

New York State Department of Environmental Conservation
Facility DEC ID: 7503200019



PERMIT
Under the Environmental Conservation Law (ECL)

IDENTIFICATION INFORMATION

Permit Type: Air Title V Facility
Permit ID: 7-5032-00019/00016
Effective Date: 12/06/2001 Expiration Date: 12/06/2006

Permit Issued To: AES EASTERN ENERGY LP
1001 NORTH 19TH ST - 20TH FL
ARLINGTON, VA 22209

Contact: AES CAYUGA
228 CAYUGA DRIVE
LANSING, NY 14882

Facility: AES CAYUGA
228 CAYUGA DRIVE
LANSING, NY

Description:

AES CAYUGA STATION IS AN ELECTRIC GENERATING STATION CONSISTING OF TWO GENERATOR UNITS. STEAM FOR UNIT 1 IS SUPPLIED BY BOILER 1. STEAM FOR UNIT 2 IS SUPPLIED BY BOILER 2. THE PLANT HAS A STACK FOR EACH BOILER PLUS A BYPASS STACK (THREE STACKS TOTAL). WHILE EACH BOILER NORMALLY EXHAUSTS THROUGH ITS OWN STACK AND THE BYPASS STACK IS USED FOR STARTUP OR EMERGENCY, EACH BOILER HAS THE CAPABILITY OF BEING EXHAUSTED THROUGH ANY OF THE THREE STACKS. AES CAYUGA STATION IS PERMITTED TO BURN BITUMINOUS COAL. ASSOCIATED WITH THE BOILERS ARE A COAL HANDLING SYSTEM (UNLOADING, CONVEYING, ETC), NO. 2 OR DIESEL FUEL OIL SYSTEM (TANKS AND PIPING) USED FOR STARTUP, FLAME STABILIZATION, AND COAL CAR THAWING, LIMESTONE HANDLING SYSTEM (UNLOADING, CONVEYING, ETC.), AND OTHER MISCELLANEOUS SOURCES AND ACTIVITIES RELATED TO THE OPERATION OF AN ELECTRIC GENERATING STATION.

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: MICHAEL K. BARYLSKI
1285 FISHER AVE
CORTLAND, NY 13045-1090

Authorized Signature: _____ Date: ___ / ___ / ____



Notification of Other 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, agents, and assigns for all claims, suits, actions, damages, and costs of every name and description, arising out of or resulting from the permittee's undertaking of activities or operation and maintenance of the facility or facilities authorized by the permit in compliance or non-compliance with the terms and conditions of the permit.

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

General Provisions

Facility Inspection by the Department

Relationship of this Permit to Other Department Orders and Determinations

Applications for Permit Renewals and Modifications

Permit Modifications, Suspensions, and Revocations by the Department

Facility Level

Submission of Applications for Permit Modification or Renewal -REGION 7
SUBOFFICE



s20

DEC GENERAL CONDITIONS
****** General Provisions ******

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 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 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

New York State Department of Environmental Conservation
Facility DEC ID: 7503200019



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 7
SUBOFFICE
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 7 Sub-office
Division of Environmental Permits
1285 Fisher Avenue
Cortland, NY 13045-1090
(607) 753-3095



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

Permit Under the Environmental Conservation Law (ECL)

ARTICLE 19: AIR POLLUTION CONTROL - TITLE V PERMIT

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Authorized Activity By Standard Industrial Classification Code:
4911 - ELECTRIC SERVICES

Permit Effective Date: 12/06/2001

Permit Expiration Date: 12/06/2006



LIST OF CONDITIONS

FEDERALLY ENFORCEABLE CONDITIONS

Facility Level

- 1 Sealing
- 2 Acceptable ambient air quality
- 3 Maintenance of equipment
- 4 Unpermitted Emission Sources
- 5 Unavoidable Noncompliance and Violations
- 6 Emergency Defense
- 7 Recycling and Salvage
- 8 Prohibition of Reintroduction of Collected Contaminants to the Air
- 9 Public Access to Recordkeeping for Title V facilities
- 10 Proof of Eligibility
- 11 Proof of Eligibility
- 12 Applicable Criteria, Limits, Terms, Conditions and Standards
- 13 Cessation or Reduction of Permitted Activity Not a Defense
- 14 Compliance Requirements
- 15 Federally-Enforceable Requirements
- 16 Fees
- 17 Monitoring, Related Recordkeeping and Reporting Requirements
- 18 Permit Revocation, Modification, Reopening, Reissuance or Termination, and Associated Information Submission Requirements
- 19 Permit Shield
- 20 Property Rights
- 21 Reopening for Cause
- 22 Right to Inspect
- 23 Severability
- 24 Emission Unit Definition
- 25 Compliance Certification
- 26 Compliance Certification
- 27 Permit Exclusion Provisions
- 28 Non Applicable requirements
- 29 Required emissions tests
- 30 Compliance Certification
- 31 Recordkeeping requirements
- 32 Permit requirements.
- 33 Submissions to the Department.
- 34 Contents of reports and compliance certifications.
- 35 Discretionary report contents.
- 36 Compliance Certification
- 37 Submission of NOx allowance transfers.
- 39 General provisions.
- 40 Prohibitions.
- 41 Requirements for recertification of monitoring systems.



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

- 42 Compliance Certification
- 43 Out of control periods.
- 38 Compliance Certification
- 44 Compliance Certification
- 45 Compliance Certification
- 46 Visible emissions limited.
- 47 Open Fires Prohibited at Industrial and Commercial Sites
- 48 Authorized Account Representatives (AARs)
- 49 Facility Subject to Title IV Acid Rain Regulations and Permitting
- 50 Recycling and Emissions Reduction

Emission Unit Level

- 51 Emission Point Definition By Emission Unit
- 52 Process Definition By Emission Unit
- 53 Compliance Certification (EU=M-00001)
- 54 Compliance Certification (EU=M-00001)
- 55 Compliance Certification (EU=M-00001)
- 56 Compliance Certification (EU=M-00001)
- 57 Compliance Certification (EU=M-00001)
- 58 Phase II Applicability Condition
- 59 Compliance Certification (EU=M-00001,Proc=P11)
- 60 Compliance Certification (EU=M-00001,Proc=P11,ES=B0001)
- 61 Compliance Certification (EU=M-00001,Proc=P11,ES=B0001)
- 62 Compliance Certification (EU=M-00001,Proc=P11,ES=B0001)
- 63 Compliance Certification (EU=M-00001,Proc=P11,ES=B0001)
- 64 Compliance Certification (EU=M-00001,Proc=P11,ES=B0001)
- 65 Compliance Certification (EU=M-00001,Proc=P12,ES=B0001)
- 66 Compliance Certification (EU=M-00001,Proc=P19,ES=B0001)
- 67 Compliance Certification (EU=M-00001,Proc=P21)
- 68 Compliance Certification (EU=M-00001,Proc=P21,ES=B0002)
- 69 Compliance Certification (EU=M-00001,Proc=P21,ES=B0002)
- 70 Compliance Certification (EU=M-00001,Proc=P21,ES=B0002)
- 71 Compliance Certification (EU=M-00001,Proc=P21,ES=B0002)
- 72 Compliance Certification (EU=M-00001,Proc=P21,ES=B0002)
- 73 Compliance Certification (EU=M-00001,Proc=P22,ES=B0002)
- 74 Compliance Certification (EU=M-00001,Proc=P29,ES=B0002)
- 75 Compliance Certification (EU=M-00001,EP=NEW01)
- 76 Compliance Certification (EU=M-00001,EP=NEW01)
- 77 Compliance Certification (EU=M-00001,EP=NEW01,Proc=P11)
- 78 Compliance Certification (EU=M-00001,EP=NEW02)
- 79 Compliance Certification (EU=M-00001,EP=NEW02)
- 80 Compliance Certification (EU=M-00001,EP=NEW02,Proc=P21)
- 81 Compliance Certification (EU=M-00001,EP=NEW03)

STATE ONLY ENFORCEABLE CONDITIONS

Facility Level

- 82 General Provisions
- 83 Contaminant List
- 84 Air pollution prohibited

New York State Department of Environmental Conservation
Permit ID: 7-5032-00019/00016 Facility DEC ID: 7503200019





New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

FEDERALLY ENFORCEABLE CONDITIONS

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

Condition 1: Sealing

Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 200.5

Item 1.1:

(a) 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 labelling 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.

(b) 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.

(c) Unless authorized by the commissioner, no person shall remove or alter any seal affixed to any contamination source in accordance with this section

Condition 2: Acceptable ambient air quality

Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 200.6

Item 2.1:

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.

Condition 3: Maintenance of equipment

Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 200.7

Item 3.1:

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.



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

Condition 4: Unpermitted Emission Sources
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 201-1.2

Item 4.1:

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.

Condition 5: Unavoidable Noncompliance and Violations
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 201-1.4

Item 5.1:

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 or certificate issued for the corresponding air contamination source. 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.



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

(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.

Condition 6: Emergency Defense
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 201-1.5

Item 6.1:

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.

Condition 7: Recycling and Salvage
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 201-1.7



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

Item 7.1:

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.

Condition 8: Prohibition of Reintroduction of Collected Contaminants to the Air

Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 201-1.8

Item 8.1:

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.

Condition 9: Public Access to Recordkeeping for Title V facilities

Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 201-1.10(b)

Item 9.1:

The Department will make available to the public any permit application, compliance plan, permit, and monitoring and compliance certification report pursuant to Section 503(e) of the Act, except for information entitled to confidential treatment pursuant to 6NYCRR Part 616 - Public Access to records and Section 114(c) of the Act.

Condition 10: Proof of Eligibility

Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 201-3.2(a)

Item 10.1:

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.

Condition 11: Proof of Eligibility

Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 201-3.3(a)

Item 11.1:

The owner and/or operator of an emission source or unit that is listed as being trivial in 6 NYCRR Part



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

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.

Condition 12: Applicable Criteria, Limits, Terms, Conditions and Standards
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 201-6.

Item 12.1:

Operation of this facility shall take place in accordance with the approved criteria, emission limits, terms, conditions and standards in the permit. This shall include:

- i. Any reporting requirements and operations under an accidental release plan, response plan, and compliance plan as approved as of the date of the permit issuance, or
- ii. Any support documents submitted as a part of the permit application for this facility as accepted and approved as of the date of permit issuance.

Any noncompliance with the federally-enforceable portions of this permit constitutes a violation of the federal Clean Air Act and will be grounds for enforcement action, for permit termination, revocation and reissuance, or modification, or for denial of a permit renewal application.

Item 12.2:

Any document, including reports, required by the federally-enforceable portions of this permit shall contain a certification by the responsible official for this facility as set forth in Section 201-6.3 that based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate and complete.

Condition 13: Cessation or Reduction of Permitted Activity Not a Defense
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 201-6.

Item 13.1:

It shall not be a defense for a permittee in an enforcement action to claim that a cessation or reduction in the permitted activity would have been necessary in order to maintain compliance with the conditions of this permit.

Condition 14: Compliance Requirements
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 201-6.

New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019



Item 14.1:

The following information must be included in any required compliance monitoring records and reports:

- i. The date, place and time of sampling or measurements;
- ii. The date(s) analyses were performed;
- iii. The company or entity that performed the analyses;
- iv. The analytical techniques or methods used including quality assurance and quality control procedures if required;
- v. The results of such analyses including quality assurance data where required; and
- vi. The operating conditions as existing at the time of sampling or measurement;

Any deviation from permit requirements must be clearly identified in all records and reports. Reports must be certified by the responsible official, consistent with Section 201-6.3 of Part 201.

Item 14.2:

The permittee shall comply with the approved compliance schedule for this permit if such a schedule is a part of this permit. Risk management plans must be submitted to the Administrator if required by Section 112(r) of the Clean Air Act for this facility.

Item 14.3:

Progress reports consistent with an applicable schedule of compliance must be submitted at least semiannually on a calendar year basis, or at a more frequent period if specified in the applicable requirement or by the Department elsewhere in this permit. These reports shall be submitted to the Department within 30 days after the end of a reporting period. Such progress reports shall contain the following:

- i. Dates for achieving the activities, milestones, or compliance required in the schedule of compliance, and dates when such activities, milestones or compliance were achieved; and
- ii. An explanation of why any dates in the schedule of compliance were not or will not be met, and any preventive or corrective measures adopted.

**Condition 15: Federally-Enforceable Requirements
Effective between the dates of 12/06/2001 and 12/06/2006**

Applicable Federal Requirement: 6NYCRR 201-6.

Item 15.1:

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



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

only state regulations.

Condition 16: Fees

Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 201-6.

Item 16.1:

The permittee shall pay the required fees associated with this permit.

Condition 17: Monitoring, Related Recordkeeping and Reporting Requirements

Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 201-6.

Item 17.1:

Compliance monitoring and recordkeeping shall be conducted according to the terms and conditions contained in this permit and shall follow all quality assurance requirements. Records of all monitoring data and support information shall be retained for a period of at least 5 years from the date of the monitoring sample, measurement, report, or application. Support information includes all calibration and maintenance records and all original strip-chart recordings for continuous monitoring instrumentation, and copies of all reports required by the permit.

Condition 18: Permit Revocation, Modification, Reopening, Reissuance or Termination, and Associated Information Submission Requirements

Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 201-6.

Item 18.1:

This permit may be modified, revoked, reopened and reissued, or terminated for cause. The filing of a request by the permittee for a permit modification, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not relieve the permittee from the requirement to comply with any condition contained in this permit.

The permittee shall furnish to the Department, within a reasonable time, any information that the Department may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating the permit or to determine compliance with the permit. The permittee shall also, on request, furnish the Department with copies of records required to be kept by the permit. Where information is claimed to be confidential, the permittee may furnish such records directly to the Administrator along with a claim of confidentiality.

Condition 19: Permit Shield

Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 201-6.

New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019



Item 19.1:

All permittees granted a Title V facility permit shall be covered under the protection of a permit shield. For those facilities for which a permit shield has been granted, compliance with the conditions of the permit shall be deemed compliance with any applicable requirements as of the date of permit issuance, provided that such applicable requirements are included and are specifically identified in the permit, or the Department, in acting on the permit application or revision, determines in writing that other requirements specifically identified are not applicable to the major stationary source, and the permit includes the determination or a concise summary thereof. Nothing herein shall preclude the Department from revising or revoking the permit pursuant to 6 NYCRR Part 621 or from exercising its summary abatement authority. Nothing in this permit shall alter or affect the following:

- i. The ability of the Department to seek to bring suit on behalf of the State of New York, or the Administrator to seek to bring suit on behalf of the United States, to immediately restrain any person causing or contributing to pollution presenting an imminent and substantial endangerment to public health, welfare or the environment to stop the emission of air pollutants causing or contributing to such pollution;
- ii. The liability of a permittee of the Title V facility for any violation of applicable requirements prior to or at the time of permit issuance;
- iii. The applicable requirements of Title IV of the Act;
- iv. The ability of the Department or the Administrator to obtain information from the permittee concerning the ability to enter, inspect and monitor the facility.

Condition 20: Property Rights

Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 201-6.

Item 20.1:

This permit does not convey any property rights of any sort or any exclusive privilege.

Condition 21: Reopening for Cause

Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 201-6.

Item 21.1:

This Title V permit shall be reopened and revised under any of the following circumstances:

- i. If additional applicable requirements under the Act become applicable where this permit's remaining term is three or more years, a reopening shall be completed not later than 18 months after promulgation of the applicable requirement. No such reopening is required if the effective date of the requirement is later than the date on which this permit is due to expire, unless the original permit or any of its terms and conditions has been extended by the Department pursuant to the provisions of Part 201-6.7 and Part 621.



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

ii. The Department or the Administrator determines that the permit contains a material mistake or that inaccurate statements were made in establishing the emissions standards or other terms or conditions of the permit.

iii. The Department or the Administrator determines that the Title V permit must be revised or reopened to assure compliance with applicable requirements.

iv. If the permitted facility is an "affected source" subject to the requirements of Title IV of the Act, and additional requirements (including excess emissions requirements) become applicable. Upon approval by the Administrator, excess emissions offset plans shall be deemed to be incorporated into the permit.

Item 21.2:

Proceedings to reopen and issue Title V facility permits shall follow the same procedures as apply to initial permit issuance but shall affect only those parts of the permit for which cause to reopen exists.

Item 21.3:

Reopenings shall not be initiated before a notice of such intent is provided to the facility by the Department at least thirty days in advance of the date that the permit is to be reopened, except that the Department may provide a shorter time period in the case of an emergency.

Condition 22: Right to Inspect

Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 201-6.

Item 22.1:

Upon presentation of credentials and other documents, as may be required by law, the permittee shall allow the Department or an authorized representative to perform the following:

i. Enter upon the permittee's premises where the permitted facility is located or emissions-related activity is conducted, or where records must be kept under the conditions of the permit;

ii. Have access to and copy, at reasonable times, any records that must be kept under the conditions of the permit;

iii. Inspect, at reasonable times, any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under the permit; and

iv. As authorized by the Act, sample or monitor, at reasonable times, substances or parameters for the purpose of assuring compliance with the permit or applicable requirements.

Condition 23: Severability

Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 201-6.

Item 23.1:

New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019



If any provisions, parts or conditions of this permit are found to be invalid or are the subject of a challenge, the remainder of this permit shall continue to be valid.

Condition 24: Emission Unit Definition
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 201-6.

Item 24.1:

The facility is authorized to perform regulated processes under this permit for:

Emission Unit: M-00001

Emission Unit Description:

AES CAYUGA STATION IS AN ELECTRIC GENERATING STATION CONSISTING OF TWO GENERATOR UNITS. THE FOLLOWING IDENTIFIERS WILL BE USED IN RELATION TO THIS EMISSION UNIT. AES CAYUGA BOILERS: EMISSION UNIT M00001. AES CAYUGA STACK 1; EMISSION POINT NEW01. AES CAYUGA STACK 2, EMISSION POINT NEW02. AES CAYUGA BYPASS STACK, EMISSION POINT NEW03; BOILER 1, EMISSION SOURCE B0001. BOILER 1 ELECTROSTATIC PRECIPITATOR, EMISSION SOURCE ESP01. BOILER 1 FLUE GAS DESULFURIZATION SYSTEM, EMISSION SOURCE FDG01. BOILER 1 SELECTIVE CATALYTIC REDUCTION, EMISSION SOURCE SCR01. PROCESSES FOR BOILER 1 ARE: BURNING BITUMINOUS COAL, PROCESS P11; BURNING NO. 2 FUEL OIL, PROCESS P12; BURNING DIESEL FUEL, PROCESS P19. BOILER 2, EMISSION SOURCE B0002. BOILER 2 ELECTROSTATIC PRECIPITATOR, EMISSION SOURCE ESP02. BOILER 2 FLUE GAS DESULFURIZATION SYSTEM, EMISSION SOURCE FGD02. A PERMIT TO CONSTRUCT AND OPERATE A SELECTIVE CATALYTIC REDUCTION UNIT FOR BOILER 2 (EMISSION SOURCE SCR02) WAS ISSUED TO AES CAYUGA ON 9/5/00. CONSTRUCTION OF SCR02 MUST COMMENCE BY 8/1/01 OR ELSE AES CAYUGA MUST REAPPLY FOR APPROVAL TO COMMENCE CONSTRUCTION OF SCR02. PROCESSES FOR BOILER 2 ARE: BURNING BITUMINOUS COAL, PROCESS P21; BURNING NO. 2 FUEL OIL, PROCESS P22; BURNING DIESEL FUEL, PROCESS P29. STEAM FOR GENERATING UNIT 1 IS SUPPLIED BY EMISSION SOURCE B0001. EMISSION SOURCE B0001 PRIMARILY EXHAUSTS THROUGH EMISSION POINT NEW01, BUT IT HAS THE CAPABILITY OF

New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019



ALSO EXHAUSTING THROUGH EMISSION POINTS NEW02 AND NEW03. EMISSION SOURCE B0001 IS A COMBUSTION ENGINEERING DRY BOTTOM, TANGENTIALLY FIRED BOILER RATED AT 1,484 MMBTU/HR MAXIMUM HEAT INPUT. THE BOILER BURNS BITUMINOUS COAL AS ITS PRIMARY FUEL. NO. 2 FUEL OIL OR DIESEL FUEL IS USED FOR STARTUP AND FLAME STABILIZATION.

STEAM FOR GENERATING UNIT 2 IS SUPPLIED BY EMISSION SOURCE B0002. EMISSION SOURCE B0002 PRIMARILY EXHAUSTS THROUGH EMISSION POINT NEW02, BUT IT HAS THE CAPABILITY OF ALSO EXHAUSTING THROUGH EMISSION POINTS NEW01 AND NEW03. EMISSION SOURCE B0002 IS A COMBUSTION ENGINEERING DRY BOTTOM, TANGENTIALLY FIRED BOILER RATED AT 1,517 MMBTU/HR MAXIMUM HEAT INPUT. THE BOILER BURNS BITUMINOUS COAL AS ITS PRIMARY FUEL. NO. 2 FUEL OIL OR DIESEL FUEL IS USED FOR STARTUP AND FLAME STABILIZATION.

EMISSION SOURCES B0001 AND B0002 ARE EACH EQUIPPED WITH AN ELECTROSTATIC PRECIPITATOR TO CONTROL PARTICULATE MATTER EMISSIONS. THE PRECIPITATORS WERE COMPLETELY GUTTED AND REBUILT RECENTLY AS PART OF THE FLUE GAS DESULFURIZATION SYSTEM INSTALLATION. SULFUR DIOXIDE EMISSIONS ARE CONTROLLED BY A FLUE GAS DESULFURIZATION (FGD) SYSTEM CAPABLE OF UP TO 98% REMOVAL EFFICIENCY . THE FGD SYSTEM WAS INSTALLED AS PART OF THE DEPT OF ENERGY'S CLEAN COAL TECHNOLOGY DEMONSTRATION PROGRAM. THERE IS A MODULE FOR EACH BOILER, EACH MODULE HAS ITS OWN STACK. GENERALLY, EMISSION SOURCE B0001 IS CONTROLLED BY EMISSION SOURCE FGD01 AND EMISSION SOURCE B0002 IS CONTROLLED BY EMISSION SOURCE FGD02, BUT THE FGD SYSTEM IS DESIGNED SUCH THAT THE GAS FROM EITHER BOILER CAN BE TREATED BY EITHER MODULE. IN ADDITION, THERE IS A BYPASS STACK WHICH IS USED DURING A BOILER STARTUP AND IN THE CASE OF AN FGD MODULE PROBLEM. NITROGEN OXIDE EMISSIONS ARE CONTROLLED THROUGH THE USE OF A LEVEL III LOW NOX CONCENTRIC FIRING SYSTEM (LNCFS-III) INSTALLED ON EACH



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

0 BOILER AND GOOD COMBUSTION PRACTICES. THE LNCFS-III WAS ALSO INSTALLED AS PART OF THE DOE CLEAN COAL TECHNOLOGY DEMONSTRATION PROJECT.

Building(s): BOILER
FGD

Condition 25: Compliance Certification
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 201-6.5(c)(3)

Item 25.1:

The Compliance Certification activity will be performed for the Facility.

Item 25.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

To meet the requirements of this facility permit with respect to reporting, the permittee must:

Submit reports of any required monitoring at a minimum frequency of every 6 months, based on a calendar year reporting schedule. These reports shall be submitted to the Department within 30 days after the end of a reporting period. All instances of deviations from permit requirements must be clearly identified in such reports. All required reports must be certified by the responsible official for this facility.

In the case of any condition contained in this permit with a reporting requirement of "Upon request by regulatory agency" the permittee shall include in the semiannual report, a statement for each such condition that the monitoring or recordkeeping was performed as required or requested and a listing of all instances of deviations from these requirements.

In the case of any emission testing performed during the previous six month reporting period, either due to a request by the Department, EPA, or a regulatory requirement, the permittee shall include in the semiannual report a summary of the testing results and shall indicate whether or not the Department or EPA has approved the results.

New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019



All semiannual reports shall be submitted to the Administrator (or his or her representative) as well as two copies to the Department (one copy to the regional air pollution control engineer (RAPCE) in the regional office and one copy to the Bureau of Compliance Monitoring and Enforcement (BCME) in the DEC central office). Mailing addresses for the above referenced persons are contained in the monitoring condition for 6 NYCRR Part 201-6.5(e), contained elsewhere in this permit.

Reporting Requirements: SEMI-ANNUALLY (CALENDAR)

Reports due 30 days after the reporting period.

The initial report is due 4/29/02.

Subsequent reports are due every 6 calendar month(s).

Condition 26: Compliance Certification
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 201-6.5(e)

Item 26.1:

The Compliance Certification activity will be performed for the Facility.

Item 26.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

Compliance certifications shall contain the following information:

- the identification of each term or condition of the permit that is the basis of the certification;
 - the compliance status;
 - whether compliance was continuous or intermittent;
 - the method(s) used for determining the compliance status of the facility, currently and over the reporting period consistent with the monitoring and related recordkeeping and reporting requirements of this permit;
 - such other facts as the Department may require to determine the compliance status of the facility as specified in any special permit terms or conditions;
- and
- such additional requirements as may be specified elsewhere in this permit related to compliance certification.

Compliance certifications shall be submitted annually.



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

Certification reports are due 30 days after the anniversary date of four consecutive calendar quarters. The first report is due 30 days after the calendar quarter that occurs just prior to the permit anniversary date, unless another quarter has been acceptable by the Department.

All compliance certifications shall be submitted to the Administrator (or his or her representative) as well as two copies to the Department (one copy to the regional air pollution control engineer (RAPCE) in the regional office and one copy to the Bureau of Compliance Monitoring and Enforcement (BCME) in the DEC central office). Please send annual compliance certifications to Chief of the Stationary Source Compliance Section, the Region 2 EPA representative for the Administrator, at the following address:

USEPA Region 2
Air Compliance Branch
290 Broadway
New York, NY 10007-1866

The address for the RAPCE is as follows:

615 Erie Boulevard, West
Syracuse, NY 13204-2400

The address for the BCME is as follows:

NYSDEC
Bureau of Compliance Monitoring
and Enforcement
625 Broadway
Albany, NY 12233-3258

Reporting Requirements: ANNUALLY (CALENDAR)
Reports due 30 days after the reporting period.
The initial report is due 10/30/02.
Subsequent reports are due on the same day each year

Condition 27: Permit Exclusion Provisions
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 201-6.5(g)

Item 27.1:



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

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 currently pending or future legal, administrative or equitable rights or claims, actions, suits, causes of action or demands whatsoever that the Department may have against the Applicant 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), and particularly any such enforcement action as may be authorized pursuant to 6 NYCRR 201-1.2 and 6 NYCRR 201-6.5(g).

The issuance of this permit by the Department and the receipt thereof by the Applicant does not supercede, revoke or rescind an order or modification thereof on consent or determination by the Commissioner issued heretofore by the Department or any of the terms, conditions or requirements contained in such order or modification thereof unless specifically intended by this permit.

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 the right of the Department to bring any future action, or pursue any pending action, either administrative or judicial, to required remediation, contribution for costs incurred or funds expended, for any violations, past, present or future, known or unknown, of applicable federal law, the ECL, or the rules and regulations promulgated thereunder, or conditions contained in any other licenses or permits issued to the Applicant and not addressed in this permit.

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 the right of the Department to pursue any claims for natural resource damages against the Applicant.

Condition 28: Non Applicable requirements
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 201-6.5(g)

Item 28.1:

This section contains a summary of those requirements that have been specifically identified as being not applicable to this facility and/or emission units, emission points, processes and/or emission sources within this facility. The summary also includes a justification for classifying any such requirements as non-applicable.

40CFR 52-A.21(i)(1)

Emission Unit: M00001

Reason: This Non-Applicability determination only applies to the installation of Selective Catalytic Reduction (SCR) NOx control technology. SCR installation on boiler units 1 and 2 is exempt from New Source Performance Standards (NSPS) regulations at 40 CFR 60 as a pollution control project pursuant to 40 CFR 60.14(e)(5). Additionally, SCR installation on boiler units 1 and 2 is exempt from the Federal Prevention of Significant Deterioration of Air Quality (PSD) regulations as a pollution control project, unless the project renders the units less environmentally

New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019



beneficial. When operated, the SCR is expected to significantly reduce NO_x emissions. However, there are some potential adverse impacts from operation of the SCR which need to be assessed. The Department will make a final determination on whether these impacts make the Units less environmentally beneficial after the following conditions have been met. Approval to commence construction of the Unit 2 SCR is valid through 8/1/01, after which AES must reapply for and receive approval to install the Unit 2 SCR prior to commencing construction.

1. Ammonia Slip. NH₃ slip is guaranteed to be less than 2 ppm (2 lb/hr at max load) from the SCR. AES shall conduct a stack test for ammonia in accordance with condition #4 below. This stack test shall be performed at boiler loads representative of normal operation of the Units.

2. SO₃ formation. The SCR is guaranteed to convert less than or equal to 1% of SO₂ to SO₃. AES shall conduct a stack test for SO₃ emissions in accordance with condition #4 below. This test shall measure both the SCR inlet and outlet concentrations of SO₂ and SO₃ emissions.

3. Particulate Formation. The SCR may lead to an increase in particulate emissions due to the formation of ammonia sulfates. AES shall conduct a stack test for particulate and PM-10 emissions in accordance with condition #4 below. This data shall be compared to test data obtained from the Units obtained under similar operating conditions, but without the SCR operating.

4. The above required stack tests shall be conducted within 180 days of first operation of each SCR on Units 1 and 2. AES shall submit a stack test protocol to NYSDEC Region 7 for review at least 60 days prior to conducting testing. AES shall provide at least 30 days prior notice to NYSDEC Region 7 of the test dates. A final test report shall be submitted to NYSDEC Region 7 within 60 days of completion of stack testing.

5. AES shall submit written notification of startup to NYSDEC Region 7 within 15 days of first operation of the SCR on Unit 1 and Unit 2 (separate notifications for each unit).



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

Condition 29: Required emissions tests
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 202-1.1

Item 29.1:

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.

Condition 30: Compliance Certification
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 202-2.1

Item 30.1:

The Compliance Certification activity will be performed for the Facility.

Item 30.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

Emission statements shall be submitted on or before April 15th each year for emissions of the previous calendar year.

Monitoring Frequency: ANNUALLY

Reporting Requirements: ANNUALLY (CALENDAR)

Reports due by April 15th for previous calendar year

Condition 31: Recordkeeping requirements
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 202-2.5

Item 31.1:

(a) The following records shall be maintained for at least five years:

- (1) a copy of each emission statement submitted to the department; and
- (2) records indicating how the information submitted in the emission statement was determined, including any calculations, data, measurements, and estimates used.

(b) These records shall be made available at the facility to the representatives of the department upon request during normal business hours.

New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019



Condition 32: Permit requirements.
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 204-1.6

Item 32.1: The NOx authorized account representative of each NOx budget unit shall submit to the Department a complete NOx Budget permit application (as defined under Section 204-3.3) by May 1, 2002 or 12 months before the date on which the NOx Budget unit commences operation.

Condition 33: Submissions to the Department.
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 204-2.1

Item 33.1: Each submission under the NOx Budget Trading Program shall be submitted, signed and certified by the NOx authorized account representative for each NOx Budget source on behalf of which the submission is made. Each submission shall include a certification statement (as stated in paragraph 204-2.1(e)(1)) by the NOx authorized account representative.

Condition 34: Contents of reports and compliance certifications.
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 204-4.1

Item 34.1: The NOx authorized account representative shall include in the compliance certification report the following elements, in a format prescribed by the Administrator, concerning each unit at the source and subject to the NOx Budget emissions limitation for the control period covered by the report:

- (1) Identification of each NOx Budget unit; and
- (2) In the compliance certification report the NOx authorized account representative shall certify, based on reasonable inquiry of those persons with primary responsibility for operating the source and the NOx Budget units at the source in compliance with the NOx Budget Trading Program, whether each NOx Budget unit for which the compliance certification is submitted was operated during the calendar year covered by the report in compliance with the requirements of the NOx Budget Trading Program applicable to the unit, including:
 - (i) Whether the unit was operated in compliance with the NOx Budget emissions limitation;
 - (ii) Whether the monitoring plan that governs the unit has been maintained to reflect the actual operation and monitoring of the unit, and contains all information necessary to attribute NOx emissions to the unit, in accordance with Subpart 204-8;
 - (iii) Whether all the NOx emissions from the unit, or a group of units (including the unit) using a common stack, were monitored or accounted for through the missing data procedures and reported in the quarterly monitoring reports, including whether conditional data were reported in the quarterly reports in accordance with Subpart 204-8. If conditional data were reported, the owner or operator shall indicate whether the status of all conditional data has been resolved and all necessary quarterly report



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

resubmissions has been made;

(iv) Whether the facts that form the basis for certification under Subpart 204-8 of each monitor at the unit or a group of units (including the unit) using a common stack, or for using an excepted monitoring method or alternative monitoring method approved under Subpart 204-8, if any, has changed; and

(v) If a change is required to be reported under item (iv) above, specify the nature of the change, the reason for the change, when the change occurred, and how the unit's compliance status was determined subsequent to the change, including what method was used to determine emissions when a change mandated the need for monitor recertification.

Condition 35: Discretionary report contents.

Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 204-4.1

Item 35.1: At the NOx authorized account representative's option the following may be included in the compliance certification report:

(1) The serial numbers of the NOx allowances that are to be deducted from each unit's compliance account under Section 204-6.5 for the control period; and

(2) For units sharing a common stack and having NOx emissions that are not monitored separately or apportioned in accordance with Subpart 204-8, the percentage of NOx allowances that is to be deducted from each unit's compliance account under Subdivision 204-6.5(e).

Condition 36: Compliance Certification

Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 204-4.1

Item 36.1:

The Compliance Certification activity will be performed for the Facility.

Item 36.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

For each control period in which one or more NOx Budget units at a source are subject to the NOx Budget emissions limitation, the NOx authorized account representative of the source shall submit to the Department and the Administrator by November 30 of that year, a compliance certification report for each source covering all such units.

Monitoring Frequency: AS REQUIRED - SEE MONITORING DESCRIPTION

Reporting Requirements: AS REQUIRED - SEE MONITORING DESCRIPTION

New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019



Condition 37: Submission of NO_x allowance transfers.
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 204-7.1

Item 37.1: The NO_x authorized account representatives seeking recordation of a NO_x allowance transfer shall submit the transfer to the Administrator. To be considered correctly submitted, the NO_x allowance transfer shall include the following elements in a format specified by the Administrator:

- (a) The numbers identifying both the transferor and transferee accounts;
- (b) A specification by serial number of each NO_x allowance to be transferred; and
- (c) The printed name and signature of the NO_x authorized account representative of the transferor account and the date signed.

Condition 39: General provisions.
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 204-8.1

Item 39.1: The owners and operators, and to the extent applicable, the NO_x authorized account representative of a NO_x Budget unit, shall comply with the monitoring and reporting requirements as provided in this Subpart and in Subpart H of 40 CFR Part 75. For purposes of complying with such requirements, the definitions in Section 204-1.2 and in 40 CFR 72.2 shall apply, and the terms "affected unit," "designated representative," and "continuous emission monitoring system" (or "CEMS") in 40 CFR Part 75 shall be replaced by the terms "NO_x Budget unit," "NO_x authorized account representative," and "continuous emission monitoring system" (or "CEMS"), respectively, as defined in Section 204-1.2.

Condition 40: Prohibitions.
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 204-8.1

Item 40.1: No owner or operator of a NO_x Budget unit or a non-NO_x Budget unit monitored under 40 CFR 75.72(b)(2)(ii) shall:

- (1) use any alternative monitoring system, alternative reference method, or any other alternative for the required continuous emission monitoring system without having obtained prior written approval in accordance with Section 204-8.6;
- (2) operate the unit so as to discharge, or allow to be discharged, NO_x emissions to the atmosphere without accounting for all such emissions in accordance with the applicable provisions of this Subpart and 40 CFR Part 75 except as provided for in 40 CFR 75.74;
- (3) disrupt the continuous emission monitoring system, any portion thereof, or any other approved emission monitoring method, and thereby avoid monitoring and recording NO_x mass emissions discharged into the atmosphere, except for periods of recertification or periods when calibration, quality assurance testing, or maintenance is performed in accordance with the applicable provisions of this



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

Subpart and 40 CFR Part 75 except as provided for in 40 CFR 75.74; and
(4) permanently discontinue use of the continuous emission monitoring system, any component thereof, or any other approved emission monitoring system under this Subpart, except under any one of the following circumstances:

- (i) The owner or operator is monitoring emissions from the unit with another certified monitoring system approved, in accordance with the applicable provisions of this Subpart and 40 CFR Part 75, by the Department for use at that unit that provides emission data for the same pollutant or parameter as the discontinued monitoring system; or
- (ii) The NOx authorized account representative submits notification of the date of certification testing of a replacement monitoring system in accordance with Paragraph 204-8.2(b)(2).

**Condition 41: Requirements for recertification of monitoring systems.
Effective between the dates of 12/06/2001 and 12/06/2006**

Applicable Federal Requirement: 6NYCRR 204-8.2

Item 41.1: Whenever the owner or operator makes a replacement, modification, or change in a certified monitoring system that the Administrator or the Department determines significantly affects the ability of the system to accurately measure or record NOx mass emissions or heat input or to meet the requirements of 40 CFR 75.21 or Appendix B to 40 CFR Part 75, the owner or operator shall recertify the monitoring system according to 40 CFR 75.20(b). Furthermore, whenever the owner or operator makes a replacement, modification, or change to the flue gas handling system or the unit's operation that the Administrator or the Department determines to significantly change the flow or concentration profile, the owner or operator shall recertify the continuous emissions monitoring system according to 40 CFR 75.20(b). Examples of changes which require recertification include: replacement of the analyzer, change in location or orientation of the sampling probe or site, or changing of flow rate monitor polynomial coefficients.

**Condition 42: Compliance Certification
Effective between the dates of 12/06/2001 and 12/06/2006**

Applicable Federal Requirement: 6NYCRR 204-8.2

Item 42.1:
The Compliance Certification activity will be performed for the Facility.

Item 42.2:
Compliance Certification shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

The owner or operator of a NOx Budget unit under paragraphs (b)(2) or (b)(3) of this section must determine, record and report NOx mass, heat input (if required for purposes of allocations) and any other values required to determine NOx Mass (e.g. NOx emission rate and



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

heat input or NOx concentration and stack flow) using the provisions of 40 CFR 75.70(g), from the date and hour that the unit starts operating until all required certification tests are successfully completed.

Monitoring Frequency: AS REQUIRED - SEE MONITORING DESCRIPTION

Reporting Requirements: AS REQUIRED - SEE MONITORING DESCRIPTION

Condition 43: Out of control periods.
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 204-8.3

Item 43.1: Whenever any monitoring system fails to meet the quality assurance requirements of Appendix B of 40 CFR Part 75, data shall be substituted using the applicable procedures in Subpart D, Appendix D, or Appendix E of 40 CFR Part 75.

Condition 38: Compliance Certification
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 204-8.4

Item 38.1:
The Compliance Certification activity will be performed for the Facility.

Item 38.2:
Compliance Certification shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES
Monitoring Description:

The Authorized Account Representative for a NOx Budget unit shall submit written notice to the Department and the USEPA Administrator in accordance with the requirements of this subpart as follows:

0 All monitoring plans or monitoring plan modifications; compliance certifications, recertifications and quarterly QA/QC reports; and, petitions for alternative monitoring, shall be submitted to the USEPA Administrator (or his/her representatives) as well as two copies to the Department (one copy to the Regional Air Pollution Control Engineer (RAPCES) in the regional office and one one copy to the Bureau of Compliance Monitoring and Enforcement (BCME) in the DEC central office. All Authorized Account Representative changes shall be sent to the NYSDEC central office.

New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019



All quarterly emission data shall be electronically filed with the USEPA Clean Air Markets Division with a copy (disc or hard copy) to the NYSDEC offices.

The address for the USEPA Administrator is as follows:

USEPA Clean Air Markets Division
401 M Street SW (6204J)
Washington D.C.

CEM Coordinator
USEPA-Region 2
2890 Woodbridge Avenue
Edison, N.J. 08837

The address for the BCME is as follows:

NYSDEC
Bureau of Compliance Monitoring and Enforcement
625 Broadway, 2nd Floor
Albany N.Y. 12233-3258

ACR changes should be sent to the attention of:

NYSDEC
Stationary Source Planning Section
Bureau of Air Quality Planning
625 Broadway, 2nd Floor
Albany NY 12233-3251

The address for the RAPCE is as follows:

615 Erie Boulevard, West
Syracuse, NY 13204-2400

Reporting Requirements: AS REQUIRED - SEE MONITORING DESCRIPTION

Condition 44: Compliance Certification
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 204-8.7

Item 44.1:

The Compliance Certification activity will be performed for the Facility.



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

Item 44.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

The owner or operator of a unit that elects to monitor and report NO_x Mass emissions using a NO_x concentration system and a flow system shall also monitor and report heat input at the unit level using the procedures set forth in 40 CFR Part 75.

Monitoring Frequency: HOURLY

Reporting Requirements: QUARTERLY (CALENDAR)

Reports due 30 days after the reporting period.

The initial report is due 1/29/02.

Subsequent reports are due every 3 calendar month(s).

Condition 45: Compliance Certification
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 207.2(a)

Item 45.1:

The Compliance Certification activity will be performed for the Facility.

Item 45.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

AES Cayuga shall submit a proposed episode action plan to the Commissioner within 90 days of his request therefor. The plan shall contain detailed steps which will be taken by AES Cayuga to reduce air contaminant emissions during each stage of an air pollution episode. The Commissioner shall make available and furnish with his request therefor, guidelines for preparation of episode action plans.

Monitoring Frequency: AS REQUIRED - SEE MONITORING DESCRIPTION

Reporting Requirements: AS REQUIRED - SEE MONITORING DESCRIPTION

Condition 46: Visible emissions limited.
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 211.3



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

Item 46.1:

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.

Condition 47: Open Fires Prohibited at Industrial and Commercial Sites
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 215.

Item 47.1:

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.

Condition 48: Authorized Account Representatives (AARs)
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 227-3.12

Item 48.1: Each budget source must designate an AAR, and may designate an alternate AAR, for each compliance account and compliance overdraft account.

Condition 49: Facility Subject to Title IV Acid Rain Regulations and Permitting
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 40CFR 72.6(a)(1), Subpart A

Item 49.1:

This facility is subject to the Title IV Acid Rain Regulations found in 40 CFR Parts 72, 73, 75, 76, 77 and 78. The Acid Rain Permit is attached to this Title V facility operating permit.

Condition 50: Recycling and Emissions Reduction
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 40CFR 82, Subpart F

Item 50.1:

The permittee shall comply with the standards for recycling and emissions reduction pursuant to 40 CFR Part 82, Subpart F, except as provided for MVAC's in Subpart B:

- a. Persons opening appliances for maintenance, service, repair, or disposal must comply with the required practices pursuant to 40 CFR Part 82.156.
- b. Equipment used during the maintenance, service, repair, or disposal of appliances must comply with the standards for recycling and recovery equipment pursuant to 40 CFR Part 82.158.



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

- c. Persons performing maintenance, service, repair, or disposal of appliances must be certified by an approved technician certification program pursuant to 40 CFR Part 82.161.
- d. Persons disposing of small appliances, MVAC's, and MVAC-like appliances must comply with recordkeeping requirements pursuant to 40 CFR Part 82.166. ("MVAC-like appliance as defined at 40 CFR Part 82.152)
- e. Persons owning commercial or industrial process refrigeration equipment must comply with the leak repair requirements pursuant to 40 CFR Part 82.156.
- f. 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 40 CFR Part 82.166.

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

**Condition 51: Emission Point Definition By Emission Unit
Effective between the dates of 12/06/2001 and 12/06/2006**

Applicable Federal Requirement: 6NYCRR 201-6.

Item 51.1:

The following emission points are included in this permit for the cited Emission Unit:

Emission Unit: M-00001

Emission Point: NEW01

Height (ft.): 374 Diameter (in.): 144
NYTMN (km.): 4717.922 NYTME (km.): 365.931 Building: FGD

Emission Point: NEW02

Height (ft.): 374 Diameter (in.): 144
NYTMN (km.): 4717.922 NYTME (km.): 365.931 Building: FGD

Emission Point: NEW03

Height (ft.): 374 Diameter (in.): 96
NYTMN (km.): 4717.922 NYTME (km.): 365.931 Building: FGD

**Condition 52: Process Definition By Emission Unit
Effective between the dates of 12/06/2001 and 12/06/2006**

Applicable Federal Requirement: 6NYCRR 201-6.

Item 52.1:

This permit authorizes the following regulated processes for the cited Emission Unit:

Emission Unit: M-00001

New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019



Process: P11

Source Classification Code: 1-01-002-02

Process Description:

EMISSION SOURCE B0001 FIRES BITUMINOUS COAL AS ITS BASELINE FUEL. PARTICULATE MATTER EMISSIONS ARE CONTROLLED BY THE USE OF AN ELECTROSTATIC PRECIPITATOR AND/OR A WET SCRUBBER AND MEASURED (WHEN REQUESTED BY DEC) AT THE STACK CURRENTLY IN USE BY EMISSION SOURCE B0001. SULFUR DIOXIDE EMISSIONS ARE CONTROLLED BY A FLUE GAS DESULFURIZATION SYSTEM. NITROGEN OXIDES EMISSIONS ARE CONTROLLED THROUGH THE USE OF LNCFS-III, GOOD COMBUSTION PRACTICES AND A SELECTIVE CATALYTIC REDUCTION UNIT AS REQUIRED. NITROGEN OXIDES ARE LIMITED ON A SYSTEM-WIDE BASIS AS ESTABLISHED IN AES NEW YORK'S NOX RACT COMPLIANCE PLAN. SULFUR DIOXIDE AND NITROGEN OXIDES EMISSIONS ARE MEASURED BY THE CONTINUOUS EMISSION MONITORING SYSTEMS ON THE STACKS.

Emission Source/Control: B0001 - Combustion
Design Capacity: 1,484 million Btu per hour

Emission Source/Control: ESP01 - Control
Control Type: ELECTROSTATIC PRECIPITATOR

Emission Source/Control: FGD01 - Control
Control Type: WET SCRUBBER

Emission Source/Control: FGD02 - Control
Control Type: WET SCRUBBER

Item 52.2:

This permit authorizes the following regulated processes for the cited Emission Unit:

Emission Unit: M-00001

Process: P12

Source Classification Code: 1-01-005-01

Process Description:

EMISSION SOURCE B0001 USES NO. 2 FUEL OIL AS A STARTUP FUEL AND FOR FLAME STABILIZATION. IT IS USED ON AN AS-NEEDED BASIS. FLUE GAS OPACITY IS CONTROLLED AS NECESSARY THROUGH THE USE OF ESP FIELDS AND/OR A WET SCRUBBER DURING STARTUP. THERE ARE NO SPECIFIC FUEL OIL CONTROLS FOR SULFUR DIOXIDE OR NITROGEN OXIDES EMISSIONS. SULFUR DIOXIDE AND NITROGEN

New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019



OXIDES EMISSIONS ARE MEASURED BY THE CONTINUOUS EMISSION MONITORING SYSTEMS ON THE STACKS.

Emission Source/Control: B0001 - Combustion
Design Capacity: 1,484 million Btu per hour

Item 52.3:

This permit authorizes the following regulated processes for the cited Emission Unit:

Emission Unit: M-00001

Process: P19

Source Classification Code: 1-01-005-01

Process Description:

EMISSION SOURCE B0001 USES DIESEL FUEL AS A STARTUP AND FOR FLAME STABILIZATION. IT IS USED ON AN AS-NEEDED BASIS. FLUE GAS OPACITY IS CONTROLLED AS NECESSARY THROUGH THE USE OF ESP FIELDS AND/OR A WET SCRUBBER DURING STARTUP. THERE ARE NO SPECIFIC DIESEL FUEL CONTROLS FOR SULFUR DIOXIDE OR NITROGEN OXIDES EMISSIONS. SULFUR DIOXIDE AND NITROGEN OXIDES EMISSIONS ARE MEASURED BY THE CONTINUOUS EMISSION MONITORING SYSTEMS ON THE STACKS.

Emission Source/Control: B0001 - Combustion
Design Capacity: 1,484 million Btu per hour

Item 52.4:

This permit authorizes the following regulated processes for the cited Emission Unit:

Emission Unit: M-00001

Process: P21

Source Classification Code: 1-01-002-02

Process Description:

EMISSION SOURCE B0002 FIRES BITUMINOUS COAL AS ITS PRIMARY FUEL. PARTICULATE MATTER EMISSIONS ARE CONTROLLED BY THE USE OF AN ELECTROSTATIC PRECIPITATOR AND/OR A WET SCRUBBER AND MEASURED (WHEN REQUESTED BY DEC) AT THE STACK CURRENTLY IN USE BY EMISSION SOURCE B0002. SULFUR DIOXIDE EMISSIONS ARE CONTROLLED BY A FLUE GAS DESULFURIZATION SYSTEM. NITROGEN OXIDES EMISSIONS ARE CONTROLLED THROUGH THE USE OF LNCFS-III, GOOD COMBUSTION PRACTICES AND A SELECTIVE CATALYTIC REDUCTION UNIT AS REQUIRED. NITROGEN OXIDES LIMITS ON A SYSTEM-WIDE BASIS ARE ESTABLISHED IN AES

New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019



NEW YORK'S NOX RACT COMPLIANCE PLAN. SULFUR DIOXIDE AND NITROGEN OXIDES EMISSIONS ARE MEASURED BY THE CONTINUOUS EMISSION MONITORING SYSTEMS ON THE STACKS.

Emission Source/Control: B0002 - Combustion
Design Capacity: 1,517 million Btu per hour

Emission Source/Control: ESP02 - Control
Control Type: ELECTROSTATIC PRECIPITATOR

Emission Source/Control: FGD01 - Control
Control Type: WET SCRUBBER

Emission Source/Control: FGD02 - Control
Control Type: WET SCRUBBER

Item 52.5:

This permit authorizes the following regulated processes for the cited Emission Unit:

Emission Unit: M-00001

Process: P22

Source Classification Code: 1-01-005-01

Process Description:

EMISSION SOURCE B0002 USES NO. 2 FUEL OIL AS A STARTUP FUEL AND FOR FLAME STABILIZATION. IT IS USED ON AN AS-NEEDED BASIS. FLUE GAS OPACITY IS CONTROLLED AS NECESSARY THROUGH THE USE OF ESP FIELDS AND/OR A WET SCRUBBER DURING STARTUP. THERE ARE NO SPECIFIC FUEL OIL CONTROLS FOR SULFUR DIOXIDE OR NITROGEN OXIDES EMISSIONS. SULFUR DIOXIDE AND NITROGEN OXIDES EMISSIONS ARE MEASURED BY THE CONTINUOUS EMISSION MONITORING SYSTEMS ON THE STACKS.

Emission Source/Control: B0002 - Combustion
Design Capacity: 1,517 million Btu per hour

Item 52.6:

This permit authorizes the following regulated processes for the cited Emission Unit:

Emission Unit: M-00001

Process: P29

Source Classification Code: 1-01-005-01

Process Description:

EMISSION SOURCE B0002 USES DIESEL FUEL AS A STARTUP FUEL AND FOR FLAME STABILIZATION. IT IS USED ON AN AS-NEEDED BASIS. FLUE GAS



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

OPACITY IS CONTROLLED AS NECESSARY THROUGH THE USE OF ESP FIELDS AND/OR A WET SCRUBBER DURING STARTUP. THERE ARE NO SPECIFIC DIESEL FUEL CONTROLS FOR SULFUR DIOXIDE OR NITROGEN OXIDES EMISSIONS. SULFUR DIOXIDE AND NITROGEN OXIDES EMISSIONS ARE MEASURED BY THE CONTINUOUS EMISSION MONITORING SYSTEMS ON THE STACKS.

Emission Source/Control: B0002 - Combustion
Design Capacity: 1,517 million Btu per hour

Condition 53: Compliance Certification
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 201-1.4

Item 53.1:

The Compliance Certification activity will be performed for:

Emission Unit: M-00001

Item 53.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES
Monitoring Description:

For each opacity exceedence (6 minute average) that occurs during startup, shutdown or maintenance, AES Cayuga shall submit a written notification within two working days to NYSDEC Region 7 identifying the following:

1. Date, time and magnitude of the opacity exceedence.
2. The following unit operating parameters: fuel(s), generator load, ESP fields operating.
3. A statement clearly describing why the exceedence was unavoidable. The description shall identify the specific reason for the exceedence and why the situation was unavoidable. Simple reason codes alone will not be sufficient for demonstrating unavoidability (ie. startup or shutdown only).

For opacity exceedences that occur as a result of equipment malfunctions, AES Cayuga shall submit a written notification within two business days to NYSDEC Region 7 identifying the following:

New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019



1. Date, time and magnitude of the opacity exceedence.
2. The following unit operating parameters: fuel(s), generator load, ESP fields operating.
3. A statement clearly describing what equipment malfunctioned, the reason for such malfunction, and a statement as to why the malfunction could not be reasonably prevented or avoided.

At the discretion of the commissioner, opacity exceedences reported above may be excused from enforcement action.

Monitoring Frequency: AS REQUIRED - SEE MONITORING DESCRIPTION

Reporting Requirements: AS REQUIRED - SEE MONITORING DESCRIPTION

Condition 54: Compliance Certification
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 227-3.13

Item 54.1:

The Compliance Certification activity will be performed for:

Emission Unit: M-00001

Item 54.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

Sources subject to 40 CFR Part 75. The owner and/or operator of each budget source subject to 40 CFR Part 75 shall demonstrate compliance with this Subpart by using a certified 40 CFR Part 75 monitoring system and is subject to the following requirements:

Budget sources which have a flow monitor certified under 40 CFR Part 75: NO_x emissions in lbs/hr shall be determined using a CEMS and the flow monitor and by multiplying together the figures resulting from application of the following two Subparagraphs:

(i) The NO_x emission rate in lbs/mmBtu determined by using the procedure set forth in 40 CFR Part 75 Appendix F, Section 3.

(ii) The hourly heat input in mmBtu/hr determined by using the procedures set forth in 40 CFR Part 75 Appendix

New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019



F, Section 5.

Monitoring Frequency: CONTINUOUS

Averaging Method: 1-HOUR AVERAGE

Reporting Requirements: AS REQUIRED - SEE MONITORING DESCRIPTION

Condition 55: Compliance Certification
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 227-3.15

Item 55.1:

The Compliance Certification activity will be performed for:

Emission Unit: M-00001

Item 55.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

This budget source must submit to the Administrator, in a format which meets the requirements of the Administrator's Electronic Data Reporting convention, information regarding emissions and operations during each calendar quarter of each year in accordance with the procedures specified in the Guidance Document.

Monitoring Frequency: AS REQUIRED - SEE MONITORING DESCRIPTION

Reporting Requirements: QUARTERLY (CALENDAR)

Reports due 30 days after the reporting period.

The initial report is due 1/29/02.

Subsequent reports are due every 3 calendar month(s).

Condition 56: Compliance Certification
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 227-3.16

Item 56.1:

The Compliance Certification activity will be performed for:

Emission Unit: M-00001

Regulated Contaminant(s):

New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019



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

Item 56.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

(a) Each year during the period extending from November 1 through the allowance transfer deadline, December 31, this budget source may request the Administrator to deduct a number of allowances from the budget source's compliance account equal to the current year control period NO_x emissions from the budget source. The request must include identification of the compliance account from which the deductions should be made. The request may include the serial numbers of the particular allowances to be deducted. If no serial numbers are included, the Administrator will first deduct allowances allocated for the current year control period. If the Administrator exhausts all allowances allocated for the current year control period, the Administrator will next deduct banked allowances in the compliance account in the order in which they were deposited. The request may only involve allowances placed in the budget source's compliance account; allowances in a compliance overdraft account or general account may not be deducted pursuant to the request.

(b) If, by November 1 of the current year, the total number of allowances in the budget source's compliance account and compliance overdraft account, including allowance transfer requests properly submitted to the Administrator, is less than the current year control period NO_x emissions from the budget source, the budget source must obtain additional allowances by the allowance transfer deadline so that the total number of allowances in the compliance account and compliance overdraft account, including allowance transfer requests properly submitted to the Administrator by the allowance transfer deadline, at least equals the current year control period NO_x emissions rounded to the nearest whole ton. The Administrator will not consider for compliance purposes allowances contained in any general account held by the owner and/or operator of the budget source.

(c) If, by the allowance transfer deadline, this budget source either makes no allowance deduction request or makes a request that is insufficient to meet the

New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019



requirements of Subdivision 227-3.16(a), the Administrator will deduct a number of allowances from the budget source's compliance account and compliance overdraft account that equals the current year control period NOx emissions from the budget source. Under this Subdivision, the Administrator will deduct allowances in the following order:

- (1) Current year allowances from the compliance account in the order in which they were deposited.
- (2) Banked allowances in the compliance account in the order in which they were deposited.
- (3) Current year allowances from the compliance overdraft account in the order in which they were deposited.
- (4) Banked allowances from the compliance overdraft account in the order in which they were deposited.

(d) Any banked allowances deducted pursuant to this Section shall be deducted in accordance with the provisions of Section 227-3.9.

Monitoring Frequency: AS REQUIRED - SEE MONITORING DESCRIPTION

Reporting Requirements: AS REQUIRED - SEE MONITORING DESCRIPTION

Condition 57: Compliance Certification
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 227-3.17

Item 57.1:

The Compliance Certification activity will be performed for:

Emission Unit: M-00001

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

Item 57.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

(a) By December 31 of each year, this budget source must submit a compliance certification to the Department relating to the budget source's activities during the current year.

(b) The compliance certification shall contain, at a

New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019



minimum:

- (1) identification of the budget source, including address of the budget source, name and address of the owner and/or operator, account numbers of the relevant compliance account and compliance overdraft account and the name of the AAR;
- (2) a statement indicating whether NOx emissions data have been reported to the NETS in accordance with the procedures set forth in Section 227-3.15 and any additional procedures established by the Administrator;
- (3) a statement indicating whether the budget source has a number of allowances in its compliance account or compliance overdraft account equal to or greater than the budget source's NOx emissions for the current year control period;
- (4) a statement indicating whether the monitoring data reflected the actual operation of the budget source;
- (5) a statement indicating whether all NOx emissions from the budget source were accounted for, either through the relevant monitoring or application of the appropriate missing data procedures; and
- (6) a statement indicating whether there were any changes in the method of operation of the budget source or the method of monitoring the budget source during the current year.

(c) The Department may verify compliance by whatever means necessary, including, but not limited to, the following:

- (1) inspection of budget source operating records;
- (2) examining information contained in the NATS (NOx Allowance Tracking System) regarding allowance deductions and transfers for the budget source;
- (3) examining information contained in the NETS (NOx Emission Tracking System) regarding NOx emissions from the budget source;
- (4) testing emission monitoring devices; and,
- (5) testing conducted pursuant to 6 NYCRR Part 202.

Reporting Requirements: AS REQUIRED - SEE MONITORING DESCRIPTION

Condition 58: Phase II Applicability Condition
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 40CFR 72.6(a)(2), Subpart A

Item 58.1:

New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019



This Condition applies to Emission Unit: M-00001

Item 58.2:

This emission unit is an affected unit under the Acid Rain Program under Title IV of the Federal Clean Air Act. The owner must comply with the attached Acid Rain permit, which is incorporated into this Title V permit.

Condition 59: Compliance Certification

Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 227-1.2(a)(3)

Item 59.1:

The Compliance Certification activity will be performed for:

Emission Unit: M-00001

Process: P11

Regulated Contaminant(s):

CAS No: 0NY075-00-0 PARTICULATES

Item 59.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: INTERMITTENT EMISSION TESTING

Monitoring Description:

particulate emission limit for very large boilers firing
solid fuels.

Parameter Monitored: PARTICULATES

Upper Permit Limit: 0.1 pounds per million Btus

Reference Test Method: EPA RM 5

Monitoring Frequency: UPON PERMIT RENEWAL

Averaging Method: 1-HOUR AVERAGE

Reporting Requirements: ONCE / BATCH OR MONITORING OCCURRENCE

Condition 60: Compliance Certification

Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 225-1.5(b)

Item 60.1:

The Compliance Certification activity will be performed for:

Emission Unit: M-00001

Process: P11

Emission Source: B0001

Regulated Contaminant(s):

New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019



CAS No: 007446-09-5 SULFUR DIOXIDE

Item 60.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: CONTINUOUS EMISSION MONITORING (CEM)

Monitoring Description:

This limit is the SO₂ lb/MMBTU equivalent emission rate for 2.5 lb Sulfur/MMBTU fuel limit from Table 2 of 225-1. Compliance is determined using Continuous Emission Monitoring.

Manufacturer Name/Model Number: Monitor Labs 8850, Milton Roy 3300

Parameter Monitored: SULFUR DIOXIDE

Upper Permit Limit: 5.0 pounds per million Btus

Reference Test Method: 40 CFR Part 75

Monitoring Frequency: CONTINUOUS

Averaging Method: 24 HOUR DAILY AVERAGE (ARITHMETIC MEAN)

Reporting Requirements: QUARTERLY (CALENDAR)

Reports due 45 days after the reporting period.

The initial report is due 2/13/02.

Subsequent reports are due every 3 calendar month(s).

Condition 61: Compliance Certification

Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 225-1.5(b)

Item 61.1:

The Compliance Certification activity will be performed for:

Emission Unit: M-00001

Process: P11

Emission Source: B0001

Regulated Contaminant(s):

CAS No: 007446-09-5 SULFUR DIOXIDE

Item 61.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: CONTINUOUS EMISSION MONITORING (CEM)

Monitoring Description:

This limit is the SO₂ lb/MMBTU equivalent emission rate for 1.9 lb Sulfur/MMBTU (3 month avg) fuel limit from Table 2 of 225-1. Compliance is determined using Continuous Emission Monitoring.



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

Manufacturer Name/Model Number: Monitor Labs 8850, Milton Roy 3300
Parameter Monitored: SULFUR DIOXIDE
Upper Permit Limit: 3.8 pounds per million Btus
Reference Test Method: 40 CFR Part 75
Monitoring Frequency: CONTINUOUS
Averaging Method: 3-MONTH AVERAGE ROLLED MONTHLY
Reporting Requirements: QUARTERLY (CALENDAR)
Reports due 45 days after the reporting period.
The initial report is due 2/13/02.
Subsequent reports are due every 3 calendar month(s).

Condition 62: Compliance Certification
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 225-1.5(b)

Item 62.1:

The Compliance Certification activity will be performed for:

Emission Unit: M-00001
Process: P11 Emission Source: B0001

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

Item 62.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: CONTINUOUS EMISSION MONITORING (CEM)
Monitoring Description:
This limit is the SO₂ lb/MMBTU equivalent emission rate for 1.7 lb Sulfur/MMBTU (annual avg) fuel limit from Table 2 of 225-1. Compliance is determined using Continuous Emission Monitoring.

Manufacturer Name/Model Number: Monitor Labs 8850, Milton Roy 3300
Parameter Monitored: SULFUR DIOXIDE
Upper Permit Limit: 3.4 pounds per million Btus
Reference Test Method: 40 CFR Part 75
Monitoring Frequency: CONTINUOUS
Averaging Method: ANNUAL MAXIMUM ROLLED MONTHLY
Reporting Requirements: QUARTERLY (CALENDAR)
Reports due 45 days after the reporting period.
The initial report is due 2/13/02.
Subsequent reports are due every 3 calendar month(s).

Condition 63: Compliance Certification
Effective between the dates of 12/06/2001 and 12/06/2006

New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019



Applicable Federal Requirement: 40CFR 73.

0 Item 63.1:

The Compliance Certification activity will be performed for:

Emission Unit: M-00001

Process: P11

Emission Source: B0001

Regulated Contaminant(s):

CAS No: 007446-09-5 SULFUR DIOXIDE

Item 63.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: CONTINUOUS EMISSION MONITORING (CEM)

Monitoring Description:

EMISSION SOURCE B0001 MUST MONITOR AND REPORT SO₂ LB/HR EMISSIONS UNDER 40 CFR 75. THE SO₂ LB/HR EMIS RATE FOR EMIS SOURCE B0001 WILL BE MONITORED & REPORTED USING THE CSM001, CSM002 & CSM003 CEM SYSTEMS AS DETAILED IN AES CAYUGA STATION UNIT 1 & 2 CEM MONITORING PLAN.

Manufacturer Name/Model Number: MONITOR LABS 8850, UNITED SCIENCES INC 100

Parameter Monitored: SULFUR DIOXIDE

Lower Permit Limit: 0.0 pounds per hour

Reference Test Method: 40 CFR 60 APP A MT6C

Monitoring Frequency: CONTINUOUS

Averaging Method: MAXIMUM - NOT TO BE EXCEEDED MORE THAN ONCE PER CALENDAR YEAR

Reporting Requirements: QUARTERLY (CALENDAR)

Reports due 30 days after the reporting period.

The initial report is due 1/29/02.

Subsequent reports are due every 3 calendar month(s).

Condition 64: Compliance Certification

Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 40CFR 76.5(a)(1)

Item 64.1:

The Compliance Certification activity will be performed for:

Emission Unit: M-00001

Process: P11

Emission Source: B0001



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

Regulated Contaminant(s):

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

Item 64.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: CONTINUOUS EMISSION MONITORING (CEM)

Monitoring Description:

THE APPLICABLE NOX LIMIT FOR EMIS SOURCE B0001 IS 0.45 LB/MMBTU (ANN AVG). EMIS SOURCE B0001 COMPLIES USING AN AES SYSTEM-WIDE AVG PLAN AS PROVIDED IN 40 CFR 76.11 (ALL BOILERS EXCEPT STOKER BOILERS FROM 1/1/2000 ON).

Manufacturer Name/Model Number: MONITOR LABS 8840/MILTON ROY 3300

Upper Permit Limit: 0.45 pounds per million Btus

Reference Test Method: 40 CFR 60 APP A MT7E

Monitoring Frequency: CONTINUOUS

Averaging Method: CALENDAR YEAR AVERAGE

Reporting Requirements: QUARTERLY (CALENDAR)

Reports due 30 days after the reporting period.

The initial report is due 1/29/02.

Subsequent reports are due every 3 calendar month(s).

Condition 65: Compliance Certification

Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 225-1.2(d)

Item 65.1:

The Compliance Certification activity will be performed for:

Emission Unit: M-00001

Process: P12

Emission Source: B0001

Regulated Contaminant(s):

CAS No: 007446-09-5 SULFUR DIOXIDE

Item 65.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: MONITORING OF PROCESS OR CONTROL DEVICE PARAMETERS AS SURROGATE

Monitoring Description:

The State enforceable limit for sulfur in fuel oil is 1.5% sulfur by weight and the Federally enforceable limit is 2.0% by weight. Compliance with these limits shall be



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

demonstrated by vendor certification for each fuel oil delivery received at the facility. These records must be retained at the facility for five years, and must be made available to the Department upon request. AES shall include a statement in the quarterly report regarding compliance of fuel oil deliveries received during the quarter.

Parameter Monitored: SULFUR

Upper Permit Limit: 1.5 percent by weight

Reference Test Method: ASTM Sulfur in Fuel

Monitoring Frequency: PER DELIVERY

Averaging Method: MAXIMUM - NOT TO BE EXCEEDED AT ANY TIME (INSTANTANEOUS/DISCRETE OR GRAB)

Reporting Requirements: QUARTERLY (CALENDAR)

Reports due 45 days after the reporting period.

The initial report is due 2/13/02.

Subsequent reports are due every 3 calendar month(s).

Condition 66: Compliance Certification
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 225-1.2(d)

Item 66.1:

The Compliance Certification activity will be performed for:

Emission Unit: M-00001

Process: P19

Emission Source: B0001

Regulated Contaminant(s):

CAS No: 007446-09-5 SULFUR DIOXIDE

Item 66.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: MONITORING OF PROCESS OR CONTROL DEVICE PARAMETERS AS SURROGATE

Monitoring Description:

The State enforceable limit for sulfur in fuel oil is 1.5% sulfur by weight and the Federally enforceable limit is 2.0% by weight. Compliance with these limits shall be demonstrated by vendor certification for each fuel oil delivery received at the facility. These records must be retained at the facility for five years, and must be made available to the Department upon request. AES shall include a statement in the quarterly report regarding compliance of fuel oil deliveries received during the



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

quarter.

Parameter Monitored: SULFUR
Upper Permit Limit: 1.5 percent by weight
Reference Test Method: ASTM Sulfur in Fuel
Monitoring Frequency: PER DELIVERY
Averaging Method: MAXIMUM - NOT TO BE EXCEEDED AT ANY
TIME (INSTANTANEOUS/DISCRETE OR GRAB)
Reporting Requirements: QUARTERLY (CALENDAR)
Reports due 45 days after the reporting period.
The initial report is due 2/13/02.
Subsequent reports are due every 3 calendar month(s).

Condition 67: Compliance Certification
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 227-1.2(a)(3)

Item 67.1:

The Compliance Certification activity will be performed for:

Emission Unit: M-00001
Process: P21

Regulated Contaminant(s):
CAS No: 0NY075-00-0 PARTICULATES

Item 67.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: INTERMITTENT EMISSION TESTING
Monitoring Description:
particulate emission limit for very large boilers firing
solid fuels.

Parameter Monitored: PARTICULATES
Upper Permit Limit: 0.1 pounds per million Btus
Reference Test Method: EPA RM 5
Monitoring Frequency: UPON PERMIT RENEWAL
Averaging Method: 1-HOUR AVERAGE
Reporting Requirements: ONCE / BATCH OR MONITORING OCCURRENCE

Condition 68: Compliance Certification
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 225-1.5(b)

Item 68.1:



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

The Compliance Certification activity will be performed for:

Emission Unit: M-00001

Process: P21

Emission Source: B0002

Regulated Contaminant(s):

CAS No: 007446-09-5 SULFUR DIOXIDE

Item 68.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: CONTINUOUS EMISSION MONITORING (CEM)

Monitoring Description:

This limit is the SO₂ lb/MMBTU equivalent emission rate for 2.5 lb Sulfur/MMBTU fuel limit from Table 2 of 225-1. Compliance is determined using Continuous Emission Monitoring.

Manufacturer Name/Model Number: Monitor Labs 8850, Milton Roy 3300

Parameter Monitored: SULFUR DIOXIDE

Upper Permit Limit: 5.0 pounds per million Btus

Reference Test Method: 40 CFR Part 75

Monitoring Frequency: CONTINUOUS

Averaging Method: 24 HOUR DAILY AVERAGE (ARITHMETIC MEAN)

Reporting Requirements: QUARTERLY (CALENDAR)

Reports due 45 days after the reporting period.

The initial report is due 2/13/02.

Subsequent reports are due every 3 calendar month(s).

Condition 69: Compliance Certification

Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 225-1.5(b)

Item 69.1:

The Compliance Certification activity will be performed for:

Emission Unit: M-00001

Process: P21

Emission Source: B0002

Regulated Contaminant(s):

CAS No: 007446-09-5 SULFUR DIOXIDE

Item 69.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: CONTINUOUS EMISSION MONITORING (CEM)



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

Monitoring Description:

This limit is the SO₂ lb/MMBTU equivalent emission rate for 1.9 lb Sulfur/MMBTU (3 month avg) fuel limit from Table 2 of 225-1. Compliance is determined using Continuous Emission Monitoring.

Manufacturer Name/Model Number: Monitor Labs 8850, Milton Roy 3300

Parameter Monitored: SULFUR DIOXIDE

Upper Permit Limit: 3.8 pounds per million Btus

Reference Test Method: 40 CFR Part 75

Monitoring Frequency: CONTINUOUS

Averaging Method: 3-MONTH AVERAGE ROLLED MONTHLY

Reporting Requirements: QUARTERLY (CALENDAR)

Reports due 45 days after the reporting period.

The initial report is due 2/13/02.

Subsequent reports are due every 3 calendar month(s).

Condition 70: Compliance Certification
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 225-1.5(b)

Item 70.1:

The Compliance Certification activity will be performed for:

Emission Unit: M-00001

Process: P21

Emission Source: B0002

Regulated Contaminant(s):

CAS No: 007446-09-5 SULFUR DIOXIDE

Item 70.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: CONTINUOUS EMISSION MONITORING (CEM)

Monitoring Description:

This limit is the SO₂ lb/MMBTU equivalent emission rate for 1.7 lb Sulfur/MMBTU (annual avg) fuel limit from Table 2 of 225-1. Compliance is determined using Continuous Emission Monitoring.

Manufacturer Name/Model Number: Monitor Labs 8850, Milton Roy 3300

Parameter Monitored: SULFUR DIOXIDE

Upper Permit Limit: 3.4 pounds per million Btus

Reference Test Method: 40 CFR Part 75

Monitoring Frequency: CONTINUOUS

Averaging Method: ANNUAL MAXIMUM ROLLED MONTHLY

Reporting Requirements: QUARTERLY (CALENDAR)



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

Reports due 45 days after the reporting period.
The initial report is due 2/13/02.
Subsequent reports are due every 3 calendar month(s).

Condition 71: Compliance Certification
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 40CFR 73.

Item 71.1:

The Compliance Certification activity will be performed for:

Emission Unit: M-00001
Process: P21 Emission Source: B0002

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

Item 71.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: CONTINUOUS EMISSION MONITORING (CEM)
Monitoring Description:

EMISSION SOURCE B0002 MUST MONITOR AND
REPORT SO2 LB/HR EMISSIONS UNDER 40 CFR
75. THE SO2 LB/HR EMISSION RATE FOR EMIS
SOURCE B0002 WILL BE MONITORED & REPORTED
USING THE CSM001, CSM002 & CSM003 CEM
SYSTEMS AS DETAILED IN THE AES CAYUGA
STATION UNIT 1 & 2 CEM MONITORING PLAN.

Manufacturer Name/Model Number: MONITOR LABS 8850, UNITED SCIENCES INC 100
Parameter Monitored: SULFUR DIOXIDE
Lower Permit Limit: 0.0 pounds per hour
Reference Test Method: 40 CFR 60 APP A MT6C
Monitoring Frequency: CONTINUOUS
Averaging Method: MAXIMUM - NOT TO BE EXCEEDED MORE THAN
ONCE PER CALENDAR YEAR
Reporting Requirements: QUARTERLY (ANNIVERSARY)
Initial Report Due: 04/04/2002 for the period 12/06/2001 through 03/05/2002

Condition 72: Compliance Certification
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 40CFR 76.5(a)(1)

Item 72.1:

The Compliance Certification activity will be performed for:

New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019



Emission Unit: M-00001

Process: P21

Emission Source: B0002

Regulated Contaminant(s):

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

Item 72.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: CONTINUOUS EMISSION MONITORING (CEM)

Monitoring Description:

THE APPLICABLE NOX LIMIT FOR EMIS SOURCE B0002 IS 0.45 LB/MMBTU (ANN AVG). EMIS SOURCE B0002 COMPLIES USING AN AES SYSTEM-WIDE AVG PLAN AS PROVIDED IN 40 CFR 76.11 (ONLY PHASE 1 UNITS THRU 12/31/99 & ALL BOILERS EXCEPT STOKER BOILERS FROM 1/1/2000 ON).

Manufacturer Name/Model Number: MONITOR LABS 8840/MILTON ROY 3300

Upper Permit Limit: 0.45 pounds per million Btus

Reference Test Method: 40 CFR 60 APP A MT7E

Monitoring Frequency: CONTINUOUS

Averaging Method: CALENDAR YEAR AVERAGE

Reporting Requirements: QUARTERLY (CALENDAR)

Reports due 30 days after the reporting period.

The initial report is due 1/29/02.

Subsequent reports are due every 3 calendar month(s).

Condition 73: Compliance Certification

Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 225-1.2(d)

Item 73.1:

The Compliance Certification activity will be performed for:

Emission Unit: M-00001

Process: P22

Emission Source: B0002

Regulated Contaminant(s):

CAS No: 007446-09-5 SULFUR DIOXIDE

Item 73.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: MONITORING OF PROCESS OR CONTROL



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

DEVICE PARAMETERS AS SURROGATE

Monitoring Description:

The State enforceable limit for sulfur in fuel oil is 1.5% sulfur by weight and the Federally enforceable limit is 2.0% by weight. Compliance with these limits shall be demonstrated by vendor certification for each fuel oil delivery received at the facility. These records must be retained at the facility for five years, and must be made available to the Department upon request. AES shall include a statement in the quarterly report regarding compliance of fuel oil deliveries received during the quarter.

Parameter Monitored: SULFUR

Upper Permit Limit: 1.5 percent by weight

Reference Test Method: ASTM Sulfur in Fuel

Monitoring Frequency: PER DELIVERY

Averaging Method: MAXIMUM - NOT TO BE EXCEEDED AT ANY TIME (INSTANTANEOUS/DISCRETE OR GRAB)

Reporting Requirements: QUARTERLY (CALENDAR)

Reports due 45 days after the reporting period.

The initial report is due 2/13/02.

Subsequent reports are due every 3 calendar month(s).

Condition 74: Compliance Certification

Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 225-1.2(d)

Item 74.1:

The Compliance Certification activity will be performed for:

Emission Unit: M-00001

Process: P29

Emission Source: B0002

Regulated Contaminant(s):

CAS No: 007446-09-5 SULFUR DIOXIDE

Item 74.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: MONITORING OF PROCESS OR CONTROL
DEVICE PARAMETERS AS SURROGATE

Monitoring Description:

The State enforceable limit for sulfur in fuel oil is 1.5% sulfur by weight and the Federally enforceable limit is 2.0% by weight. Compliance with these limits shall be demonstrated by vendor certification for each fuel oil



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

delivery received at the facility. These records must be retained at the facility for five years, and must be made available to the Department upon request. AES shall include a statement in the quarterly report regarding compliance of fuel oil deliveries received during the quarter.

Parameter Monitored: SULFUR

Upper Permit Limit: 1.5 percent by weight

Reference Test Method: ASTM Sulfur in Fuel

Monitoring Frequency: PER DELIVERY

Averaging Method: MAXIMUM - NOT TO BE EXCEEDED AT ANY
TIME (INSTANTANEOUS/DISCRETE OR GRAB)

Reporting Requirements: QUARTERLY (CALENDAR)

Reports due 45 days after the reporting period.

The initial report is due 2/13/02.

Subsequent reports are due every 3 calendar month(s).

Condition 75: Compliance Certification
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 225-1.7(c)

Item 75.1:

The Compliance Certification activity will be performed for:

Emission Unit: M-00001 Emission Point: NEW01

Item 75.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

Part 225-1.7(c) requires that measurements must be made daily of the rate of each fuel burned. Also, the facility must measure the gross heat content and ash content of each fuel burned (determined at least once per week), and the average electrical output (daily) and hourly generation rate. This information must be retained by the source owner for a period of five years.

Monitoring Frequency: AS REQUIRED - SEE MONITORING
DESCRIPTION

Averaging Method: AVERAGING METHOD AS PER REFERENCE TEST
METHOD INDICATED

Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

Condition 76: Compliance Certification

New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019



Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 227-1.3

Item 76.1:

The Compliance Certification activity will be performed for:

Emission Unit: M-00001 Emission Point: NEW01

Item 76.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: CONTINUOUS EMISSION MONITORING (CEM)

Monitoring Description:

Stack opacity shall not exceed 20 percent (six minute average), except for one six-minute period per hour of not more than 27 percent opacity. Compliance with this standard may be determined by EPA Reference Method 9, Continuous Opacity Monitoring System (COMS) data, and/or any other credible evidence. The owner shall install, operate and maintain in accordance with manufacturer's instructions, and properly maintain, a COMS in the stack satisfying the criteria in Appendix B of 40 CFR part 60, unless an alternative monitoring methodology has been approved by the Department pursuant to 6 NYCRR Part 227-1.4(d).

The owner shall submit an accurate excess emissions and monitoring system performance report to the Department for each calendar year quarter. All reports shall be certified by a responsible corporate official as true, accurate and complete and postmarked by the 60th day following the end of each calendar year quarter. The quarterly excess emissions report shall be submitted in a form acceptable to the Department and shall include the following minimum information:

- (1) The magnitude, date and time of each six minute block average during which the average opacity of emissions exceeds 20 percent, except for one six minute block average per hour not to exceed 27 percent;
- (2) For each period of excess emissions, specific identification of the cause and corrective action taken;
- (3) Identification of all periods of COMS downtime, including the date, time and duration of each inoperable



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

period, and the cause and corrective action for each COMS downtime period;

(4) The total time in which the COMS are required to record data during the reporting period;

(5) The total number of exceedances and the duration of exceedances expressed as a percentage of the total time which the COMS are required to record data.

Manufacturer Name/Model Number: Lear Siegler RM 41
Parameter Monitored: OPACITY
Upper Permit Limit: 20 percent
Reference Test Method: 40 CFR 60 APP B RM 9
Monitoring Frequency: CONTINUOUS
Averaging Method: 6 MINUTE AVERAGE
Reporting Requirements: QUARTERLY (CALENDAR)
Reports due 60 days after the reporting period.
The initial report is due 2/28/02.
Subsequent reports are due every 3 calendar month(s).

Condition 77: Compliance Certification

Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 227-2.5(b)

Item 77.1:

The Compliance Certification activity will be performed for:

Emission Unit: M-00001 Emission Point: NEW01
Process: P11

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

Item 77.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: CONTINUOUS EMISSION MONITORING (CEM)

Monitoring Description:

Boiler #1 (Emission Source B0001) is a dry-bottom, tangentially-fired, pulverized coal, very large boiler with an emission limit of 0.42 lb/mmBtu (24 hour avg during ozone season, 30 day rolling avg during non ozone season). However, AES has opted to comply with a system-wide NOx averaging plan approved by the Department and incorporated into this permit as an attachment. NOx

New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019



emissions shall be continuously monitored and recorded in accordance with 40 CFR Part 75 and the Acid Rain CEM monitoring Plan, as allowed by Part 227-2.6(a)(1) and (b)(5).

AES must report system-wide NO_x emissions to the Department on a calendar quarter basis. Such reports must be submitted in a format acceptable to the Department no later than 30 days after the end of each calendar year quarter. For each period when emissions exceed the allowable limit, AES shall report the magnitude, duration and cause of the exceedance, as well as the corrective action taken to correct the exceedance.

Manufacturer Name/Model Number: MONITOR LABS 8840/UNITED SCIENCES INC 100

Upper Permit Limit: 0.42 pounds per million Btus

Reference Test Method: 40 CFR 75

Monitoring Frequency: CONTINUOUS

Averaging Method: 24-HOUR AVERAGE

Reporting Requirements: QUARTERLY (CALENDAR)

Reports due 30 days after the reporting period.

The initial report is due 1/29/02.

Subsequent reports are due every 3 calendar month(s).

Condition 78: Compliance Certification
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 225-1.7(c)

Item 78.1:

The Compliance Certification activity will be performed for:

Emission Unit: M-00001 Emission Point: NEW02

Item 78.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

Part 225-1.7(c) requires that measurements must be made daily of the rate of each fuel burned. Also, the facility must measure the gross heat content and ash content of each fuel burned (determined at least once per week), and the average electrical output (daily) and hourly generation rate. This information must be retained by the source owner for a period of five years.

Monitoring Frequency: AS REQUIRED - SEE MONITORING



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

DESCRIPTION

Averaging Method: AVERAGING METHOD AS PER REFERENCE TEST METHOD INDICATED

Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

Condition 79: Compliance Certification
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 227-1.3

Item 79.1:

The Compliance Certification activity will be performed for:

Emission Unit: M-00001 Emission Point: NEW02

Item 79.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: CONTINUOUS EMISSION MONITORING (CEM)

Monitoring Description:

Stack opacity shall not exceed 20 percent (six minute average), except for one six-minute period per hour of not more than 27 percent opacity. Compliance with this standard may be determined by EPA Reference Method 9, Continuous Opacity Monitoring System (COMS) data, and/or any other credible evidence. The owner shall install, operate and maintain in accordance with manufacturer's instructions, and properly maintain, a COMS in the stack satisfying the criteria in Appendix B of 40 CFR part 60, unless an alternative monitoring methodology has been approved by the Department pursuant to 6 NYCRR Part 227-1.4(d).

The owner shall submit an accurate excess emissions and monitoring system performance report to the Department for each calendar year quarter. All reports shall be certified by a responsible corporate official as true, accurate and complete and postmarked by the 60th day following the end of each calendar year quarter. The quarterly excess emissions report shall be submitted in a form acceptable to the Department and shall include the following minimum information:

(1) The magnitude, date and time of each six minute block average during which the average opacity of emissions exceeds 20 percent, except for one six minute block average per hour not to exceed 27 percent;



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

- (2) For each period of excess emissions, specific identification of the cause and corrective action taken;
- (3) Identification of all periods of COMS downtime, including the date, time and duration of each inoperable period, and the cause and corrective action for each COMS downtime period;
- (4) The total time in which the COMS are required to record data during the reporting period;
- (5) The total number of exceedances and the duration of exceedances expressed as a percentage of the total time which the COMS are required to record data.

Manufacturer Name/Model Number: Lear Siegler RM 41
Parameter Monitored: OPACITY
Upper Permit Limit: 20 percent
Reference Test Method: 40 CFR 60 APP B RM 9
Monitoring Frequency: CONTINUOUS
Averaging Method: 6 MINUTE AVERAGE
Reporting Requirements: QUARTERLY (CALENDAR)
Reports due 60 days after the reporting period.
The initial report is due 2/28/02.
Subsequent reports are due every 3 calendar month(s).

Condition 80: Compliance Certification
Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 227-2.5(b)

Item 80.1:

The Compliance Certification activity will be performed for:

Emission Unit: M-00001 Emission Point: NEW02
Process: P21

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

Item 80.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: CONTINUOUS EMISSION MONITORING (CEM)
Monitoring Description:
Boiler #2 (Emission Source B0002) is a dry-bottom, tangentially-fired, pulverized coal, very large boiler



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

with an emission limit of 0.42 lb/mmBtu (24 hour avg during ozone season, 30 day rolling avg during non ozone season). However, AES has opted to comply with a system-wide NOx averaging plan approved by the Department and incorporated into this permit as an attachment. NOx emissions shall be continuously monitored and recorded in accordance with 40 CFR Part 75 and the Acid Rain CEM monitoring Plan, as allowed by Part 227-2.6(a)(1) and (b)(5).

AES must report system-wide NOx emissions to the Department on a calendar quarter basis. Such reports must be submitted in a format acceptable to the Department no later than 30 days after the end of each calendar year quarter. For each period when emissions exceed the allowable limit, AES shall report the magnitude, duration and cause of the exceedance, as well as the corrective action taken to correct the exceedance.

Manufacturer Name/Model Number: MONITOR LABS 8840/UNITED SCIENCES INC 100

Upper Permit Limit: 0.42 pounds per million Btus

Reference Test Method: 40 CFR 75

Monitoring Frequency: CONTINUOUS

Averaging Method: 24-HOUR AVERAGE

Reporting Requirements: QUARTERLY (CALENDAR)

Reports due 30 days after the reporting period.

The initial report is due 1/29/02.

Subsequent reports are due every 3 calendar month(s).

Condition 81: Compliance Certification

Effective between the dates of 12/06/2001 and 12/06/2006

Applicable Federal Requirement: 6NYCRR 227-1.3

Item 81.1:

The Compliance Certification activity will be performed for:

Emission Unit: M-00001 Emission Point: NEW03

Item 81.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: CONTINUOUS EMISSION MONITORING (CEM)

Monitoring Description:

Stack opacity shall not exceed 20 percent (six minute average), except for one six-minute period per hour of not more than 27 percent opacity. Compliance with this standard may be determined by EPA Reference Method 9,

New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019



Continuous Opacity Monitoring System (COMS) data, and/or any other credible evidence. The owner shall install, operate and maintain in accordance with manufacturer's instructions, and properly maintain, a COMS in the stack satisfying the criteria in Appendix B of 40 CFR part 60, unless an alternative monitoring methodology has been approved by the Department pursuant to 6 NYCRR Part 227-1.4(d).

The owner shall submit an accurate excess emissions and monitoring system performance report to the Department for each calendar year quarter. All reports shall be certified by a responsible corporate official as true, accurate and complete and postmarked by the 60th day following the end of each calendar year quarter. The quarterly excess emissions report shall be submitted in a form acceptable to the Department and shall include the following minimum information:

- (1) The magnitude, date and time of each six minute block average during which the average opacity of emissions exceeds 20 percent, except for one six minute block average per hour not to exceed 27 percent;
- (2) For each period of excess emissions, specific identification of the cause and corrective action taken;
- (3) Identification of all periods of COMS downtime, including the date, time and duration of each inoperable period, and the cause and corrective action for each COMS downtime period;
- (4) The total time in which the COMS are required to record data during the reporting period;
- (5) The total number of exceedances and the duration of exceedances expressed as a percentage of the total time which the COMS are required to record data.

Manufacturer Name/Model Number: Lear Siegler RM 41

Parameter Monitored: OPACITY

Upper Permit Limit: 20 percent

Reference Test Method: 40 CFR 60 APP B RM 9

Monitoring Frequency: CONTINUOUS

Averaging Method: 6 MINUTE AVERAGE

Reporting Requirements: QUARTERLY (CALENDAR)

Reports due 60 days after the reporting period.

New York State Department of Environmental Conservation
Permit ID: 7-5032-00019/00016 Facility DEC ID: 7503200019



The initial report is due 2/28/02.
Subsequent reports are due every 3 calendar month(s).

New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019



STATE ONLY ENFORCEABLE CONDITIONS

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

Condition 82: General Provisions

Effective between the dates of 12/06/2001 and 12/06/2006

Applicable State Requirement: 6NYCRR 201-5.

Item 82.1:

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 82.2:

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 82.3:

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 83: Contaminant List

Effective between the dates of 12/06/2001 and 12/06/2006

Applicable State Requirement: 6NYCRR 201-5.3(b)

Item 83.1:

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

CAS No: 0NY075-00-0

Name: PARTICULATES

CAS No: 007446-09-5

Name: SULFUR DIOXIDE

CAS No: 0NY210-00-0

Name: OXIDES OF NITROGEN



New York State Department of Environmental Conservation

Permit ID: 7-5032-00019/00016

Facility DEC ID: 7503200019

Condition 84: Air pollution prohibited

Effective between the dates of 12/06/2001 and 12/06/2006

Applicable State Requirement: 6NYCRR 211.2

Item 84.1:

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.