OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION

MEMORANDUM **January 29, 2007**

TO: Dawson Lasseter, P.E., Chief Engineer, Air Quality Division

THROUGH: David Schutz, P.E., New Source Permit Section

THROUGH: Phil Martin, P.E., New Source Permit Section

THROUGH: Peer Review

FROM: Grover R. Campbell, P.E., Existing Source Permit Section

SUBJECT: Evaluation of Permit Application No. **97-058-C (M-2) (PSD)**
Western Farmers Electric Cooperative
Hugo Generating Station
Addition of New 750 MW Boiler (Hugo Unit 2)
SE/4 Section 21, T6S, R19E
Choctaw County
Directions: Approximately three miles west of Ft. Towson on US-70 and 12 miles east of Hugo
Latitude 34.010º, Longitude -95.320º

SECTION I. INTRODUCTION

Western Farmers Electric Cooperative (WFEC) submitted an application for a construction permit on August 29, 2005. WFEC proposes an expansion to their existing Hugo Generating Station (SIC Code 4911). The expansion will include the installation of a 7,125 MMBtu/hr supercritical pulverized coal (SCPC)-fired boiler with a steam turbine generator producing a nominal total of 750 MW. Since the existing facility has emissions in excess of Prevention of Significant Deterioration (PSD) threshold levels (100 TPY) and the modification will add emissions above PSD levels of significance to an existing PSD-major facility, the application has been determined to require full PSD review. Full PSD review consists of the following:

A. Determination of Best Available Control Technology (BACT)
B. Evaluation of existing air quality and determination of monitoring requirements
C. Analysis of compliance with National Ambient Air Quality Standards (NAAQS)
D. Evaluation of PSD increment consumption
E. Evaluation of source-related impacts on growth, soils, vegetation, and visibility
F. Evaluation of Class I area impacts

PERMIT TO CONSTRUCT
AIR POLLUTION CONTROL FACILITY
SPECIFIC CONDITIONS

Western Farmers Electric Cooperative **Permit No. 97-058-C (M-2) (PSD)**
Hugo Generating Station

The permittee is authorized to construct in conformity with the specifications submitted to the Air Quality Division (AQD) on August 29, 2005, and with supplemental information received on December 5, 2005, February 24, 2006, March 23, 2006, April 27, 2006, and November 22, 2006. The Evaluation Memorandum dated January 29, 2007, explains the derivation of applicable permit requirements and estimates of emissions; however, it does not contain operating permit limitations or permit requirements. Commencing construction or operations under this permit constitutes acceptance of, and consent to, the conditions contained herein:

1. Points of emissions and emissions limitations for each point: [OAC 252:100-8-6(a)]

A. EUG 1A. Coal-fired Main Boiler (HU-Unit1)

EU and Point ID#	Make	Heat Capacity (MMBtu/hr)	Serial #	Installed Date
HU-Unit1, P-1	Babcock & Wilcox	4,600	RB-575	1978

Emission Limitations

Pollutant	Limitations (lb/hr)	Limitations (TPY)
NO_X	1,672.6	4,498.85

i. Lb/hr limit is based on a 30-day rolling average, excluding startup, shutdown, and malfunction. TPY limit is based on a 12-month rolling total, excluding startup, shutdown, and malfunction. Compliance shall be demonstrated by CEMS data in accordance with 40 CFR 60.13 and 40 CFR Part 75.

ii. The limits on NO_X emissions are based on a 200 lb/hr reduction in emissions from current permitted limits. These limits shall only become effective if and when HU-Unit2 is installed and operated. Until that time, the limits on NO_X emissions for HU-Unit1, P-1 in Permit No. 97-058-TV apply.

iii. Emissions of PM, SO_2, CO, and VOC from HU-Unit1 remain limited per Specific Condition No. 1.A of Permit No. 97-058-TV.

B. EUG 1B. Supercritical Coal-fired 750 MW Boiler (HU-Unit2)

EU and Point ID#	Make	Heat Capacity (MMBtu/hr)	Serial #	Installed Date
HU-Unit2, P-24	Unknown*	7,125	Unknown*	Est. 2007

***** The vendor is unknown at this time.

Emissions from HU-Unit2, P-24 shall not exceed the emissions limitations and heat input-based performance standards listed in the table below. Initial compliance with the performance standards and limitations shall be demonstrated by an initial performance stack test utilizing EPA Reference Method testing in accordance with the methods and requirements listed in Specific Condition No. 10. For emissions of SO_2, NO_X, CO (and as a surrogate for VOC), ammonia (NH_3), and mercury (Hg), continuous compliance shall be demonstrated from CEMS data in accordance with any applicable procedures of 40 CFR Part 75 and 40 CFR Part 60 Subpart Da. For emissions of PM, continuous compliance shall be demonstrated in accordance with the procedures of 40 CFR Part 60, Subpart Da. For emissions of H_2SO_4 mist, continuous compliance shall be demonstrated based on compliance with the emission limits for SO_2.

Emission Limitations and Compliance Demonstration Methods

Pollutant	Applicable Emission Limitations		
PM_{10}	**0.015 lb/MMBtu [a, c]**	**0.025 lb/MMBtu [b, d]**	**780 TPY [b, e]**

a. Filterable only.

b. Total PM_{10} (filterable and condensable).

c. Compliance shall be demonstrated in accordance with the requirements of NSPS Subpart Da.

d. Compliance shall be based on RM stack test data.

e. Compliance shall be based on RM stack test data (lb/MMBtu) and total heat input, and calculated monthly as a 12-month rolling total.

SO_2	**463 lb/24-hr period [f]**	**0.065 lb/MMBtu [g]**	**2,030 TPY [h]**

f. Compliance shall be determined from CEMS data and based on a 24-hr rolling total.

g. Compliance shall be determined from CEMS data and based on a 30-day rolling average.

h. Compliance shall be determined from CEMS data and calculated monthly as a 12-month rolling total.

NO_X	**0.07 lb/MMBtu [i]**	**0.05 lb/MMBtu [j]**	**1,560 TPY [k]**

i. Compliance shall be determined from CEMS data and based on a 30-day rolling average.

j. Compliance shall be determined from CEMS data and based on a 12-month rolling average.

k. Compliance shall be determined from CEMS data and calculated monthly as a 12-month rolling total.

CO	**0.15 lb/MMBtu [l]**	**-**	**4,690 TPY [m]**

l. Compliance shall be determined from CEMS data and based on a 30-day rolling average.

m. Compliance shall be determined from CEMS data and calculated monthly as a 12-month rolling total.

VOC	**0.0036 lb/MMBtu [n]**	**-**	**113 TPY [o]**

Pollutant	Applicable Emission Limitations		

n. Compliance shall be determined from RM stack test data and by compliance with CO emission limits.
o. Compliance shall be based on RM stack test data (lb/MMBtu) and total heat input, and calculated monthly as a 12-month rolling total.

Mercury	**66 x 10^{-6} lb/MWh [p]**	-	**0.25 TPY [q]**

p. Compliance shall be determined from CEMS data and based on a 12-month rolling average according to the procedures of 40 CFR 60.50Da(h).
q. Compliance shall be determined from CEMS data and calculated monthly as a 12-month rolling total.

H_2SO_4 Mist	**3.7 x 10^{-3} lb/MMBtu [r]**	**-**	**116 TPY [s]**

r. Compliance shall be determined from RM stack test data and compliance with PM and SO_2 emission limits.
s. Compliance shall be based on RM stack test data (lb/MMBtu) and total heat input, and calculated annually as a calendar year total.

NH_3	**10 ppmvd [t]**	**3.0 ppmvd [u]**	**-**

t. Compliance shall be determined from monitoring system data, corrected to 5% oxygen, and based on a 30-day rolling average.
u. Compliance shall be determined from monitoring system data, corrected to 5% oxygen, and based on a 12-month rolling average.

Opacity	**20% except for one six-minute period per hour of not more than 27% opacity [v]**

v. Compliance shall be determined from COMS data.

i. The emission limits and heat-input performance standards of this permit condition shall apply at all times except during periods of startup, shutdown, maintenance, and malfunction (SSMM). In addition, for SO_2 emissions only, emissions during emergency conditions as that term is defined in 40 CFR 60.40.Da are also excluded. During periods of SSMM, the permittee shall operate HU-Unit2 and associated air pollution control equipment in accordance with good air pollution control practices to minimize emissions. The permittee shall identify and record all measures taken to mitigate emissions and all periods of SSMM.

ii. For purposes of compliance with the NO_X, CO, PM_{10}, and Hg emission limits and heat-input performance standards of this permit condition, startup begins with flame on and ends when Hugo Unit 2 is at 30% Maximum Continuous Rating (MCR) and the inlet temperature to the SCR is equal to the catalyst manufacturer's minimum recommended operating temperature. Shutdown begins when Hugo Unit 2 is at 30% MCR and the inlet temperature to the SCR is below the catalyst manufacturer's minimum recommended operating temperature. [OAC 252: 100-8-6(a)]

iii. For compliance with the heat-input performance standards of this permit condition, the heat input shall be determined based on the methods of 40 CFR Part 75, Appendix F. HU-Unit2 shall be limited to a maximum heat input of 7,125 MMBtu/hr, as a 30-day rolling average. [OAC 252: 100-8-6(a)]

iv. HU-Unit2 shall be constructed, operated, and maintained with the following technology to control emissions: [OAC 252:100-8-6(a)]

a. Good combustion control,
b. Low-NO_X burners (LNB) and overfire air (OFA),
c. Selective catalytic reduction (SCR),
d. Fabric filter, and
e. Wet flue gas desulfurization (Wet FGD).

v. HU-Unit2 is subject to the Acid Rain Program and shall comply with all applicable requirements including, but not limited to, the following:
[40 CFR Parts 72, 73, 75 and 76]

a. SO_2 allowances,
b. Monitoring as required by 40 CFR Part 75,
c. NO_X emission limitation of 0.46 lb/MMBtu by 40 CFR Part 76,
d. Reporting of quarterly emissions to the EPA,
e. Conduct Relative Accuracy Test Audits (RATA), and
f. QA/QC plan for operation and maintenance of the continuous emissions monitoring system (CEMS).

vi. For startup fuel, HU-Unit2 shall only combust No. 2 fuel oil with a maximum fuel sulfur content of 0.5 percent by weight. [OAC 252: 100-8-6(a)]

vii. HU-Unit2 is subject to the New Source Performance Standards Subpart Da and related requirements in 40 CFR 60, Subpart A - General Provisions and state emission standards. HU-Unit2 shall comply with the emission limits and applicable requirements including, but not limited to, the following: [40 CFR 60.40Da-60.52Da]

a. At all times, the permittee shall maintain and operate HU-Unit2, including associated air pollution control equipment, in a manner consistent with good air pollution control practices for minimizing emissions, pursuant to 40 CFR 60.11(d).
b. The permittee shall conduct an initial and annual performance test for PM emissions. The permittee shall install, calibrate, maintain, and continuously operate a bag leak detection system. As an alternative to the annual performance tests and bag leak detection system, the permittee may install, certify, maintain, and operate a CEMS to measure and record PM emissions.
[40 CFR 60.48Da (o) & (p)]
c. The permittee shall install, operate, certify, calibrate, test and maintain CEMS for opacity, SO_2, NO_X, and O_2 or CO_2 for HU-Unit2 using the applicable methods and procedures set forth and shall record the output of the systems. The monitors shall be located before the wet control equipment if needed to prevent interference from moisture in the ductwork. SO_2 shall be sampled, measured, and monitored prior to and after the wet gas scrubber. [40 CFR 60.49Da]

d. The permittee shall install, operate, certify, calibrate, test and maintain a CEMS to measure and record the concentration of mercury in the exhaust gases associated with HU-Unit2. As an alternative to the CEMS requirement, the permittee may use a sorbent trap monitoring system (as defined in 40 CFR 72.2) to monitor Hg concentration, according to procedures described in 40 CFR 75.15 and Appendix K to part 75. [40 CFR 60.49Da]

e. The permittee shall comply with the applicable reporting and recordkeeping requirements of 40 CFR 60.51a and 60.52a including, but not limited to, the following:

Notification:

- Date construction is commenced
- Actual date of startup
- Performance test dates

Reporting:

- Performance test data from the initial and subsequent performance test and from the performance evaluation of the continuous monitors
- 30-day rolling average for SO_2 and NO_X
- Explanation of excess emissions caused by emergency conditions
- Monthly mercury emission rate and operating hours
- 12-month rolling average mercury emission rate
- Quarterly reports of excess opacity
- Semi-annual compliance report

Recordkeeping:

- All information needed to demonstrate compliance including performance tests, monitoring data, fuel analyses, and calculations

viii. For compliance with the emissions limits for CO in Specific Condition 1.B, the permittee shall install, calibrate, operate, and maintain CEMS in accordance with the requirements of PS-4, PS-4A, PS-4B, or PS-9 of Appendix B of 40 CFR 60 and the Quality Assurance Procedures of Appendix F of 40 CFR 60. [OAC 252: 100-8-6(a)]

ix. For compliance with the emissions limits for NH_3 in Specific Condition 1.B, the permittee shall install, calibrate, operate, and maintain a monitoring system in accordance with manufacturer's recommendations. [OAC 252: 100-8-6(a)]

x. At anytime prior to the initial startup of HU-Unit2, AQD may reopen the permit and administratively amend the mercury emission limit applicable to HU-Unit2 in order to incorporate EPA's final determination of the Clean Air Mercury Rule (CAMR) upon reconsideration, or in order to apply any appropriate AQD limitations required to meet mercury allocations under the CAMR. [OAC 252: 100-8-6(a)]

xi. The HU-Unit2 stack (P-24) shall be constructed at a minimum height of 625 feet above ground and with a maximum exit diameter of 28.5 feet. [OAC 252: 100-8-6(a)]

C. EUG 3. Coal Handling Activities

EU and Point ID#	Activities	PM_{10}	
		lb/hr	TPY
HU-Coal1, P-3A	Rotary Car Dumper – Roof Dust Collector 1A	3.18×10^{-3}	0.01
HU-Coal1, P-3B	Rotary Car Dumper – Roof Dust Collector 1B	3.18×10^{-3}	0.01
HU-Coal1, P-3C	Rotary Car Dumper – Roof Dust Collector 1C	3.18×10^{-3}	0.01
HU-Coal1, P-3D	Rotary Car Dumper – Roof Dust Collector 1D	3.18×10^{-3}	0.01
HU-Coal1, P-3E	Rotary Car Dumper – Bottom Dust Collector 2	4.45×10^{-3}	0.02
HU-Coal2, P-4A	Transfer House - Dust Collector 3	0.07	0.31
HU-Coal2, P-4B	Coal Silo A – Roof Dust Collector 4	0.07	0.31
HU-Coal7, P-25	Coal Silo B – Roof Dust Collector 4A	0.07	0.31
HU-Coal2, P-4C	Coal Silo A – Bottom Dust Collector 5	0.11	0.48
HU-Coal7, P-26	Coal Silo B – Bottom Dust Collector 5A	0.05	0.22
HU-Coal3, P-5A	Crusher House – Dust Collector 6	0.05	0.22
HU-Coal3, P-5B	Hugo Unit 1 Coal Silos – Dust Collector 7	0.05	0.22
HU-Coal8, P-27	Hugo Unit 2 Coal Silos – Dust Collector 8	0.05	0.22
HU-Coal5, P-7A	Reclaim Hopper No. 1 – aboveground	0.06	0.26
HU-Coal5, P-7B	Reclaim Hopper No. 2 – underground	0.02	0.09
HU-Coal5, P-7C	Reclaim Hopper No. 2 – aboveground	0.06	0.26
HU-Coal5, P-7D	Reclaim Hopper No. 3 – aboveground	0.13	0.57
HU-Coal9, P-28	Chain Reclaim (drop to reclaim hopper)	0.13	0.57
HU-Coal9, P-29	Chain Reclaim (drop to conveyor R-1)	0.13	0.57

i. Compliance with the other specific conditions for EUG 3 demonstrates compliance with the lb/hr and TPY emissions limits. No testing of emissions is required.

ii. The permittee shall comply with all applicable requirments of NSPS Subpart Y including, but not limited to, the following. The owner or operator shall also comply with applicable notification and recordkeeping requirements in Subpart A regarding new and/or modified equipment:

[OAC 252:100-4 and 40 CFR 60.250 to 60.254, 40 CFR 60.7, 60.8]

a. Notification:
   - Date construction is commenced
   - Actual date of startup
   - Performance test dates

b. Recordkeeping:
   - Opacity observations
   - Operating and maintenance procedures
   - Maintenance records

c. Reporting:
   - Performance test results

iii. Except during periods of startup, shutdown, and malfunction, opacity from each affected unit under Subpart Y shall be less than 20 percent. [40 CFR 60.252(c)]

iv. Emission units HU-Coal1, HU-Coal2, HU-Coal3, HU-Coal7, and HU-Coal8 shall vent exhausts to fabric filters or equivalent devices with a manufacturer's guaranteed outlet emission rate for PM_{10} of 0.01 gr/dscf. [OAC 252:100-8-6(a)]

v. The permittee shall conduct Method 22 visual observations of emissions from the discharges from each of the above units (either individually or as a group of closely spaced units) at least once per week. In no case shall the observation period be less than six minutes in duration. If visible emissions are observed for six minutes in duration for any observation period and such emissions are not the result of a startup, shutdown, or malfunction, then the permittee shall conduct, for the identified point(s), within 24 hours, a visual observation of emissions, in accordance with 40 CFR Part 60, Appendix A, Method 9. When discharge points are located inside a building, the visual observation(s) may be done on the building ventilation discharges or other significant discharge points. [OAC 252:100-8-6(a)(1)]

   a. If a Method 9 observation exceeds 20 percent average equivalent opacity, the permittee shall conduct at least two additional Method 9 observations within the next 24-hours.
   b. If more than one six-minute Method 9 observation exceeds 20 percent average equivalent opacity in any consecutive 60 minutes; or more than three six-minute Method 9 observations in any consecutive 24 hours exceeds 20 percent average equivalent opacity; or if any six-minute Method 9 observation exceeds 60 percent average equivalent opacity; the owner or operator shall comply with the provisions for excess emissions during start-up, shut-down, and malfunction of air pollution control equipment. [OAC 252:100-25]

vi. The pressure drop across each bag filter shall not exceed the highest pressure drop allowed by the manufacturer's guarantee. The permittee shall monitor and record, either manually or electronically, the pressure drop from each bag filter daily when operated. [OAC 252:100-43]

vii. These limits shall only apply if and when HU-Unit2 is installed and operated. Until that time, the limits on the existing coal handling emissions for HU-Unit1, P-1, in Permit No. 97-058-TV apply.

D. EUG 4B. Ash Handling Activities

EU and Point ID#	Activities	PM_{10}	
		lb/hr	TPY
HU-Ash6, P-30	Hugo Unit 2 Fly Ash Silo Bin Vent #1	0.58	2.54
HU-Ash6, P-31	Hugo Unit 2 Fly Ash Silo Bin Vent #2	0.58	2.54
HU-Ash7, P-32	Hugo Unit 2 Fly Ash Silo Loading to Trucks	0.06	0.26
HU-Ash8, P-33	Fly Ash Storage Building – Dust Collector 1	0.58	2.54
HU-Ash8, P-34	Fly Ash Storage Building – Dust Collector 2	0.58	2.54
HU-Ash9, P-35	Fly Ash Rail Loadout	0.06	0.26
HU-Ash10, P-36	Fly Ash Rail Bin Vent #1	0.58	2.54
HU-Ash10, P-37	Fly Ash Rail Bin Vent #2	0.58	2.54

i. Compliance with the other specific conditions for EUG 4B demonstrates compliance with these emissions limits. No testing of emissions is required.

ii. All activities in EUG 4B, with the exception of HU-Ash7 and HU-Ash9, shall vent exhausts to fabric filters or equivalent devices with a manufacturer's guaranteed outlet emission rate for PM_{10} of 0.01 gr/dscf. HU-Ash7 and HU-Ash9 shall vent exhausts to fabric filters or equivalent devices with at least 90 percent control efficiency for PM_{10}.

[OAC 252:100-8-6(a)]

iii. The pressure drop across each bag filter shall not exceed the highest pressure drop allowed by the manufacturer's guarantee. The permittee shall monitor and record, either manually or electronically, the pressure drop from each bag filter daily when operated. [OAC 252:100-43]

iv. The permittee shall monitor emissions from the ash handling activities in accordance with the procedures previously listed in Specific Condition No. 1.C.v.

E. EUG 5. Facility Traffic. Emissions are fugitive and no specific limits apply.

EU and Point ID#	Activities
HU-PT, P-18	Paved and unpaved roads

F. EUG 7B. Emergency Engines

Point and EU ID#	Capacity (hp)	Make/Model	Installed Date
HU-G, P-38	525	Diesel Fire Water Pump*	Est. 2007
HU-G, P-39	2,220	Emergency Diesel Generator*	Est. 2007

***** The Make/Model is unknown at this time.

i. The emergency diesel engines installed shall not be rated above the horsepower ratings specified above.

ii. P-38 and P-39 shall only combust diesel fuel oil with a sulfur content of 0.5 percent by weight or less.

iii. P-38 and P-39 shall not operate more than 52 hours per year unless due to emergency circumstances.

iv. P-38 and P-39 shall be equipped with non-resettable hour meters.

G. EUG 8. Storage Pile Activities. Emissions are fugitive and no specific limits apply.

EU and Point ID#	Activities
HU-SP1, P-40	North Active Coal Pile: Load-in
	Wind Erosion
	Pile Maintenance Pushed to Reclaim 2
	Pile Maintenance Pushed to Reclaim 3
HU-SP2, P-41	South Active Coal Pile: Load-in
	Wind Erosion
	Pile Maintenance Pushed to Reclaim 1
HU-SP3, P-42	North Long Term Coal Storage Wind Erosion
HU-SP4, P-43	South Long Term Coal Storage Wind Erosion
HU-SP5, P-44	Gypsum Pile: Load-in
	Truck Load-out
	Wind Erosion
	Pile Maintenance
HU-SP6, P-45	Limestone Pile: Stackout Lowering Well
	Wind Erosion
	Pile Maintenance
HU-SP7, P-46	Landfill: Load-in
	Wind Erosion
	Pile Maintenance (dozer)
	Pile Maintenance (compactor)
	Pile Maintenance (water truck)
	Pile Maintenance (grader)

H. EUG 9. Limestone Handling Activities

EU and Point ID#	Activities
HU-LS1, P-47	Limestone Receiving Hopper
HU-LS2, P-48	Limestone Reclaim Tunnel
HU-LS3, P-49	Limestone Silo 1
HU-LS4, P-50	Limestone Silo 2

i. These emission units shall vent exhausts to fabric filters or equivalent devices with a manufacturer's guaranteed outlet emission rate for PM_{10} of 0.01 gr/dscf. [OAC 252:100-8-6(a)]

ii. The pressure drop across each bag filter shall not exceed the highest pressure drop allowed by the manufacturer's guarantee. The permittee shall monitor and record, either manually or electronically, the pressure drop from each bag filter daily when operated. [OAC 252:100-43]

I. EUG 10. Wastewater Spray Dryer

EU and Point ID#	Capacity (MMBtu/hr)	Make/Model	Installed Date
HU-SD, P-51	20	Wastewater Spray Dryer*	Est. 2007

* The Make/Model is unknown at this time.

Emission Limitations

EU and Point ID#	NO_X		CO		VOC		SO_2		PM_{10}	
	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY	lb/hr	TPY
HU-SD, P-51	2.9	13	0.7	3.1	0.03	0.1	1.0	4.4	0.2	1.0

i. The wastewater spray dryer shall be designed for a heat rate of no more than 20 MMBtu/hr, based on the higher heating value of the fuel. [OAC 252: 100-8-6(a)]

ii. The wastewater spray dryer shall be constructed with Low-NO_X burners.

iii. The wastewater spray dryer shall only combust No. 2 fuel oil with a maximum fuel sulfur content of 0.5 percent by weight. [OAC 252: 100-8-25]

iv. The permittee shall monitor the opacity of the stack exhaust in accordance with the procedures previously listed in Specific Condition No. 1.C.v.

v. Compliance with the emission limits for NO_X, CO, VOC, and PM_{10} shall be demonstrated by manufacturer's guaranteed emission factors, or AP-42 factors, and calculated annually as a calendar year total.

J. EUG 11B. Cooling Tower Unit

EU and Point ID#	Activities	PM_{10}	
		lb/hr	TPY
HU-CT2, P-54	Hugo Unit 2 Cooling Tower	9.9	43

i. Compliance with the other specific conditions for EUG 11B demonstrates compliance with these emissions limits. No testing of emissions is required.

ii. The new cooling tower shall be constructed with drift eliminators that achieve a drift efficiency of 0.0005 percent.

2. Each boiler at the facility shall have a permanent identification plate attached which shows the make, model number, and serial number. [OAC 252:100-8-6(a)]

3. Reasonable precautions shall be taken to minimize or prevent visible fugitive dust from the facility to be discharged beyond the property line in such a manner as to damage or interfere with the use of adjacent properties, or cause ambient air quality standards to be exceeded, or to interfere with the maintenance of air quality standards. Reasonable precautions may include, but are not limited to: [OAC 252:100-29-2]

A. Use of water or chemicals on roads, stockpiles, material processing and all transfer operations as needed where possible.

B. Apply coatings or coverings to substances susceptible to becoming air-borne or wind-borne.

C. Cover or wet materials in trucks.

D. Plant and maintain vegetation coverings or windbreaks.

E. Locate stockpiles so as to provide minimum exposure to high winds and avoid open spaces near neighboring homes and businesses.

F. Proper maintenance and operation of loading equipment.

4. The following records shall be maintained on-site to verify insignificant activities. [OAC 252:100-43]

A. For stationary reciprocating engines burning natural gas, gasoline, aircraft fuels, or diesel fuel which are either used exclusively for emergency power generation or for peaking power service: operating hours per year. This condition applies to the equipment in EUG 7B (emergency diesel generator and emergency fire water pump).

B. For activities having the potential to emit no more than 5 TPY (actual) of any criteria pollutant: activity and actual emissions.

5. When monitoring shows PM_{10}, SO_2, NO_X, CO, NH_3, or Hg emissions, or opacity, in excess of limits listed in Specific Condition No. 1 of this permit, the owner or operator shall comply with the provisions of OAC 252:100-9 for excess emissions during start-up, shut-down, and malfunction of air pollution control equipment. Requirements include prompt notification to AQD and prompt commencement of repairs to correct the condition of excess emissions.
[OAC 252:100-9]

6. The permittee shall maintain the following records of operations. These records shall be maintained on-site or at a local field office for at least five years after the date of recording and shall be provided to regulatory personnel upon request. Records may be kept in an electronic format, unless that format is not allowed by an applicable federal standard. [OAC 252:100-43]

A. For HU-Unit2, all CEMS data for emissions of PM_{10} (if applicable), SO_2, NO_X, CO, NH_3, and Hg; and COMS data for opacity.

B. Records required by 40 CFR 60, Subpart Da for opacity, PM_{10}, SO_2, NO_X, and Hg emissions.

C. Sulfur content of fuel oil (each shipment).

D. Emissions data as required by the Acid Rain Program, 40 CFR Parts 72, 73, 75, and 76.

E. RATA test results from periodic CEMS certification tests.

F. All CEMS and COMS quality assurance documentation, including quality assurance measures, calibration checks, adjustments and maintenance performed on these systems.

G. Monthly summaries of total coal unloaded (tons) and visible emissions observations for the coal handling activities and ash handling activities.

H. Hours of operation and liquid fuels usage in the emergency diesel generator and diesel fire water pump (monthly and 12-month rolling totals).

I. Hours of operation, hourly tons of coal fired, hourly heat-input rate, hourly gross MWh, and hourly net MWh of HU-Unit2 (monthly and 12-month rolling totals).

7. No later than 30 days after each anniversary date of the issuance of Permit No. 97-058-TV (April 2, 2004), the permittee shall submit to AQD, with a copy to the EPA, Region 6, a certification of compliance with the terms and conditions of this permit. The following specific information is required to be included: [OAC 252:100-8-6 (c)(5)(A) & (D)]

A. Summary of monitoring, operation and maintenance records required by this permit.

B. Summary of emissions for HU-Unit2.

C. Executive summary of quarterly CGA and RATA reports.

8. The Permit Shield (Standard Conditions, Section VI) is extended to the following requirements that have been determined to be inapplicable to this facility.

[OAC 252:100-8-6(d)(2)]

A. OAC 252:100-7 Permits for Minor Facilities

B. OAC 252:100-11 Alternative Emissions Reduction Plans and Authorizations

C. OAC 252:100-15 Motor Vehicle Pollution Control Devices

D. OAC 252:100-17 Incinerators

E. OAC 252:100-21 Particulate Matter Emissions From Wood-Waste Burning Equipment

F. OAC 252:100-23 Control of Emissions From Cotton Gins

G. OAC 252:100-24 Particulate Matter Emissions from Grain, Feed or Seed Operations

H. OAC 252:100-35 Control of Emission of Carbon Monoxide

I. OAC 252:100-39 Emission of Volatile Organic Compounds (VOCs) in Nonattainment Areas and Former Nonattainment Areas

J. OAC 252:100-47 Control of Emissions from Existing Municipal Solid Waste Landfills

9. The permittee shall conduct performance testing and submit a written report of results for EUG 3 Coal Handling Activities to demonstrate compliance with 40 CFR 60, Subpart Y.

[OAC 252:100-43, 40 CFR 60.254, and CFR Part 60.8(a)]

A. Performance testing by the permittee shall, as applicable, use the following test methods specified in 40 CFR 60.

Method 5: Determination of PM_{10} Emissions from Stationary Sources
Method 9: Visual Determination of Opacity

B. A copy of the test plan shall be provided to AQD at least 30 days prior to each test date.

C. Performance testing shall be conducted while the coal handling equipment is operating within 10 percent of the maximum operating rate.

10. Within 60 days of achieving maximum steam production rate in HU-Unit2, not to exceed 180 days from initial start-up, and at least once every 5 years thereafter (prior to the submittal of

the TV renewal application), the permittee shall conduct performance testing of HU-Unit2 and submit a written report of the results to the AQD. [OAC 252:100-43 and 40 CFR Part 60.8(a)]

A. The initial performance stack test shall use the following EPA Reference Test methods specified in 40 CFR 60 or ASTM methods as specified.

   i. For diluents, either CO_2 or O_2: Method 3, 3A, or 3B.

   ii. For emissions of PM_{10}: Method 5B or 17 (front half/filterable) and Method 201A/202 (back half/condensable). The permittee may request an alternative method for Method 202 using the "Miniature Acid Condensation System" method (EPA/600/3-8/056, April 1984, (NTIS PB84182823)) to correct for sulfate bias from H_2SO_4 mist emissions. A testing protocol must be submitted and approved by AQD at least 60 days prior to the stack test.

   iii. For emissions of SO_2: Method 6, 6A, or 6C.

   iv. For emissions of NO_X: Method 7 or 7E.

   v. For emissions of H_2SO_4 mist: Method 8 or the "Miniature Acid Condensation System" method cited above, if approved by AQD.

   vi. For opacity: Method 9 or a certified continuous opacity measurement system (COMS).

   vii. For emissions of CO: Method 10

   viii. For emissions of VOC: Method 25A (modified to exclude methane and ethane) or Method 18 (if necessary)

   ix. For emissions of mercury: ASTM D6784-02, Standard Test Method for Elemental, Oxidized, Particle-Bound, and Total Mercury in Flue Gas Generated from Coal-Fired Stationary Sources (also known as the Ontario Hydro Method), or other approved EPA methods.

B. A copy of the test plan shall be provided to AQD at least 30 days prior to each test date.

C. Performance testing shall be conducted while the HU-Unit2 is operating within 10 percent of the rate at which an operating permit authorization will be sought.

D. The testing reports shall include a representative analysis of the coal being burned during testing, including sulfur content, ash content, and Hg content.

SECTION I. DUTY TO COMPLY

A. This is a permit to operate / construct this specific facility in accordance with Title V of the federal Clean Air Act (42 U.S.C. 7401, et seq.) and under the authority of the Oklahoma Clean Air Act and the rules promulgated there under. [Oklahoma Clean Air Act, 27A O.S. § 2-5-112]

B. The issuing Authority for the permit is the Air Quality Division (AQD) of the Oklahoma Department of Environmental Quality (DEQ). The permit does not relieve the holder of the obligation to comply with other applicable federal, state, or local statutes, regulations, rules, or ordinances. [Oklahoma Clean Air Act, 27A O.S. § 2-5-112]

C. The permittee shall comply with all conditions of this permit. Any permit noncompliance shall constitute a violation of the Oklahoma Clean Air Act and shall be grounds for enforcement action, for revocation of the approval to operate under the terms of this permit, or for denial of an application to renew this permit. All terms and conditions (excluding state-only requirements) are enforceable by the DEQ, by EPA, and by citizens under section 304 of the Clean Air Act. This permit is valid for operations only at the specific location listed.
[40 CFR §70.6(b), OAC 252:100-8-1.3 and 8-6 (a)(7)(A) and (b)(1)]

D. 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 the permit. [OAC 252:100-8-6 (a)(7)(B)]

SECTION II. REPORTING OF DEVIATIONS FROM PERMIT TERMS

A. Any exceedance resulting from emergency conditions and/or posing an imminent and substantial danger to public health, safety, or the environment shall be reported in accordance with Section XIV. [OAC 252:100-8-6 (a)(3)(C)(iii)]

B. Deviations that result in emissions exceeding those allowed in this permit shall be reported consistent with the requirements of OAC 252:100-9, Excess Emission Reporting Requirements.
[OAC 252:100-8-6 (a)(3)(C)(iv)]

C. Oral notifications (fax is also acceptable) shall be made to the AQD central office as soon as the owner or operator of the facility has knowledge of such emissions but no later than 4:30 p.m. the next working day the permittee becomes aware of the exceedance. Within ten (10) working days after the immediate notice is given, the owner operator shall submit a written report describing the extent of the excess emissions and response actions taken by the facility. Every written report submitted under OAC 252:100-8-6 (a)(3)(C)(iii) shall be certified by a responsible official. [OAC 252:100-8-6 (a)(3)(C)(iii)]

SECTION III. MONITORING, TESTING, RECORDKEEPING & REPORTING

A. The permittee shall keep records as specified in this permit. Unless a different retention period or retention conditions are set forth by a specific term in this permit, these records,

including monitoring data and necessary support information, shall be retained on-site or at a nearby field office for a period of at least five years from the date of the monitoring sample, measurement, report, or application, and shall be made available for inspection by regulatory personnel upon request. Support information includes all original strip-chart recordings for continuous monitoring instrumentation, and copies of all reports required by this permit. Where appropriate, the permit may specify that records may be maintained in computerized form.
[OAC 252:100-8-6 (a)(3)(B)(ii), 8-6 (c)(1), and 8-6 (c)(2)(B)]

B. Records of required monitoring shall include:
(1) the date, place and time of sampling or measurement;
(2) the date or dates analyses were performed;
(3) the company or entity which performed the analyses;
(4) the analytical techniques or methods used;
(5) the results of such analyses; and
(6) the operating conditions as existing at the time of sampling or measurement.
[OAC 252:100-8-6 (a)(3)(B)(i)]

C. No later than 30 days after each six (6) month period, after the date of the issuance of the original Part 70 operating permit, the permittee shall submit to AQD a report of the results of any required monitoring. All instances of deviations from permit requirements since the previous report shall be clearly identified in the report. [OAC 252:100-8-6 (a)(3)(C)(i) and (ii)]

D. If any testing shows emissions in excess of limitations specified in this permit, the owner or operator shall comply with the provisions of Section II of these standard conditions.
[OAC 252:100-8-6 (a)(3)(C)(iii)]

E. In addition to any monitoring, recordkeeping or reporting requirement specified in this permit, monitoring and reporting may be required under the provisions of OAC 252:100-43, Testing, Monitoring, and Recordkeeping, or as required by any provision of the Federal Clean Air Act or Oklahoma Clean Air Act.

F. Submission of quarterly or semi-annual reports required by any applicable requirement that are duplicative of the reporting required in the previous paragraph will satisfy the reporting requirements of the previous paragraph if noted on the submitted report.

G. Every report submitted under OAC 252:100-8-6 and OAC 252:100-43 shall be certified by a responsible official. [OAC 252:100-8-6 (a)(3)(C)(iv)]

H. Any owner or operator subject to the provisions of NSPS shall maintain records of the occurrence and duration of any start-up, shutdown, or malfunction in the operation of an affected facility or any malfunction of the air pollution control equipment. [40 CFR 60.7 (b)]

I. Any owner or operator subject to the provisions of NSPS shall maintain a file of all measurements and other information required by the subpart recorded in a permanent file suitable for inspection. This file shall be retained for at least two years following the date of such measurements, maintenance, and records. [40 CFR 60.7 (d)]

J. The permittee of a facility that is operating subject to a schedule of compliance shall submit to the DEQ a progress report at least semi-annually. The progress reports shall contain dates for achieving the activities, milestones or compliance required in the schedule of compliance and the dates when such activities, milestones or compliance was achieved. The progress reports shall also contain an explanation of why any dates in the schedule of compliance were not or will not be met, and any preventative or corrective measures adopted. [OAC 252:100-8-6 (c)(4)]

K. All testing must be conducted by methods approved by the Division Director under the direction of qualified personnel. All tests shall be made and the results calculated in accordance with standard test procedures. The use of alternative test procedures must be approved by EPA. When a portable analyzer is used to measure emissions it shall be setup, calibrated, and operated in accordance with the manufacturer's instructions and in accordance with a protocol meeting the requirements of the "AQD Portable Analyzer Guidance" document or an equivalent method approved by Air Quality. [40 CFR §70.6(a), 40 CFR §51.212(c)(2), 40 CFR § 70.7(d), 40 CFR §70.7(e)(2), OAC 252:100-8-6 (a)(3)(A)(iv), and OAC 252:100-43]

The reporting of total particulate matter emissions as required in Part 70, PSD, OAC 252:100-19, and Emission Inventory, shall be conducted in accordance with applicable testing or calculation procedures, modified to include back-half condensables, for the concentration of particulate matter less than 10 microns in diameter PM_{10}. NSPS may allow reporting of only particulate matter emissions caught in the filter (obtained using Reference Method 5). [US EPA Publication (September 1994). PM_{10} Emission Inventory Requirements - Final Report. Emission Inventory Branch: RTP, N.C.]; [Federal Register: Volume 55, Number 74, 4/17/90, pp.14246-14249. 40 CFR Part 51: Preparation, Adoption, and Submittal of State Implementation Plans; Methods for Measurement of PM_{10} Emissions from Stationary Sources]; [Letter from Thompson G. Pace, EPA OAQPS to Sean Fitzsimmons, Iowa DNR, March 31, 1994 (regarding PM_{10} Condensables)]

L. The permittee shall submit to the AQD a copy of all reports submitted to the EPA as required by 40 CFR Part 60, 61, and 63, for all equipment constructed or operated under this permit subject to such standards. [OAC 252:100-4-5 and OAC 252:100-41-15]

SECTION IV. COMPLIANCE CERTIFICATIONS

A. No later than 30 days after each anniversary date of the issuance of the original Part 70 operating permit, the permittee shall submit to the AQD, with a copy to the US EPA, Region 6, a certification of compliance with the terms and conditions of this permit and of any other applicable requirements which have become effective since the issuance of this permit. The compliance certification shall also include such other facts as the permitting authority may require to determine the compliance status of the source.

[OAC 252:100-8-6 (c)(5)(A), (C)(v), and (D)]

B. The certification shall describe the operating permit term or condition that is the basis of the certification; the current compliance status; whether compliance was continuous or intermittent; the methods used for determining compliance, currently and over the reporting period; and a statement that the facility will continue to comply with all applicable requirements.

[OAC 252:100-8-6 (c)(5)(C)(i)-(iv)]

C. Any document required to be submitted in accordance with this permit shall be certified as being true, accurate, and complete by a responsible official. This certification shall state that, based on information and belief formed after reasonable inquiry, the statements and information in the certification are true, accurate, and complete.

[OAC 252:100-8-5 (f) and OAC 252:100-8-6 (c)(1)]

D. Any facility reporting noncompliance shall submit a schedule of compliance for emissions units or stationary sources that are not in compliance with all applicable requirements. This schedule shall include a schedule of remedial measures, including an enforceable sequence of actions with milestones, leading to compliance with any applicable requirements for which the emissions unit or stationary source is in noncompliance. This compliance schedule shall resemble and be at least as stringent as that contained in any judicial consent decree or administrative order to which the emissions unit or stationary source is subject. Any such schedule of compliance shall be supplemental to, and shall not sanction noncompliance with, the applicable requirements on which it is based, except that a compliance plan shall not be required for any noncompliance condition which is corrected within 24 hours of discovery.

[OAC 252:100-8-5 (e)(8)(B) and OAC 252:100-8-6 (c)(3)]

SECTION V. REQUIREMENTS THAT BECOME APPLICABLE DURING THE PERMIT TERM

The permittee shall comply with any additional requirements that become effective during the permit term and that are applicable to the facility. Compliance with all new requirements shall be certified in the next annual certification. [OAC 252:100-8-6 (c)(6)]

SECTION VI. PERMIT SHIELD

A. Compliance with the terms and conditions of this permit (including terms and conditions established for alternate operating scenarios, emissions trading, and emissions averaging, but excluding terms and conditions for which the permit shield is expressly prohibited under OAC 252:100-8) shall be deemed compliance with the applicable requirements identified and included in this permit. [OAC 252:100-8-6 (d)(1)]

B. Those requirements that are applicable are listed in the Standard Conditions and the Specific Conditions of this permit. Those requirements that the applicant requested be determined as not applicable are summarized in the Specific Conditions of this permit. [OAC 252:100-8-6 (d)(2)]

SECTION VII. ANNUAL EMISSIONS INVENTORY & FEE PAYMENT

The permittee shall file with the AQD an annual emission inventory and shall pay annual fees based on emissions inventories. The methods used to calculate emissions for inventory purposes shall be based on the best available information accepted by AQD.

[OAC 252:100-5-2.1, -5-2.2, and OAC 252:100-8-6 (a)(8)]

SECTION VIII. TERM OF PERMIT

A. Unless specified otherwise, the term of an operating permit shall be five years from the date of issuance. [OAC 252:100-8-6 (a)(2)(A)]

B. A source's right to operate shall terminate upon the expiration of its permit unless a timely and complete renewal application has been submitted at least 180 days before the date of expiration. [OAC 252:100-8-7.1 (d)(1)]

C. A duly issued construction permit or authorization to construct or modify will terminate and become null and void (unless extended as provided in OAC 252:100-8-1.4(b)) if the construction is not commenced within 18 months after the date the permit or authorization was issued, or if work is suspended for more than 18 months after it is commenced. [OAC 252:100-8-1.4(a)]

D. The recipient of a construction permit shall apply for a permit to operate (or modified operating permit) within 180 days following the first day of operation. [OAC 252:100-8-4(b)(5)]

SECTION IX. SEVERABILITY

The provisions of this permit are severable and if any provision of this permit, or the application of any provision of this permit to any circumstance, is held invalid, the application of such provision to other circumstances, and the remainder of this permit, shall not be affected thereby. [OAC 252:100-8-6 (a)(6)]

SECTION X. PROPERTY RIGHTS

A. This permit does not convey any property rights of any sort, or any exclusive privilege. [OAC 252:100-8-6 (a)(7)(D)]

B. This permit shall not be considered in any manner affecting the title of the premises upon which the equipment is located and does not release the permittee from any liability for damage to persons or property caused by or resulting from the maintenance or operation of the equipment for which the permit is issued. [OAC 252:100-8-6 (c)(6)]

SECTION XI. DUTY TO PROVIDE INFORMATION

A. The permittee shall furnish to the DEQ, upon receipt of a written request and within sixty (60) days of the request unless the DEQ specifies another time period, any information that the DEQ may request to determine whether cause exists for modifying, reopening, revoking, reissuing, terminating the permit or to determine compliance with the permit. Upon request, the permittee shall also furnish to the DEQ copies of records required to be kept by the permit. [OAC 252:100-8-6 (a)(7)(E)]

B. The permittee may make a claim of confidentiality for any information or records submitted pursuant to 27A O.S. 2-5-105(18). Confidential information shall be clearly labeled as such and shall be separable from the main body of the document such as in an attachment.
[OAC 252:100-8-6 (a)(7)(E)]

C. Notification to the AQD of the sale or transfer of ownership of this facility is required and shall be made in writing within 10 days after such date.
[Oklahoma Clean Air Act, 27A O.S. § 2-5-112 (G)]

SECTION XII. REOPENING, MODIFICATION & REVOCATION

A. The permit may be modified, revoked, reopened and reissued, or terminated for cause. Except as provided for minor permit modifications, the filing of a request by the permittee for a permit modification, revocation, reissuance, termination, notification of planned changes, or anticipated noncompliance does not stay any permit condition.
[OAC 252:100-8-6 (a)(7)(C) and OAC 252:100-8-7.2 (b)]

B. The DEQ will reopen and revise or revoke this permit as necessary to remedy deficiencies in the following circumstances: [OAC 252:100-8-7.3 and OAC 252:100-8-7.4(a)(2)]

(1) Additional requirements under the Clean Air Act become applicable to a major source category three or more years prior to the expiration date of this permit. No such reopening is required if the effective date of the requirement is later than the expiration date of this permit.
(2) The DEQ or the EPA determines that this permit contains a material mistake or that the permit must be revised or revoked to assure compliance with the applicable requirements.
(3) The DEQ or the EPA determines that inaccurate information was used in establishing the emission standards, limitations, or other conditions of this permit. The DEQ may revoke and not reissue this permit if it determines that the permittee has submitted false or misleading information to the DEQ.

C. If "grandfathered" status is claimed and granted for any equipment covered by this permit, it shall only apply under the following circumstances: [OAC 252:100-5-1.1]

(1) It only applies to that specific item by serial number or some other permanent identification.
(2) Grandfathered status is lost if the item is significantly modified or if it is relocated outside the boundaries of the facility.

D. To make changes other than (1) those described in Section XVIII (Operational Flexibility), (2) administrative permit amendments, and (3) those not defined as an Insignificant Activity (Section XVI) or Trivial Activity (Section XVII), the permittee shall notify AQD. Such changes may require a permit modification. [OAC 252:100-8-7.2 (b)]

E. Activities that will result in air emissions that exceed the trivial/insignificant levels and that are not specifically approved by this permit are prohibited. [OAC 252:100-8-6 (c)(6)]

SECTION XIII. INSPECTION & ENTRY

A. Upon presentation of credentials and other documents as may be required by law, the permittee shall allow authorized regulatory officials to perform the following (subject to the permittee's right to seek confidential treatment pursuant to 27A O.S. Supp. 1998, § 2-5-105(18) for confidential information submitted to or obtained by the DEQ under this section):
[OAC 252:100-8-6 (c)(2)]

(1) enter upon the permittee's premises during reasonable/normal working hours where a source is located or emissions-related activity is conducted, or where records must be kept under the conditions of the permit;
(2) have access to and copy, at reasonable times, any records that must be kept under the conditions of the permit;
(3) inspect, at reasonable times and using reasonable safety practices, any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under the permit; and
(4) as authorized by the Oklahoma Clean Air Act, sample or monitor at reasonable times substances or parameters for the purpose of assuring compliance with the permit.

SECTION XIV. EMERGENCIES

A. Any emergency and/or exceedance that poses an imminent and substantial danger to public health, safety, or the environment shall be reported to AQD as soon as is practicable; but under no circumstance shall notification be more than 24 hours after the exceedance.
[OAC 252:100-8-6 (a)(3)(C)(iii)(II)]

B. An "emergency" means any situation arising from sudden and reasonably unforeseeable events beyond the control of the source, including acts of God, which situation requires immediate corrective action to restore normal operation, and that causes the source to exceed a technology-based emission limitation under this permit, due to unavoidable increases in emissions attributable to the emergency. [OAC 252:100-8-2]

C. An emergency shall constitute an affirmative defense to an action brought for noncompliance with such technology-based emission limitation if the conditions of paragraph D below are met.
[OAC 252:100-8-6 (e)(1)]

D. The affirmative defense of emergency shall be demonstrated through properly signed, contemporaneous operating logs or other relevant evidence that:
[OAC 252:100-8-6 (e)(2), (a)(3)(C)(iii)(I) and (IV)]

(1) an emergency occurred and the permittee can identify the cause or causes of the emergency;
(2) the permitted facility was at the time being properly operated;

(3) 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 this permit;
(4) the permittee submitted timely notice of the emergency to AQD, pursuant to the applicable regulations (i.e., for emergencies that pose an "imminent and substantial danger," within 24 hours of the time when emission limitations were exceeded due to the emergency; 4:30 p.m. the next business day for all other emergency exceedances). *See OAC 252:100-8-6(a)(3)(C)(iii)(I) and (II).* This notice shall contain a description of the emergency, the probable cause of the exceedance, any steps taken to mitigate emissions, and corrective actions taken; and
(5) the permittee submitted a follow up written report within 10 working days of first becoming aware of the exceedance.

E. In any enforcement proceeding, the permittee seeking to establish the occurrence of an emergency shall have the burden of proof. [OAC 252:100-8-6 (e)(3)]

SECTION XV. RISK MANAGEMENT PLAN

The permittee, if subject to the provision of Section 112(r) of the Clean Air Act, shall develop and register with the appropriate agency a risk management plan by June 20, 1999, or the applicable effective date. [OAC 252:100-8-6 (a)(4)]

SECTION XVI. INSIGNIFICANT ACTIVITIES

Except as otherwise prohibited or limited by this permit, the permittee is hereby authorized to operate individual emissions units that are either on the list in Appendix I to OAC Title 252, Chapter 100, or whose actual calendar year emissions do not exceed any of the limits below. Any activity to which a State or federal applicable requirement applies is not insignificant even if it meets the criteria below or is included on the insignificant activities list.[OAC 252:100-8-2]

(1) 5 tons per year of any one criteria pollutant.
(2) 2 tons per year for any one hazardous air pollutant (HAP) or 5 tons per year for an aggregate of two or more HAP's, or 20 percent of any threshold less than 10 tons per year for single HAP that the EPA may establish by rule.

SECTION XVII. TRIVIAL ACTIVITIES

Except as otherwise prohibited or limited by this permit, the permittee is hereby authorized to operate any individual or combination of air emissions units that are considered inconsequential and are on the list in Appendix J. Any activity to which a State or federal applicable requirement applies is not trivial even if included on the trivial activities list. [OAC 252:100-8-2]

SECTION XVIII. OPERATIONAL FLEXIBILITY

A. A facility may implement any operating scenario allowed for in its Part 70 permit without the need for any permit revision or any notification to the DEQ (unless specified otherwise in the permit). When an operating scenario is changed, the permittee shall record in a log at the facility the scenario under which it is operating. [OAC 252:100-8-6 (a)(10) and (f)(1)]

B. The permittee may make changes within the facility that:

(1) result in no net emissions increases,
(2) are not modifications under any provision of Title I of the federal Clean Air Act, and
(3) do not cause any hourly or annual permitted emission rate of any existing emissions unit to be exceeded;

provided that the facility provides the EPA and the DEQ with written notification as required below in advance of the proposed changes, which shall be a minimum of 7 days, or 24 hours for emergencies as defined in OAC 252:100-8-6 (e). The permittee, the DEQ, and the EPA shall attach each such notice to their copy of the permit. For each such change, the written notification required above shall include a brief description of the change within the permitted facility, the date on which the change will occur, any change in emissions, and any permit term or condition that is no longer applicable as a result of the change. The permit shield provided by this permit does not apply to any change made pursuant to this subsection.[OAC 252:100-8-6 (f)(2)]

SECTION XIX. OTHER APPLICABLE & STATE-ONLY REQUIREMENTS

A. The following applicable requirements and state-only requirements apply to the facility unless elsewhere covered by a more restrictive requirement:

(1) No person shall cause or permit the discharge of emissions such that National Ambient Air Quality Standards (NAAQS) are exceeded on land outside the permitted facility. [OAC 252:100-3]
(2) Open burning of refuse and other combustible material is prohibited except as authorized in the specific examples and under the conditions listed in the Open Burning Subchapter. [OAC 252:100-13]
(3) No particulate emissions from any fuel-burning equipment with a rated heat input of 10 MMBTUH or less shall exceed 0.6 lb/MMBTU. [OAC 252:100-19]
(4) For all emissions units not subject to an opacity limit promulgated under 40 CFR, Part 60, NSPS, no discharge of greater than 20% opacity is allowed except for short-term occurrences which consist of not more than one six-minute period in any consecutive 60 minutes, not to exceed three such periods in any consecutive 24 hours. In no case shall the average of any six-minute period exceed 60% opacity. [OAC 252:100-25]
(5) No visible fugitive dust emissions shall be discharged beyond the property line on which the emissions originate in such a manner as to damage or to interfere with the use of adjacent properties, or cause air quality standards to be exceeded, or interfere with the maintenance of air quality standards. [OAC 252:100-29]

(6) No sulfur oxide emissions from new gas-fired fuel-burning equipment shall exceed 0.2 lb/MMBTU. No existing source shall exceed the listed ambient air standards for sulfur dioxide. [OAC 252:100-31]
(7) Volatile Organic Compound (VOC) storage tanks built after December28, 1974, and with a capacity of 400 gallons or more storing a liquid with a vapor pressure of 1.5 psia or greater under actual conditions shall be equipped with a permanent submerged fill pipe or with a vapor-recovery system. [OAC 252:100-37-15(b)]
(8) All fuel-burning equipment shall at all times be properly operated and maintained in a manner that will minimize emissions of VOCs. [OAC 252:100-37-36]

SECTION XX. STRATOSPHERIC OZONE PROTECTION

A. The permittee shall comply with the following standards for production and consumption of ozone-depleting substances. [40 CFR 82, Subpart A]

1. Persons producing, importing, or placing an order for production or importation of certain class I and class II substances, HCFC-22, or HCFC-141b shall be subject to the requirements of §82.4.
2. Producers, importers, exporters, purchasers, and persons who transform or destroy certain class I and class II substances, HCFC-22, or HCFC-141b are subject to the recordkeeping requirements at §82.13.
3. Class I substances (listed at Appendix A to Subpart A) include certain CFCs, Halons, HBFCs, carbon tetrachloride, trichloroethane (methyl chloroform), and bromomethane (Methyl Bromide). Class II substances (listed at Appendix B to Subpart A) include HCFCs.

B. If the permittee performs a service on motor (fleet) vehicles when this service involves an ozone-depleting substance refrigerant (or regulated substitute substance) in the motor vehicle air conditioner (MVAC), the permittee is subject to all applicable requirements. Note: The term "motor vehicle" as used in Subpart B does not include a vehicle in which final assembly of the vehicle has not been completed. The term "MVAC" as used in Subpart B does not include the air-tight sealed refrigeration system used as refrigerated cargo, or the system used on passenger buses using HCFC-22 refrigerant. [40 CFR 82, Subpart B]

C. The permittee shall comply with the following standards for recycling and emissions reduction except as provided for MVACs in Subpart B. [40 CFR 82, Subpart F]

(1) Persons opening appliances for maintenance, service, repair, or disposal must comply with the required practices pursuant to § 82.156.
(2) Equipment used during the maintenance, service, repair, or disposal of appliances must comply with the standards for recycling and recovery equipment pursuant to § 82.158.
(3) Persons performing maintenance, service, repair, or disposal of appliances must be certified by an approved technician certification program pursuant to § 82.161.
(4) Persons disposing of small appliances, MVACs, and MVAC-like appliances must comply with record-keeping requirements pursuant to § 82.166.

(5) Persons owning commercial or industrial process refrigeration equipment must comply with leak repair requirements pursuant to § 82.158.
(6) Owners/operators of appliances normally containing 50 or more pounds of refrigerant must keep records of refrigerant purchased and added to such appliances pursuant to § 82.166.

SECTION XXI. TITLE V APPROVAL LANGUAGE

A. DEQ wishes to reduce the time and work associated with permit review and, wherever it is not inconsistent with Federal requirements, to provide for incorporation of requirements established through construction permitting into the Sources' Title V permit without causing redundant review. Requirements from construction permits may be incorporated into the Title V permit through the administrative amendment process set forth in Oklahoma Administrative Code 252:100-8-7.2(a) only if the following procedures are followed:

(1) The construction permit goes out for a 30-day public notice and comment using the procedures set forth in 40 Code of Federal Regulations (CFR) § 70.7 (h)(1). This public notice shall include notice to the public that this permit is subject to Environmental Protection Agency (EPA) review, EPA objection, and petition to EPA, as provided by 40 CFR § 70.8; that the requirements of the construction permit will be incorporated into the Title V permit through the administrative amendment process; that the public will not receive another opportunity to provide comments when the requirements are incorporated into the Title V permit; and that EPA review, EPA objection, and petitions to EPA will not be available to the public when requirements from the construction permit are incorporated into the Title V permit.
(2) A copy of the construction permit application is sent to EPA, as provided by 40 CFR § 70.8(a)(1).
(3) A copy of the draft construction permit is sent to any affected State, as provided by 40 CFR § 70.8(b).
(4) A copy of the proposed construction permit is sent to EPA for a 45-day review period as provided by 40 CFR § 70.8(a) and (c).
(5) The DEQ complies with 40 CFR § 70.8 (c) upon the written receipt within the 45-day comment period of any EPA objection to the construction permit. The DEQ shall not issue the permit until EPA's objections are resolved to the satisfaction of EPA.
(6) The DEQ complies with 40 CFR § 70.8 (d).
(7) A copy of the final construction permit is sent to EPA as provided by 40 CFR § 70.8 (a).
(8) The DEQ shall not issue the proposed construction permit until any affected State and EPA have had an opportunity to review the proposed permit, as provided by these permit conditions.
(9) Any requirements of the construction permit may be reopened for cause after incorporation into the Title V permit by the administrative amendment process, by DEQ as provided in OAC 252:100-8-7.3 (a), (b), and (c), and by EPA as provided in 40 CFR § 70.7 (f) and (g).

(10) The DEQ shall not issue the administrative permit amendment if performance tests fail to demonstrate that the source is operating in substantial compliance with all permit requirements.

B. To the extent that these conditions are not followed, the Title V permit must go through the Title V review process.

SECTION XXII. CREDIBLE EVIDENCE

For the purpose of submitting compliance certifications or establishing whether or not a person has violated or is in violation of any provision of the Oklahoma implementation plan, nothing shall preclude the use, including the exclusive use, of any credible evidence or information, relevant to whether a source would have been in compliance with applicable requirements if the appropriate performance or compliance test or procedure had been performed.

[OAC 252:100-43-6]

Western Farmers Electric Cooperative
Attn: Gerald Butcher, Environmental Supervisor
P. O. Box 429
Anadarko, OK 73005

Re: Permit Application No. 97-058-C (M-2) (PSD)
Hugo Generating Station
Choctaw County, Oklahoma

Dear Mr. Butcher:

Enclosed is the permit authorizing construction of the referenced facility. Please note that this permit is issued subject to standard and specific conditions, which are attached. These conditions must be carefully followed since they define the limits of the permit and will be confirmed by periodic inspections.

Also note that you are required to annually submit an emissions inventory for this facility. An emissions inventory must be completed on approved AQD forms and submitted (hardcopy or electronically) by March 1st of every year. Any questions concerning the form or submittal process should be referred to the Emissions Inventory Staff at 405-702-4100.

Thank you for your cooperation. If you have any questions, please refer to the permit number above and contact me at (405) 702-4200.

Sincerely,

Grover R. Campbell, P.E.
Existing Source Permit Section
AIR QUALITY DIVISION

Cc: Valliant DEQ Office

PART 70 PERMIT

AIR QUALITY DIVISION
STATE OF OKLAHOMA
DEPARTMENT OF ENVIRONMENTAL QUALITY
707 N. ROBINSON STREET, SUITE 4100
P.O. BOX 1677
OKLAHOMA CITY, OKLAHOMA 73101-1677

Permit Number: 97-058-C (M-2)(PSD)

Western Farmers Electric Cooperative,

having complied with the requirements of the law, is hereby granted permission to construct Hugo Unit 2 (inclusive of a nominal 750 MW (7,125 MMBtu/hr) coal-fired boiler) at the existing Hugo Generating Station, in Choctaw County, Oklahoma,

subject to the Standard Conditions dated December 6, 2006 and Standard Conditions both attached:

In the absence of commencement of construction, this permit shall expire eighteen (18) months from the date below, except as authorized under Section VIII of the Standard Conditions.

Director, Air Quality Division **Date**