March 18, 1996

Mr. J. V. Parrish
Chief Executive Officer
Washington Public Power Supply System
PO Box 968 - MD 1023
Richland, WA 99352-0968

Subject: REGULATORY ORDER NO. 672 LIMITING WNP-2 AIR EMISSIONS

Dear Mr. Parrish:

During its regular meeting of January 8, 1996, the Council adopted Regulatory Order No. 672, enclosed, thereby approving limiting conditions for air emissions from the Supply System's Nuclear Project No. 2 (WNP-2). This action limits the plant's emissions to levels below regulatory thresholds based on the Council's determination that, while WNP-2 has the potential to exceed the major source threshold, the plant's actual emissions are well below that limit.

The Council wishes to recognize the cooperation extended by your staff during the Council's consideration of the Air Operating Permit Application filed by the Supply System. This is a good example of where the state and Supply System have worked together to update WNP-2 Site Certification Agreement conditions to meet new regulatory requirements.

Thank you for your continued cooperation.

Sincerely,

Jason J. Zeller
EFSEC Manager

JZ/MM/agl
Draft/15-mm

Enclosure

cc: Bill Keil, Supply System

(206) 956-2000 or SCAN 494-2000
Telefax (206) 956-2158
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STATE OF WASHINGTON
ENERGY FACILITY SITE EVALUATION COUNCIL
P. O. BOX 43172
OLYMPIA, WASHINGTON 98504-3172

In the Matter of Compliance By the
WASHINGTON PUBLIC POWER
SUPPLY SYSTEM with Section
70.94.161 RCW, Operating Permits
for Air Contaminant Sources, and
the rules and regulations of the Energy
Facility Site Evaluation Council

EFSEC ORDER
No. 672

I.

Jurisdiction

This Order is issued pursuant to the authority of Revised Code of Washington (RCW) 70.94.141,
RCW 70.94.331, RCW 80.50, Washington Administrative Code (WAC) 173-400-091, WAC 173-
401-300, and WAC 463-39.

II.

Legal Authority

II.1. RCW 80.50.040, Energy facility site evaluation council - Powers enumerated, states in part:

"The council shall have the following powers:

(12) To issue permits in compliance with applicable provisions of the federally approved state
implementation plan adopted in accordance with the Federal Clean Air Act, as now existing or
hereafter amended, for the new construction, reconstruction, or enlargement or operation of energy
facilities: PROVIDED, That such permits shall become effective only if the governor approves an
application for certification and executes a certification agreement pursuant to this chapter: AND
PROVIDED FURTHER, That all such permits be conditioned upon compliance with all provisions
of the federally approved state implementation plan which apply to energy facilities covered within
the provisions of this chapter . . . ."
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II.2. WAC 173-401-300(7), Federally Enforceable Limits, states in part:

"Any source which is defined as a chapter 401 source solely because its potential to emit exceeds the annual tonnage thresholds defined in WAC 173-401-200(17) shall be exempt from the requirements to obtain an operating permit when federally enforceable conditions which limit that source’s potential to emit to levels below the relevant tonnage thresholds have been established for that source."

"In applying for an exemption under this subsection, the owner or operator of the source shall demonstrate to the permitting authority that the source’s potential to emit, taking into account any federally enforceable restrictions assumed by the source, does not exceed the tonnage thresholds defined in WAC 173-401-200(17). Such demonstrations shall be in accordance with WAC 173-401-520 and shall contain emissions measurement and monitoring data, location of monitoring records, and other information necessary to support the source’s emission calculations."

"Permitting authorities may use the following approaches to establish federally enforceable limitations: (i) Regulatory orders . . . WAC 173-400-091 (ii) Notice of construction approvals . . . (iii) General permits . . . ."

II.3. WAC 173-400-091(1) states:

"Upon request by the owner or operator of a source, ecology or the authority with jurisdiction over the source shall issue a regulatory order that limits the source’s potential to emit any air contaminant or contaminants to a level agreed to by the owner or operator and ecology or the authority with jurisdiction over the source."

II.4. By limiting the potential to emit levels below the tonnage thresholds defined in WAC 173-401-200(17) by following the provisions of the Order, Washington Public Power Supply System (Supply System) will not be required to obtain an Operating Permit in accordance with Chapter 173-401 WAC, Operating Permit Regulation.

III.

Findings of Fact

The Energy Facility Site Evaluation Council (EFSEC) makes the following Findings of Fact:

III.1 The Supply System is the operator of Nuclear Plant No. 2 (WNP-2), an electric generating plant located on the Hanford Site in Benton County, Washington.

III.2 That WNP-2 has multiple diesel-fired combustion units to provide steam and emergency power.
III.3 That the combustion units have the potential to emit nitrogen oxides, carbon monoxide, and sulfur dioxide pollutants that exceed the threshold given in WAC 173-401-300, Applicability, and therefore, would be required to obtain an Operating Permit in accordance with WAC 173-401, Operating Permit Regulation.

III.4 That the Supply System has requested EFSEC to limit the combustion units’ potential to emit nitrogen oxides, carbon monoxide, and sulfur dioxide pollutants to levels agreed to by the Supply System and EFSEC.

IV.

Order

THEREFORE, IT IS ORDERED by EFSEC in relation to the above that the Supply System’s WNP-2 combustion units be subject to the following conditions:

IV.1 That the usage of diesel fuel for the three emergency power generators and auxiliary boiler on an annual basis shall not exceed 780,000 gallons.

IV.2 That the quantity of fuel used on an annual basis shall be reported based upon delivery and inventory records. The quantity of fuel used on an annual basis shall be reported within thirty days of the end of the calendar year.

IV.3 The above cap is based upon calculative methods. A 90 ton per year emissions target was used for the cap to allow for a ten ton per year buffer between the calculated emissions and the operating permit emissions threshold of 100 tons per year. Adjustments to the cap that will exceed the 90 ton per year emissions target may be made by issuing another separate Order in accordance with WAC 173-400-091. Issuing another separate Order in accordance with WAC 173-400-091 may be done if more refined calculation or testing is conducted or justification is made that 100 tons per year would not be exceeded. A Notice of Construction will not be required for this instance if this is the sole reason for requesting a change to the terms of the Order.

IV.4 If the Supply System determines that it no longer wants to limit emissions below the 100 tons per year threshold, it must submit an operating permit application in accordance with Chapter 173-401 WAC. Until an operating permit is issued, the Supply System will continue to be bound by this Order.

IV.5 Any application form, report, or compliance certification, including the annual consumption report, submitted pursuant to this Order shall contain certification by a responsible official of truth, accuracy, and completeness.

Nothing is this Order alters the facility’s obligation to comply with other laws, including air laws and regulations, except that the Supply System’s application for, receipt of, and compliance with
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This order exempts the Supply System from the requirements to obtain an Operating Permit. Any violation of such rules and regulations or of the terms of this approval, including but not limited to exceedances of emission limits demonstrated by source testing or emissions calculations, shall be subject to the sanctions provided in Chapter 70.94 RCW.

The provisions of this authorization are severable and, if any provision of this authorization, or application of any provisions of this authorization to any circumstance, is held invalid, the application of such provision to other circumstances, and the remainder of this authorization, shall not be affected thereby.

Any person feeling aggrieved by this ORDER may obtain review thereof by application, within thirty (30) days of receipt of this ORDER to the Energy Facility Site Evaluation Council, P. O. Box 43172, Olympia, Washington 98504-3172. These procedures are consistent with the provision of Chapter 43.21B RCW and the rules and regulations adopted thereunder.

DATED at Olympia, Washington this 8th day of January, 1996.

FOR THE WASHINGTON STATE ENERGY FACILITY SITE EVALUATION COUNCIL:

O. S. Wang, P.E.
Air Authority
Washington State Department of Ecology

F. S. Adair
EFSEC Chairman

ATTEST:

Jason Zeller
EFSEC Manager