INTEROFFICE MEMORANDUM

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Subject: EPA Comments - Stock Island Power Plant

Attached are EPA's comments on the subject permit. Call me if you have any questions.

Gracy

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

AIR, PESTICIDES & TOXICS MANAGEMENT DIVISION

61 Forsyth St., S. W. Atlanta, Georgia 30303 Fax Number: 404/562-9095

Electronic Transmission

MEMORANDUM

REGION 11

DATE: December 9, 1999

SUBJ: Initial EPA Comments

Proposed Title V Permit for

Utility Board of the City of Key West

Stock Island Power Plant Permit no. 0870003-01-AV

FROM:

Gracy R. Danois, Environmental Engineer

Operating Source Section, ARTB

TO:

Cindy Phillips

FDEP - Tallahassee

cc: Scott Sheplak, Title V Administrator

FDEP - Tallahassee

Below are initial comments from EPA Region 4 on the above referenced source. Our comments are divided into two categories: A. Significant Comments and B. General Comments. Significant comments are defined as those comments that would trigger an objection under 40 CFR Part 70. Given that EPA has several significant comments on this proposed permit, we would like to attempt resolution of all issues in order to avoid a formal objection on this permit. If resolution of our significant comments is not achieved, EPA Region 4 will issue an objection to the proposed permit pursuant to 40 CFR 70.8(c) on or before day-45 of the review period. For purposes of this permit review, day-45 is defined as December 23, 1999.

Another option available to you is withdrawal of the proposed permit from EPA review. If you choose to utilize this option, you must submit to EPA a written request that the permit be withdrawn including a statement that a proposed permit will be resubmitted for EPA review at a later date. Your written request to withdraw the proposed permit must be submitted to our office by no later than December 23, 1999.

Please contact me as soon as possible regarding resolution of this matter. You may reach me at (404) 562-9119.

A. Significant Comments

- Applicable Requirements PSD-FL-135 Specific Condition 7 does not appear to have been incorporated into the title V permit for the 8.8 MW medium speed diesel generators (units 005 & 006), which are covered under subsection III.A. The "visible emission limit of 20%" for these units must be included the title V permit.
- 2. Periodic Monitoring: The permit does not contain adequate periodic monitoring for particulate matter emissions from units 005, 006, 007, 008 and 009. Although conditions A.15 and E.10 require that compliance tests for particulate matter be conducted, testing once per year if the units operate more than 400 hours is not sufficient to provide a reasonable assurance of compliance with emission limits. All Title V permits must contain monitoring that is sufficient to assure compliance with the applicable permit requirements. In particular, 40 C.F.R. Part 70.6 (a)(3)(B) requires that permits include periodic monitoring that is sufficient to yield reliable data from the relevant time period that are representative of the source's compliance with the applicable emission limits. In addition to demonstrating compliance, a system of periodic monitoring will also provide the source with an indication of their emission unit's performance, so that periods of excess emissions and violations of the emission limits can be minimized or avoided. Therefore. the permit should include a periodic monitoring scheme that will provide data which is representative of the source's actual performance.

fest history

One option for these units, which are uncontrolled for particulate matter, would be for the permit to require the source to conduct more frequent testing or to include a technical demonstration in the statement of basis explaining why the State has chosen not to require any additional particulate matter testing. The demonstration would need to identify the rationale for basing the compliance certification on data from a test performed once a year.

Another option would be to address particulate emissions through expanded opacity monitoring. The permit indicates that units 005 and 006 are equipped with COMs to monitor opacity. Therefore, the facility could use the opacity data as an indicator of particulate emissions. In order to adequately use opacity as an indicator of particulate emissions, the facility should conduct a performance test to establish an opacity threshold that would guarantee that particulate emissions remain within the specified limit. COM data could then be used for periodic monitoring of particulate matter, such that visible emissions which would continue to remain below the opacity threshold would indicate compliance with the particulate matter limit. If the opacity threshold was exceeded, then a performance test for particulate matter would be required.

√3. Periodic Monitoring: Although the permit requires the facility to keep detailed records about fuel usage, it does not require the facility to maintain records of the hours of operation for units 008 and 009. Condition C.4 of the permit limits these units to operate for 4000 hrs per year, therefore the permit must require that records of the hours of operation be maintained.

В. **General Comments**

- General Comment Please note that our opportunity for review and 1. comment on this permit does not prevent EPA from taking enforcement action for issues that have not been raised in these comments. After final issuance, this permit shall be reopened if EPA or the permitting authority determines that it must be revised or revoked to assure compliance with applicable requirements.
- *J*2. Section II, Condition 1: Please include in the permit the most recent version of Appendix TV-3 which is dated April 30, 1999.
- J 3. Section III, Subsection A, Condition A.4: The citation for this requirements needs to also include the PSD permit for this facility (PSD-FL-135).
- J_{4.} Section III, Subsection A, Condition A.7: It appears that there is a typographical error in item b of this condition. According to the PSD permit for this facility (PSD-FL-135), the limit should be 0.10 lb/MMBtu, not 0.10 million lbs/MMBtu. Please correct this. Eds comment

Section III, Conditions A.12, A.13, and E.1 - These conditions address the

occurrence of excess emissions from all emission units. More specifically, excess emission resulting from malfunction are permitted provided that best operational practices to minimize emission are adhered to and the duration of excess emissions are minimized. EPA has recently addressed the issue of excess emissions in a September 20, 1999 policy memorandum from Steven A. Herman, Assistant Administrator for Enforcement and Compliance Assurance and Robert Perciasepe, Assistant Administrator for Air and Radiation. The September 20, 1999 memo reaffirms and supplements the EPA's original policy regarding excess emissions during malfunction, startup, shutdown, and maintenance, which is contained in memoranda from Kathleen Bennett, formerly Assistant Administrator for Air, Noise and Radiation dated September 28, 1982 and February 15, 1983. The permit conditions that address excess emissions should be consistent with EPA's policy.

- √6. <u>Subsection B, Condition B.3:</u> It appears that the last sentence in this condition is misplaced. Please check.
- √7. <u>Subsection E, Condition E.14:</u> For clarity, please add the following to the first sentence of this condition: Compliance with the allowable emission limiting standards <u>for NO_x</u> given in...
- Appendix I-1: It appears that this appendix contains the text from the rule. The brief description of the emissions units and activities needs to be more specific in describing what activities are in the facility. For example, item number 9 describes "one or more emergency generators". The description needs to be more specific about the actual number of generators exiting at this facility.