constitute a property right.

Nitrogen Oxides Requirements

The owners and operators of the source and each affected unit at the source shall comply with the applicable Acid Rain emissions limitation for nitrogen oxides.

Excess Emissions Requirements

(1) The designated representative of an affected source that has excess emissions in any calendar year shall submit a proposed offset plan, as required under 40 CFR part 77.
(2) The owners and operators of an affected source that has excess emissions in any calendar year shall:
(i) Pay without demand the penalty required, and pay upon demand the interest on that penalty, as required by 40 CFR part 77; and
(ii) Comply with the terms of an approved offset plan, as required by 40 CFR part 77.

Recordkeeping and Reporting Requirements

(1) Unless otherwise provided, the owners and operators of the source and each affected unit at the source shall keep on site at the source each of the following documents for a period of 5 years from the date the document is created. This period may be extended for cause, at any time prior to the end of 5 years, in writing by the Administrator or permitting authority:
(i) The certificate of representation for the designated representative for the source and each affected unit at the source and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with 40 CFR 72.24; provided that the certificate and documents shall be retained on site at the source beyond such 5-year period until such documents are superseded because of the submission of a new certificate of representation changing the designated representative;

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Recordkeeping and Reporting Requirements, Cont'd.

STEP 3, Cont'd.

(ii) All emissions monitoring information, in accordance with 40 CFR part 75, provided that to the extent that 40 CFR part 75 provides for a 3-year period for recordkeeping, the 3-year period shall apply.
(iii) Copies of all reports, compliance certifications, and other submissions and all records made or required under the Acid Rain Program; and,
(iv) Copies of all documents used to complete an Acid Rain permit application and any other submission under the Acid Rain Program or to demonstrate compliance with the requirements of the Acid Rain Program.
(2) The designated representative of an affected source and each affected unit at the source shall submit the reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR part 72 subpart I and 40 CFR part 75.

Liability

(1) Any person who knowingly violates any requirement or prohibition of the Acid Rain Program, a complete Acid Rain permit application, an Acid Rain permit, or an exemption under 40 CFR 72.7 or 72.8, including any requirement for the payment of any penalty owed to the United States, shall be subject to enforcement pursuant to section 113(c) of the Act.
(2) Any person who knowingly makes a false, material statement in any record, submission, or report under the Acid Rain Program shall be subject to criminal enforcement pursuant to section 113(c) of the Act and 18 U.S.C. 1001.
(3) No permit revision shall excuse any violation of the requirements of the Acid Rain Program that occurs prior to the date that the revision takes effect.
(4) Each affected source and each affected unit shall meet the requirements of the Acid Rain Program.
(5) Any provision of the Acid Rain Program that applies to an affected source (including a provision applicable to the designated representative of an affected source) shall also apply to the owners and operators of such source and of the affected units at the source.
(6) Any provision of the Acid Rain Program that applies to an affected unit (including a provision applicable to the designated representative of an affected unit) shall also apply to the owners and operators of such unit.
(7) Each violation of a provision of 40 CFR parts 72, 73, 74, 75, 76, 77, and 78 by an affected source or affected unit, or by an owner or operator or designated representative of such source or unit, shall be a separate violation of the Act.

Effect on Other Authorities

No provision of the Acid Rain Program, an Acid Rain permit application, an Acid Rain permit, or an exemption under 40 CFR 72.7 or 72.8 shall be construed as:
(1) Except as expressly provided in title IV of the Act, exempting or excluding the owners and operators and, to the extent applicable, the designated representative of an affected source or affected unit from compliance with any other provision of the Act, including the provisions of title I of the Act relating

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Effect on Other Authorities, Cont'd.

STEP 3, Cont'd.

to applicable National Ambient Air Quality Standards or State Implementation Plans;
(2) Limiting the number of allowances a source can hold; *provided,* that the number of allowances held by the source shall not affect the source's obligation to comply with any other provisions of the Act;
(3) Requiring a change of any kind in any State law regulating electric utility rates and charges, affecting any State law regarding such State regulation, or limiting such State regulation, including any prudence review requirements under such State law;
(4) Modifying the Federal Power Act or affecting the authority of the Federal Energy Regulatory Commission under the Federal Power Act; or,
(5) Interfering with or impairing any program for competitive bidding for power supply in a State in which such program is established.

Certification

STEP 4
Read the certification statement, sign, and date.

I am authorized to make this submission on behalf of the owners and operators of the affected source or affected units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment.

Name Dana M. Ralston	
Signature	January 5, 2011 Date

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