

**PERMIT
Under the Environmental Conservation Law (ECL)**

IDENTIFICATION INFORMATION

Permit Type: Air Title V Facility
Permit ID: 9-2911-00152/00025
Effective Date: 03/14/2012 Expiration Date: 03/13/2017

Permit Issued To: NIAGARA GENERATION LLC
5300 FRONTIER AVE
NIAGARA FALLS, NY 14304

Contact: EDWARD MAY
10 BANK ST STE 580
WHITE PLAINS, NY 10606
(914) 390-9623

Facility: NIAGARA GENERATING FACILITY
5300 FRONTIER AVE
NIAGARA FALLS, NY 14304

Contact: PETER J QUIRK
NIAGARA GENERATING FACILITY
5300 FRONTIER AVE
NIAGARA FALLS, NY 14304
(716) 236-4107

Description:

**TITLE V PERMIT
DESCRIPTION**

Niagara Generating Facility was originally constructed as an electrical co-generation facility located in Niagara Falls, New York. Its status as an independent power producer has been terminated and it now solely generates electric power for commercial sale. The facility consists of a 468,000 lb/hr circulating fluidized bed (CFB) coal fired boiler, a 51,000 kw steam turbine generator, an aqueous ammonia injection system for Selective Non-Catalytic Reduction of nitrogen oxides, and a baghouse to remove particulates prior to discharge from the stack. Limestone is injected into the boiler to control sulfur dioxide emissions.

This permit is a renewal and minor modification of the existing Title V permit. This permit will renew most of the existing permit conditions; update permit conditions to be consistent with the latest power producer requirements for control, monitoring, and trading of emissions of sulfur dioxide, oxides of nitrogen, and greenhouse gases; and allow the facility to combust Construction & Demolition (C&D) Debris-Derived Wood Fuel containing up to 30% by weight glued wood in addition to the fuels already permitted for this facility. For a previous modification to this Title V permit, it had been determined that 40 CFR 60 Subpart Y - Standards of Performance for Coal Preparation Plants applied to this facility. Therefore, a condition has been retained in this permit to monitor performance of the coal conveying, storage and transfer systems. A summary of the two emission units which comprise the plant follow:

Emission Unit U-CFB01 is a circulating fluidized bed boiler fueled by coal, petroleum coke, clean untreated wood chips, tire derived fuel (maximum 40%, by weight, in combination with the primary fuels), used lubricating oil generated on site, C&D Debris-Derived Wood Fuel (maximum 30% by weight glued wood) and/or a combination of these fuels, with fluidization being achieved by blowing air into the combustion chamber medium of fuel, ash and limestone. This type of combustion offers fuel flexibility, high combustion efficiency, and low oxides of nitrogen and carbon monoxide emissions. Sulfur dioxide emissions are controlled by desulfurization through limestone injection into the fluidized combustion bed for approximately 90% sulfur capture. Oxides of nitrogen are further controlled as needed through Selective Non-catalytic Reduction (SNCR) (aqueous ammonia injection) and particulates are controlled by a fabric filter.

Emission Unit U-COLPL is the material handling operation including processing, storage, transferring, and loading of approved fuels for use in the circulating fluidized bed boiler.

The facility is permitted primarily under the following regulations:

1. 6 NYCRR Part 201-6 requires the facility to obtain a Title V permit.
2. 40 CFR 52 Subpart A, Prevention of Significant Deterioration (PSD), regulates emissions from the circulating fluidized bed boiler (CFB).
3. 40 CFR 72 requires the facility to obtain a Title IV Acid Rain Permit (attached to the Title V permit). The facility has no listed SO₂ allowance allocation under 40CFR 73, and no limitations under 40 CFR 76.
4. 6 NYCRR Part 246, Mercury Reduction Program (MRP) for Coal-Fired Electric Utility Steam Generating Units, exempts the facility from the installation of a Mercury (Hg) Continuous Emissions Monitoring System as long as it is compliant with the Hg low mass emission excepted monitoring methodology defined in 40 CFR 75.81(f).
5. 40 CFR 97, Cross-State Air Pollution Rule (CSAPR) applies to this facility. CSAPR was finalized by the US Environmental Protection Agency (EPA) on July 6, 2011. The rule requires 27 states in the eastern half of the United States to significantly improve air quality by reducing power plant emissions that cross state lines and contribute to ground-level ozone and fine particle pollution in other states. The first phase of compliance begins January 1, 2012 for SO₂ and annual NO_x reductions and May 1, 2012 for ozone season NO_x reductions. The second phase of SO₂ reductions begins January 1, 2014. EPA is in the process of adopting federal implementation plans for each of the states covered by this rule, and states may choose to replace the federal plans with a state implementation plan. When specific regulations pertinent to this facility have been promulgated, the permit will be modified to include the new requirements.

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: DAVID S DENK
 DIVISION OF ENVIRONMENTAL PERMITS

Facility DEC ID: 9291100152

BUFFALO, NY 14203-2915

Authorized Signature: _____ Date: ___ / ___ / _____

Notification of Other State Permittee Obligations

Item A: Permittee Accepts Legal Responsibility and Agrees to Indemnification

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

Item B: Permittee's Contractors to Comply with Permit

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

Item C: Permittee Responsible for Obtaining Other Required Permits

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

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

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

LIST OF CONDITIONS

DEC GENERAL CONDITIONS

General Provisions

- Facility Inspection by the Department
- Relationship of this Permit to Other Department Orders and Determinations
- Applications for permit renewals, modifications and transfers
- Permit modifications, suspensions or revocations by the Department

Facility Level

- Submission of application for permit modification or renewal-REGION 9 HEADQUARTERS

DEC GENERAL CONDITIONS

**** General Provisions ****

For the purpose of your Title V permit, the following section contains state-only enforceable terms and conditions.

GENERAL CONDITIONS - Apply to ALL Authorized Permits.

Condition 1: Facility Inspection by the Department

Applicable State Requirement: ECL 19-0305

Item 1.1:

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

Item 1.2:

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

Item 1.3:

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

Condition 2: Relationship of this Permit to Other Department Orders and Determinations

Applicable State Requirement: ECL 3-0301 (2) (m)

Item 2.1:

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

Condition 3: Applications for permit renewals, modifications and transfers

Applicable State Requirement: 6 NYCRR 621.11

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.

Item 3.3:

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

Condition 4: Permit modifications, suspensions or revocations by the Department

Applicable State Requirement: 6 NYCRR 621.12

Item 4.1:

The Department reserves the right to exercise all available authority to modify, suspend, or revoke this permit in accordance with 6NYCRR Part 621. The grounds for modification, suspension or revocation include:

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

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

Condition 5: Submission of application for permit modification or renewal-REGION 9 HEADQUARTERS

Applicable State Requirement: 6 NYCRR 621.6 (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 14203-2915
(716) 851-7165

Permit Under the Environmental Conservation Law (ECL)

ARTICLE 19: AIR POLLUTION CONTROL - TITLE V PERMIT

IDENTIFICATION INFORMATION

Permit Issued To: NIAGARA GENERATION LLC
5300 FRONTIER AVE
NIAGARA FALLS, NY 14304

Facility: NIAGARA GENERATING FACILITY
5300 FRONTIER AVE
NIAGARA FALLS, NY 14304

Authorized Activity By Standard Industrial Classification Code:
4911 - ELECTRIC SERVICES
4939 - COMBINATION UTILITY SERVICES

Permit Effective Date: 03/14/2012

Permit Expiration Date: 03/13/2017

LIST OF CONDITIONS**FEDERALLY ENFORCEABLE CONDITIONS****Facility Level**

- 1 6 NYCRR 200.6: Acceptable Ambient Air Quality
- 2 6 NYCRR 201-6.5 (a) (7): Fees
- 3 6 NYCRR 201-6.5 (c): Recordkeeping and reporting of compliance monitoring
- 4 6 NYCRR 201-6.5 (c) (2): Monitoring, Related Recordkeeping, and Reporting Requirements.
- 5 6 NYCRR 201-6.5 (c) (3) (ii): Compliance Certification
- 6 6 NYCRR 202-2.1: Compliance Certification
- 7 6 NYCRR 202-2.5: Recordkeeping requirements
- 8 6 NYCRR 215.2: Open Fires - Prohibitions
- 9 6 NYCRR 200.7: Maintenance of Equipment
- 10 6 NYCRR 201-1.7: Recycling and Salvage
- 11 6 NYCRR 201-1.8: Prohibition of Reintroduction of Collected Contaminants to the air
- 12 6 NYCRR 201-3.2 (a): Exempt Sources - Proof of Eligibility
- 13 6 NYCRR 201-3.3 (a): Trivial Sources - Proof of Eligibility
- 14 6 NYCRR 201-6.5 (a) (4): Standard Requirement - Provide Information
- 15 6 NYCRR 201-6.5 (a) (8): General Condition - Right to Inspect
- 16 6 NYCRR 201-6.5 (d) (5): Standard Requirements - Progress Reports
- 17 6 NYCRR 201-6.5 (f) (6): Off Permit Changes
- 18 6 NYCRR 202-1.1: Required Emissions Tests
- 19 40 CFR Part 68: Accidental release provisions.
- 20 40CFR 82, Subpart F: Recycling and Emissions Reduction
- 21 6 NYCRR Subpart 201-6: Emission Unit Definition
- 22 6 NYCRR 201-6.5 (e): Compliance Certification
- 23 6 NYCRR 211.1: Air pollution prohibited
- 24 6 NYCRR 225-1.7 (c): Compliance Certification
- 25 6 NYCRR 225-1.7 (e): Compliance Certification
- 26 6 NYCRR 243-1.6 (d): Excess emission requirements
- 27 6 NYCRR 243-1.6 (e): Recordkeeping and reporting requirements
- 28 6 NYCRR 243-2.1: Authorization and responsibilities of CAIR designated representative
- 29 6 NYCRR 243-8.1: General requirements
- 30 6 NYCRR 243-8.3: Out of control periods
- 31 6 NYCRR 243-8.5 (d): Quarterly reports
- 32 6 NYCRR 243-8.5 (e): Compliance certification
- 33 6 NYCRR Subpart 244-1: CAIR NOx Annual Trading Program General Conditions
- 34 6 NYCRR Subpart 244-2: Designated CAIR Representative
- 35 6 NYCRR Subpart 244-8: Compliance Certification
- 36 6 NYCRR Subpart 245-1: CAIR SO2 Trading Program General Provisions
- 37 6 NYCRR Subpart 245-2: Designated CAIR Representative
- 38 6 NYCRR Subpart 245-8: Compliance Certification
- 39 40CFR 60.7(b), NSPS Subpart A: Recordkeeping requirements.
- 40 40CFR 60.8(c), NSPS Subpart A: Required performance test information.
- 41 40CFR 60.40a, NSPS Subpart Da: Compliance Certification
- 42 40 CFR Part 64: Compliance Certification
- 43 40 CFR Part 72: Facility Subject to Title IV Acid Rain Regulations and Permitting

44 40 CFR Part 97: Federal Cross-State Air Pollution Regulation (CSAPR)

Emission Unit Level

45 6 NYCRR Subpart 201-6: Emission Point Definition By Emission Unit

46 6 NYCRR Subpart 201-6: Process Definition By Emission Unit

EU=U-CFB01

47 6 NYCRR 212.4 (a): Compliance Certification

48 6 NYCRR 225-1.2 (d): Compliance Certification

49 6 NYCRR 225-2.3 (b) (1): Compliance Certification

50 40CFR 52.21, Subpart A: Compliance Certification

51 40CFR 52.21, Subpart A: Compliance Certification

52 40CFR 52.21, Subpart A: Compliance Certification

53 40CFR 52.21, Subpart A: Compliance Certification

54 40CFR 60.7(c), NSPS Subpart A: Compliance Certification

55 40CFR 60.47a, NSPS Subpart Da: Continuous emissions monitoring.

56 40CFR 60.48a, NSPS Subpart Da: Compliance testing requirements.

EU=U-CFB01,Proc=CDT

57 6 NYCRR Subpart 201-6: Compliance Certification

EU=U-CFB01,Proc=CDW

58 6 NYCRR Subpart 201-6: Compliance Certification

EU=U-CFB01,Proc=TDF

59 6 NYCRR 200.6: Compliance Certification

60 6 NYCRR Subpart 201-6: Compliance Certification

EU=U-CFB01,EP=00101

61 6 NYCRR 227-1.3 (a): Compliance Certification

62 40CFR 60.42a(b), NSPS Subpart Da: Compliance Certification

EU=U-COLPL

63 6 NYCRR Subpart 201-6: Compliance Certification

64 40CFR 60.252(c), NSPS Subpart Y: Compliance Certification

STATE ONLY ENFORCEABLE CONDITIONS

Facility Level

65 ECL 19-0301: Contaminant List

66 6 NYCRR 201-1.4: Unavoidable noncompliance and violations

67 6 NYCRR 211.2: Visible Emissions Limited

68 6 NYCRR 242-1.5: Compliance Demonstration

69 6 NYCRR 242-1.5: Compliance Demonstration

70 6 NYCRR Subpart 242-4: Compliance Demonstration

71 6 NYCRR Subpart 242-8: Compliance Demonstration

72 6 NYCRR 246.5 (b): Compliance Demonstration

73 6 NYCRR 246.6 (b): Compliance Demonstration

74 6 NYCRR 246.11 (a): Compliance Demonstration

75 6 NYCRR 246.11 (d): Compliance Demonstration

76 6 NYCRR 246.11 (e): Compliance Demonstration

Emission Unit Level

EU=U-CFB01

77 6 NYCRR 227-2.4 (a) (2): Compliance Demonstration

78 6 NYCRR 227-2.4 (a) (2): Compliance Demonstration

EU=U-COLPL

79 6 NYCRR 211.2: Compliance Demonstration

FEDERALLY ENFORCEABLE CONDITIONS

**** Facility Level ****

NOTIFICATION OF GENERAL PERMITTEE OBLIGATIONS
The items listed below are not subject to the annual compliance certification requirements under Title V. Permittees may also have other obligations under regulations of general applicability.

Item A: Emergency Defense - 6 NYCRR 201-1.5

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

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

- (1) An emergency occurred and that the facility owner and/or operator can identify the cause(s) of the emergency;
- (2) The equipment at the permitted facility causing the emergency was at the time being properly operated;
- (3) During the period of the emergency the facility owner and/or operator took all reasonable steps to minimize levels of emissions that exceeded the emission standards, or other requirements in the permit; and
- (4) The facility owner and/or operator notified the Department within two working days after the event occurred. This notice must contain a description of the emergency, any steps taken to mitigate emissions, and corrective actions taken.

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

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

Item B: Public Access to Recordkeeping for Title V Facilities - 6 NYCRR 201-1.10 (b)

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 6 NYCRR Part 616 - Public Access to records and Section 114(c) of the Act.

Item C: Timely Application for the Renewal of Title V Permits - 6 NYCRR 201-6.3 (a) (4)

Owners and/or operators of facilities having an issued Title V permit shall submit a complete application at least 180 days, but not more than eighteen months, prior to the date of permit expiration for permit renewal purposes.

Item D: Certification by a Responsible Official - 6 NYCRR 201-6.3 (d) (12)

Any application, form, report or compliance certification required to be submitted pursuant to the federally enforceable portions of this permit shall contain a certification of truth, accuracy and completeness by a responsible official. This certification shall state that based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate, and complete.

Item E: Requirement to Comply With All Conditions - 6 NYCRR 201-6.5 (a) (2)

The permittee must comply with all conditions of the Title V facility permit. Any permit non-compliance constitutes a violation of the Act and is grounds for enforcement action; for permit termination, revocation and reissuance, or modification; or for denial of a permit renewal application.

Item F: Permit Revocation, Modification, Reopening, Reissuance or Termination, and Associated Information Submission Requirements - 6 NYCRR 201-6.5 (a) (3)

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 stay any permit condition.

Item G: Cessation or Reduction of Permitted Activity Not a Defense - 6 NYCRR 201-6.5 (a) (5)

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.

Item H: Property Rights - 6 NYCRR 201-6.5 (a) (6)

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

Item I: Severability - 6 NYCRR 201-6.5 (a) (9)

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.

Item J: Permit Shield - 6 NYCRR 201-6.5 (g)

All permittees granted a Title V facility permit shall be covered under the protection of a permit shield, except as provided under 6 NYCRR Subpart 201-6. 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.

Item K: Reopening for Cause - 6 NYCRR 201-6.5 (i)

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.

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.

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.

Item L:

Permit Exclusion - ECL 19-0305

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

Item M:

Federally Enforceable Requirements - 40 CFR 70.6 (b)

All terms and conditions in this permit required by the Act or any applicable requirement, including any provisions designed to limit a facility's potential to emit, are enforceable by the Administrator and citizens under the Act. The Department has, in this permit, specifically designated any terms and conditions that are not required under the Act or under any of its applicable

requirements as being enforceable under only state regulations.

**MANDATORY FEDERALLY ENFORCEABLE PERMIT CONDITIONS
SUBJECT TO ANNUAL CERTIFICATIONS AT ALL TIMES**

The following federally enforceable permit conditions are mandatory for all Title V permits and are subject to annual compliance certification requirements at all times.

Condition 1: Acceptable Ambient Air Quality
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:6 NYCRR 200.6

Item 1.1:

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 2: Fees
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:6 NYCRR 201-6.5 (a) (7)

Item 2.1:

The owner and/or operator of a stationary source shall pay fees to the Department consistent with the fee schedule authorized by ECL 72-0303.

Condition 3: Recordkeeping and reporting of compliance monitoring
Effective between the dates of 03/14/2012 and 03/13/2017

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

Item 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 a responsible official, consistent with Section 201-6.3 of this Part 201.

Condition 4: Monitoring, Related Recordkeeping, and Reporting Requirements.

Effective between the dates of 03/14/2012 and 03/13/2017

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

Item 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 found in applicable regulations. Records of all monitoring data and support information must be retained for a period of at least 5 years from the date of the monitoring, sampling, 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 5: Compliance Certification

Effective between the dates of 03/14/2012 and 03/13/2017

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

Item 5.1:

The Compliance Certification activity will be performed for the Facility.

Item 5.2:

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.

Notify the Department and report permit deviations and incidences of noncompliance stating the probable cause of such deviations, and any corrective actions or preventive measures taken. Where the underlying applicable requirement contains a definition of prompt or otherwise specifies a time frame for reporting deviations, that definition or time frame shall govern. Where the underlying applicable requirement fails to address the time frame for reporting deviations, reports of deviations shall be submitted to the permitting authority based on

the following schedule:

- (1) For emissions of a hazardous air pollutant (as identified in an applicable regulation) that continue for more than an hour in excess of permit requirements, the report must be made within 24 hours of the occurrence.
- (2) For emissions of any regulated air pollutant, excluding those listed in paragraph (1) of this section, that continue for more than two hours in excess of permit requirements, the report must be made within 48 hours.
- (3) For all other deviations from permit requirements, the report shall be contained in the 6 month monitoring report required above.
- (4) This permit may contain a more stringent reporting requirement than required by paragraphs (1), (2) or (3) above. If more stringent reporting requirements have been placed in this permit or exist in applicable requirements that apply to this facility, the more stringent reporting requirement shall apply.

If above paragraphs (1) or (2) are met, the source must notify the permitting authority by telephone during normal business hours at the Regional Office of jurisdiction for this permit, attention Regional Air Pollution Control Engineer (RAPCE) according to the timetable listed in paragraphs (1) and (2) of this section. For deviations and incidences that must be reported outside of normal business hours, on weekends, or holidays, the DEC Spill Hotline phone number at 1-800-457-7362 shall be used. A written notice, certified by a responsible official consistent with 6 NYCRR Part 201-6.3(d)(12), must be submitted within 10 working days of an occurrence for deviations reported under (1) and (2). All deviations reported under paragraphs (1) and (2) of this section must also be identified in the 6 month monitoring report required above.

The provisions of 6 NYCRR 201-1.4 shall apply if the permittee seeks to have a violation excused unless otherwise limited by regulation. In order to have a violation of a federal regulation (such as a new source performance standard or national emissions standard for hazardous air pollutants) excused, the specific federal regulation must provide for an affirmative defense during start-up, shutdowns, malfunctions or upsets. Notwithstanding any recordkeeping and reporting requirements in 6 NYCRR 201-1.4, reports of any deviations shall not be on a less frequent basis than the reporting periods described in paragraphs (1) and (4) above.

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 Quality Assurance (BQA) 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 7/30/2012.
Subsequent reports are due every 6 calendar month(s).

Condition 6: Compliance Certification
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:6 NYCRR 202-2.1

Item 6.1:
The Compliance Certification activity will be performed for the Facility.

Item 6.2:
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 7: Recordkeeping requirements
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:6 NYCRR 202-2.5**Item 7.1:**

(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 8: Open Fires - Prohibitions
Effective between the dates of 03/14/2012 and 03/13/2017****Applicable Federal Requirement:6 NYCRR 215.2****Item 8.1:**

Except as allowed by Title 6 NYCRR Section 215.3, no person shall burn, cause, suffer, allow or permit the burning of any materials in an open fire.

Item 8.2

Per Section 215.3, burning in an open fire, provided it is not contrary to other law or regulation, will be allowed as follows:

- (a) On-site burning in any town with a total population less than 20,000 of downed limbs and branches (including branches with attached leaves or needles) less than six inches in diameter and eight feet in length between May 15th and the following March 15th. For the purposes of this subdivision, the total population of a town shall include the population of any village or portion thereof located within the town. However, this subdivision shall not be construed to allow burning within any village.
- (b) Barbecue grills, maple sugar arches and similar outdoor cooking devices when actually used for cooking or processing food.
- (c) Small fires used for cooking and camp fires provided that only charcoal or untreated wood is used as fuel and the fire is not left unattended until extinguished.
- (d) On-site burning of agricultural wastes as part of a valid agricultural operation on contiguous agricultural lands larger than five acres actively devoted to agricultural or horticultural use, provided such waste is actually grown or generated on those lands and such waste is capable of being fully burned within a 24-hour period.
- (e) The use of liquid petroleum fueled smudge pots to prevent frost damage to crops.
- (f) Ceremonial or celebratory bonfires where not otherwise prohibited by law, provided that only untreated wood or other agricultural products are used as fuel and the fire is not left unattended until extinguished.
- (g) Small fires that are used to dispose of a flag or religious item, and small fires or other smoke producing process where not otherwise prohibited by law that are used in connection with a religious ceremony.
- (h) Burning on an emergency basis of explosive or other dangerous or contraband materials by police or other public safety organization.
- (i) Prescribed burns performed according to Part 194 of this Title.
- (j) Fire training, including firefighting, fire rescue, and fire/arson investigation training, performed under applicable rules and guidelines of the New York State Department of State's Office of Fire Prevention and Control. For fire training performed on acquired structures, the structures must be emptied and stripped of any material that is toxic, hazardous or likely to emit toxic smoke (such as asbestos, asphalt shingles and vinyl siding or other vinyl products) prior to burning and must be at least 300 feet from other occupied structures. No more than one structure

per lot or within a 300 foot radius (whichever is bigger) may be burned in a training exercise.
(k) Individual open fires as approved by the Director of the Division of Air Resources as may be required in response to an outbreak of a plant or animal disease upon request by the commissioner of the Department of Agriculture and Markets, or for the destruction of invasive plant and insect species.

(l) Individual open fires that are otherwise authorized under the environmental conservation law, or by rule or regulation of the Department.

**MANDATORY FEDERALLY ENFORCEABLE PERMIT CONDITIONS
SUBJECT TO ANNUAL CERTIFICATIONS ONLY IF APPLICABLE**

The following federally enforceable permit conditions are mandatory for all Title V permits and are subject to annual compliance certification requirements only if effectuated during the reporting period.

[NOTE: The corresponding annual compliance certification for those conditions not effectuated during the reporting period shall be specified as "not applicable".]

Condition 9: Maintenance of Equipment
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:6 NYCRR 200.7

Item 9.1:

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 10: Recycling and Salvage
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:6 NYCRR 201-1.7

Item 10.1:

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 the ECL.

Condition 11: Prohibition of Reintroduction of Collected Contaminants to the air
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:6 NYCRR 201-1.8

Item 11.1:

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 12: Exempt Sources - Proof of Eligibility
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:6 NYCRR 201-3.2 (a)**Item 12.1:**

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 this Subpart. 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 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 13: Trivial Sources - Proof of Eligibility
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:6 NYCRR 201-3.3 (a)**Item 13.1:**

The owner and/or operator of an emission source or unit that is listed as being trivial in this Part may be required to certify that it operates within the specific criteria described in this Subpart. 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 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 14: Standard Requirement - Provide Information
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:6 NYCRR 201-6.5 (a) (4)**Item 14.1:**

The owner and/or operator 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. Upon request, the permittee shall also furnish to the department copies of records required to be kept by the permit or, for information claimed to be confidential, the permittee may furnish such records directly to the administrator along with a claim of confidentiality, if the administrator initiated the request for information or otherwise has need of it.

Condition 15: General Condition - Right to Inspect
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:6 NYCRR 201-6.5 (a) (8)**Item 15.1:**

The department or an authorized representative shall be allowed upon presentation of credentials and other documents as may be required by law to:

(i) enter upon the permittee's premises where a facility subject to the permitting requirements of this Subpart 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 emission sources, equipment (including monitoring and air pollution control equipment), practices, and operations regulated or required under the permit; and

(iv) sample or monitor at reasonable times substances or parameters for the purpose of assuring compliance with the permit or applicable requirements.

Condition 16: Standard Requirements - Progress Reports
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:6 NYCRR 201-6.5 (d) (5)

Item 16.1:

Progress reports consistent with an applicable schedule of compliance are to be submitted at least semiannually, or at a more frequent period if specified in the applicable requirement or by the department. 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 17: Off Permit Changes
Effective between the dates of 03/14/2012 and 03/13/2017

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

Item 17.1:

No permit revision will be required for operating changes that contravene an express permit term, provided that such changes would not violate applicable requirements as defined under this Part or contravene federally enforceable monitoring (including test methods), recordkeeping, reporting, or compliance certification permit terms and conditions. Such changes may be made without requiring a permit revision, if the changes are not modifications under any provision of title I of the act and the changes do not exceed the emissions allowable under the permit (whether expressed therein as a rate of emissions or in terms of total emissions) provided that the facility provides the administrator and the department with written notification as required below in advance of the proposed changes within a minimum of seven days. The facility owner or operator, and the department shall attach each such notice to their copy of the relevant permit.

(i) For each such change, the written notification required above shall include a brief description of the change within the permitted facility, the date on which the change will occur, any change in emissions, and any permit term or condition that is no longer applicable as a result of the change.

(ii) The permit shield described in section 6 NYCRR 201-6.6 shall not apply to any change made pursuant to this paragraph.

Condition 18: Required Emissions Tests
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:6 NYCRR 202-1.1

Item 18.1:

For the purpose of ascertaining compliance or non-compliance with any air pollution control code, rule or regulation, the commissioner may require the person who owns such air contamination source to submit an acceptable report of measured emissions within a stated time.

Condition 19: Accidental release provisions.
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:40 CFR Part 68

Item 19.1:

If a chemical is listed in Tables 1,2,3 or 4 of 40 CFR §68.130 is present in a process in quantities greater than the threshold quantity listed in Tables 1,2,3 or 4, the following requirements will apply:

- a) The owner or operator shall comply with the provisions of 40 CFR Part 68 and;
- b) The owner or operator shall submit at the time of permit issuance (if not previously submitted) one of the following, if such quantities are present:
 - 1) A compliance schedule for meeting the requirements of 40 CFR Part 68 by the date provided in 40 CFR §68.10(a) or,
 - 2) A certification statement that the source is in compliance with all requirements of 40 CFR Part 68, including the registration and submission of the Risk Management Plan. Information should be submitted to:

Risk Management Plan Reporting Center
C/O CSC
8400 Corporate Dr
Carrollton, Md. 20785

Condition 20: Recycling and Emissions Reduction
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:40CFR 82, Subpart F

Item 20.1:

The permittee shall comply with all applicable provisions of 40 CFR Part 82.

The following conditions are subject to annual compliance certification requirements for Title V permits only.

Condition 21: Emission Unit Definition
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:6 NYCRR Subpart 201-6

Item 21.1:

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

Emission Unit: U-CFB01

Emission Unit Description:

A circulating fluidized bed boiler (CFB). The fuel (e.g. coal, petroleum coke, clean untreated wood chips, tire derived fuel (TDF) (maximum 40% by weight in combination with the primary fuels), used lubricating oils generated on site, Construction & Demolition (C&D) Debris-Derived Wood Fuel (unadulterated wood combined with maximum 30% by weight glued wood), and/or a combination of these fuel(s) subject to limitations specified elsewhere in this permit, is introduced into the fluidized bed and combusted.

Fluidization is achieved by blowing air into the combustion chamber medium of fuel, ash, and limestone.

This type of combustion offers fuel flexibility, high combustion efficiency, and low oxides of nitrogen and carbon monoxide emissions. Sulfur dioxide emissions are controlled by desulfurization through limestone injection into the fluidized combustion bed for approximately 90% sulfur capture (based on coal analysis) when burning coal.

When only wood and TDF are combusted in the CFB, there is no SO₂ percentage reduction requirement. Maximum emission rate potential for SO₂ is 0.5 lbs/mmBtu for all fuels. The unit cannot operate without the limestone injection system operating, thus precluding higher SO₂ levels. The CFB also acts as a control device for NO_x and particulate matter.

Particles are continuously captured and sent back to the combustor to combust unburned particles.

Additionally, oxides of nitrogen are further controlled, as necessary, through Selective Non-catalytic Reduction (SNCR) (ammonia injection) and particulates are controlled by a fabric filter.

Note: TDF feed rate may be modified based upon successful completion of performance stack tests authorized elsewhere in this permit.

Building(s): #1

Item 21.2:

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

Emission Unit: U-COLPL

Emission Unit Description:

Coal is brought in by truck and stored in the coal pile storage area. Coal is transferred via a conveyor system with the conveyor belt overlapping the coal as it is transferred to the furnace feed. Additional fuels handled onsite include petroleum coke, tire derived fuel (TDF), clean untreated wood chips, and Construction & Demolition (C&D) Debris-Derived Wood Fuel.

Building(s): SHED

Condition 22: Compliance Certification

Effective between the dates of 03/14/2012 and 03/13/2017

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

Item 22.1:

The Compliance Certification activity will be performed for the Facility.

Item 22.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

Requirements for compliance certifications with terms and conditions contained in this facility permit include the following:

- i. Compliance certifications shall contain:
 - 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.
- ii. The responsible official must include in the annual certification report all terms and conditions contained in this permit which are identified as being subject to certification, including emission limitations, standards, or work practices. That is, the provisions labeled herein as "Compliance Certification" are not the only provisions of this permit for which an annual certification is required.
- iii. Compliance certifications shall be submitted annually. 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.
- iv. 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 Quality Assurance

(BQA) 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 14203-2915

The address for the BQA is as follows:

NYSDEC
Bureau of Quality Assurance
625 Broadway
Albany, NY 12233-3258

Monitoring Frequency: ANNUALLY
Reporting Requirements: ANNUALLY (CALENDAR)
Reports due 30 days after the reporting period.
The initial report is due 1/30/2013.
Subsequent reports are due on the same day each year

Condition 23: Air pollution prohibited
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:6 NYCRR 211.1

Item 23.1:

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.

Condition 24: Compliance Certification
Effective between the dates of 03/14/2012 and 03/13/2017

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

Item 24.1:

The Compliance Certification activity will be performed for the Facility.

Item 24.2:

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. The gross heat content and ash content of each fuel burned must be determined at least once each week. Also, the facility must measure 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 PERMIT MONITORING DESCRIPTION

Averaging Method: AVERAGING METHOD AS PER REFERENCE TEST METHOD INDICATED

Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

Condition 25: Compliance Certification
Effective between the dates of 03/14/2012 and 03/13/2017

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

Item 25.1:

The Compliance Certification activity will be performed for the Facility.

Regulated Contaminant(s):

CAS No: 007704-34-9 SULFUR

Item 25.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

Source owners subject to this section must submit a written report of the fuel sulfur content exceeding the applicable sulfur-in-fuel limitation, or of measured emissions exceeding the applicable equivalent emission rate, and the nature and cause of such excesses if known, for each calendar quarter.

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION

Reporting Requirements: QUARTERLY (CALENDAR)

Reports due 30 days after the reporting period.

The initial report is due 4/30/2012.

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

Condition 26: Excess emission requirements
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:6 NYCRR 243-1.6 (d)

Item 26.1:

If a CAIR NOx Ozone Season source emits nitrogen oxides during any control period in excess of the CAIR NOx Ozone Season emissions limitation, then:

(1) the owners and operators of the source and each CAIR NOx Ozone Season unit at the source shall surrender the CAIR NOx Ozone Season allowances required for deduction under section

243-6.5(d)(1) and pay any fine, penalty, or assessment or comply with any other remedy imposed, for the same violations, under the Act or applicable State law; and

(2) each ton of such excess emissions and each day of such control period shall constitute a separate violation of this Subpart, the Act, and applicable State law.

Condition 27: Recordkeeping and reporting requirements
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:6 NYCRR 243-1.6 (e)

Item 27.1:

Unless otherwise provided, the owners and operators of the CAIR NO_x Ozone Season source and each CAIR NO_x Ozone Season unit at the source shall keep on site at the source each of the following documents for a period of five years from the date the document is created. This period may be extended for cause, at any time before the end of five years, in writing by the department or the Administrator.

(i) The certificate of representation under section 243-2.4 for the CAIR designated representative for the source and each CAIR NO_x Ozone Season unit at the source and all documents that demonstrate the truth of the statements in the certificate of representation; provided that the certificate and documents shall be retained on site at the source beyond such five-year period until such documents are superseded because of the submission of a new certificate of representation under section 243-2.4 changing the CAIR designated representative.

(ii) All emissions monitoring information, in accordance with Subpart 243-8, provided that to the extent that Subpart 243-8 provides for a three-year period for recordkeeping, the three-year period shall apply.

(iii) Copies of all reports, compliance certifications, and other submissions and all records made or required under the CAIR NO_x Ozone Season Trading Program.

(iv) Copies of all documents used to complete a CAIR permit application and any other submission under the CAIR NO_x Ozone Season Trading Program or to demonstrate compliance with the requirements of the CAIR NO_x Ozone Season Trading Program.

Condition 28: Authorization and responsibilities of CAIR designated representative
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:6 NYCRR 243-2.1

Item 28.1:

Except as provided under section 243-2.2, each CAIR NO_x Ozone Season source, including all CAIR NO_x Ozone Season units at the source, shall have one and only one CAIR designated representative, with regard to all matters under the CAIR NO_x Ozone Season Trading Program concerning the source or any CAIR NO_x Ozone Season unit at the source.

The CAIR designated representative of the CAIR NO_x Ozone Season source shall be selected by an agreement binding on the owners and operators of the source and all CAIR NO_x Ozone Season units at the source and shall act in accordance with the certification statement in section 243-2.4(a)(4)(iv).

Upon receipt by the Administrator of a complete certificate of representation under section 243-2.4, the CAIR designated representative of the source shall represent and, by his or her

representations, actions, inactions, or submissions, legally bind each owner and operator of the CAIR NOx Ozone Season source represented and each CAIR NOx Ozone Season unit at the source in all matters pertaining to the CAIR NOx Ozone Season Trading Program, notwithstanding any agreement between the CAIR designated representative and such owners and operators. The owners and operators shall be bound by any decision or order issued to the CAIR designated representative by the department, the Administrator, or a court regarding the source or unit.

No CAIR permit will be issued, no emissions data reports will be accepted, and no CAIR NOx Ozone Season Allowance Tracking System account will be established for a CAIR NOx Ozone Season unit at a source, until the Administrator has received a complete certificate of representation under section 243-2.4 for a CAIR designated representative of the source and the CAIR NOx Ozone Season units at the source.

Each submission under the CAIR NOx Ozone Season Trading Program shall be submitted, signed, and certified by the CAIR designated representative for each CAIR NOx Ozone Season source on behalf of which the submission is made. Each such submission shall include the following certification statement by the CAIR designated representative: "I am authorized to make this submission on behalf of the owners and operators of the source or units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment."

Condition 29: General requirements
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:6 NYCRR 243-8.1

Item 29.1:

The owners and operators, and to the extent applicable, the CAIR designated representative, of a CAIR NOx Ozone Season unit, shall comply with the monitoring, recordkeeping, 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 243-1.2 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 deemed to refer to the terms "CAIR NOx Ozone Season unit," "CAIR designated representative," and "continuous emission monitoring system" (or "CEMS") respectively, as defined in section 243-1.2. The owner or operator of a unit that is not a CAIR NOx Ozone Season unit but that is monitored under 40 CFR 75.72(b)(2)(ii) shall comply with the same monitoring, recordkeeping, and reporting requirements as a CAIR NOx Ozone Season unit.

'Requirements for installation, certification, and data accounting.' The owner or operator of each CAIR NOx Ozone Season unit shall:

- (1) install all monitoring systems required under this Subpart for monitoring NOx mass emissions and individual unit heat input (including all systems required to monitor NOx emission rate, NOx concentration, stack gas moisture content, stack gas flow rate, CO2 or O2 concentration, and fuel flow rate, as applicable, in accordance with 40 CFR 75.71 and 40 CFR 75.72);
- (2) successfully complete all certification tests required under section 243-8.2 and meet all other

requirements of this Subpart and 40 CFR Part 75 applicable to the monitoring systems under paragraph 243-8.1(a)(1); and

(3) record, report, and quality-assure the data from the monitoring systems under paragraph (a)(1) of this section.

Condition 30: Out of control periods
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:6 NYCRR 243-8.3

Item 30.1:

Whenever any monitoring system fails to meet the quality-assurance and quality-control requirements or data validation requirements of 40 CFR Part 75, data shall be substituted using the applicable missing data procedures in Subpart D or Subpart H of, or appendix D or appendix E to, 40 CFR Part 75.

Condition 31: Quarterly reports
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:6 NYCRR 243-8.5 (d)

Item 31.1:

The CAIR designated representative shall submit quarterly reports, as follows:

If the CAIR NO_x Ozone Season unit is subject to an Acid Rain emissions limitation or a CAIR NO_x emissions limitation or if the owner or operator of such unit chooses to report on an annual basis under this Subpart, the CAIR designated representative shall meet the requirements of Subpart H of 40 CFR Part 75 (concerning monitoring of NO_x mass emissions) for such unit for the entire year and shall report the NO_x mass emissions data and heat input data for such unit, in an electronic quarterly report in a format prescribed by the Administrator, for each calendar quarter beginning with:

(i) for a unit that commences commercial operation before July 1, 2007, the calendar quarter covering May 1, 2008 through June 30, 2008;

(ii) for a unit that commences commercial operation on or after July 1, 2007, the calendar quarter corresponding to the earlier of the date of provisional certification or the applicable deadline for initial certification under section 243-8.1(b), unless that quarter is the third or fourth quarter of 2007 or the first quarter of 2008, in which case reporting shall commence in the quarter covering May 1, 2008 through June 30, 2008.

The CAIR designated representative shall submit each quarterly report to the Administrator within 30 days following the end of the calendar quarter covered by the report. Quarterly reports shall be submitted in the manner specified in 40 CFR 75.73(f).

For CAIR NO_x Ozone Season units that are also subject to an Acid Rain emissions limitation or the CAIR NO_x Annual Trading Program, CAIR SO₂ Trading Program, or the Mercury Reduction Program for Coal-Fired Electric Utility Steam Generating Units (6 NYCRR Part 246), quarterly reports shall include the applicable data and information required by Subparts F through I of 40 CFR Part 75 as applicable, in addition to the NO_x mass emission data, heat input data, and other information required by this Subpart.

Condition 32: Compliance certification
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:6 NYCRR 243-8.5 (e)**Item 32.1:**

The CAIR designated representative shall submit to the Administrator a compliance certification (in a format prescribed by the Administrator) in support of each quarterly report based on reasonable inquiry of those persons with primary responsibility for ensuring that all of the unit's emissions are correctly and fully monitored. The certification shall state that:

(1) the monitoring data submitted were recorded in accordance with the applicable requirements of this Subpart and 40 CFR Part 75, including the quality assurance procedures and specifications;

(2) for a unit with add-on NOx emission controls and for all hours where NOx data are substituted in accordance with 40 CFR 75.34(a)(1), the add-on emission controls were operating within the range of parameters listed in the quality assurance/quality control program under appendix B to 40 CFR Part 75 and the substitute data values do not systematically underestimate NOx emissions; and

(3) for a unit that is reporting on a control period basis under subparagraph (d)(2)(ii) of this section, the NOx emission rate and NOx concentration values substituted for missing data under Subpart D of 40 CFR Part 75 are calculated using only values from a control period and do not systematically underestimate NOx emissions.

**Condition 33: CAIR NOx Annual Trading Program General Conditions
Effective between the dates of 03/14/2012 and 03/13/2017****Applicable Federal Requirement:6 NYCRR Subpart 244-1****Item 33.1:**

1) As of midnight of March 1, or midnight of the first business day thereafter if March 1 is not a business day, the owners and operators shall hold, in their compliance account, Clean Air Interstate Rule (CAIR) NOx allowances available for compliance deductions for the previous control period (January 1 through December 31), in an amount not less than the total tons of nitrogen oxides emissions from all CAIR NOx units at the source during that control period. A CAIR NOx allowance shall not be deducted for a control period in a calendar year before the year for which the CAIR NOx allowance was allocated. [244-1.6(c)(1), 244-1.2(b)(5), 244-1.2(b)(36), 244-1.6(c)(3)]

2) The owners and operators shall hold in their compliance account, CAIR NOx allowances available for compliance deductions for the control period starting on the later of January 1, 2009 or the deadline for meeting a CAIR NOx unit's monitor certification requirements under section 244-8.1(b)(1), (2), or (5) and for each control period thereafter. [244-1.6(c)(2)]

3) If a CAIR NOx source emits nitrogen oxides during any control period in excess of the CAIR NOx emissions limitation, the owners and operators of the CAIR NOx source shall surrender the CAIR NOx allowances required for deduction under 6NYCRR Part 244-6.5(d)(1) and pay any fine, penalty, or assessment or comply with any other remedy imposed, for the same violations, under the Act or applicable State law. Each ton of such excess emissions and each day of such control period shall constitute a separate violation of this permit, the Act, and applicable State law. [(244-1.6(d)]

4) Unless otherwise provided, the owners and operators of the CAIR NOx source shall keep on site each of the following documents for a period of five years from the date the document is created. This period may be extended for cause, at any time before the end of five years, in

writing by the department or the Administrator: [244-1.6(e)]

(i) The certificate of representation under 6NYCRR Part 244-2.4 for the CAIR designated representative for the source and all documents that demonstrate the truth of the statements in the certificate of representation; provided that the certificate and documents shall be retained on site at the source beyond such five year period until such documents are superseded because of the submission of a new certificate of representation under 6NYCRR Part 244-2.4 changing the CAIR designated representative.

(ii) All emissions monitoring information, in accordance with 6NYCRR Part 244-8, provided that to the extent that 6NYCRR Part 244-8 provides for a three year period for recordkeeping, the three year period shall apply.

(iii) Copies of all reports, compliance certifications, and other submissions and all records made or required under the CAIR NOx Annual Trading Program.

(iv) Copies of all documents used to complete a CAIR permit application and any other submission under the CAIR NOx Annual Trading Program or to demonstrate compliance with the requirements of the CAIR NOx Annual Trading Program.

Condition 34: Designated CAIR Representative
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:6 NYCRR Subpart 244-2

Item 34.1:

1) Each Clean Air Interstate Rule (CAIR) NOx source shall have one CAIR designated representative and may have one alternate representative, as per 6NYCRR Part 244-2.2, with regard to all matters under the CAIR NOx Annual Trading Program. The CAIR designated representative shall be selected by an agreement binding on the owners and operators of the source and act in accordance with the certification statement in 6NYCRR Part 244-2.4(a)(4)(iv). Upon receipt by the Administrator of a complete certificate of representation under 6NYCRR Part 244-2.4, the CAIR designated representative of the source shall represent and, by his or her representations, actions, inactions, or submissions, legally bind each owner and operator of the CAIR NOx source represented in all matters pertaining to the CAIR NOx Annual Trading Program, notwithstanding any agreement between the CAIR designated representative and such owners and operators. The owners and operators shall be bound by any decision or order issued to the CAIR designated representative by the department, the Administrator, or a court regarding the source. [244-2.1(a), (b) & (c)]

(2) Each submission under the CAIR NOx Annual Trading Program shall be submitted, signed, and certified by the CAIR designated representative for each CAIR NOx source on behalf of which the submission is made. Each such submission shall include the following certification statement by the CAIR designated representative: "I am authorized to make this submission on behalf of the owners and operators of the source or units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment." [244-2.1(e)]

Condition 35: Compliance Certification
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:6 NYCRR Subpart 244-8

Item 35.1:

The Compliance Certification activity will be performed for the Facility.

Regulated Contaminant(s):

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

Item 35.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

Monitoring and Reporting NOx emissions:

1) The owners and operators, and to the extent applicable, the Clean Air Interstate Rule (CAIR) designated representative, of a CAIR NOx unit, shall comply with the monitoring, recordkeeping, and reporting requirements as provided in Subpart 6 NYCRR Part 244-8 and in Subpart H of 40 CFR Part 75. For purposes of complying with such requirements, the definitions in section 244-1.2 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 deemed to refer to the terms "CAIR NOx unit," "CAIR designated representative," and "continuous emission monitoring system" (or "CEMS") respectively, as defined in section 244-1.2. [244-8.1]

2) Whenever the owner or operator makes a replacement, modification, or change in any certified continuous emission monitoring system under 6NYCRR Part 244-8.1(a)(1) that may significantly affect the ability of the system to accurately measure or record NOx mass emissions or heat input rate or to meet the quality-assurance and quality-control requirements of 40 CFR 75.21 or appendix B to 40 CFR Part 75, the owner or operator shall recertify the monitoring system in accordance with 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 may significantly change the stack flow or concentration profile, the owner or operator shall recertify each continuous emission monitoring system whose accuracy is potentially affected by the change, in accordance with 40 CFR 75.20(b). Examples of changes to a continuous emission monitoring system that require recertification include replacement of the analyzer, complete replacement of an existing continuous emission monitoring system, or change in location or orientation of the sampling probe or site. Any fuel flowmeter system, and any excepted NOx monitoring system under appendix E to 40 CFR part 75, under 6NYCRR Part 244-8.1(a)(1) are subject to the recertification requirements in 40 CFR 75.20(g)(6). [224-8.2(d)(2)]

3) Whenever any monitoring system fails to meet the

quality-assurance and quality-control requirements or data validation requirements of 40 CFR part 75, data shall be substituted using the applicable missing data procedures in Subpart D or Subpart H of, or appendix D or appendix E to 40 CFR part 75. [244-8.3(a)]

4) The owners and operators, and to the extent applicable, the CAIR designated representative shall comply with all recordkeeping and reporting requirements in section 244-8.5, the applicable recordkeeping and reporting requirements under 40 CFR 75, and the requirements of 6NYCRR Part 244-2.1(e)(1). [244-8.5(a)]

5) The owner or operator of a CAIR NO_x unit shall comply with requirements of 40 CFR 75.73(c) and (e) for monitoring plans. [244-8.5(b)]

6) The CAIR designated representative shall submit a certification application to the department within 45 days after completing all initial certification or recertification tests required under section 244-8.2, including the information required under 40 CFR 75.63. [244-8.5(c)]

7) The CAIR designated representative shall submit quarterly reports of the NO_x mass emissions data and heat input data for each CAIR NO_x unit, in an electronic quarterly report in a format prescribed by the Administrator, for each calendar quarter beginning with the calendar quarter covering January 1, 2008 through March 31, 2008; unless the unit commences commercial operation on or after July 1, 2007, then quarterly reporting commences with the calendar quarter corresponding to the earlier of the date of provisional certification or the applicable deadline for initial certification under section 244-8.1(b). [244-8.5(d)(1)]

8) The CAIR designated representative shall submit each quarterly report to the Administrator within 30 days following the end of the calendar quarter covered by the report. Quarterly reports shall be submitted in the manner specified in 40 CFR 75.73(f). [244-8.5(d)(2)]

9) For CAIR NO_x units that are also subject to an Acid Rain emissions limitation or the CAIR NO_x Ozone Season Trading Program, CAIR SO₂ Trading Program, or the Mercury Reduction Program for Coal-Fired Electric Utility Steam Generating Units (6NYCRR Part 246), quarterly reports shall include the applicable data and information required by Subparts F through I of 40 CFR Part 75 as applicable, in addition to the NO_x mass emission data, heat input data, and other information required by Subpart 244-8. [244-8.5(d)(3)]

10) Compliance certification - The CAIR designated representative shall submit to the Administrator a compliance certification (in a format prescribed by the Administrator) in support of each quarterly report based on reasonable inquiry of those persons with primary responsibility for ensuring that all of the unit's emissions are correctly and fully monitored. The certification shall state that: [244-8.5(e)]

(i) the monitoring data submitted were recorded in accordance with the applicable requirements of 6NYCRR Part 244 and 40 CFR Part 75, including the quality assurance procedures and specifications; and

(ii) for a unit with add-on NO_x emission controls and for all hours where NO_x data are substituted in accordance with 40 CFR 75.34(a)(1), the add-on emission controls were operating within the range of parameters listed in the quality assurance/quality control program under appendix B to 40 CFR Part 75 and the substitute data values do not systematically underestimate NO_x emissions.

Monitoring Frequency: CONTINUOUS

Averaging Method: ANNUAL TOTAL

Reporting Requirements: QUARTERLY (CALENDAR)

Reports due 30 days after the reporting period.

The initial report is due 4/30/2012.

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

**Condition 36: CAIR SO₂ Trading Program General Provisions
Effective between the dates of 03/14/2012 and 03/13/2017**

Applicable Federal Requirement:6 NYCRR Subpart 245-1

Item 36.1:

1) As of midnight of March 1, or midnight of the first business day thereafter (if March 1 is not a business day) for a control period, the owners and operators of each Clean Air Interstate Rule (CAIR) SO₂ source shall hold, in the source's compliance account, a tonnage equivalent in CAIR SO₂ allowances available for compliance deductions for the control period (January 1 through December 31) not less than the tons of total sulfur dioxide emissions for the control period from all CAIR SO₂ units at the source. A CAIR SO₂ allowance shall not be deducted, for compliance with the requirements under paragraph (2) of this section, for a control period in a calendar year before the year for which the CAIR SO₂ allowance was allocated. [(245-1.2(b)(5), 245-1.6(c)(1), 245-1.2(b)(36), 245-1.6(c)(3)]

2) The owners and operators shall hold in their compliance account, CAIR SO₂ allowances available for compliance deductions for the control period starting on the later of January 1, 2010 or the deadline for meeting a CAIR SO₂ unit's monitor certification requirements under section 245-8.1(b)(1), (2), or (5) and for each control period thereafter. [245-1.6(c)(2)]

3) If a CAIR SO₂ source emits sulfur dioxide during any control period in excess of the CAIR SO₂ emissions limitation, the owners and operators of the source shall surrender the CAIR SO₂ allowances required for deduction under 6NYCRR Part 245-6.5(d)(1) and pay any fine, penalty, or assessment or comply with any other remedy imposed, for the same violations, under the Act or applicable State law. Each ton of such excess emissions and each day of such control period shall constitute a separate violation of this Subpart, the Act, and applicable State law.

[(245-1.6(d))]

4) Unless otherwise provided, the owners and operators of the CAIR SO₂ source shall keep on site at the source each of the following documents for a period of five years from the date the document is created. This period may be extended for cause, at any time before the end of five years, in writing by the department or the Administrator: [245-1.6(e)]

(i) The certificate of representation under 6NYCRR Part 245-2.4 for the CAIR designated representative for the source and all documents that demonstrate the truth of the statements in the certificate of representation; provided that the certificate and documents shall be retained on site at the source beyond such five-year period until such documents are superseded because of the submission of a new certificate of representation under 6NYCRR Part 245-2.4 changing the CAIR designated representative.

(ii) All emissions monitoring information, in accordance with 6NYCRR Part 245-8, provided that to the extent that 6NYCRR Part 245-8 provides for a three-year period for recordkeeping, the three-year period shall apply.

(iii) Copies of all reports, compliance certifications, and other submissions and all records made or required under the CAIR SO₂ Trading Program.

(iv) Copies of all documents used to complete a CAIR permit application and any other submission under the CAIR SO₂ Trading Program or to demonstrate compliance with the requirements of the CAIR SO₂ Trading Program.

Condition 37: Designated CAIR Representative
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:6 NYCRR Subpart 245-2

Item 37.1:

1) Each CAIR SO₂ source shall have one and only one CAIR designated representative and may have one alternate representative, as per 6NYCRR Part 245-2.2, with regard to all matters under the CAIR SO₂ Trading Program. The CAIR designated representative of the CAIR SO₂ source shall be selected by an agreement binding on the owners and operators of the source and all CAIR SO₂ units at the source and shall act in accordance with the certification statement in 6NYCRR Part 245-2.4(a)(4)(iv). Upon receipt by the Administrator of a complete certificate of representation under 6NYCRR Part 245-2.4, the CAIR designated representative of the source shall represent and, by his or her representations, actions, inactions, or submissions, legally bind each owner and operator of the CAIR SO₂ source represented and each CAIR SO₂ unit at the source in all matters pertaining to the CAIR SO₂ Trading Program, notwithstanding any agreement between the CAIR designated representative and such owners and operators. The owners and operators shall be bound by any decision or order issued to the CAIR designated representative by the department, the Administrator, or a court regarding the source or unit. [245-2.1(a), (b) & (c)]

(2) Each submission under the CAIR SO₂ Trading Program shall be submitted, signed, and certified by the CAIR designated representative for each CAIR SO₂ source on behalf of which the submission is made. Each such submission shall include the following certification statement by the CAIR designated representative: "I am authorized to make this submission on behalf of the owners and operators of the source or units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment." [245-2.1(e)]

Condition 38: Compliance Certification
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:6 NYCRR Subpart 245-8

Item 38.1:

The Compliance Certification activity will be performed for the Facility.

Regulated Contaminant(s):

CAS No: 007446-09-5 SULFUR DIOXIDE

Item 38.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

Monitoring and Reporting SO2 emissions:

1) The owners and operators, and to the extent applicable, the Clean Air Interstate Rule (CAIR) designated representative, of a CAIR SO2 unit, shall comply with the monitoring, recordkeeping, and reporting requirements as provided in Subpart 6 NYCRR Part 245-8 and in 40 CFR Part 75, Subparts F and G. For purposes of complying with such requirements, the definitions in section 245-1.2 and 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 deemed to refer to the terms "CAIR SO2 unit," "CAIR designated representative," and "continuous emission monitoring system" (or "CEMS") respectively, as defined in section 245-1.2. The owner or operator of a unit that is not a CAIR SO2 unit but that is monitored under 40 CFR 75.16(b)(2) shall comply with the same monitoring, recordkeeping, and reporting requirements as a CAIR SO2 unit. [245-8.1]

2)The owner or operator of each CAIR SO2 unit shall:
[245-8.1(a)]

(i) install all monitoring systems required under this Subpart for monitoring SO2 mass emissions and individual unit heat input (including all systems required to monitor SO2 concentration, stack gas moisture content, stack gas flow rate, CO2 or O2 concentration, and fuel flow rate, as applicable, in accordance with 40 CFR 75.11 and 40 CFR 75.16);

(ii) successfully complete all certification tests required under Part 245-8.2 and meet all other requirements of this section and 40 CFR Part 75 applicable to the monitoring systems under this section; and

(iii) record, report, and quality-assure the data from the monitoring systems under paragraph of this section.

3) The owner or operator shall meet the monitoring system

certification and other requirements of section 245-8.1(a)(1) and (2) on or before the following dates. The owner or operator shall record, report, and quality-assure the data from the monitoring systems under section 245-8.1(a)(1) on and after the following dates. [245-8.1(b)]

(i) For the CAIR SO₂ unit that commences commercial operation before July 1, 2008, by January 1, 2009.

(ii) For the CAIR SO₂ unit that commences commercial operation on or after July 1, 2008, by the later of the following dates: January 1, 2009; or 90 unit operating days or 180 calendar days, whichever occurs first, after the date on which the unit commences commercial operation.

4) Whenever the owner or operator makes a replacement, modification, or change in any certified continuous emission monitoring system under section 245-8.1(a)(1) that may significantly affect the ability of the system to accurately measure or record SO₂ mass emissions or heat input rate or to meet the quality-assurance and quality-control requirements of 40 CFR 75.21 or appendix B to 40 CFR Part 75, the owner or operator shall recertify the monitoring system in accordance with 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 may significantly change the stack flow or concentration profile, the owner or operator shall recertify each continuous emission monitoring system whose accuracy is potentially affected by the change, in accordance with 40 CFR 75.20(b). Examples of changes to a continuous emission monitoring system that require recertification include: replacement of the analyzer, complete replacement of an existing continuous emission monitoring system, or change in location or orientation of the sampling probe or site. Any fuel flowmeter system under section 245-8.1(a)(1) is subject to the recertification requirements in 40 CFR 75.20(g)(6). [245-8.2(d)(2)]

5) Whenever any monitoring system fails to meet the quality-assurance and quality-control requirements or data validation requirements of 40 CFR Part 75, data shall be substituted using the applicable missing data procedures in Subpart D of or appendix D to 40 CFR Part 75. [245-8.3(a)]

6) The CAIR designated representative shall comply with all recordkeeping and reporting requirements in section 245-8.3, the applicable recordkeeping and reporting requirements in Subparts F and G of 40 CFR Part 75, and the requirements of section 245-2.1(e)(1). [245-8.5(a)]

7) The owner or operator of a CAIR SO₂ unit shall comply

with requirements of 40 CFR 75.62 for monitoring plans.
[245-8.5(b)]

8) The CAIR designated representative shall submit an application to the department within 45 days after completing all initial certification or recertification tests required under section 245-8.2, including the information required under 40 CFR 75.63. [245-8.5(c)]

9) The CAIR designated representative shall submit quarterly reports of the SO₂ mass emissions data and heat input data for each CAIR SO₂ unit, in an electronic quarterly report in a format prescribed by the Administrator, for each calendar quarter beginning with:
[245-8.5(d)(1)]

i) the calendar quarter covering January 1, 2009 through March 31, 2009 for a unit that commences commercial operation before July 1, 2008; or

ii) for a unit that commences commercial operation on or after July 1, 2008, the calendar quarter corresponding to the earlier of the date of provisional certification or the applicable deadline for initial certification under section 245-8.1(b), unless that quarter is the third or fourth quarter of 2008, in which case reporting shall commence in the quarter covering January 1, 2009 through March 31, 2009.

10) The CAIR designated representative shall submit each quarterly report to the Administrator within 30 days following the end of the calendar quarter covered by the report. Quarterly reports shall be submitted in the manner specified in 40 CFR 75.64. [245-8.5(d)(2)]

11) For CAIR SO₂ units that are also subject to an Acid Rain emissions limitation or the CAIR NO_x Annual Trading Program, CAIR NO_x Ozone Season Trading Program, or the Mercury Reduction Program for Coal-Fired Electric Utility Steam Generating Units (6 NYCRR Part 246), quarterly reports shall include the applicable data and information required by Subparts F through I of 40 CFR Part 75 as applicable, in addition to the SO₂ mass emission data, heat input data, and other information required by this Subpart. [245-8.5(d)(3)]

12) The CAIR designated representative shall submit to the Administrator a compliance certification (in a format prescribed by the Administrator) in support of each quarterly report based on reasonable inquiry of those persons with primary responsibility for ensuring that all of the unit's emissions are correctly and fully monitored. The certification shall state that: [245-8.5(e)]

i) the monitoring data submitted were recorded in accordance with the applicable requirements of this Subpart and 40 CFR Part 75, including the quality

assurance procedures and specifications; and
ii) for a unit with add-on SO₂ emission controls and for all hours where SO₂ data are substituted in accordance with 40 CFR 75.34(a)(1), the add-on emission controls were operating within the range of parameters listed in the quality assurance/quality control program under appendix B to 40 CFR Part 75 and the substitute data values do not systematically underestimate SO₂ emissions.

Monitoring Frequency: CONTINUOUS
Averaging Method: ANNUAL TOTAL
Reporting Requirements: QUARTERLY (CALENDAR)
Reports due 30 days after the reporting period.
The initial report is due 4/30/2012.
Subsequent reports are due every 3 calendar month(s).

Condition 39: Recordkeeping requirements.
Effective between the dates of 03/14/2012 and 03/13/2017

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

Item 39.1:

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 40: Required performance test information.
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:40CFR 60.8(c), NSPS Subpart A

Item 40.1:

Performance tests shall be conducted under such conditions specified by the Administrator, based upon representative performance data supplied by the owner or operator of the facility.

Condition 41: Compliance Certification
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:40CFR 60.40a, NSPS Subpart Da

Item 41.1:

The Compliance Certification activity will be performed for the Facility.

Item 41.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

This facility must comply with the applicable requirements of 40 CFR 60-Da for the CFB.

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION

Reporting Requirements: AS REQUIRED - SEE MONITORING DESCRIPTION

Condition 42: Compliance Certification
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:40 CFR Part 64

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 Circulating Fluidized Bed (CFB) boiler and its associated control devices are subject to the CAM regulations. Compliance Assurance Monitoring plan dated April, 2008, consisting of 10 pages [(Cover sheet (1 page) dated April, 2008, Table of Contents (1 page), CAM Plan (7 pages), and Table 1 (1 page)] has been submitted for the CFB and is approved by this Department.

The following are additional elements of the CAM program:

- 1.) The minimum data availability requirement for valid data collection for each averaging period, and the minimum data availability requirement for the averaging periods in the reporting period is 95% of the emission point's operating time [(40 CFR Part 64.6(c)(4)].
 - 2.) Exceedance of the 1-hour average opacity limit of 8% shall be considered a 1 hour operating excursion.
 - 3.) Each data recording (every 4 hours) by personnel on fabric filter operation outside of the normal operating range for the pressure drop across the fabric filter bags of 4 to 10 inches of water shall be considered a 4 hour operating excursion.
- Note: An excursion shall not be considered a violation of this permit.
- 4.) The number, duration, cause and corrective actions taken and results for any operating excursion shall be reported in the quarterly excess emission reports.
 - 5.) The CFB operating hours and the excursions as a percentage of the boiler operating hours shall be reported semi-annually in the 2nd and 4th quarterly excess emission reports.
 - 6.) A Quality Improvement Plan (QIP) shall be developed and implemented when the combined excursions noted in 2.) and 3.) above are more than 5% of the operating hours of the CFB during any semi-annual reporting period. An exceedance of the 5% threshold shall be reported as a deviation in the semi-annual and annual compliance reports. The elements of a QIP are included by reference in 40 CFR 64.8. The QIP shall include provision for a compliance stack test should the QIP fail to address or

correct control device performance problems.

Monitoring Frequency: CONTINUOUS

Reporting Requirements: AS REQUIRED - SEE MONITORING DESCRIPTION

Condition 43: Facility Subject to Title IV Acid Rain Regulations and Permitting

Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:40 CFR Part 72

Item 43.1: 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 an attachment to this permit.

Condition 44: Federal Cross-State Air Pollution Regulation (CSAPR)

Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:40 CFR Part 97

Item 44.1: This facility is subject to the CSAPR requirements found in 40 CFR Part 97.

**** Emission Unit Level ****

Condition 45: Emission Point Definition By Emission Unit

Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:6 NYCRR Subpart 201-6

Item 45.1:

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

Emission Unit: U-CFB01

Emission Point: 00101

Height (ft.): 220

Diameter (in.): 96

NYTMN (km.): 4777.848 NYTME (km.): 174.107

Item 45.2:

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

Emission Unit: U-COLPL

Emission Point: FUGIT

Height (ft.): 0 Diameter (in.): 1

NYTMN (km.): 4777.746 NYTME (km.): 174.085 Building: SHED

Condition 46: Process Definition By Emission Unit

Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:6 NYCRR Subpart 201-6

Item 46.1:

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

Emission Unit: U-CFB01

Process: CDT

Source Classification Code: 1-01-012-01

Process Description:

Circulating fluidized bed boiler combusting Construction & Demolition (C&D) Debris-Derived Wood Fuel in combination with Tired Derived Fuel (TDF) with or without any of the primary fuels (coal, petroleum coke and clean untreated wood chips). At any time, the percentage of Glued Wood shall not exceed 30 percent by weight of the total fuel feed. Additionally, the combined Glued Wood and TDF weight percentage shall not exceed 40 percent by weight of the total fuel feed. Fuel specifications, inspection procedures, and fuel blending procedures must be as defined in NYSDEC BUD No. 1010-9-32 dated November 18, 2011, in combination with the Niagara Generation's November 16, 2011, revised BUD petition.

Emission Source/Control: CFB01 - Combustion

Design Capacity: 576.7 million Btu per hour

Emission Source/Control: 00001 - Control

Control Type: DRY LIMESTONE INJECTION

Emission Source/Control: 00002 - Control

Control Type: FABRIC FILTER

Item 46.2:

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

Emission Unit: U-CFB01

Process: CDW

Source Classification Code: 1-01-012-01

Process Description:

Circulating fluidized bed boiler combusting Construction & Demolition (C&D) Debris-Derived Wood Fuel alone or in combination with any of the primary fuels (coal, petroleum coke and clean untreated wood chips). At any time, the percentage of Glued Wood shall not exceed 30 percent by weight of the total fuel feed. Fuel specifications, inspection procedures, and fuel blending procedures must be as defined in NYSDEC BUD No. 1010-9-32 dated November 18, 2011, in combination with the Niagara Generation's November 16, 2011, revised BUD petition.

Emission Source/Control: CFB01 - Combustion

Design Capacity: 576.7 million Btu per hour

Emission Source/Control: 00001 - Control

Control Type: DRY LIMESTONE INJECTION

Emission Source/Control: 00002 - Control

Control Type: FABRIC FILTER

Item 46.3:

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

Emission Unit: U-CFB01
Process: CKE Source Classification Code: 1-01-008-01
Process Description:
Circulating fluidized bed boiler using any combination of coal, clean untreated wood chips and petroleum coke for fuel or clean untreated wood chips alone.

Emission Source/Control: CFB01 - Combustion
Design Capacity: 576.7 million Btu per hour

Emission Source/Control: 00001 - Control
Control Type: DRY LIMESTONE INJECTION

Emission Source/Control: 00002 - Control
Control Type: FABRIC FILTER

Item 46.4:

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

Emission Unit: U-CFB01
Process: COL Source Classification Code: 1-01-002-18
Process Description:
Circulating fluidized bed boiler using coal as a fuel.

Emission Source/Control: CFB01 - Combustion
Design Capacity: 576.7 million Btu per hour

Emission Source/Control: 00001 - Control
Control Type: DRY LIMESTONE INJECTION

Emission Source/Control: 00002 - Control
Control Type: FABRIC FILTER

Item 46.5:

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

Emission Unit: U-CFB01
Process: GAS Source Classification Code: 1-01-006-01
Process Description:
Natural gas is used for startup. The gas is combusted by the 4 burners used to provide initial heating of the boiler. Natural gas may also be combusted concurrent with the use of solid fuel to achieve full unit operating capacity.

Emission Source/Control: CFB01 - Combustion
Design Capacity: 576.7 million Btu per hour

Emission Source/Control: 00001 - Control
Control Type: DRY LIMESTONE INJECTION

Emission Source/Control: 00002 - Control
Control Type: FABRIC FILTER

Item 46.6:

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

Emission Unit: U-CFB01

Process: NH3

Source Classification Code: 1-01-002-18

Process Description:

The unit is equipped with an Aqueous Ammonia Injection System for Selective Non-Catalytic Reduction of NOx in the CFB. The Aqueous Ammonia system consists of a storage system (tank), metering system, injection system and purging system.

Emission Source/Control: CFB01 - Combustion

Design Capacity: 576.7 million Btu per hour

Emission Source/Control: 00NH3 - Control

Control Type: SELECTIVE NON-CATALYTIC REDUCTION (SNCR)

Item 46.7:

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

Emission Unit: U-CFB01

Process: OIL

Source Classification Code: 1-01-013-02

Process Description:

Circulating fluidized bed boiler using any combination of the primary fuels (coal, petroleum coke and clean untreated wood chips) and used lubricating oil (generated on site) as a fuel. The used lubricating oil will be mixed into the primary fuels prior to being fed to the boiler.

Emission Source/Control: CFB01 - Combustion

Design Capacity: 576.7 million Btu per hour

Emission Source/Control: 00001 - Control

Control Type: DRY LIMESTONE INJECTION

Emission Source/Control: 00002 - Control

Control Type: FABRIC FILTER

Item 46.8:

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

Emission Unit: U-CFB01

Process: TDF

Source Classification Code: 1-01-012-01

Process Description:

Circulating fluidized bed boiler burning any combination of the primary fuels (coal, petroleum coke and clean untreated wood chips) and a maximum of 40%, by weight, tire derived fuel (TDF). The 40% by weight TDF feed for combustion is based on a 6-day rolling average with a maximum 1-day feed of 44% by weight TDF.

Note: TDF feed rate may be modified based upon successful

completion of performance stack tests authorized elsewhere in this permit.

Emission Source/Control: CFB01 - Combustion
Design Capacity: 576.7 million Btu per hour

Emission Source/Control: 00001 - Control
Control Type: DRY LIMESTONE INJECTION

Emission Source/Control: 00002 - Control
Control Type: FABRIC FILTER

Item 46.9:

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

Emission Unit: U-CFB01
Process: WOD Source Classification Code: 1-01-009-03
Process Description:
Circulating fluidized bed boiler using 100% untreated wood as a fuel.

Emission Source/Control: CFB01 - Combustion
Design Capacity: 576.7 million Btu per hour

Emission Source/Control: 00001 - Control
Control Type: DRY LIMESTONE INJECTION

Emission Source/Control: 00002 - Control
Control Type: FABRIC FILTER

Item 46.10:

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

Emission Unit: U-COLPL
Process: MHL Source Classification Code: 3-03-003-09
Process Description:
Material handling including processing, storage, transferring and loading of approved fuels for use in the circulating fluidized bed boiler.

Emission Source/Control: MHNDL - Process

Condition 47: Compliance Certification

Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement: 6 NYCRR 212.4 (a)

Item 47.1:

The Compliance Certification activity will be performed for:

Emission Unit: U-CFB01

Regulated Contaminant(s):
CAS No: 007664-41-7 AMMONIA

Item 47.2:

Compliance Certification shall include the following monitoring:

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

Monitoring Description:

The aqueous ammonia injection system for the Selective Non-Catalytic Reduction of NOx must be controlled/monitored such that excess emissions of ammonia, also known as ammonia "slip", are minimized. This system must be operational within 12 months of permit issuance. Equipment and operation details are to be submitted to this office for approval. Included in the submission shall be justification for the allowable excess ammonia release thru the stack. This number shall meet Air guide 1 requirements and modeled to demonstrate compliance. A 10 ppm Ammonia slip emission rate will be applicable until the facility has submitted the above requested report.

Parameter Monitored: AMMONIA

Upper Permit Limit: 10 parts per million (by volume)

Monitoring Frequency: CONTINUOUS

Averaging Method: 1-HOUR AVERAGE

Reporting Requirements: SEMI-ANNUALLY (CALENDAR)

Reports due 30 days after the reporting period.

The initial report is due 7/30/2012.

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

Condition 48: Compliance Certification
Effective between the dates of 03/14/2012 and 03/13/2017

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

Item 48.1:

The Compliance Certification activity will be performed for:

Emission Unit: U-CFB01

Regulated Contaminant(s):

CAS No: 007704-34-9 SULFUR

Item 48.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: WORK PRACTICE INVOLVING SPECIFIC
OPERATIONS

Monitoring Description:

The sulfur content of the fuel oil burned at the facility shall not exceed 1.5% by weight per 6 NYCRR Part 225-1.2(d), Table 2

Work Practice Type: PARAMETER OF PROCESS MATERIAL

Process Material: OIL (NOT ELSEWHERE CLASSIFIED)

Parameter Monitored: SULFUR CONTENT

Upper Permit Limit: 1.5 percent by weight
Monitoring Frequency: PER DELIVERY
Averaging Method: MAXIMUM - NOT TO BE EXCEEDED AT ANY
TIME (INSTANTANEOUS/DISCRETE OR GRAB)
Reporting Requirements: SEMI-ANNUALLY (CALENDAR)
Reports due 30 days after the reporting period.
The initial report is due 7/30/2012.
Subsequent reports are due every 6 calendar month(s).

Condition 49: Compliance Certification
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:6 NYCRR 225-2.3 (b) (1)

Item 49.1:
The Compliance Certification activity will be performed for:

Emission Unit: U-CFB01

Item 49.2:
Compliance Certification shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES
Monitoring Description:

The CFB may burn used lubricating oil (generated on site) as a fuel. The oil must be mixed with any combination of the primary fuels (coal, petroleum coke and clean untreated wood chips) prior to feeding to the boiler.

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

Condition 50: Compliance Certification
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:40CFR 52.21, Subpart A

Item 50.1:
The Compliance Certification activity will be performed for:

Emission Unit: U-CFB01

Regulated Contaminant(s):
CAS No: 000630-08-0 CARBON MONOXIDE

Item 50.2:
Compliance Certification shall include the following monitoring:

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

Per PSD permit dated 3/10/89, condition #3, emissions of Carbon Monoxide (CO) from the CFB are limited to 0.2 lb/mmbtu based on a one hour average using a required Continuous Emission Monitoring System (CEMS).

Manufacturer Name/Model Number: THERMO ENVIRONMENTAL/48i
Upper Permit Limit: 0.2 pounds per million Btus
Reference Test Method: M 10
Monitoring Frequency: CONTINUOUS
Averaging Method: 1-HOUR AVERAGE
Reporting Requirements: QUARTERLY (CALENDAR)
Reports due 30 days after the reporting period.
The initial report is due 4/30/2012.
Subsequent reports are due every 3 calendar month(s).

Condition 51: Compliance Certification
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:40CFR 52.21, Subpart A

Item 51.1:

The Compliance Certification activity will be performed for:

Emission Unit: U-CFB01

Regulated Contaminant(s):
CAS No: 0NY075-00-5 PM-10

Item 51.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: INTERMITTENT EMISSION TESTING

Monitoring Description:

Per PSD permit dated 3/10/89, condition # 4, emissions of PM-10 from the CFB are limited to 0.022 lb/mmBtu. Continuing compliance with this limit shall be demonstrated by stack testing to be conducted in alternate calendar years beginning calendar year 2012.

Upper Permit Limit: 0.022 pounds per million Btus

Reference Test Method: M 201/201A

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION

Averaging Method: AVERAGING METHOD AS PER REFERENCE TEST METHOD INDICATED

Reporting Requirements: ONCE / BATCH OR MONITORING OCCURRENCE

Condition 52: Compliance Certification
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:40CFR 52.21, Subpart A

Item 52.1:

The Compliance Certification activity will be performed for:

Emission Unit: U-CFB01

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

Item 52.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: CONTINUOUS EMISSION MONITORING (CEM)

Monitoring Description:

Per PSD permit dated 3/10/89, condition #1, emissions of Sulfur Dioxide (SO₂) from the CFB are limited to 0.5 lb/mmbtu on a 30-day rolling average and a minimum of 90% reduction in potential emissions (when burning coal) which were both verified by an initial stack test. SO₂ CEMS shall be used for monitoring continuing compliance with 0.5 lb/mmbtu. Compliance with the 90% removal requirement shall be by stack test upon request of this agency. This condition satisfies the SO₂ emission requirements of 40 CFR 60-Da.43a(a) and 40 CFR 60-Da.43a(b) for combusting solid and gaseous/liquid fossil fuels, respectively, in the CFB. When only TDF and wood or C&D Debris-Derived Wood Fuel are combusted in the CFB, there is no SO₂ percentage reduction requirement.

Manufacturer Name/Model Number: THERMO ENVIRONMENTAL/43i

Upper Permit Limit: 0.5 pounds per million Btus

Reference Test Method: M 6C & 19

Monitoring Frequency: CONTINUOUS

Averaging Method: 30-DAY ROLLING AVERAGE

Reporting Requirements: QUARTERLY (CALENDAR)

Reports due 30 days after the reporting period.

The initial report is due 4/30/2012.

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

Condition 53: Compliance Certification

Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:40CFR 52.21, Subpart A

Item 53.1:

The Compliance Certification activity will be performed for:

Emission Unit: U-CFB01

Regulated Contaminant(s):

CAS No: 0NY075-00-0 PARTICULATES

Item 53.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: INTERMITTENT EMISSION TESTING

Monitoring Description:

Per PSD permit dated 3/10/89, condition # 4, emissions of particulates from the CFB are limited to 0.022 lb/mmbtu. Continuing compliance with this limit shall be demonstrated by stack testing to be conducted in alternate calendar years beginning calendar year 2012. This condition satisfies the particulates emission requirements

of 40 CFR 60-Da.42a for the CFB.

Note: Pressure change devices must be functioning on all fabric filter baghouses whenever a process or the CFB is in operation. Monitoring of pressure change must be conducted twice per shift by plant personnel whenever the process or CFB is in operation. Pressure drop limits of monitoring are intended to be indicators that the emission control device is operating properly and operation of the baghouse outside of the limits of monitoring shall trigger investigation of baghouse performance by appropriate plant personnel. Records of baghouse monitoring must be retained for five years.

The "Quality Assurance & Preventive Maintenance Plan Particulate Control Devices, Niagara Generating Facility, Niagara Falls, New York" is a requirement of this Title V permit and must be available for review upon request of this agency. This is a "living" document, subject to revision, and intended to be a guideline for maintaining particulate control devices. Operating and monitoring information, including alarm set points necessary to ensure proper operation of particulate control devices, must be included in this document.

Upper Permit Limit: 0.022 pounds per million Btus

Reference Test Method: M 5

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION

Averaging Method: AVERAGING METHOD AS PER REFERENCE TEST METHOD INDICATED

Reporting Requirements: ONCE / BATCH OR MONITORING OCCURRENCE

Condition 54: Compliance Certification
Effective between the dates of 03/14/2012 and 03/13/2017

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

Item 54.1:

The Compliance Certification activity will be performed for:

Emission Unit: U-CFB01

Item 54.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

Affected owners or operators shall submit an excess emissions report semi-annually based on the calendar year (or more frequently as required by the applicable Subpart or the Administrator), to the Administrator. These reports shall be postmarked no later than 30 calendar days following the end of the reporting period, and shall contain the following information:

Item 58.2:

Compliance Certification shall include the following monitoring:

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

Monitoring Description:

This facility is permitted to burn Construction & Demolition (C&D) Debris-Derived Wood Fuel alone or in combination with any of the primary fuels (coal, petroleum coke and clean untreated wood chips) in the fluidized bed boiler, emission point 00101. At any time, the percentage of Glued Wood shall not exceed 30 percent by weight of the total fuel feed.

Fuel specifications, inspection procedures, and fuel blending procedures must be as defined in NYSDEC BUD No. 1010-9-32 dated November 18, 2011, in combination with Niagara Generation's November 16, 2011, revised BUD petition.

NOTE #1: The BUD pertains to recognizable unpainted, untreated wood separated from C&D debris at C&D debris processing facilities, at construction sites, demolition sites, and at any facilities authorized to handle C&D debris under applicable jurisdiction, ground by off-site contractors to a particle size range suitable for firing as fuel and imported to the facility ready to fire upon inspection and blending in accordance with protocols in the November 16 revised petition.

NOTE #2: The C&D debris-derived wood fuel shall consist of unadulterated wood combined with not more than 30 percent by weight (measured based on volume percent in on-site fuel inspections) wood containing binders, resins or glues ("glued wood"). In this wood fuel mix, painted wood and treated wood may not exceed incidental quantities, i.e., not exceeding one percent by volume as measured in on-site inspections, and non-wood contaminants, except for incidental soil and rock, may not exceed one-half percent by volume as measured in onsite inspections. The wood fuel must meet Niagara Generation's other specifications for quality as stated in Attachment 2 of the November 16 revision to the petition.

NOTE #3: All inspection and measurement of wood composition must be in accordance with protocols in Attachment 5 in the November 16 revision to the petition. Blending of acceptable C&D debris-derived wood fuel batches, and blending with other fuels, must be in accordance with procedures in Attachment 6 of this revision.

Process Material: OTHER SOLID FUELS
Parameter Monitored: FUEL

Upper Permit Limit: 30 percent by weight
Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION
Averaging Method: MAXIMUM - NOT TO EXCEED STATED VALUE - SEE MONITORING DESCRIPTION
Reporting Requirements: SEMI-ANNUALLY (CALENDAR)
Reports due 30 days after the reporting period.
The initial report is due 7/30/2012.
Subsequent reports are due every 6 calendar month(s).

Condition 59: Compliance Certification
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement: 6 NYCRR 200.6

Item 59.1:

The Compliance Certification activity will be performed for:

Emission Unit: U-CFB01
Process: TDF

Item 59.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

To evaluate whether this facility can operate effectively in a stable manner within existing permit limits while combusting a higher percentage of TDF in the fuel than is currently permitted, this permit authorizes the following:

1. The facility must conduct stack testing to verify that emissions from combusting TDF in the fuel blend at percentages greater than 40% will comply with existing permit limits and will not result in an exceedance of ambient air quality standards. Testing shall be conducted at both high and low load boiler operation while feeding TDF. Testing for fuels without TDF at high and low load boiler operation (previously tested coal/petroleum coke fuel alone on 02/06-13/2004 at the Niagara plant) will not be required. Testing must be conducted under an approved stack test protocol. This protocol must include the parameters to be tested as agreed by the NYSDEC as well as plant operating and fuel sampling records deemed appropriate for the CFB.
2. A stack test report must be submitted to this NYSDEC Region 9 office within 60 days of the completion of testing summarizing stack sampling activities. The report must include a 40 CFR 60, Appendix C evaluation of test results compared to the coal/petroleum coke emissions from the above referenced testing. Also, stack emissions, as appropriate, must be evaluated to predict ambient air quality impacts using this Department's DAR-1 model for

comparison with the Department's annual guideline concentrations (AGC's).

3. Upon review and approval of the stack test report, the Department may modify TDF fuel blend feed rates based upon fuel measurements achieved during the stack test program.

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION

Reporting Requirements: AS REQUIRED - SEE MONITORING DESCRIPTION

Condition 60: Compliance Certification
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement: 6 NYCRR Subpart 201-6

Item 60.1:

The Compliance Certification activity will be performed for:

Emission Unit: U-CFB01
 Process: TDF

Item 60.2:

Compliance Certification shall include the following monitoring:

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

Monitoring Description:

This facility is permitted to burn the primary fuels (coal, petroleum coke and clean untreated wood chips) in any combination with a maximum of 40%, by weight, tire derived fuel (TDF) in the fluidized bed boiler, emission point 00101. The TDF must arrive on site pre-chipped and be stored and fed to the boiler by a gravimetric or similar system which is accurately calibrated to ensure a maximum feed of 40%, by weight, TDF to the boiler.

NOTE # 1: The 40% by weight TDF feed for combustion is based on a 6-day rolling average with maximum 1-day feed of 44% by weight TDF per 6-day rolling average.

2: The facility is prohibited from feeding TDF alone to the CFB (ie: without co-firing one of the primary fuels).

3: The TDF feed system must be monitored every four (4) hours while processing TDF to storage. Records of this observation must be retained for five (5) years.

4: This Department must be notified within three (3) months of any substantive changes to the TDF monitoring or operating procedures referenced above.

TDF feed rate may be modified based upon successful

completion of performance stack tests authorized elsewhere in this permit.

Process Material: OTHER SOLID FUELS

Parameter Monitored: FUEL

Upper Permit Limit: 40 percent by weight

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION

Averaging Method: MAXIMUM - NOT TO EXCEED STATED VALUE - SEE MONITORING DESCRIPTION

Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

Condition 61: Compliance Certification
Effective between the dates of 03/14/2012 and 03/13/2017

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

Item 61.1:

The Compliance Certification activity will be performed for:

Emission Unit: U-CFB01

Emission Point: 00101

Item 61.2:

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 combustion installation shall emit greater than 20 percent opacity except for one six minute period per hour, not to exceed 27 percent, based upon the six minute average utilizing a continuous opacity monitor (COM).

Parameter Monitored: OPACITY

Upper Permit Limit: 20 percent

Reference Test Method: 40 CFR 60 appendix B

Monitoring Frequency: CONTINUOUS

Averaging Method: 6 MINUTE AVERAGE

Reporting Requirements: QUARTERLY (CALENDAR)

Reports due 30 days after the reporting period.

The initial report is due 4/30/2012.

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

Condition 62: Compliance Certification
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:40CFR 60.42a(b), NSPS Subpart Da

Item 62.1:

The Compliance Certification activity will be performed for:

Emission Unit: U-CFB01

Emission Point: 00101

Item 62.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: INTERMITTENT EMISSION TESTING

Monitoring Description:

No owner or operator of any affected facility shall emit greater than 20% opacity except for one 6 minute period greater than 27% opacity per hour.

Parameter Monitored: OPACITY

Upper Permit Limit: 20 percent

Reference Test Method: Method 9

Monitoring Frequency: SINGLE OCCURRENCE

Averaging Method: 6-MINUTE AVERAGE (METHOD 9)

Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

Condition 63: Compliance Certification
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:6 NYCRR Subpart 201-6

Item 63.1:

The Compliance Certification activity will be performed for:

Emission Unit: U-COLPL

Item 63.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

This facility is permitted to combust Construction & Demolition (C&D) Debris-Derived Wood Fuel in the fluidized bed boiler. Fuel specifications, inspection procedures, and fuel blending procedures must be as defined in NYSDEC BUD No. 1010-9-32 dated November 18, 2011, in combination with the Niagara Generation's November 16, 2011, revised BUD petition.

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION

Reporting Requirements: SEMI-ANNUALLY (CALENDAR)

Reports due 30 days after the reporting period.

The initial report is due 7/30/2012.

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

Condition 64: Compliance Certification
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable Federal Requirement:40CFR 60.252(c), NSPS Subpart Y

Item 64.1:

The Compliance Certification activity will be performed for:

Emission Unit: U-COLPL

Item 64.2:

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 any coal processing and conveying equipment, coal storage system, or coal transfer and loading system processing coal, shall exhibit 20 percent opacity or greater.

Parameter Monitored: OPACITY

Upper Permit Limit: 20 percent

Reference Test Method: Method 9

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING
DESCRIPTION

Averaging Method: 6-MINUTE AVERAGE (METHOD 9)

Reporting Requirements: SEMI-ANNUALLY (CALENDAR)

Reports due 30 days after the reporting period.

The initial report is due 7/30/2012.

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

STATE ONLY ENFORCEABLE CONDITIONS****** Facility Level ********NOTIFICATION OF GENERAL PERMITTEE OBLIGATIONS**

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

Item A: General Provisions for State Enforceable Permit Terms and Condition - 6 NYCRR Part 201-5

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

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

STATE ONLY APPLICABLE REQUIREMENTS

The following conditions are state applicable requirements and are not subject to compliance certification requirements unless otherwise noted or required under 6 NYCRR Part 201.

Condition 65: Contaminant List
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable State Requirement:ECL 19-0301

Item 65.1:

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

CAS No: 000124-38-9
Name: CARBON DIOXIDE

CAS No: 000630-08-0
Name: CARBON MONOXIDE

CAS No: 007439-97-6
Name: MERCURY

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

CAS No: 007664-41-7
Name: AMMONIA

CAS No: 007704-34-9
Name: SULFUR

CAS No: 0NY075-00-0
Name: PARTICULATES

CAS No: 0NY075-00-5
Name: PM-10

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

**Condition 66: Unavoidable noncompliance and violations
Effective between the dates of 03/14/2012 and 03/13/2017**

Applicable State Requirement:6 NYCRR 201-1.4

Item 66.1:

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

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

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

reporting and notification provisions for applicable requirements more stringent than those above.

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

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

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

Condition 67: Visible Emissions Limited
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable State Requirement:6 NYCRR 211.2

Item 67.1:

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 68: Compliance Demonstration
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable State Requirement:6 NYCRR 242-1.5

Item 68.1:

The Compliance Demonstration activity will be performed for the Facility.

Item 68.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES
Monitoring Description:

The owners and operators and, to the extent applicable, the CO₂ authorized account representative of each CO₂ budget source and each CO₂ budget unit at the source shall comply with the monitoring requirements of Subpart 242-8. The emissions measurements recorded and reported in accordance with Subpart 242-8 of this Part shall be used to determine compliance by the unit with the following CO₂ requirements:

(1) The owners and operators of each CO₂ budget source and each CO₂ budget unit at the source shall hold CO₂

allowances available for compliance deductions under Section 242-6.5, as of the CO2 allowance transfer deadline, in the source's compliance account in an amount not less than the total CO2 emissions for the control period from all CO2 budget units at the source, as determined in accordance with Subparts 242-6 and 242-8.

(2) Each ton of CO2 emitted in excess of the CO2 budget emissions limitation shall constitute a separate violation of this Part and applicable state law.

(3) A CO2 budget unit shall be subject to the requirements specified in item 1 starting on the later, of January 1, 2009 or the date on which the unit commences operation.

(4) CO2 allowances shall be held in, deducted from, or transferred among CO2 Allowance Tracking System accounts in accordance with Subparts 242-5, 242-6, and 242-7, and Section 242-10.7.

(5) A CO2 allowance shall not be deducted, in order to comply with the requirements specified in item 1, for a control period that ends prior to the allocation year for which the CO2 allowance was allocated. A CO2 offset allowance shall not be deducted, in order to comply with the requirements under item 1, beyond the applicable percent limitations set out in 6NYCRR Part 242-6.5(a)(3).

(6) A CO2 allowance under the CO2 Budget Trading Program is a limited authorization by the Department or a participating state to emit one ton of CO2 in accordance with the CO2 Budget Trading Program. No provision of the CO2 Budget Trading Program, the CO2 budget permit application, or the CO2 budget permit or any provision of law shall be construed to limit the authority of the Department or a participating state to terminate or limit such authorization.

(7) A CO2 allowance under the CO2 Budget Trading Program does not constitute a property right.

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION

Reporting Requirements: SEMI-ANNUALLY (CALENDAR)

Reports due 30 days after the reporting period.

The initial report is due 7/30/2012.

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

Condition 69: Compliance Demonstration
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable State Requirement:6 NYCRR 242-1.5

Item 69.1:

The Compliance Demonstration activity will be performed for the Facility.

Item 69.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

The owners and operators of the CO2 budget source and each CO2 budget unit at the source shall keep on site at the source each of the following documents for a period of 10 years from the date the document is created. This period may be extended for cause, at any time prior to the end of 10 years, in writing by the department.

(i) The account certificate of representation for the CO2 authorized account representative for the source and each CO2 budget unit at the source and all documents that demonstrate the truth of the statements in the account certificate of representation, in accordance with 6 NYCRR Part 242-2.4, provided that the certificate and documents shall be retained on site at the source beyond such 10-year period until such documents are superseded because of the submission of a new account certificate of representation.

(ii) All emissions monitoring information, in accordance with Subpart 242-8 and 40 CFR 75.57.

(iii) Copies of all reports, compliance certifications, and other submissions and all records made or required under the CO2 Budget Trading Program.

(iv) Copies of all documents used to complete a CO2 budget permit application and any other submission under the CO2 Budget Trading Program or to demonstrate compliance with the requirements of the CO2 Budget Trading Program.

The CO2 authorized account representative of a CO2 budget source and each CO2 budget unit at the source shall submit the reports and compliance certifications required under the CO2 Budget Trading Program, including those under Subpart 242-4.

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION

Reporting Requirements: SEMI-ANNUALLY (CALENDAR)

Reports due 30 days after the reporting period.

The initial report is due 7/30/2012.

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

Condition 70: Compliance Demonstration
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable State Requirement:6 NYCRR Subpart 242-4**Item 70.1:**

The Compliance Demonstration activity will be performed for the Facility.

Regulated Contaminant(s):

CAS No: 000124-38-9 CARBON DIOXIDE

Item 70.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

Annual Compliance Certification Report:

(a) For each control period in which a CO2 budget source is subject to the CO2 requirements of subdivision 242-1.5(c) of this Part, CO2 authorized account representative of the source shall submit to the department by March 1st following the relevant control period, a compliance certification report. The control period is a three-calendar-year time period.

(b) The compliance certification report shall include the following elements:

(1) identification of the source and each CO2 budget unit at the source;

(2) as an option, the serial numbers of the CO2 allowances that are to be deducted from the source's compliance account under section 242-6.5 of this Part for the control period, including the serial numbers of any CO2 offset allowances that are to be deducted subject to the limitations of section 242-6.5(a)(3) of this Part; and

(3) the compliance certification under subdivision (c) of this section (below).

(c) In the compliance certification report the CO2 authorized account representative shall certify, based on reasonable inquiry of those persons with primary responsibility for operating the source and the CO2 budget units at the source in compliance with the CO2 Budget Trading Program, whether the source and each CO2 budget unit at the source for which the compliance certification is submitted was operated during the calendar years covered by the report in compliance with the requirements of the CO2 Budget Trading Program, including:

(1) whether the source was operated in compliance with the CO2 requirements of section 242-1.5(c) of this Part;

(2) whether the monitoring plan applicable to each unit at the source has been maintained to reflect the actual operation and monitoring of the unit, and contains all information necessary to attribute CO₂ emissions to the unit, in accordance with Subpart 242-8 of this Part;

(3) whether all the CO₂ emissions from the units at the source 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 242-8 of this Part. 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 resubmissions have been made;

(4) whether the facts that form the basis for certification under Subpart 242-8 of each monitor at each unit at the source, or for using an excepted monitoring method or alternative monitoring method approved under Subpart 242-8 of this Part, if any, have changed; and

(5) if a change is required to be reported under paragraph (c)(4) 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.

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION

Reporting Requirements: AS REQUIRED - SEE MONITORING DESCRIPTION

Condition 71: Compliance Demonstration
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable State Requirement: 6 NYCRR Subpart 242-8

Item 71.1:

The Compliance Demonstration activity will be performed for the Facility.

Regulated Contaminant(s):

CAS No: 000124-38-9 CARBON DIOXIDE

Item 71.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

Recordkeeping and Reporting (6NYCRR Part 242-8.5)

(a) General provisions. The CO₂ authorized account

representative shall comply with all recordkeeping and reporting requirements in this section, the applicable record keeping and reporting requirements under 40 CFR 75.73 and with the requirements of section 242-2.1(e) of this Part.

(b) Monitoring plans. The owner or operator of a CO₂ budget unit shall submit a monitoring plan in the manner prescribed in 40 CFR 75.62.

(c) Certification applications. The CO₂ authorized account representative shall submit an application to the department within 45 days after completing all CO₂ monitoring system initial certification or recertification tests required under section 242-8.2 of this Subpart including the information required under 40 CFR 75.63 and 40 CFR 75.53(e) and (f).

(d) Quarterly reports. The CO₂ authorized account representative shall submit quarterly reports, as follows:

(1) The CO₂ authorized account representative shall report the CO₂ mass emissions data and heat input data for the CO₂ budget unit, in an electronic format prescribed by the administrator unless otherwise prescribed by the department for each calendar quarter.

(2) The CO₂ authorized account representative shall submit each quarterly report to the department or its agent within 30 days following the end of the calendar quarter covered by the report. Quarterly reports shall be submitted in the manner specified in subpart H of 40 CFR part 75 and 40 CFR 75.64. Quarterly reports shall be submitted for each CO₂ budget unit (or group of units using a common stack), and shall include all of the data and information required in subpart G of 40 CFR part 75, except for opacity, NO_x, and SO₂ provisions.

(3) The CO₂ authorized account representative shall submit to the department or its agent a compliance certification in support of each quarterly report based on reasonable inquiry of those persons with primary responsibility for ensuring that all of the unit's emissions are correctly and fully monitored. The certification shall state that:

(i) the monitoring data submitted were recorded in accordance with the applicable requirements of this Subpart and 40 CFR part 75, including the quality assurance procedures and specifications;

(ii) for a unit with add-on CO₂ emissions controls and for all hours where data are substituted in accordance with 40 CFR 75.34(a)(1), the add-on emissions controls were operating within the range of parameters listed in the quality assurance/quality control program under appendix B of 40 CFR part 75 and the substitute values do not systematically underestimate CO₂ emissions; and

(iii) the CO₂ concentration values substituted for

missing data under Subpart D of 40 CFR part 75 do not systematically underestimate CO2 emissions.

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION

Reporting Requirements: QUARTERLY (CALENDAR)

Reports due 30 days after the reporting period.

The initial report is due 4/30/2012.

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

Condition 72: Compliance Demonstration
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable State Requirement:6 NYCRR 246.5 (b)

Item 72.1:

The Compliance Demonstration activity will be performed for the Facility.

Regulated Contaminant(s):

CAS No: 007439-97-6 MERCURY

Item 72.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: INTERMITTENT EMISSION TESTING

Monitoring Description:

The facility-wide emission limit below is from Table 1 of 6NYCRR Part 246.5(a) and represents the allowable mercury emissions for each Mercury Reduction Program (MRP) facility for the control periods in 2010 through 2014.

The sum of mass mercury emissions (in pounds) from each applicable existing MRP unit at a MRP facility identified in Table 1 shall not exceed the facility-wide mercury emission limitation (in pounds per year) set forth in Table 1.

The facility qualifies as a low mass emitter and must follow the requirements for monitoring per Part 246 and 40 CFR Part 75.

A stack test is required for mercury emissions. If the emissions are less than 9 pounds per year, the stack test shall be performed annually. If the mercury emissions are between 9 and 12 pounds per year, the stack test shall be performed semi-annually.

Parameter Monitored: MERCURY

Upper Permit Limit: 12.0 pounds per year

Reference Test Method: EPA Method 29 or equivalent

Monitoring Frequency: SEMI-ANNUALLY

Averaging Method: 1 HOUR MAXIMUM - NOT TO BE EXCEEDED AT ANY TIME

Reporting Requirements: ONCE / BATCH OR MONITORING OCCURRENCE

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

Owners and operators of a Mercury Reduction Program (MRP) facility shall comply with all record keeping requirements in 6NYCRR Part 246.11 and the applicable record keeping requirements of 40 CFR 75.84(a) through (c).

Reporting Requirements: AS REQUIRED - SEE MONITORING DESCRIPTION

Condition 75: Compliance Demonstration
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable State Requirement:6 NYCRR 246.11 (d)

Item 75.1:

The Compliance Demonstration activity will be performed for the Facility.

Regulated Contaminant(s):

CAS No: 007439-97-6 MERCURY

Item 75.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

Owners or operators of a Mercury Reduction Program (MRP) facility that commences commercial operation before July 1, 2008 shall submit quarterly reports, as follows:

(1) Report the mercury mass emissions data and heat input data for the MRP unit in a hard copy format prescribed by the for each calendar quarter beginning with January 1, 2009 through March 31, 2009.

(2) Submit each quarterly report to the Department within 30 days following the end of the calendar quarter covered by the report. Quarterly reports shall be submitted in the manner specified in 40 CFR 75.84(f).

(3) For MRP units that are also subject to an Acid Rain emissions limitation, quarterly reports shall include the applicable data and information required by 40 CFR 75 Subparts F through H as applicable, in addition to the mercury mass emission data, heat input data, and other information required by sections 246.7 through 246.13 of this Part.

In absence of the US EPA Administrator accepting data and reports for mercury emissions, CEMs and Data Acquisition Handling Systems, electronic submittal of quarterly data is not required until an electronic system is created and maintained by the US EPA.. Hourly mercury mass emission data and heat input data generated by CEM units and would have been submitted to the USEPA electronically shall be kept on site until the US EPA Administrator has a method

to accept this data.

Note: The Department recognizes the July 1, 2006 Edition of 40 CFR Part 75.

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION

Reporting Requirements: QUARTERLY (CALENDAR)

Reports due 30 days after the reporting period.

The initial report is due 4/30/2012.

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

Condition 76: Compliance Demonstration
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable State Requirement:6 NYCRR 246.11 (e)

Item 76.1:

The Compliance Demonstration activity will be performed for the Facility.

Regulated Contaminant(s):

CAS No: 007439-97-6 MERCURY

Item 76.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

The owners or operators of a Mercury Reduction Program (MRP) facility shall submit to the Department, a compliance certification in support of each quarterly report based on reasonable inquiry of those persons with primary responsibility for ensuring that all of the unit's emissions are correctly and fully monitored. The certification shall state that:

(1) The monitoring data submitted were recorded in accordance with the applicable requirements of sections 246.7 through 246.13 of 6NYCRR Part 246, and 40 CFR Part 75, including the quality assurance procedures and specifications; and

(2) In absence of a revised missing data substitution plan by the Department, data are substituted in accordance with 40 CFR 75.34(a)(1) for all hours where mercury data are substituted for a unit with add-on mercury emission controls.

(i) (a)The mercury add-on emission controls were operating within the range of parameters listed in the quality assurance/quality control program under 40 CFR 75 Appendix B; or

(b) With regard to a flue gas desulfurization system or a selective catalytic reduction system,

quality-assured SO₂ emission data recorded in accordance with 40 CFR Part 75 document that the flue gas desulfurization system was operating properly, or quality-assured NO_x emission data recorded in accordance with 40 CFR Part 75 document that the selective catalytic reduction system, was operating properly, as applicable, and

(ii) The substitute data values do not systematically underestimate mercury emissions.

In absence of the US EPA Administrator accepting data and reports for mercury emissions, CEMs and Data Acquisition Handling Systems, electronic submittal of quarterly data is not required until an electronic system is created and maintained by the US EPA.. Hourly mercury mass emission data and heat input data generated by CEM units and would have been submitted to the USEPA electronically shall be kept on site until the US EPA Administrator has a method to accept this data.

Note: The Department recognizes the July 1, 2006 Edition of 40 CFR Part 75.

Reporting Requirements: QUARTERLY (CALENDAR)

Reports due 30 days after the reporting period.

The initial report is due 4/30/2012.

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

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

Condition 77: Compliance Demonstration
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable State Requirement:6 NYCRR 227-2.4 (a) (2)

Item 77.1:

The Compliance Demonstration activity will be performed for:

Emission Unit: U-CFB01

Regulated Contaminant(s):

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

Item 77.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: CONTINUOUS EMISSION MONITORING (CEM)

Monitoring Description:

Emissions of Oxides of Nitrogen (NO_x) are limited to 0.3 lb/mmbtu based on a 24-hour daily arithmetic average during the ozone season (May 1 to September 30) and 0.3 lb/mmbtu based on a 30-day rolling average during the rest

of the year (October 1 to April 30). NOx CEMS shall be used for monitoring continuing compliance with these limits. This condition satisfies the NOx emission requirements of 40 CFR 60-Da.44a(a) for combusting solid, liquid and gaseous fuels in the CFB.

Manufacturer Name/Model Number: Thermo Environmental/42i
Upper Permit Limit: 0.3 pounds per million Btus
Reference Test Method: Methods 7E and 19
Monitoring Frequency: CONTINUOUS
Averaging Method: 24 HOUR DAILY AVERAGE (ARITHMETIC MEAN)

Reporting Requirements: QUARTERLY (CALENDAR)
Reports due 30 days after the reporting period.
The initial report is due 4/30/2012.
Subsequent reports are due every 3 calendar month(s).

Condition 78: Compliance Demonstration
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable State Requirement: 6 NYCRR 227-2.4 (a) (2)

Item 78.1:

The Compliance Demonstration activity will be performed for:

Emission Unit: U-CFB01

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

Item 78.2:

Compliance Demonstration shall include the following monitoring:

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

Monitoring Description:

Niagara Generation utilizes an Aqueous Ammonia Injection system that is controlled via the DCS with inputs from the CEMS DAHS and the Ammonia injection flow meters and flow control loop. This ammonia control system is only used when needed to maintain NOx emissions within the permit limits. Below is a short summary of the system.

Aqueous Ammonia Injection System

The Niagara Generation is equipped with an Aqueous Ammonia Injection System for Selective Non-Catalytic Reduction of NOX in the Niagara CFB. The Aqueous Ammonia system consists of a storage system (tank), metering system, injection system and purging system.

Ammonia Storage

The Aqueous ammonia storage system consists of a storage tank equipped with dual pressure relief valves, indicator gauges for pressure and temperature and dual vacuum

breakers. The tank is also equipped with level measurement for local and remote indication. The tank is also equipped with a low pressure alarm that alarms at the plant DCS.

Ammonia Metering and Injection

The Ammonia Injection system consists of two centrifugal pumps that are each capable of injecting up to 360 lb/hr of aqueous ammonia. Aqueous ammonia is supplied to the injection system from the Ammonia tank and is recycled back to the tank via a backpressure regulating valve and recycle line. A side stream of Ammonia supplies Ammonia to the injection manifolds located on top of the cyclone separator ducting. Ammonia flow rate is controlled by a single flow control valve via a control loop and flow rate is controlled at a constant pressure. Ammonia flow rate is monitored at the DCS. A flow control loop using the total mass flow rate as the process variable regulates the total injection to the two injection manifolds at the top of each cyclone section of the CFB. Total flow of Ammonia is metered and tracked. When the system is not required for Ammonia injection, an automatic purging system operates to purge the lines and maintain the system in operational standby.

NOx Control

NOx emissions levels are monitored by the Plant's CEMS system and values also tracked by the Plant's DCS system. Ammonia flow is controlled remotely by the Control Room Operator using manual setpoint control or automatic setpoint control to maintain NOx emissions levels below permitted values. Monitoring of the ammonia injection rate will be performed every hour that the ammonia injection system is in operation.

Parameter Monitored: FLOW RATE

Upper Permit Limit: 720 pounds per hour

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION

Averaging Method: 1 HOUR MAXIMUM - NOT TO BE EXCEEDED AT ANY TIME

Reporting Requirements: SEMI-ANNUALLY (CALENDAR)

Reports due 30 days after the reporting period.

The initial report is due 7/30/2012.

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

Condition 79: Compliance Demonstration
Effective between the dates of 03/14/2012 and 03/13/2017

Applicable State Requirement:6 NYCRR 211.2

Item 79.1:

The Compliance Demonstration activity will be performed for:

Emission Unit: U-COLPL

Regulated Contaminant(s):

CAS No: 0NY075-00-0 PARTICULATES

Item 79.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

The "OP-1000 Wood Yard Fuel Procedures" section of the "Niagara Generation LLC Operations Manual, Volume II - Operating Procedures" is a requirement of this Title V permit and must be available for review upon request of this agency. This is a "living" document, subject to revision, and intended to be a guideline for proper management of wood fuel to minimize nuisance dust and transfer of fugitive material off-site.

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION

Reporting Requirements: SEMI-ANNUALLY (CALENDAR)

Reports due 30 days after the reporting period.

The initial report is due 7/30/2012.

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

