PERMIT
Under the Environmental Conservation Law (ECL)

IDENTIFICATION INFORMATION

Permit Type: Air State Facility
Permit ID: 2-6007-00011/00002
Mod 0 Effective Date: 09/29/1999 Expiration Date: No expiration date.

Mod 1 Effective Date: 04/13/2006 Expiration Date: No expiration date.

Mod 2 Effective Date: 06/25/2008 Expiration Date: No expiration date.

Mod 3 Effective Date: 01/29/2009 Expiration Date: No expiration date.

Permit Issued To:NYC HOUSING AUTHORITY
250 BROADWAY
NEW YORK, NY 10007

Contact: CARL J HAFNER
NYC HOUSING AUTHORITY
90 CHURCH ST 6TH FLR ENERGY DEPT
NEW YORK, NY 10007
(212) 306-4674

Facility: NYC-HA CASTLE HILL HOUSES
645 CASTLE HILL AVE
BRONX, NY 10473

Description:
The NYC-HA CASTLE HILL HOUSES is the housing development operated by the NYC-Housing Authority.

The facility operates combustion installation to provide heat and hot water. This permit modification project involves the replacement of eight (8) existing 350 HP dual fuel boilers with five (5) new 600 HP boilers. In order to construct the five (5) new boilers, two (2) new temporary 700 hp (29.4 mmBtu/hr) each boilers will be installed for a period of one year to provide heating during the construction period. These 2 temporary boilers will be used with 2 of the permanent 600 hp (24.34 mmBtu/hr) boilers, for a total capacity of 107.5 mmBtu/hr during the construction phase.

The facility NOx emissions are capped at 24.9 tons per year.

By acceptance of this permit, the permittee agrees that the permit is contingent upon strict compliance with the ECL, all applicable regulations, the General Conditions specified and any Special Conditions included as part of this permit.

Permit Administrator: JOHN F CRYAN
NYSDEC
47-40 21ST ST
LONG ISLAND CITY, NY 11101-5407

Authorized Signature: _____ Date: ___ / ___ / _____

Notification of Other State Permittee Obligations

Item A: Permittee Accepts Legal Responsibility and Agrees to Indemnification

The permittee expressly agrees to indemnify and hold harmless the Department of Environmental Conservation of the State of New York, its representatives, employees and agents ("DEC") for all claims, suits, actions, and damages, to the extent attributable to the permittee's acts or omissions in connection with the compliance permittee's undertaking of activities in connection with, or operation and maintenance of, the facility or facilities authorized by the permit whether in compliance or not in any compliance with the terms and conditions of the permit. This indemnification does not extend to any claims, suits, actions, or damages to the extent attributable to DEC's own negligent or intentional acts or omissions, or to any claims, suits, or actions naming the DEC and arising under article 78 of the New York Civil Practice Laws and Rules or any citizen suit or civil rights provision under federal or state laws.

Item B: Permittee's Contractors to Comply with Permit

The permittee is responsible for informing its independent contractors, employees, agents and assigns of their responsibility to comply with this permit, including all special conditions while acting as the permittee's agent with respect to the permitted activities, and such persons shall be subject to the same sanctions for violations of the Environmental Conservation Law as those prescribed for the permittee.

Item C: Permittee Responsible for Obtaining Other Required Permits

The permittee is responsible for obtaining any other permits, approvals, lands, easements and rights-of-way that may be required to carry out the activities that are authorized by this permit.

Item D: No Right to Trespass or Interfere with Riparian Rights

This permit does not convey to the permittee any right to trespass upon the lands or interfere with the riparian rights of others in order to perform the permitted work nor does it authorize the impairment of any rights, title, or interest in real or personal property held or vested in a person not a party to the permit.

LIST OF CONDITIONS

DEC GENERAL CONDITIONS
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Applications for Permit Renewals and Modifications
Permit modifications, suspensions or revocations by the Department
Applications for Permit Renewals and Modifications
Permit Modifications, Suspensions and Revocations by the Department
Permit Modifications, Suspensions, and Revocations by the Department
Facility Level
Submission of Applications for Permit Modification or Renewal-REGION 2 HEADQUARTERS
Submission of application for permit modification or renewal-REGION 2 HEADQUARTERS

DEC GENERAL CONDITIONS
****** General Provisions ******
GENERAL CONDITIONS - Apply to ALL Authorized Permits.

Condition 1: Facility Inspection by the Department
Applicable State Requirement: ECL 19-0305

Item 1.1:
The permitted site or facility, including relevant records, is subject to inspection at reasonable hours and intervals by an authorized representative of the Department of Environmental Conservation (the Department) to determine whether the permittee is complying with this permit and the ECL. Such representative may order the work suspended pursuant to ECL 71-0301 and SAPA 401(3).

Item 1.2:
The permittee shall provide a person to accompany the Department's representative during an inspection to the permit area when requested by the Department.

Item 1.3:
A copy of this permit, including all referenced maps, drawings and special conditions, must be available for inspection by the Department at all times at the project site or facility. Failure to produce a copy of the permit upon request by a Department representative is a violation of this permit.

Condition 2: Relationship of this Permit to Other Department Orders and Determinations
Applicable State Requirement: ECL 3-0301.2(m)

Item 2.1:
Unless expressly provided for by the Department, issuance of this permit does not modify, supersede or rescind any order or determination previously issued by the Department or any of the terms, conditions or requirements contained in such order or determination.

Condition 2-1: Applications for permit renewals, modifications and transfers
Applicable State Requirement: 6NYCRR 621.11

Item 2-1.1:
The permittee must submit a separate written application to the Department for renewal, modification or transfer of this permit. Such application must include any forms or supplemental information the Department requires. Any renewal, modification or transfer granted by the Department must be in writing.

Item 2-1.2:
The permittee must submit a renewal application at least 180 days before expiration of permits for Title V Facility Permits, or at least 30 days before expiration of permits for State Facility Permits.

Item 2-1.3:
Permits are transferrable with the approval of the department unless specifically prohibited by the statute, regulation or another permit condition. Applications for permit transfer should be

submitted prior to actual transfer of ownership.

Condition 1-1: Applications for Permit Renewals and Modifications
Applicable State Requirement: 6NYCRR 621.13

Item 1-1.1:
The permittee must submit a separate written application to the Department for renewal, modification or transfer of this permit. Such application must include any forms or supplemental information the Department requires. Any renewal, modification or transfer granted by the Department must be in writing.

Item 1-1.2:
The permittee must submit a renewal application at least 180 days before expiration of permits for Title V Facility Permits, or at least 30 days before expiration of permits for State Facility Permits.

Item 1-1.3:
Permits are transferrable with the approval of the department unless specifically prohibited by the statute, regulation or another permit condition. Applications for permit transfer should be submitted prior to actual transfer of ownership.

Condition 2-2: Permit modifications, suspensions or revocations by the Department
Applicable State Requirement: 6NYCRR 621.13

Item 2-2.1:
The Department reserves the right to modify, suspend, or revoke this permit in accordance with 6NYCRR Part 621. The grounds for modification, suspension or revocation include:

a) materially false or inaccurate statements in the permit application or supporting papers;

b) failure by the permittee to comply with any terms or conditions of the permit;

c) exceeding the scope of the project as described in the permit application;

d) newly discovered material information or a material change in environmental conditions, relevant technology or applicable law or regulations since the issuance of the existing permit;

e) noncompliance with previously issued permit conditions, orders of the commissioner, any provisions of the Environmental Conservation Law or regulations of the Department related to the permitted activity.

Condition 3: Applications for Permit Renewals and Modifications
Applicable State Requirement: 6NYCRR 621.13(a)

Item 3.1:
The permittee must submit a separate written application to the Department for renewal, modification or transfer of this permit. Such application must include any forms or supplemental information the Department requires. Any renewal, modification or transfer granted by the Department must be in writing.

Item 3.2:

The permittee must submit a renewal application at least 180 days before expiration of permits for Title V Facility Permits, or at least 30 days before expiration of permits for State Facility Permits.

Condition 1-2: Permit Modifications, Suspensions and Revocations by the Department
Applicable State Requirement: 6NYCRR 621.14

Item 1-2.1:
The Department reserves the right to modify, suspend, or revoke this permit in accordance with 6NYCRR Part 621. The grounds for modification, suspension or revocation include:

a) materially false or inaccurate statements in the permit application or supporting papers;
b) failure by the permittee to comply with any terms or conditions of the permit;
c) exceeding the scope of the project as described in the permit application;
d) newly discovered material information or a material change in environmental conditions, relevant technology or applicable law or regulations since the issuance of the existing permit;
e) noncompliance with previously issued permit conditions, orders of the commissioner, any provisions of the Environmental Conservation Law or regulations of the Department related to the permitted activity.

Condition 4: Permit Modifications, Suspensions, and Revocations by the Department
Applicable State Requirement: 6NYCRR 621.14

Item 4.1:
The Department reserves the right to modify, suspend, or revoke this permit. The grounds for modification, suspension or revocation include:

a) the scope of the permitted activity is exceeded or a violation of any condition of the permit or provisions of the ECL and pertinent regulations is found;
b) the permit was obtained by misrepresentation or failure to disclose relevant facts;
c) new material information is discovered; or
d) environmental conditions, relevant technology, or applicable law or regulation have materially changed since the permit was issued.

****** Facility Level ******

Condition 5: Submission of Applications for Permit Modification or Renewal-REGION 2 HEADQUARTERS
Applicable State Requirement: 6NYCRR 621.5(a)

Item 5.1:
Submission of applications for permit modification or renewal are to be submitted to:
NYSDEC Regional Permit Administrator

Region 2 Headquarters
Division of Environmental Permits
1 Hunters Point Plaza, 4740 21st Street
Long Island City, NY 11101-5407
(718) 482-4997

Condition 2-3: Submission of application for permit modification or renewal-REGION 2 HEADQUARTERS
Applicable State Requirement: 6NYCRR 621.6(a)

Item 2-3.1:
Submission of applications for permit modification or renewal are to be submitted to:

NYSDEC Regional Permit Administrator
Region 2 Headquarters
Division of Environmental Permits
1 Hunters Point Plaza, 4740 21st Street
Long Island City, NY 11101-5407
(718) 482-4997

Permit Under the Environmental Conservation Law (ECL)

ARTICLE 19: AIR POLLUTION CONTROL - AIR STATE FACILITY PERMIT

IDENTIFICATION INFORMATION

Permit Issued To:NYC HOUSING AUTHORITY
250 BROADWAY
NEW YORK, NY 10007

Facility: NYC-HA CASTLE HILL HOUSES
645 CASTLE HILL AVE
BRONX, NY 10473

Authorized Activity By Standard Industrial Classification Code:
6513 - APARTMENT BUILDING OPERATORS

Mod 0 Permit Effective Date: 09/29/1999 Permit Expiration Date: No expiration date.

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Submission of Applications for Permit Modification or Renewal-REGION 2 HEADQUARTERS
Submission of application for permit modification or renewal-REGION 2 HEADQUARTERS

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*2-1 6NYCRR 201-7.2: Capping Monitoring Condition
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19 6NYCRR 202-1.3: Acceptable procedures - Stack test report submittal
2-2 6NYCRR 225-1.2(a)(2): Compliance Demonstration
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EU=V-C0001
2-3 40CFR 60.48c(i), NSPS Subpart Dc: Compliance Demonstration

EU=V-C0001,Proc=411
2-4 40CFR 60.42c(h), NSPS Subpart Dc: Exemption from the averaging period.
2-5 40CFR 60.42c(i), NSPS Subpart Dc: Enforceablity.
2-6 40CFR 60.48c(f)(1), NSPS Subpart Dc: Compliance Demonstration

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1-8 6NYCRR 201-1.4: Unavoidable noncompliance and violations
25 6NYCRR 201-5: General Provisions
26 6NYCRR 201-5: Emission Unit Definition
28 6NYCRR 211.2: Air pollution prohibited
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NOTE: * preceding the condition number indicates capping.

FEDERALLY ENFORCEABLE CONDITIONS
****** Facility Level ******

NOTIFICATION OF GENERAL PERMITTEE OBLIGATIONS
This section contains terms and conditions which are federally enforceable. Permittees may also have other obligations under regulations of general applicability

Item A: **Sealing - 6NYCRR Part 200.5**

The Commissioner may seal an air contamination source to prevent its operation if compliance with 6 NYCRR Chapter III is not met within the time provided by an order of the Commissioner issued in the case of the violation.
Sealing means labeling or tagging a source to notify any person that operation of the source is prohibited, and also includes physical means of preventing the operation of an air contamination source without resulting in destruction of any equipment associated with such source, and includes, but is not limited to, bolting, chaining or wiring shut control panels, apertures or conduits associated with such source.

No person shall operate any air contamination source sealed by the Commissioner in accordance with this section unless a modification has been made which enables such source to comply with all requirements applicable to such modification.

Unless authorized by the Commissioner, no person shall remove or alter any seal affixed to any contamination source in accordance with this section.

Item B: **Acceptable Ambient Air Quality - 6NYCRR Part 200.6**

Notwithstanding the provisions of 6 NYCRR Chapter III, Subchapter A, no person shall allow or permit any air contamination source to emit air contaminants in quantities which alone or in combination with emissions from other air contamination sources would contravene any applicable ambient air quality standard and/or cause air pollution. In such cases where contravention occurs or may occur, the Commissioner shall specify the degree and/or method of emission control required.

Item C: **Maintenance of Equipment - 6NYCRR Part 200.7**

Any person who owns or operates an air contamination source which is equipped with an emission control device shall operate such device and keep it in a satisfactory state of maintenance and repair in accordance with ordinary and necessary practices, standards and procedures, inclusive of manufacturer's specifications, required to operate such device effectively.

Item D: **Unpermitted Emission Sources - 6NYCRR Part 201-1.2**

If an existing emission source was subject to the permitting requirements of 6NYCRR Part 201 at the time of construction or modification, and the owner and/or operator failed to apply for a permit for such emission source then the following provisions apply:

(a) The owner and/or operator must apply for a permit for such emission source or register the facility in accordance with the provisions of Part 201.

(b) The emission source or facility is subject to all regulations that were applicable to it at the time of construction or modification and any subsequent requirements applicable to existing sources or facilities.

Item E: **Emergency Defense - 6NYCRR Part 201-1.5**

An emergency constitutes an affirmative defense to an action brought for noncompliance with emissions limitations or permit conditions for all facilities in New York State.

(a) The affirmative defense of emergency shall be demonstrated through properly signed, contemporaneous operating logs, or other relevant evidence that:

(1) An emergency occurred and that the facility owner and/or operator can identify the cause(s) of the emergency;

(2) The equipment at the permitted facility causing the emergency was at the time being properly operated;

(3) During the period of the emergency the facility owner and/or operator took all reasonable steps to minimize levels of emissions that exceeded the emission standards, or other requirements in the permit; and

(4) The facility owner and/or operator notified the Department within two working days after the event occurred. This notice must contain a description of the emergency, any steps taken to mitigate emissions, and corrective actions taken.

(b) In any enforcement proceeding, the facility owner and/or operator seeking to establish the occurrence of an emergency has the burden of proof.

(c) This provision is in addition to any emergency or upset provision contained in any applicable requirement.

Item F: **Recycling and Salvage - 6NYCRR Part 201-1.7**

Where practical, any person who owns or operates an air contamination source shall recycle or salvage air contaminants collected in an air cleaning device according to the requirements of 6 NYCRR.

Item G: **Prohibition of Reintroduction of Collected Contaminants to the Air - 6NYCRR Part 201-1.8**
No person shall unnecessarily remove, handle, or cause to be handled, collected air contaminants from an air cleaning device for recycling, salvage or disposal in a manner that would reintroduce them to the outdoor atmosphere.

Item H: **Proof of Eligibility for Sources Defined as Exempt Activities - 6 NYCRR Part 201-3.2(a)**
The owner and/or operator of an emission source or unit that is eligible to be exempt, may be required to certify that it operates within the specific criteria described in 6 NYCRR Subpart 201-3. The owner or operator of any such emission source must maintain all required records on-site for a period of five years and make them available to representatives of the Department upon request. Department representatives must be granted access to any facility which contains emission sources or units subject to 6 NYCRR Subpart 201-3, during normal operating hours, for the purpose of determining compliance with this and any other state and federal air pollution control requirements, regulations, or law.

Item I: **Proof of Eligibility for Sources Defined as Trivial Activities - 6 NYCRR Part 201-3.3(a)**
The owner and/or operator of an emission source or unit that is listed as being trivial in 6 NYCRR Part 201 may be required to certify that it operates within the specific criteria described in 6 NYCRR Subpart 201-3. The owner or operator of any such emission source must maintain all required records on-site for a period of five years and make them available to representatives of the Department upon request. Department representatives must be granted access to any facility which contains emission sources or units subject to 6 NYCRR Subpart 201-3, during normal operating hours, for the purpose of determining compliance with this and any other state and federal air pollution control requirements, regulations, or law.

Item J: **Required Emission Tests - 6 NYCRR Part 202-1.1**

An acceptable report of measured emissions shall be submitted, as may be required by the Commissioner, to ascertain compliance or noncompliance with any air

pollution code, rule, or regulation. Failure to submit a report acceptable to the Commissioner within the time stated shall be sufficient reason for the Commissioner to suspend or deny an operating permit. Notification and acceptable procedures are specified in 6NYCRR Part 202-1.

Item K: **Visible Emissions Limited - 6 NYCRR Part 211.3**
Except as permitted by a specific part of this Subchapter and for open fires for which a restricted burning permit has been issued, no person shall cause or allow any air contamination source to emit any material having an opacity equal to or greater than 20 percent (six minute average) except for one continuous six-minute period per hour of not more than 57 percent opacity.

Item L: **Open Fires - 6 NYCRR Part 215**
No person shall burn, cause, suffer, allow or permit the burning in an open fire of garbage, rubbish for salvage, or rubbish generated by industrial or commercial activities.

Item M: **Permit Exclusion - ECL 19-0305**
The issuance of this permit by the Department and the receipt thereof by the Applicant does not and shall not be construed as barring, diminishing, adjudicating or in any way affecting any legal, administrative or equitable rights or claims, actions, suits, causes of action or demands whatsoever that the Department may have against the Applicant for violations based on facts and circumstances alleged to have occurred or existed prior to the effective date of this permit, including, but not limited to, any enforcement action authorized pursuant to the provisions of applicable federal law, the Environmental Conservation Law of the State of New York (ECL) and Chapter III of the Official Compilation of the Codes, Rules and Regulations of the State of New York (NYCRR). The issuance of this permit also shall not in any way affect pending or future enforcement actions under the Clean Air Act brought by the United States or any person.

Item N: **Federally Enforceable Requirements - 40 CFR 70.6(b)**
All terms and conditions in this permit required by the Act or any applicable requirement, including any provisions designed to limit a facility's potential to emit, are enforceable by the Administrator and citizens under the Act. The Department has, in this permit, specifically designated any terms and conditions that are not required under the Act or under any of its applicable requirements as being enforceable under only state regulations.

FEDERAL APPLICABLE REQUIREMENTS

The following conditions are federally enforceable.

Condition 1-2: Facility Permissible Emissions
Effective between the dates of 04/13/2006 and Permit Expiration Date

Applicable Federal Requirement:6NYCRR 201-7.2

Item 3-2.1:
The sum of emissions from the emission units specified in this permit shall not equal or exceed the following
Potential To Emit (PTE) rate for each regulated contaminant:

CAS No: 0NY210-00-0 (From Mod 3) PTE: 49,800 pounds per year
Name: OXIDES OF NITROGEN

Condition 2-1: Capping Monitoring Condition
Effective between the dates of 06/25/2008 and Permit Expiration Date

Applicable Federal Requirement:6NYCRR 201-7.2

Item 2-1.1:
Under the authority of 6 NYCRR Part 201-7, this condition contains an emission cap for the purpose of limiting emissions from the facility, emission unit or process to avoid being subject to the following applicable requirement(s) that the facility, emission unit or process would otherwise be subject to:

6NYCRR 201-6
6NYCRR 231-2

Item 2-1.2:
Operation of this facility shall take place in accordance with the approved criteria, emission limits, terms, conditions and standards in this permit.

Item 2-1.3:
The owner or operator of the permitted facility must maintain all required records on-site for a period of five years and make them available to representatives of the Department upon request. Department representatives must be granted access to any facility regulated by this Subpart, during normal operating hours, for the purpose of determining compliance with this and any other state and federal air pollution control requirements, regulations or law.

Item 2-1.4:
On an annual basis, unless otherwise specified below, beginning one year after the granting of an emissions cap, the responsible official shall provide a certification to the Department that the facility has operated all emission units within the limits imposed by the emission cap. This certification shall include a brief summary of the emissions subject to the cap for that time period and a comparison to the threshold levels that would require compliance with an applicable requirement.

Item 2-1.5:

The emission of pollutants that exceed the applicability thresholds for an applicable requirement, for which the facility has obtained an emissions cap, constitutes a violation of Part 201 and of the Act.

Item 2-1.6:
The Compliance Demonstration activity will be performed for the Facility.

Regulated Contaminant(s):
CAS No: 0NY210-00-0 OXIDES OF NITROGEN

Item 2-1.7:
Compliance Demonstration shall include the following monitoring:

Capping: Yes
Monitoring Type: MONITORING OF PROCESS OR CONTROL DEVICE PARAMETERS AS SURROGATE
Monitoring Description:
Boilers which fire multiple fuels (in New york City, Nassau, Rockland, Suffolk, and Westchester counties) shall maintain a record of the quantity of each fuel fired. Also, the owner or operator shall calculate (based on the fuel quantities) using the following formula:

R(0.075) + D(0.02) + G(100) + E(0.44) + N(3400) < 49,800 lbs/yr of Oxides of Nitrogen emissions.

Where: R = 12-month rolling total of residual oil fired (from boilers) in gals/yr
D = 12-month rolling total of distillate oil fired (from boilers) in gals/yr
G = 12-month rolling total of natural gas fired (from boilers) in MMSCF/yr
E = 12-month rolling total of diesel fuel fired (from engines) in gals/yr
N = 12-month rolling total of natural gas fired (from engines) in MMSCF/yr

Parameter Monitored: OXIDES OF NITROGEN
Upper Permit Limit: 24.9 tons per year
Monitoring Frequency: MONTHLY
Averaging Method: ANNUAL MAXIMUM ROLLED MONTHLY
Reporting Requirements: ANNUALLY (CALENDAR)
Reports due 30 days after the reporting period.
The initial report is due 1/30/2009.
Subsequent reports are due every 12 calendar month(s).

Condition 18: Acceptable procedures
Effective between the dates of 09/29/1999 and Permit Expiration Date

Applicable Federal Requirement:6NYCRR 202-1.3

Item 18.1:
Emission testing, sampling, and analytical deteminations to ascertain compliance with this Subpart shall be conducted in accordance with test methods acceptable to the commissioner.

Condition 19: Acceptable procedures - Stack test report submittal
Effective between the dates of 09/29/1999 and Permit Expiration Date

Applicable Federal Requirement:6NYCRR 202-1.3

Item 19.1:
Emission test reports must be submitted in triplicate to the commissioner within 60 days after the completion of the tests, unless additional time is requested in writing.

Condition 2-2: Compliance Demonstration
Effective between the dates of 06/25/2008 and Permit Expiration Date

Applicable Federal Requirement:6NYCRR 225-1.2(a)(2)

Item 2-2.1:
The Compliance Demonstration activity will be performed for the Facility.

Item 2-2.2:
Compliance Demonstration shall include the following monitoring:

Monitoring Type: WORK PRACTICE INVOLVING SPECIFIC OPERATIONS
Monitoring Description:
No person shall use, purchase, sell, or offer for sale any distillate fuel oil which has a sulfur content greater than the limit presented below. A log of the sulfur content in oil per delivery must be maintained on site for a minimum of five years after the date of the last entry.

Work Practice Type: PARAMETER OF PROCESS MATERIAL
Process Material: DISTILLATES - NUMBER 1 AND NUMBER 2 OIL
Parameter Monitored: SULFUR CONTENT
Upper Permit Limit: 0.2 percent by weight
Monitoring Frequency: PER DELIVERY
Averaging Method: MAXIMUM - NOT TO BE EXCEEDED AT ANY TIME (INSTANTANEOUS/DISCRETE OR GRAB)
Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

Condition 1-5: Compliance Demonstration
Effective between the dates of 04/13/2006 and Permit Expiration Date

Applicable Federal Requirement:6NYCRR 225-1.8

Item 1-5.1:
The Compliance Demonstration activity will be performed for the Facility.

Item 1-5.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES
Monitoring Description:
An owner or operator of a facility which purchases and fires coal and/or oil shall submit reports to the commissioner containing fuel analysis data, information on the quantity of the fuel received, burned, and results of any stack sampling, stack monitoring and any other procedures to ensure compliance with the provisions of 6 NYCRR Part 225-1. All records shall be available for a minimum of three years.

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION
Averaging Method: AVERAGING METHOD - SEE MONITORING DESCRIPTION
Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

Condition 1-6: Compliance Demonstration
Effective between the dates of 04/13/2006 and Permit Expiration Date

Applicable Federal Requirement:6NYCRR 227-1.3(a)

Item 1-6.1:
The Compliance Demonstration activity will be performed for the Facility.

Item 1-6.2:
Compliance Demonstration shall include the following monitoring:

Monitoring Type: MONITORING OF PROCESS OR CONTROL DEVICE PARAMETERS AS SURROGATE
Monitoring Description:
No owner or operator of a combustion installation shall emit greater than 20 percent opacity except for one six minute period per hour, not to exceed 27 percent, based upon the six minute average in reference test method 9 in Appendix A of 40 CFR 60.

Parameter Monitored: OPACITY
Upper Permit Limit: 20 percent
Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION
Averaging Method: 6-MINUTE AVERAGE (METHOD 9)
Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

****** Emission Unit Level ******

Condition 2-3: Compliance Demonstration
Effective between the dates of 06/25/2008 and Permit Expiration Date

Applicable Federal Requirement:40CFR 60.48c(i), NSPS Subpart Dc

Item 2-3.1:
The Compliance Demonstration activity will be performed for:

Emission Unit: V-C0001

Item 2-3.2:
Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES
Monitoring Description:
All records required under this section shall be maintained by the owner or operator of the affected facility for a period of two years following the date of such record.

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION
Averaging Method: AVERAGING METHOD - SEE MONITORING DESCRIPTION
Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

Condition 2-4: Exemption from the averaging period.
Effective between the dates of 06/25/2008 and Permit Expiration Date

Applicable Federal Requirement:40CFR 60.42c(h), NSPS Subpart Dc

Item 2-4.1:
This Condition applies to Emission Unit: V-C0001
Process: 411

Item 2-4.2:
Compliance with emission limits and/or fuel oil sulfur limitations shall be based on a certification from the fuel supplier as stated in paragraph 40 CFR 60-Dc.48c(f)(1), (2), or (3) as applicable.

Condition 2-5: Enforceablity.
Effective between the dates of 06/25/2008 and Permit Expiration Date

Applicable Federal Requirement:40CFR 60.42c(i), NSPS Subpart Dc

Item 2-5.1:
This Condition applies to Emission Unit: V-C0001
Process: 411

Item 2-5.2:
The sulfur dioxide emission limits, percentage reductions, and fuel oil sulfur limitations shall apply at all times, including periods of startup, shutdown, and malfunction.

Condition 2-6: Compliance Demonstration
Effective between the dates of 06/25/2008 and Permit Expiration Date

Applicable Federal Requirement:40CFR 60.48c(f)(1), NSPS Subpart Dc

Item 2-6.1:
The Compliance Demonstration activity will be performed for:

Emission Unit: V-C0001
Process: 411

Regulated Contaminant(s):
CAS No: 007446-09-5 SULFUR DIOXIDE

Item 2-6.2:
Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES
Monitoring Description:
Fuel supplier certification shall include the following information for distillate oil:

i) The name of the oil supplier, and

ii) A statement from the oil supplier that the oil complies with the specifications under the definition of distillate oil in §60.41c. 60-Dc 41c defines distillate oil as fuel that complies with the specifications for fuel oil numbers 1 or 2, as defined by the American Society for Testing and Materials in ASTM D396-78, A standard Specification for Fuel Oils.

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION
Averaging Method: AVERAGING METHOD - SEE MONITORING DESCRIPTION
Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

STATE ONLY ENFORCEABLE CONDITIONS
****** Facility Level ******

NOTIFICATION OF GENERAL PERMITTEE OBLIGATIONS
This section contains terms and conditions which are not federally enforceable. Permittees may also have other obligations under regulations of general applicability

Item A: **Public Access to Recordkeeping for Facilities With State Facility Permits - 6NYCRR Part 201-1.10(a)**
Where emission source owners and/or operators keep records pursuant to compliance with the operational flexibility requirements of 6 NYCRR Subpart 201-5.4(b)(1) , and/or the emission capping requirements of 6 NYCRR Subparts 201-7.2(d), 201-7.3(f), 201-7.3(g), 201-7.3(h)(5), 201-7.3(i) and 201-7.3(j), the Department will make such records available to the public upon request in accordance with 6 NYCRR Part 616 - Public Access to Records. Emission source owners and/or operators must submit the records required to comply with the request within sixty working days of written notification by the Department of receipt of the request.

Item B: **General Provisions for State Enforceable Permit Terms and Condition - 6 NYCRR Part 201-5**
Any person who owns and/or operates stationary sources shall operate and maintain all emission units and any required emission control devices in compliance with all applicable Parts of this Chapter and existing laws, and shall operate the facility in accordance with all criteria, emission limits, terms, conditions, and standards in this permit. Failure of such person to properly operate and maintain the effectiveness of such emission units and emission control devices may be sufficient reason for the Department to revoke or deny a permit.

The owner or operator of the permitted facility must maintain all required records on-site for a period of five years and make them available to representatives of the Department upon request. Department representatives must be granted access to any facility regulated by this Subpart, during normal operating hours, for the purpose of determining compliance with this and any other state and federal air pollution control requirements, regulations or law.

STATE ONLY APPLICABLE REQUIREMENTS
The following conditions are state only enforceable.

Condition 1-7: Contaminant List
Effective between the dates of 04/13/2006 and Permit Expiration Date

Applicable State Requirement:ECL 19-0301

Item 1-7.1:
Emissions of the following contaminants are subject to contaminant specific requirements in this permit(emission limits, control requirements or compliance monitoring conditions).

CAS No: 007446-09-5
Name: SULFUR DIOXIDE

CAS No: 0NY210-00-0
Name: OXIDES OF NITROGEN

Condition 1-8: Unavoidable noncompliance and violations
Effective between the dates of 04/13/2006 and Permit Expiration Date

Applicable State Requirement:6NYCRR 201-1.4

Item 1-8.1:
At the discretion of the commissioner a violation of any applicable emission standard for necessary scheduled equipment maintenance, start-up/shutdown conditions and malfunctions or upsets may be excused if such violations are unavoidable. The following actions and recordkeeping and reporting requirements must be adhered to in such circumstances.

(a) The facility owner and/or operator shall compile and maintain records of all equipment maintenance or start-up/shutdown activities when they can be expected to result in an exceedance of any applicable emission standard, and shall submit a report of such activities to the commissioner's representative when requested to do so in writing or when so required by a condition of a permit issued for the corresponding air contamination source except where conditions elsewhere in this permit which contain more stringent reporting and notification provisions for an applicable requirement, in which case they supercede those stated here. Such reports shall describe why the violation was unavoidable and shall include the time, frequency and duration of the maintenance and/or start-up/shutdown activities and the identification of air contaminants, and the estimated emission rates. If a facility owner and/or operator is subject to continuous stack monitoring and quarterly reporting requirements, he need not submit reports for equipment maintenance or start-up/shutdown for the facility to the commissioner's representative.

(b) In the event that emissions of air contaminants in excess of any emission standard in 6 NYCRR Chapter III Subchapter A occur due to a malfunction, the facility owner and/or operator shall report such malfunction by telephone to the commissioner's representative as soon as possible during normal working hours, but in any event not later than two working days after becoming aware that the malfunction occurred. Within 30 days thereafter, when requested in writing by the commissioner's representative, the facility owner and/or operator shall submit a written report to the commissioner's representative describing the malfunction, the corrective action taken, identification of air contaminants, and an estimate of the emission rates. These reporting requirements are superceded by conditions elsewhere in this permit which contain reporting and notification provisions for

applicable requirements more stringent than those above.

(c) The Department may also require the owner and/or operator to include in reports described under (a) and (b) above an estimate of the maximum ground level concentration of each air contaminant emitted and the effect of such emissions depending on the deviation of the malfunction and the air contaminants emitted.

(d) In the event of maintenance, start-up/shutdown or malfunction conditions which result in emissions exceeding any applicable emission standard, the facility owner and/or operator shall take appropriate action to prevent emissions which will result in contravention of any applicable ambient air quality standard. Reasonably available control technology, as determined by the commissioner, shall be applied during any maintenance, start-up/shutdown or malfunction condition subject to this paragraph.

(e) In order to have a violation of a federal regulation (such as a new source performance standard or national emissions standard for hazardous air pollutants) excused, the specific federal regulation must provide for an affirmative defense during start-up, shutdowns, malfunctions or upsets.

Condition 25: General Provisions
Effective between the dates of 09/29/1999 and Permit Expiration Date

Applicable State Requirement:6NYCRR 201-5

Item 25.1:
This section contains terms and conditions that are not federally enforceable and are not required under the Act or under any of its applicable requirements. Terms and conditions so designated are not subject to the requirements of Section 201-6.4 of Part 201.

Item 25.2:
Any person who owns and/or operates stationary sources shall operate and maintain all emission units and any required emission control devices in compliance with all applicable Parts of this Chapter and existing laws, and shall operate the facility in accordance with all criteria, emission limits, terms, conditions, and standards in this permit. Failure of such person to properly operate and maintain the effectiveness of such emission units and emission control devices may be sufficient reason for the Department to revoke or deny a permit.

Item 25.3:
The owner or operator of the permitted facility must maintain all required records on-site for a period of five years and make them available to representatives of the Department upon request. Department representatives must be granted access to any facility regulated by this Subpart, during normal operating hours, for the purpose of determining compliance with this and any other state and federal air pollution control requirements, regulations or law.

Condition 26: Emission Unit Definition
Effective between the dates of 09/29/1999 and Permit Expiration Date

Applicable State Requirement:6NYCRR 201-5

Item 26.1(From Mod 3):
The facility is authorized to perform regulated processes under this permit for:
Emission Unit: V-C0001
Emission Unit Description:
Eight (8) existing 350 HP dual fuel boilers are replaced with five (5) new 600 HP boilers. In order to construct the five (5) new boilers, two (2) new temporary 700 hp (29.4 mmBtu/hr) each boilers will be installed for a period of one year to provide heating during the construction period. These 2 temporary boilers will be used with 2 of the permanent 600 hp (24.34 mmBtu/hr) boilers, for a total capacity of 107.5 mmBtu/hr during the construction phase.

Building(s): BLDG 4

Condition 28: Air pollution prohibited
Effective between the dates of 09/29/1999 and Permit Expiration Date

Applicable State Requirement:6NYCRR 211.2

Item 28.1:
No person shall cause or allow emissions of air contaminants to the outdoor atmosphere of such quantity, characteristic or duration which are injurious to human, plant or animal life or to property, or which unreasonably interfere with the comfortable enjoyment of life or property. Notwithstanding the existence of specific air quality standards or emission limits, this prohibition applies, but is not limited to, any particulate, fume, gas, mist, odor, smoke, vapor, pollen, toxic or deleterious emission, either alone or in combination with others.

**** Emission Unit Level ****

Condition 32: Emission Point Definition By Emission Unit
Effective between the dates of 09/29/1999 and Permit Expiration Date

Applicable State Requirement:6NYCRR 201-5

Item 32.1(From Mod 3):
The following emission points are included in this permit for the cited Emission Unit:

Emission Unit: V-C0001

Emission Point: 99999
Height (ft.): 245 Length (in.): 108 Width (in.): 108
NYTMN (km.): 4519.6 NYTME (km.): 597.3 Building: BLDG 4