

Sheplak, Scott

- file -

From: Bumar, Rich [Rich.Bumar@disney.com]
Sent: Wednesday, August 29, 2007 7:04 AM
To: Sheplak, Scott
Subject: RE: Walt Disney World Title V Renewal Issues
Attachments: CAM Plan 2007.doc

Scott,

Here's the CAM Plan in MS Word.

Regarding the Epcot Diesel Generators (EU's 079 and 080): According to my records, construction began on them in 1986 which would make them existing units in the RICE MACT. Following the same analysis as the DISC generators, there would be no applicable (additional) emissions or operating limitations, testing, notification requirements, recordkeeping or reporting requirements from 40 CFR 63 Subpart DDDDD.

Rich

From: Sheplak, Scott [mailto:Scott.Sheplak@dep.state.fl.us]
Sent: Monday, August 27, 2007 4:32 PM
To: Bumar, Rich
Subject: RE: Walt Disney World Title V Renewal Issues

Thank you; I will review asap. Good work!

Please send a word version of the CAM Plan language.

From: Bumar, Rich [mailto:Rich.Bumar@disney.com]
Sent: Monday, August 27, 2007 4:22 PM
To: Sheplak, Scott
Subject: Walt Disney World Title V Renewal Issues

Scott,

I've taken a look at the issues you and I discussed last Thursday regarding the WDW Title V renewal.

CAM Plan

I left Figure 1 out of the plan I sent you with the renewal. The attached PDF file has the plan including Figure 1.

<<0950111 CAM Plan 2007.pdf>>

RICE MACT (40 CFR 63 Subpart DDDDD)

The first thing I looked at when we started the permitting process was the MACT applicability for the DISC diesel generators. The generators are referenced as an "affected source" in § 63.6590(a) which states "An affected source is any existing, new, or reconstructed stationary RICE with a site-rating of more than 500 brake horsepower located at a major source of HAP emissions, excluding stationary RICE being tested at a stationary RICE test cell/stand." That subsection further defines an "Existing stationary RICE" as "A stationary RICE is existing if you commenced construction or reconstruction of the stationary RICE before December 19, 2002." The DISC generators qualify as existing RICE because construction began on November 26, 2002. So it would seem that the rule applies to the generators.

However, in the same subsection, part (b)(3) states "A stationary RICE which is an existing spark ignition 2 stroke lean burn

8/29/2007

(2SLB) stationary RICE, an existing spark ignition 4 stroke lean burn (4SLB) stationary RICE, an existing compression ignition (CI) stationary RICE, an existing emergency stationary RICE, an existing limited use stationary RICE, or an existing stationary RICE that combusts landfill gas or digester gas equivalent to 10 percent or more of the gross heat input on an annual basis, does not have to meet the requirements of this subpart and of subpart A of this part. No initial notification is necessary." Since the DISC generators are exiting CI stationary RICE, it follows from there in the subpart that no additional requirements are placed on the units in subpart ZZZZ or subpart A of 40 CFR 63. There are no applicable emissions or operating limitations, testing, notification requirements, recordkeeping or reporting requirements as a result. So I think we are good with the requirements that are currently in our permit.

Gas Turbine NSPS

Regarding NSPS for the combustion turbine, these issues were addressed in the latest permit application. Each applicable requirement was listed in the supplemental material submitted with the application. However, I can summarize the submittal here.

On February 18, 2005, the United States Environmental Protection Agency (EPA) proposed a New Source Performance Standard (NSPS) Subpart KKKK for gas turbines. This proposed regulation is not applicable to the WDW gas turbine as the binding contractual obligation 1 for the gas turbine was signed on October 29, 2004, and the cancellation fees reached 10% on December 29, 2004. Overall total project cancellation costs reached \$922,144.002 prior to publication of the proposed rule. Therefore, for the purposes of NSPS, based on guidance from EPA, this gas turbine project is considered an existing source and not subject to the proposed NSPS Subpart KKKK because it commenced construction prior to the February 18, 2005 Federal Register proposal.

40 CFR 60 Subpart A General Provisions 60.2 Definitions include the following definitions for Existing facility and Commenced:

Existing facility means, with reference to a stationary source, any apparatus of the type for which a standard is promulgated in this part, and the construction or modification of which was commenced before the date of proposal of that standard; or any apparatus which could be altered in such a way as to be of that type.

Commenced means, with respect to the definition of new source in section 111(a)(2) of the Act, that an owner or operator has undertaken a continuous program of construction or modification or that an owner or operator has entered into a contractual obligation to undertake and complete, within a reasonable time, a continuous program of construction or modification.

Numerous EPA guidance letters have further defined commenced and contractual obligation as it relates to the date a facility is considered existing for the applicability of a new or proposed regulation.

In the July 18, 1972, letter³ from Mr. Edward E. Reich Chief, Enforcement Proceedings Branch of the EPA to Mr. Richard E. Bell Manager, Environmental Department of the Hawaiian Electric Company, Inc. pertaining to Part 60 Subpart A, the title was Construction Commencement Date and the Abstract section read as follows:

"Does a letter of intent to purchase components for a proposed facility constitute commencing construction?"

Once a letter of intent to purchase is issued, there is usually a period during which the order can be cancelled at no cost to the purchaser. After the date upon which the order cannot be cancelled without incurring a cancellation charge, the purchaser has a contractual obligation."

In the October 1, 1979, letter⁴ titled Commencement from Mr. Edward E. Reich Director, Division of Stationary Source Enforcement of EPA to Mr. Richard P. Cool Engineer, Energy and Utility Project of CARG pertaining to Part 60, Subparts A & D, the Abstract section read as follows:

"For the purposes of Subpart D, when is a contractual obligation entered into?"

A contractual obligation is entered into on the date a cancellation fee for cancellation of the order for a boiler becomes effective."

In the body of the same letter Mr. Reich stated "A contractual obligation is entered into on the date a cancellation fee for cancellation of the order for a boiler becomes effective. This determination has been made previously by the Agency, in particular, in a letter to the Hawaiian Electric Company, Inc., on July 18, 1972"

RCID has only one facility where the GE LM6000 gas turbine could be installed as detailed in the subject air construction permit

8/29/2007

application and is therefore financially committed to this particular site. In addition to the almost one million dollars in contractual cancellation fees RCID will lose if this project is cancelled, RCID will also face up to seven million dollars in additional future power purchase costs to replace the planned power output. RCID has committed itself financially and otherwise to a particular site for a particular facility to the point that relocation is not possible and a delay or substantial modification would be severely disruptive and result in a substantial loss.

In summary, for the purposes of NSPS, based on guidance from EPA, the gas turbine project is considered an existing source and not subject to the proposed NSPS Subpart KKKK because it commenced construction prior to the February 18, 2005 Federal Register proposal.

GAS Turbine MACT (40 CFR 63 Subpart YYYY)

The following analysis was performed during the original permit application and was included in the permit application in 2005. Basically, the GT isn't subject to any part of the MACT except for requirements of initial notification if and when the unit becomes subject to the rule.

On August 18, 2004, EPA stayed the effectiveness of NESHAP Subpart YYYY for lean premix and diffusion flame gas turbine. The relevant provision of the rule that stays the effectiveness for such units is as follows.

40 CFR 63.6095(d) Stay of Standards for Gas-Fired Subcategories.

If you start up a new or reconstructed stationary combustion turbine that is a lean premix gas-fired stationary combustion turbine or diffusion flame gas-fired stationary combustion turbine as defined by this subpart, you must comply with the Initial Notification requirements set forth in Sec. 63.6145, but need not comply with any other requirement of this subpart until EPA takes final action to require compliance and publishes a document in the Federal Register.

Chapter 40, Code of Federal Regulations, Part 63, National Emission Standards for Hazardous Air Pollutants for Source Categories. [Rule 62-204.800(11), F.A.C.]

(a) **Definitions.** For the purposes of subsection 62-204.800(10), F.A.C., the definitions contained in the various provisions of 40 CFR Part 63 adopted herein shall apply, except that the term, "Administrator," when used in any provisions of 40 CFR Part 63 that is delegated to the Department by the U.S. Environmental Protection Agency, shall mean the Secretary or the Secretary's designee.

(b) **Standards Adopted.** The following National Emission Standards for Hazardous Air Pollutants contained in 40 CFR Part 63, revised as of July 1, 2001, or later as specifically indicated, are adopted and incorporated by reference:

78. 40 CFR 63, Subpart YYYY, Stationary Combustion Turbines; promulgated March 5, 2004, at 69 FR 10511; amended August 18, 2004, at 69 FR 51184; except that the Secretary is not the Administrator for purposes of 40 CFR 63.6170(c)(1) through (5).

(c) The National Emission Standards for Hazardous Air Pollutants adopted by reference in this rule shall be controlling over other standards in the air pollution rules of the Department, except that any emissions limiting standard contained in or determined pursuant to the air pollution rules of the Department which is more stringent than one contained in a National Emission Standard, or which regulates pollutants or emissions units not regulated by an applicable National Emission Standard, shall apply.

(d) **General Subparts Adopted.** The following general subparts of 40 CFR Part 63, revised as of July 1, 2001, or later as specifically indicated, are adopted and incorporated by reference.

1. 40 CFR Part 63, Subpart A, General Provisions; amended February 27, 2002, at 67 FR 9156; amended April 5, 2002, at 67 FR 16581; amended February 18, 2003, at 68 FR 7706; amended April 21, 2003, at 68 FR 19375; amended May 20, 2003, at 68 FR 27645; amended May 23, 2003, at 68 FR 28605; amended May 27, 2003, at 68 FR 28774; amended May 28, 2003, at 68 FR 31745; amended May 29, 2003, at 68 FR 32171; amended May 30, 2003, at 68 FR 32585; amended November 13, 2003, at 68 FR 64431; amended December 19, 2003, at 68 FR 70959; amended January 2, 2004, at 69 FR 129; amended February 3, 2004 at 69 FR 5038; amended April 19, 2004, at 69 FR 20967; amended April 22, 2004, at 69 FR 21905; amended April 26, 2004, at 69 FR 22601; amended July 30, 2004, at 69 FR 45943; except that the Secretary is not the Administrator for purposes of 40 CFR 63.5(e), 40 CFR 63.5(f), 40 CFR 63.6(g), 40 CFR 63.6(h)(9), 40 CFR 63.6(j), 40 CFR 63.13, and 40 CFR 63.14.

2. 40 CFR Part 63, Subpart B, Requirements for Control Technology Determinations for Major Sources in Accordance with Clean Air Act Sections, Sections 112(g) and 112(j); amended April 5, 2002, at 67 FR 16581; is adopted and incorporated by reference, subject to the following provisions.

- a. The "effective date of Section 112(g)(2)(B)" as defined in 40 CFR 63.41 shall be July 1, 1997.
- b. The "Notice of MACT Approval" as defined in 40 CFR 63.41 shall be the air construction permit.
- c. The "permitting authority" as defined in 40 CFR 63.41 shall be the Department.
- d. In lieu of the administrative procedures for review of the Notice of MACT Approval as set forth in 40 CFR 63.43(f)(1) through (5), the Department will follow the permit processing procedures of Rule 62-4.055, F.A.C.
- e. In lieu of the opportunity for public comment on the Notice of MACT Approval as set forth in 40 CFR 63.43(h), the Department will provide opportunity for public comment on the Notice of MACT Approval pursuant to Rule 62-210.350, F.A.C.
- f. The Notice of MACT Approval shall become effective upon issuance of the air construction permit by the Department.

3. 40 CFR Part 63, Subpart C, List of Hazardous Air Pollutants, Petitions Process, Lesser Quantity Designations, Source Category List, revised as of July 1, 2004; amended November 29, 2004, at 69 FR 69320.

4. 40 CFR Part 63, Subpart D, Compliance Extensions for Early Reductions of Hazardous Air Pollutants, except any notice required to be published by the Department shall be prepared by the Department and published by the applicant with proof of publication submitted to the Department.

5. 40 CFR Part 63, Subpart E, Approval of State Programs and Delegation of Federal Authorities; Section 63.90, Program Overview, only.

(e) Appendices Adopted. The following appendices of 40 CFR Part 63, revised as of July 1, 2001, or later as specifically indicated, are adopted and incorporated by reference:

1. Appendix A, Test Methods.
2. Appendix B, Sources Defined for Early Reduction Provisions.
3. Appendix C, Determination of the Fraction Biodegraded (F_{bio}) in a Biological Treatment Unit.
4. Appendix D, Alternative Validation Procedure for EPA Waste and Wastewater Methods.
5. Appendix E, Monitoring Procedure for Non-thoroughly Mixed Open Biological Treatment Systems at Kraft Pulp Mills Under Unsafe Sampling Conditions.

40 CFR 63 Subpart A - General Provisions

[Source: Federal Register dated 3/5/04]

The permittee shall comply with the applicable general provisions identified in Table 7 of 40 CFR 63 Subpart YYYY.

§ 63.1 Applicability.

Additional terms defined in Sec. 63.6175.

§ 63.2 Definitions.

Additional terms defined in Sec. 63.6175.

§ 63.3 Units and abbreviations.

§ 63.4 Prohibited activities and circumvention.

§ 63.5 Preconstruction review and notification requirements.

§ 63.6 Compliance with standards and maintenance requirements.

Subpart YYYY does not contain opacity or visible emission standards.

§ 63.7 Performance testing requirements.

Subpart YYYY contains performance test dates at Sec.63.6110.

Subpart YYYY contains performance test dates at Sec.63.6110.

Subpart YYYY specifies test methods at Sec. 63.6120.

§ 63.8 Monitoring requirements.

Subpart YYYY contains specific requirements for monitoring at Sec.63.6125.

Subpart YYYY does not require COMS.

Subpart YYYY does not require COMS.

Averaging periods for demonstrating compliance are specified at Secs. 63.6135 and 63.6140.

§ 63.9 Notification requirements.

Subpart YYYY does not contain opacity or VE standards.

Notifications for sources not conducting performance tests are due 30 days after completion of performance evaluations.

§ 63.10 Recordkeeping and reporting requirements.

Applies for CO standard if using RATA alternative.

Subpart YYYY does not contain opacity or VE standards.

Subpart YYYY does not require reporting of startup, shutdown, or malfunctions.

Subpart YYYY does not require COMS.

§ 63.11 Control device requirements.

§ 63.12 State authority and delegations.

§ 63.13 Addresses of State air pollution control agencies and EPA Regional Offices.

§ 63.14 Incorporations by reference.

§ 63.15 Availability of information and confidentiality.

Subpart YYYY - National Emission Standards for Hazardous Air Pollutants for Stationary Combustion Turbines

[Source: Federal Register dated 3/5/04]

40 CFR 63.6080 What is the purpose of subpart YYYY?

40 CFR 63.6085 Am I subject to this subpart?

40 CFR 63.6090 What parts of my plant does this subpart cover?

8/29/2007

- 40 CFR 63.6092 Are duct burners and waste heat recovery units covered by subpart YYYY?
- 40 CFR 63.6095 When do I have to comply with this subpart?
- 40 CFR 63.6100 What emission and operating limitations must I meet?
- 40 CFR 63.6105 What are my general requirements for complying with this subpart?
- 40 CFR 63.6110 By what date must I conduct the initial performance tests or other initial compliance demonstrations?
- 40 CFR 63.6115 When must I conduct subsequent performance tests?
- 40 CFR 63.6120 What performance tests and other procedures must I use?
- 40 CFR 63.6125 What are my monitor installation, operation, and maintenance requirements?
- 40 CFR 63.6130 How do I demonstrate initial compliance with the emission and operating limitations?
- 40 CFR 63.6135 How do I monitor and collect data to demonstrate continuous compliance?
- 40 CFR 63.6140 How do I demonstrate continuous compliance with the emission and operating limitations?
- 40 CFR 63.6145 What notifications must I submit and when?
- 40 CFR 63.6150 What reports must I submit and when?
- 40 CFR 63.6155 What records must I keep?
- 40 CFR 63.6160 In what form and how long must I keep my records?
- 40 CFR 63.6165 What parts of the General Provisions apply to me?
- 40 CFR 63.6170 Who implements and enforces this subpart?
- 40 CFR 63.6175 What definitions apply to this subpart?

As previously specified, EPA stayed the effectiveness of NESHAP Subpart YYYY for lean premix gas-fired stationary combustion turbines and diffusion flame gas-fired stationary combustion turbines. For purposes of this rule, the affected unit is considered a diffusion flame gas-fired combustion turbine. Until EPA takes final action to require compliance and publishes a document in the Federal Register, only the Initial Notification requirements as set forth in Sec. 63.6145 apply. The unit is permitted to fire up to 475 hours of distillate oil per year as a restricted alternate fuel. An oxidation catalyst controls organic compounds. The following tables reflect this applicability.

Tables to Subpart YYYY of Part 63.

As stated in § 63.6100, you must comply with the following emission limitations:

TABLE 1 TO SUBPART YYYY OF PART 63. EMISSION LIMITATIONS

For each new or reconstructed stationary combustion turbine described in § 63.6100 which is *You must meet the following emission limitations*

- | | |
|---|---|
| 3. a diffusion flame gas-fired stationary combustion turbine as defined in this subpart, or
ppbvd or less at 15 percent O ₂ . | Limit the concentration of formaldehyde to 91 |
|---|---|

As stated in § 63.6100 and § 63.6140, you must comply with the following operating limitations:

TABLE 2 TO SUBPART YYYY OF PART 63. OPERATING LIMITATIONS

For *You must*

- | | |
|--|--|
| 1. each stationary combustion turbine that is required to comply with the emission limitation for formaldehyde and is using an oxidation | |
|--|--|

catalyst. maintain the 4-hour rolling average of the catalyst inlet temperature within the range suggested by the catalyst manufacturer. As stated in § 63.6120, you must comply with the following requirements for performance tests and initial compliance demonstrations:

TABLE 3 TO SUBPART YYYY OF PART 63. REQUIREMENTS FOR PERFORMANCE TESTS AND INITIAL COMPLIANCE DEMONSTRATIONS

You must *Using* *According to the following requirements*

- a. demonstrate formaldehyde emissions meet the emission limitations specified in Table 1 by a performance test initially and on an annual basis AND Test Method 320 of 40 CFR part 63, appendix A; ASTM D6348-03 provided that %R as determined in Annex A5 of ASTM D6348-03 is equal or greater than 70% and less than or equal to 130%; or other methods approved by the Administrator. Formaldehyde concentration must be corrected to 15 percent O₂, dry basis. Results of this test consist of the average of the three 1 hour runs. Test must be conducted within 10 percent of 100 percent load.
- b. select the sampling port location and the number of traverse points AND Method 1 or 1A of 40 CFR part 60, Appendix A § 63.7(d)(1)
 - (i). If using an air pollution control device, the sampling site must be located at the outlet of the air pollution control device.
- c. determine the O₂ concentration at the sampling port location AND Method 3A or 3B of 40 CFR part 60, Appendix A. Measurements to determine O₂ concentration must be made at the same time as the performance test.
- d. determine the moisture content at the sampling port location for the purposes of correcting the formaldehyde concentration to a dry basis. Method 4 of 40 CFR part 60, appendix A or Test Method 320 of 40 CFR part 63, Appendix A, or ASTM D6348-03. Measurements to determine moisture content must be made at the same time as the performance test.

As stated in §§ 63.6110 and 63.6130, you must comply with the following requirements to demonstrate initial compliance with emission limitations:

TABLE 4 TO SUBPART YYYY OF PART 63. INITIAL COMPLIANCE WITH EMISSION LIMITATIONS

For the You have demonstrated initial compliance if

Emission limitation for formaldehyde. the average formaldehyde concentration meets the emission limitations specified in Table 1. As stated in §§ 63.6135 and 63.6140, you must comply with the following requirements to demonstrate continuing compliance with operating limitations:

TABLE 5 OF SUBPART YYYY OF PART 63.—CONTINUOUS COMPLIANCE WITH OPERATING LIMITATIONS

For each stationary combustion turbine complying with the emission limitation for formaldehyde You must demonstrate continuous compliance by

1. with an oxidation catalyst continuously monitoring the inlet temperature to the catalyst and maintaining the 4-hour rolling average of the inlet temperature within the range suggested by the catalyst manufacturer.

As stated in § 63.6150, you must comply with the following requirements for reports:

TABLE 6 OF SUBPART YYYY OF PART 63.—REQUIREMENTS FOR REPORTS

If you own or operate a You must *According to the following requirements*

1. stationary combustion turbine which must comply with the formaldehyde emission limitation. report your compliance status semiannually, according to the requirements of § 63.6150.
3. a lean premix gas-fired stationary combustion turbine or a diffusion flame gas-fired stationary combustion turbine as defined by this subpart, and you use any quantity of distillate oil to fire any new or existing stationary combustion turbine which is located at the same major source. Report

- (1) the number of hours distillate oil was fired by each new or existing stationary combustion turbine during the reporting period,
- (2) the operating limits provided in your federally enforceable permit, and any deviations from these limits, and
- (3) any problems or errors suspected with the meters. annually, according to the requirements in § 63.6150.

I hope this helps. If you need any additional information, please let me know.

Rich Bumar, PE

Sr. Environmental Control Representative

8/29/2007

Walt Disney World Co.

Environmental Control Dept.

Disney University Suite 200

Phone: 407-824-7129 (8+273+7129)

Fax: 407-824-7455

Mobile: 321-278-6125

*Nextel DC:162*134*1071*

Email: rich.bumar@disney.com