

New York State Department of Environmental Conservation
Facility DEC ID: 9043600022



PERMIT
Under the Environmental Conservation Law (ECL)

IDENTIFICATION INFORMATION

Permit Type: Air Title V Facility
Permit ID: 9-0436-00022/00005
Mod 0 Effective Date: 06/30/1998 Expiration Date: 06/30/2003
Mod 1 Effective Date: 03/20/2001 Expiration Date: 06/30/2003

Permit Issued To: LAIDLAW ENERGY & ENVIRONMENTAL INC
6708 RTE 219
ELLCOTTVILLE, NY 14731

Contact: RICHARD E. MORRICAL, P.E.
250 EAST SOUTH STREET
COLUMBUS, OH 43085
(614) 844-5877

Facility: LAIDLAW ENERGY AND ENVIRONMENTAL INC
6708 ROUTE 219
ELLCOTTVILLE, NY 14731

Contact: RODNEY GOODE
LAIDLAW ENERGY AND ENVIRONMENTAL
6662 ROUTE 219
ELLCOTTVILLE, NY 14731
(716) 699-2425

Description:

The June 30, 1998 Title V permit issued to Ellicottville Energy Inc. has been modified as minor permit modification as described below and reissued with the same expiration date of June 30, 2003. Ellicottville Energy Inc. was purchased by Laidlaw Energy and Environment Inc., so the name of the owner and facility have been changed to Laidlaw Energy and Environment Inc.

By way of background, the initial Title V facility operating permit (Mod 0) was for regulating emissions to the atmosphere from a 4 megawatt co-generation facility. The generation unit consists of an Allison 501 natural gas fired turbine - generator set (emission unit U-00001, process 001, emission point 00001, emission source 00001), waste heat steam boiler and steam turbine - generator set. The exhaust gases from the gas turbine, after passing through the waste heat boiler, are used for lumber drying. No other lumber operations are done on the property. The plant can generate about 4 megawatts of power. It consumes about 0.5 megawatts for its operations, therefore, about 3.5 megawatts is sold to Niagara Mohawk Power Company for resale to its customers.

U.S. Carbon Corporation was located on the same property and required to obtain a Title V permit, due to the applicability of 40 CFR Subpart RRR, "Standards of Performance for Volatile Organic Compound



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Emissions from Synthetic Organic Chemicals Manufacturing Industry Reactor Process." Because the former Ellicottville Energy was on the same property, it too was required to obtain a Title V permit. U.S. Carbon Corporation has since ceased operation and removed its equipment from the site. Laidlaw Energy's emissions are below the threshold levels for Title V applicability, and since U.S. Carbon is no longer operating Laidlaw Energy is not required to have a Title V permit, but has decided to keep a Title V permit.

This modification (Mod 1) was initiated because one of the two previously exempt internal combustion engine standby electrical generator sets will now need to be permitted. This 640 horsepower natural gas fired Caterpillar engine (emission unit U-00002, process 002, emission point 00002, emission source 00002) will be operated during kiln drying cycles. Waste heat from the engine generator set (450 kW) will be used in the kiln wood drying process. The other generator set will continue to be exempt from permitting provided it does not operate more than five hundred (500) hours per year. Periodically the engine exhaust will be tested for Oxides of Nitrogen (NOx), which will be used to calculate annual NOx emissions. Visible emission observations will be made to verify compliance with opacity requirements. There are no changes in the operation of the rest of the facility.

Since the initial Title V operating permit, dated June 30, 1998, was issued some mandatory conditions have been modified by the Department. The modified conditions have replaced the original conditions in this permit. Both the new and old conditions are identified in the permit.

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: RICHARD P. SWEENEY
270 MICHIGAN AVE
BUFFALO, NY 14203-2999

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

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 9
HEADQUARTERS



DEC GENERAL CONDITIONS

****** General Provisions ******

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

Item 1-1.1:

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 1-1.2:

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 1-1.3:

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 1: Facility Inspection by the Department
Applicable State Requirement: ECL 3-0301.2(g)

Expired by Mod No: 1

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. 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.

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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 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 9 HEADQUARTERS
Applicable State Requirement: 6NYCRR 621.5(a)

Item 5.1:

Submission of applications for permit modification or renewal are to be submitted to:

NYSDEC Regional Permit Administrator
Region 9 Headquarters
Division of Environmental Permits
270 Michigan Avenue
Buffalo, NY 14203-2999
(716) 851-7165



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ARTICLE 19: AIR POLLUTION CONTROL - TITLE V PERMIT

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Authorized Activity By Standard Industrial Classification Code:
4931 - ELEC & OTHER SERVICES COMBINED

Mod 0 Permit Effective Date: 06/30/1998

Permit Expiration Date: 06/30/2003

Mod 1 Permit Effective Date: 03/20/2001

Permit Expiration Date: 06/30/2003



LIST OF CONDITIONS

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Region 9 office.

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- 42 Compliance Certification (EU=U-00001,Proc=001)
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FEDERALLY ENFORCEABLE CONDITIONS

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

Condition 1-1: Definitions Applicable To This Permit
Effective between the dates of 03/20/2001 and 06/30/2003

Applicable Federal Requirement: 6NYCRR 200.1

Item 1-1.1:

The definitions found in Parts 200 and 201 apply throughout this permit. Specific definitions used in this permit and their meanings include:

1. "Act" refers to the Federal Clean Air Act, 42 U.S.C. Section 7401, et seq., as amended by Public Law 101-549, November 15, 1990.
2. "Administrator" refers to the Administrator of the United States Environmental Protection Agency or designee.
3. "Department" refers to the New York State Department of Environmental Conservation.

Condition 1: Sealing
Effective between the dates of 06/30/1998 and 06/30/2003

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 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 6NYCRR 200.6

Item 2.1:



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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 06/30/1998 and 06/30/2003

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.

Condition 5: Unpermitted Emission Sources
Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 6NYCRR 201-1.2

Item 5.1:

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 6: Unavoidable Noncompliance and Violations
Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 6NYCRR 201-1.4

Item 6.1:

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



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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.

(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 7: Emergency Defense
Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 6NYCRR 201-1.5

Item 7.1:

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



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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 8: Recycling and Salvage
Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 6NYCRR 201-1.7

Item 8.1:

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 9: Prohibition of Reintroduction of Collected Contaminants to the Air
Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 6NYCRR 201-1.8

Item 9.1:

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 10: Public Access to Recordkeeping for Title V facilities
Effective between the dates of 06/30/1998 and 06/30/2003

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

Item 10.1:

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 11: Proof of Eligibility
Effective between the dates of 06/30/1998 and 06/30/2003

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

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Item 11.1:

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 12: Proof of Eligibility

Effective between the dates of 06/30/1998 and 06/30/2003

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

Item 12.1:

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

Condition 1-2: Applicable Criteria, Limits, Terms, Conditions and Standards

Effective between the dates of 03/20/2001 and 06/30/2003

Applicable Federal Requirement: 6NYCRR 201-6.

Replaces Condition(s) 13

Item 1-2.1:

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 1-2.2:

Any document, including reports, required by the federally-enforceable portions of this permit shall



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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 14: Cessation or Reduction of Permitted Activity Not a Defense
Effective between the dates of 06/30/1998 and 06/30/2003**

Applicable Federal Requirement: 6NYCRR 201-6.

Item 14.1:

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 1-3: Compliance Requirements
Effective between the dates of 03/20/2001 and 06/30/2003**

Applicable Federal Requirement: 6NYCRR 201-6.

Replaces Condition(s) 15

Item 1-3.1:

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 1-3.2:

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 1-3.3:

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



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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 16: Federally-Enforceable Requirements
Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 6NYCRR 201-6.

Item 16.1:

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 only state regulations.

Condition 17: Fees
Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 6NYCRR 201-6.

Item 17.1:

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

Condition 1-4: Monitoring, Related Recordkeeping and Reporting Requirements
Effective between the dates of 03/20/2001 and 06/30/2003

Applicable Federal Requirement: 6NYCRR 201-6.

Replaces Condition(s) 18

Item 1-4.1:

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 20: Permit Revocation, Modification, Reopening, Reissuance or Termination, and Associated Information Submission Requirements
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Applicable Federal Requirement: 6NYCRR 201-6.

Item 20.1:

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 21: Permit Shield

Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 6NYCRR 201-6.

Item 21.1:

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 22: Property Rights

Effective between the dates of 06/30/1998 and 06/30/2003

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Facility DEC ID: 9043600022



Applicable Federal Requirement: 6NYCRR 201-6.

Item 22.1:

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

Condition 23: Reopening for Cause

Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 6NYCRR 201-6.

Item 23.1:

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.
- 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 23.2:

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 23.3:

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 24: Right to Inspect

Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 6NYCRR 201-6.

Item 24.1:

Upon presentation of credentials and other documents, as may be required by law, the permittee shall



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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 1-5: Severability

Effective between the dates of 03/20/2001 and 06/30/2003

Applicable Federal Requirement: 6NYCRR 201-6.

Replaces Condition(s) 25

Item 1-5.1:

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 26: Emission Unit Definition

Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 6NYCRR 201-6.

Item 26.1(From Mod 1):

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

Emission Unit: U-00001

Emission Unit Description:

This emission unit includes only one process, 001, which is an Allison 501 KB gas turbine generator set firing natural gas fuel. See process 001 for more details.

Building(s): 001

Item 26.2(From Mod 1):

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

Emission Unit: U-00002

Emission Unit Description:

Exhaust from the Caterpillar engine generator G398 with waste heat recovery. The waste heat is recovered and used in the wood drying kilns. See process 002 for more details.

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Building(s): 001

Condition 1-6: Compliance Certification

Effective between the dates of 03/20/2001 and 06/30/2003

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

Item 1-6.1:

The Compliance Certification activity will be performed for the Facility.

Item 1-6.2:

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.

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



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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.

Monitoring Frequency: SEMI-ANNUALLY

Reporting Requirements: SEMI-ANNUALLY (CALENDAR YEAR)

Reports due 30 days after every 6 calendar months (January - June, July - December)

Condition 1-7: Compliance Certification

Effective between the dates of 03/20/2001 and 06/30/2003

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

Item 1-7.1:

The Compliance Certification activity will be performed for the Facility.

Item 1-7.2:

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. Certification reports are due 30 days after the end of the calendar year.

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

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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:

270 Michigan Avenue
Buffalo, NY 14203-2999

The address for the BCME is as follows:

NYSDEC
Bureau of Compliance Monitoring
and Enforcement
50 Wolf Road
Albany, NY 12233-3258

Monitoring Frequency: ANNUALLY
Reporting Requirements: ANNUALLY (CALENDAR YEAR)
Reports due by January 30th for previous calendar year

Condition 1-8: Permit Exclusion Provisions
Effective between the dates of 03/20/2001 and 06/30/2003

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

Item 1-8.1:

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.

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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 27: Required emissions tests
Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 6NYCRR 202-1.1

Item 27.1:

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 28: Compliance Certification
Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 6NYCRR 202-2.1

Item 28.1:

The Compliance Certification activity will be performed for the Facility.

Item 28.2:

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 YEAR)

Reports due by April 15th for previous calendar year

Condition 29: Recordkeeping requirements
Effective between the dates of 06/30/1998 and 06/30/2003

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Applicable Federal Requirement: 6NYCRR 202-2.5

Item 29.1:

(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.

Condition 30: Visible emissions limited.
Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 6NYCRR 211.3

Item 30.1:

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 31: Open Fires Prohibited at Industrial and Commercial Sites
Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 6NYCRR 215.

Item 31.1:

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 32: EPA Region 2 address.
Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 40CFR 60.4, NSPS Subpart A

Item 32.1:

All requests, reports, applications, submittals, and other communications to the Administrator pursuant to this part shall be submitted in duplicate to the following address:

Director, Division of Enforcement and Compliance Assistance
USEPA Region 2
290 Broadway, 21st Floor
New York, NY 10007-1886



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Copies of all correspondence to the administrator pursuant to this part shall also be submitted to the NYSDEC Regional Office issuing this permit (see address at the beginning of this permit) and to the following address:

NYSDEC
Bureau of Enforcement and Compliance Assurance
50 Wolf Road
Albany, NY 12233-3254

Condition 1-9: Recycling and Emissions Reduction
Effective between the dates of 03/20/2001 and 06/30/2003

Applicable Federal Requirement: 40CFR 82, Subpart F

Item 1-9.1:

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.
- 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 33: Emission Point Definition By Emission Unit
Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 6NYCRR 201-6.

Item 33.1(From Mod 1):



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

Emission Unit: U-00002

Emission Point: 00002

Height (ft.): 20

Diameter (in.): 8

NYTMN (km.): 4687.8

NYTME (km.): 198.1

Building: 001

Item 33.2(From Mod 0):

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

Emission Unit: U-00001

Emission Point: 00001

Height (ft.): 20

Diameter (in.): 72

NYTMN (km.): 4688.02

NYTME (km.): 198.129

Building: 001

Condition 34: Process Definition By Emission Unit

Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 6NYCRR 201-6.

Item 34.1(From Mod 1):

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

Emission Unit: U-00002

Process: 002

Source Classification Code: 2-02-002-04

Process Description:

Caterpillar G398 natural gas fired engine generator set with a low compression ratio (LCR) runs to supplement the plant's production of electricity and low level heat for lumber drying. The exhaust gas from the engine passes through waste heat exchangers which cool the exhaust gas while heating water. Some engine heat is recovered from the cooling water jacket. The water is circulated in a closed loop to heat exchangers in the lumber drying process. The cooler water is then returned to the engine and the cycle repeats. The lumber drying only requires a high level of heat in the early stages of the drying cycle. However, to be conservative the application is based on the engine operating all the time at full load.

Emission Source/Control: 00002 - Combustion

Design Capacity: 5.6 million Btu per hour

Item 34.2(From Mod 0):

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

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Emission Unit: U-00001

Process: 001

Source Classification Code: 2-01-002-01

Process Description:

THIS EMISSION UNIT/PROCESS IS AN ALLISON 501 KB COMBINED CYCLE GAS TURBINE GENERATOR SET FIRING NATURAL GAS. ACCORDING TO THE MANUFACTURER'S RATING, THE PEAK HEAT INPUT TO THE TURBINE IS 39.5 MILLION BTU/HR AND THE CORRESPONDING OUTPUT IS 3 MEGAWATTS. WASTE HEAT FROM THE EXHAUST IS RECOVERED IN A STEAM BOILER. THE STEAM POWERS A STEAM TURBINE GENERATOR SET. THE STEAM GENERATOR OUTPUT IS APPROXIMATELY 1 MEGAWATT. ABOUT 0.5 MEGAWATT IS USED BY THE FACILITY FOR ITS OPERATING NEEDS. THE PLANT THEREFORE EXPORTS ABOUT 3.5 MEGAWATT OF ELECTRICAL POWER TO NIAGARA MOHAWK POWER CO. GRID FOR SALE TO ITS CUSTOMERS.

ADDITIONAL WASTE HEAT FROM THE GAS TURBINE EXHAUST (AFTER THE WASTE HEAT BOILER) IS USED FOR LUMBER DRYING IN 6 KILNS.

THIS TURBINE HAS BEEN BUILT TO BE FIRED ONLY ON NATURAL GAS. ANY MODIFICATION TO THE UNIT TO HAVE DUAL FUEL (OIL AND GAS) CAPABILITY WILL REQUIRE THE APPROVAL OF THE DEPARTMENT.

Emission Source/Control: 00001 - Combustion

Design Capacity: 39.5 million Btu per hour

Condition 1-10: Compliance Certification

Effective between the dates of 03/20/2001 and 06/30/2003

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

Replaces Condition(s) 39, 50

Item 1-10.1:

The Compliance Certification activity will be performed for:

Emission Unit: U-00001

Regulated Contaminant:

CAS No: 0NY075-00-0

Name: PARTICULATES

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Item 1-10.2:

Compliance Certification shall include the following monitoring:

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

Monitoring Description:

- 1) No person shall operate a stationary combustion installation which exhibits greater than 20 percent opacity (six minute average), except for one six-minute period per hour of not more than 27 percent opacity.

- 2) Excess opacity is not anticipated from this emission source due to the combustion of natural gas. However, during any combustion problem smoke may be created. Under such circumstances, the permittee shall observe the stack to determine whether any visible emissions are present. If visible emissions are observed, the permittee shall conduct an EPA Method 9 opacity evaluation and keep the results on site and report the results of the observation in the 6 month monitoring report. In the event an opacity exceedance occurs, the permittee shall report the results and the cause of the problem to the Department within 3 working days of the observation. If the problem is recurring and requires correction, the permittee shall be required to propose a program of correction for Department review.

- 3) The compliance status of this condition shall be reported in the semiannual compliance status report.

Parameter Monitored: OPACITY

Upper Limit of Monitoring: 20 percent

Reference Test Method: EPA Method 9

Monitoring Frequency: AS REQUIRED - SEE MONITORING
DESCRIPTION

Averaging Method: 6-MINUTE AVERAGE (METHOD 9)

Reporting Requirements: SEMI-ANNUALLY (CALENDAR YEAR)

Reports due 30 days after every 6 calendar months (January - June, July - December)

**Condition 35: Duplicate copies of all correspondence must be sent to the
Region 9 office.**

Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 40CFR 60.4, NSPS Subpart A

Item 35.1:

This Condition applies to Emission Unit: U-00001

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Item 35.2:

All requests, reports, applications, and other communications to the administrator pursuant to this part shall be sent submitted in duplicate to the Region 9 NYS DEC office at the following address:

Division of Air Resources
New York State Department of Environmental Conservation
270 Michigan Avenue
Buffalo, New York 14203

Condition 36: Recordkeeping requirements.

Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 40CFR 60.7(b), NSPS Subpart A

Item 36.1:

This Condition applies to Emission Unit: U-00001

Item 36.2:

Affected owners or operators shall maintain records of occurrence and duration of any startup, shutdown, or malfunction in the operation of an affected facility; any malfunction of the air pollution control equipment; or any periods during which a continuous monitoring system or monitoring device is inoperative.

Condition 37: Compliance Certification

Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 6NYCRR 201-6.5(b)(2)

Item 37.1:

The Compliance Certification activity will be performed for:

Emission Unit: U-00001
Process: 001

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

Item 37.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

NOx stack emission performance testing is required at least once during each 5 year permit. The facility shall conform with the following:

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- 1.) The facility shall submit a stack test protocol for Department review and approval by the end of the second permit year.
- 2.) The facility shall undertake stack sampling within 60 days of Department written approval of the stack test protocol.
- 3.) The facility shall submit a stack test report for Department review and approval within 60 days of completing the stack test.
- 4.) The stack testing shall conform with the requirements of 40 CFR 60.335, " Test Methods and Procedures".
- 5.) The emission limit be calculated according to the formula in 40 CFR 60.332(a), " Standard for Nitrogen Oxides".

Reference Test Method: EPA Method 20

Monitoring Frequency: AS REQUIRED - SEE MONITORING DESCRIPTION

Averaging Method: 1-HOUR AVERAGE

Reporting Requirements: ONCE / BATCH OR MONITORING OCCURRENCE

Condition 38: Compliance Certification
Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 6NYCRR 201-6.5(b)(2)

Item 38.1:

The Compliance Certification activity will be performed for:

Emission Unit: U-00001

Process: 001

Regulated Contaminant:

CAS No: 0NY210-00-0

Name: OXIDES OF NITROGEN

Item 38.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

- 1.) NOx stack emissions shall be tested weekly using a portable combustion analyzer. The analyzer shall be calibrated before each test. The results shall be logged and reports kept on site and available for Department review for a period of at least 5 years. Any exceedance



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shall be reported to the Department within 48 hours. Test results shall be submitted to the Department 30 days following each calendar quarter.

2.) A calibration procedure shall be submitted for Department review within 90 days of the effective date of this permit.

3.) Each test shall consist of 4 grab samples taken consecutively during a one hour period. Test shall be taken during a period when the turbine is firing under nominal operating conditions. The average of the 4 measurements shall be used for compliance screening.

4.) The emission limit be calculated according to the formula in 40 CFR 60.332(a), "Standard for Nitrogen Oxides".

5.) The facility may request a sampling frequency modification in the event the weekly sampling results demonstrate substantial compliance with the NO_x standard.

Reference Test Method: Portable Analyzer

Monitoring Frequency: WEEKLY

Averaging Method: 1-HOUR AVERAGE

Reporting Requirements: QUARTERLY (CALENDAR YEAR)

Reports due 30 days after each calendar quarter (January - March, April - June, July - September, October - December)

Condition 40: Compliance Certification

Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 40CFR 60.332(a)(2), NSPS Subpart GG

Item 40.1:

The Compliance Certification activity will be performed for:

Emission Unit: U-00001

Process: 001

Regulated Contaminant:

CAS No: 0NY210-00-0

Name: OXIDES OF NITROGEN

Item 40.2:

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Facility DEC ID: 9043600022



Compliance Certification shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

No owner or operator shall discharge to the atmosphere from a stationary gas turbine, emissions of nitrogen oxides in excess of the following:

$$\text{STD} = 0.0150 * [(14.4) / Y] + F$$

Where: STD = allowable nitrogen oxide emissions in percent volume at 15% excess oxygen on a dry basis,

Y = manufacturer's rated heat rate at manufacturer's rated peak load (kilojoules per watt hour) or the actual measured heat rate based on the lower heating value of the fuel as measured at actual peak load of the facility. The value of Y shall not exceed 14.4 kilojoules per watt hour,

F = nitrogen oxide emission allowance for fuel bound nitrogen:

Fuel bound nitrogen % by weight, where F equals NOx % by volume

$$N \leq 0.015 : F = 0$$

$$0.015 < N \leq 0.1 : 0.04(N)$$

$$0.1 < N \leq 0.25 : 0.004 + 0.0067(N - 0.1)$$

$$N > 0.25 : 0.005$$

Reference Test Method: EPA Method 20

Monitoring Frequency: AS REQUIRED - SEE MONITORING DESCRIPTION

Averaging Method: 1-HOUR AVERAGE

Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

Condition 41: Compliance Certification
Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 40CFR 60.333(b), NSPS Subpart GG

Item 41.1:

The Compliance Certification activity will be performed for:

Emission Unit: U-00001

Process: 001

New York State Department of Environmental Conservation

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Facility DEC ID: 9043600022



Regulated Contaminant:

CAS No: 007446-09-5

Name: SULFUR DIOXIDE

Item 41.2:

Compliance Certification shall include the following monitoring:

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

Monitoring Description:

No owner or operator of a stationary gas turbine subject to 40CFR60 Subpart GG shall burn in that turbine any fuel which contains sulfur in excess of 0.8 percent by weight. The owner or operator shall monitor sulfur content of the fuel being fired in the turbine according to the frequency specified in 40CFR60.334(b).

Parameter Monitored: SULFUR CONTENT

Upper Limit of Monitoring: 0.8 percent by weight

Reference Test Method: ASTM D 1072-80

Monitoring Frequency: AS REQUIRED - SEE MONITORING
DESCRIPTION

Averaging Method: MINIMUM - NOT TO FALL BELOW STATED
VALUE AT ANY TIME

Reporting Requirements: QUARTERLY (CALENDAR YEAR)

Reports due 30 days after each calendar quarter (January - March, April - June,
July - September, October - December)

Condition 42: Compliance Certification

Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 40CFR 60.334(b)(2), NSPS Subpart GG

Item 42.1:

The Compliance Certification activity will be performed for:

Emission Unit: U-00001

Process: 001

Regulated Contaminant:

CAS No: 0NY210-00-0

Name: OXIDES OF NITROGEN

Item 42.2:

Compliance Certification shall include the following monitoring:

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



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Monitoring Description:

The facility shall monitor nitrogen content of the fuel being burned in the turbine. The values shall be determined and recorded daily. The facility may develop custom schedules for determination of values based on design and operation of the affected facility and the characteristics of the fuel supply. These custom schedules shall be substantiated with data and must be approved by the administrator before they can be used to comply with the daily determination and recording requirement.

Parameter Monitored: NITROGEN CONTENT

Reference Test Method: EPA Method 3C

Monitoring Frequency: DAILY

Averaging Method: AVERAGING METHOD AS PER REFERENCE TEST
METHOD INDICATED

Reporting Requirements: QUARTERLY (CALENDAR YEAR)

Reports due 30 days after each calendar quarter (January - March, April - June,
July - September, October - December)

Condition 43: Compliance Certification

Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 40CFR 60.334(b)(2), NSPS Subpart GG

Item 43.1:

The Compliance Certification activity will be performed for:

Emission Unit: U-00001

Process: 001

Regulated Contaminant:

CAS No: 007446-09-5

Name: SULFUR DIOXIDE

Item 43.2:

Compliance Certification shall include the following monitoring:

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

Monitoring Description:

The facility shall monitor sulfur content of the fuel being burned in the turbine. The values shall be determined and recorded daily. The facility may develop custom schedules for determination of values based on design and operation of the affected facility and the characteristics of the fuel supply. These custom



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schedules shall be substantiated with data and must be approved by the administrator before they can be used to comply with the daily determination and recording requirement.

Parameter Monitored: SULFUR CONTENT

Upper Limit of Monitoring: 0.8 percent by weight

Reference Test Method: ASTM D 1072-80

Monitoring Frequency: DAILY

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

Reporting Requirements: QUARTERLY (CALENDAR YEAR)

Reports due 30 days after each calendar quarter (January - March, April - June, July - September, October - December)

Condition 44: Compliance Certification

Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 40CFR 60.334(c)(2), NSPS Subpart GG

Item 44.1:

The Compliance Certification activity will be performed for:

Emission Unit: U-00001

Process: 001

Regulated Contaminant:

CAS No: 007446-09-5

Name: SULFUR DIOXIDE

Item 44.2:

Compliance Certification shall include the following monitoring:

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

Monitoring Description:

f)For the purposes of the excess emissions and monitoring system performance report required by 40 CFR 60.7(c), any daily period during which the sulfur content of the fuel being fired in the gas turbine exceeds 0.8% shall be reported as a period of excess emissions.

Parameter Monitored: SULFUR CONTENT

Upper Limit of Monitoring: 0.8 percent

Reference Test Method: ASTM D 1072-80

Monitoring Frequency: DAILY

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



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Permit ID: 9-0436-00022/00005

Facility DEC ID: 9043600022

Reporting Requirements: QUARTERLY (CALENDAR YEAR)
Reports due 30 days after each calendar quarter (January - March, April - June,
July - September, October - December)

Condition 45: Compliance Certification
Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 40CFR 60.335(a), NSPS Subpart GG

Item 45.1:

The Compliance Certification activity will be performed for:

Emission Unit: U-00001
Process: 001

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

Item 45.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

To compute nitrogen oxide emissions, the owner or operator shall use analytical methods and procedures that are accurate to within 5 percent and are approved by the Administrator to determine nitrogen content of the fuel being fired.

Reporting Requirements: SEMI-ANNUALLY (CALENDAR YEAR)
Reports due 30 days after every 6 calendar months (January - June, July - December)

Condition 46: Nitrogen oxides emission rate calculation
Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 40CFR 60.335(c)(1), NSPS Subpart GG

Item 46.1:

This Condition applies to Emission Unit: U-00001
Process: 001

Item 46.2:

The owner or operator shall determine compliance with the nitrogen oxide (NO_x) standard using the following equation:

$$\text{NO}_x = (\text{NO}_{x0}) (\text{Pr}/\text{Po})^{0.5} e^{19(\text{Ho}-0.00633)} (288 \text{ degrees K}/\text{Ta})^{1.53}$$

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Where:

NO_x = emission rate of NO_x at 15 % O₂ and ISO standard ambient conditions, volume percent.

NO_{xo} = observed NO_x concentration, ppm by volume.

Pr = reference combustor inlet absolute pressure at 101.3 kilopascals ambient pressure, mm Hg.

Po = observed combustor inlet absolute pressure at test, mm Hg.

Ho = observed humidity of ambient air, g H₂O/g air.

e = 2.718

Ta = ambient temperature, degrees K.

Condition 47: Use of Method 20 for determining NO_x and SO₂
Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 40CFR 60.335(c)(3), NSPS Subpart GG

Item 47.1:

This Condition applies to Emission Unit: U-00001

Process: 001

Item 47.2:

Method 20 shall be used for determining the nitrogen oxide, sulfur dioxide, and oxygen concentrations.

The span values shall be 300 ppm of nitrogen oxide and 21 percent oxygen. The NO_x emissions shall be determined at each of the following loads; 30, 50, 75, and 100 percent.

Condition 48: Methods for determining compliance with the sulfur content standard

Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 40CFR 60.335(d), NSPS Subpart GG

Item 48.1:

This Condition applies to Emission Unit: U-00001

Process: 001

Item 48.2:

The owner or operator shall determine compliance with the sulfur content standard in 40 CFR 60.335(b) as follows:

ASTM D 2880-71 for liquid fuels and ASTM 1072-80, D 3031-81, D 4084-82, or D 3246-81 for gaseous fuels.

Condition 49: Requirement for analysis of Nitrogen and Sulfur in fuel
Effective between the dates of 06/30/1998 and 06/30/2003

Applicable Federal Requirement: 40CFR 60.335(e), NSPS Subpart GG

Item 49.1:

This Condition applies to Emission Unit: U-00001

Process: 001

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Item 49.2:

To meet the requirements 40 CFR 60.334(b), the owner or operator shall use methods specified in 40 CFR 335(a) and (d) to determine the nitrogen and sulfur content of fuels being burned. The analysis may be performed by the owner or operator, a service contractor, the fuel vendor, or any qualified agency.

Condition 1-11: Compliance Certification

Effective between the dates of 03/20/2001 and 06/30/2003

Applicable Federal Requirement: 6NYCRR 202-2.4(a)

Item 1-11.1:

The Compliance Certification activity will be performed for:

Emission Unit: U-00002

Item 1-11.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

- 1.) NOx stack emissions shall be tested weekly using a portable combustion analyzer. The analyzer shall be calibrated before each test. The results shall be logged and reports kept on site and available for Department review for a period of at least 5 years. Test results shall be submitted to the Department 30 days following each calendar quarter.
- 2.) The portable combustion analyzer shall be calibrated according to the manufactures recommended procedures. Records of each calibration shall be kept on site and made available for Department review upon request.
- 3.) Each test shall consist of four (4) grab samples taken consecutively during a one hour period. Test shall be taken during a period when the engine is operating under nominal operating conditions. The average of the four (4) measurements shall be used to calculate the hourly and annual emissions from the unit.
- 4.) The facility may request a sampling frequency modification in the event the weekly sampling results are consistently similar.
- 5) The calculated annual emissions shall be reported annually as part of the annual emission statement.



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Monitoring Frequency: WEEKLY
Reporting Requirements: ANNUALLY (CALENDAR YEAR)
Reports due by January 30th for previous calendar year

Condition 1-12: Compliance Certification
Effective between the dates of 03/20/2001 and 06/30/2003

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

Item 1-12.1:

The Compliance Certification activity will be performed for:

Emission Unit: U-00002

Regulated Contaminant:

CAS No: 0NY075-00-0

Name: PARTICULATES

Item 1-12.2:

Compliance Certification shall include the following monitoring:

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

Monitoring Description:

- 1) No person shall operate a stationary combustion installation which exhibits greater than 20 percent opacity (six minute average), except for one six-minute period per hour of not more than 27 percent opacity.
- 2) Excess opacity is not anticipated from this emission source due to the combustion of natural gas. However, during any combustion problem smoke may be created. Under such circumstances, the permittee shall observe the stack to determine whether any visible emissions are present. If visible emissions are observed, the permittee shall conduct an EPA Method 9 opacity evaluation and keep the results on site and report the results of the observation in the 6 month monitoring report. In the event an opacity exceedance occurs, the permittee shall report the results and the cause of the problem to the Department within 3 working days of the observation. If the problem is recurring and requires correction, the permittee shall be required to propose a program of correction for Department review.
- 3) The compliance status of this condition shall be reported in the semiannual compliance status report.

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Parameter Monitored: OPACITY
Upper Limit of Monitoring: 20 percent
Reference Test Method: EPA Method 9
Monitoring Frequency: AS REQUIRED - SEE MONITORING
DESCRIPTION
Averaging Method: 6-MINUTE AVERAGE (METHOD 9)
Reporting Requirements: SEMI-ANNUALLY (CALENDAR YEAR)
Reports due 30 days after every 6 calendar months (January - June, July - December)

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STATE ONLY ENFORCEABLE CONDITIONS

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

Condition 1-13: General Provisions

Effective between the dates of 03/20/2001 and 06/30/2003

Applicable State Requirement: 6NYCRR 201-5.

Replaces Condition(s) 51

Item 1-13.1:

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 1-13.2:

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 1-13.3:

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 1-14: Permit Exclusion Provisions

Effective between the dates of 03/20/2001 and 06/30/2003

Applicable State Requirement: 6NYCRR 201-5.

Item 1-14.1:

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).

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



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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 1-15: Contaminant List

Effective between the dates of 03/20/2001 and 06/30/2003

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

Item 1-15.1:

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

Condition 52: Air pollution prohibited

Effective between the dates of 06/30/1998 and 06/30/2003

Applicable State Requirement: 6NYCRR 211.2

Item 52.1:

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.