



PERMIT
Under the Environmental Conservation Law (ECL)

IDENTIFICATION INFORMATION

Permit Type: Air Title V Facility
Permit ID: 9-2924-00110/00002
Mod 0 Effective Date: 10/03/2005 Expiration Date: 10/02/2010
Mod 1 Effective Date: 01/23/2006 Expiration Date: 10/02/2010
Mod 2 Effective Date: 08/05/2009 Expiration Date: 10/02/2010

Permit Issued To: MODEL CITY ENERGY LLC
2999 JUDGE RD
OAKFIELD, NY 14125-9771

Contact: PETER H ZELIFF
INNOVATIVE ENERGY SYSTEMS INC
2999 JUDGE RD
OAKFIELD, NY 14125-9771
(585) 948-8580

Facility: MODEL CITY ENERGY FACILITY
1447 PLETCHER RD
YOUNGSTOWN, NY 14174

Contact: PETER H ZELIFF
INNOVATIVE ENERGY SYSTEMS INC
2999 JUDGE RD
OAKFIELD, NY 14125-9771
(585) 948-8580

Description:

The Model City Energy Facility is located adjacent to the Modern Landfill at Pletcher and Harold Roads in Youngstown, New York. The facility receives gas from the Modern Landfill that is subsequently treated with appropriate equipment and processes, and used to fuel multiple reciprocating internal combustion (IC) engine - generator sets. The electricity generated by the Model City Energy Facility is sold on the open market to contract purchasers. The facility consists of seven (7) Caterpillar Model G3516 and four (4) Model G3520C IC engine - generator sets that produce a total of approximately 12.25 Mw of electricity.

This modification of the existing 6 NYCRR Part 201-6 Title V permit implements the use of revised carbon monoxide (CO) and oxides of nitrogen (NOx) emissions rate limits for the Caterpillar Model G3516 and G3520C IC engine operations. Regulated air pollutant emission and regulatory analyses presented to the NYSDEC indicate that the approved modifications are not



major relative the federal Prevention of Significant Deterioration permitting program (PSD under 40 CFR 52) and the State ozone nonattainment area NSR permitting program (NSR under 6 NYCRR 231-2). With the issuance of this permit, the facility will be a major source of CO (under applicable PSD rules) and NOx (under applicable ozone nonattainment area NSR rules).

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
 270 MICHIGAN AVE
 BUFFALO, NY 14203-2999

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 2-1: Applications for permit renewals, modifications and transfers

Applicable State Requirement: 6NYCRR 621.11

Item 2-1.1:

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

Item 2-1.2:

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

Item 2-1.3:

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



Condition 2-2: Permit modifications, suspensions or revocations by the Department

Applicable State Requirement: 6NYCRR 621.13

Item 2-2.1:

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

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

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

Condition 2-3: Submission of application for permit modification or renewal-REGION 9

HEADQUARTERS

Applicable State Requirement: 6NYCRR 621.6(a)

Item 2-3.1:

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

NYSDEC Regional Permit Administrator
Region 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

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2999 JUDGE RD
OAKFIELD, NY 14125-9771

Facility: MODEL CITY ENERGY FACILITY
1447 PLETCHER RD
YOUNGSTOWN, NY 14174

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

Mod 0 Permit Effective Date: 10/03/2005

Permit Expiration Date: 10/02/2010

Mod 1 Permit Effective Date: 01/23/2006

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Mod 2 Permit Effective Date: 08/05/2009

Permit Expiration Date: 10/02/2010



LIST OF CONDITIONS

FEDERALLY ENFORCEABLE CONDITIONS

Facility Level

- 1 6NYCRR 200.6: Acceptable Ambient Air Quality
- 2 6NYCRR 201-6.5(a)(7): Fees
- 3 6NYCRR 201-6.5(c): Recordkeeping and reporting of compliance monitoring
- 4 6NYCRR 201-6.5(c)(2): Monitoring, Related Recordkeeping, and Reporting Requirements.
- 5 6NYCRR 201-6.5(c)(3)(ii): Compliance Certification
- 6 6NYCRR 201-6.5(e): Compliance Certification
- 7 6NYCRR 202-2.1: Compliance Certification
- 8 6NYCRR 202-2.5: Recordkeeping requirements
- 9 6NYCRR 215: Open Fires Prohibited at Industrial and Commercial Sites
- 10 6NYCRR 200.7: Maintenance of Equipment
- 11 6NYCRR 201-1.7: Recycling and Salvage
- 2-1 6NYCRR 201-1.8: Prohibition of Reintroduction of Collected Contaminants to the air
- 12 6NYCRR 201-1.8: Prohibition of Reintroduction of Collected Contaminants to the air
- 13 6NYCRR 201-3.2(a): Exempt Sources - Proof of Eligibility
- 14 6NYCRR 201-3.3(a): Trivial Sources - Proof of Eligibility
- 15 6NYCRR 201-6.5(a)(4): Standard Requirement - Provide Information
- 16 6NYCRR 201-6.5(a)(8): General Condition - Right to Inspect
- 17 6NYCRR 201-6.5(d)(5): Standard Requirements - Progress Reports
- 18 6NYCRR 201-6.5(f)(6): Off Permit Changes
- 19 6NYCRR 202-1.1: Required Emissions Tests
- 20 6NYCRR 211.3: Visible Emissions Limited
- 21 40CFR 68: Accidental release provisions.
- 22 40CFR 82, Subpart F: Recycling and Emissions Reduction
- 23 6NYCRR 200.5: Sealing
- 24 6NYCRR 201-1.2: Unpermitted Emission Sources
- 25 6NYCRR 201-6: Emission Unit Definition
- 26 40CFR 60.8(b), NSPS Subpart A: Performance test methods.
- 27 40CFR 60.8(c), NSPS Subpart A: Required performance test information.
- 28 40CFR 60.8(d), NSPS Subpart A: Prior notice.
- 29 40CFR 60.8(e), NSPS Subpart A: Performance testing facilities.
- 30 40CFR 60.8(f), NSPS Subpart A: Number of required tests.
- 31 40CFR 60.12, NSPS Subpart A: Circumvention.
- 32 40CFR 82: Recycling and emissions reduction.

Emission Unit Level

- 33 6NYCRR 201-6: Emission Point Definition By Emission Unit
- 34 6NYCRR 201-6: Process Definition By Emission Unit
- 2-2 6NYCRR 201-7.1: Emission Unit Permissible Emissions

EU=1-MCENG

- *2-3 6NYCRR 201-7.1: Capping Monitoring Condition
- *2-4 6NYCRR 201-7.1: Capping Monitoring Condition
- *2-5 6NYCRR 201-7.1: Capping Monitoring Condition
- *2-6 6NYCRR 201-7.1: Capping Monitoring Condition
- 2-7 6NYCRR 202-1: Compliance Certification



- 39 6NYCRR 227-1.3(a): Compliance Certification
- 2-8 6NYCRR 227-2.4(f)(2)(iii): Compliance Certification
- 2-9 40CFR 60.752(b)(2)(iii)(C), NSPS Subpart WWW: Compliance Certification

STATE ONLY ENFORCEABLE CONDITIONS

Facility Level

- 41 ECL 19-0301: Contaminant List
- 42 6NYCRR 201-1.4: Unavoidable noncompliance and violations
- 43 6NYCRR 211.2: Air pollution prohibited

NOTE: * preceding the condition number indicates capping.



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 - 6NYCRR Part 201-1.5

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

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

(1) An emergency occurred and that the facility owner and/or

operator can identify the cause(s) of the emergency;

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

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

(4) The facility owner and/or operator notified the Department

within two working days after the event occurred. This notice must contain a description of the emergency, any steps taken to mitigate emissions, and corrective actions taken.

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

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

Item B: Public Access to Recordkeeping for Title V Facilities - 6NYCRR Part 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 6NYCRR 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 Part 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 Part 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 Part 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 Part 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 Part 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 Part 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 Part 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 Part 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 Part 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.



(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 10/03/2005 and 10/02/2010

Applicable Federal Requirement: 6NYCRR 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 10/03/2005 and 10/02/2010

Applicable Federal Requirement: 6NYCRR 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 1/30/2006.

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

Condition 6: Compliance Certification
Effective between the dates of 10/03/2005 and 10/02/2010

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

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:

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 14203-2999

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 1/30/2006.
Subsequent reports are due on the same day each year

Condition 7: Compliance Certification
Effective between the dates of 10/03/2005 and 10/02/2010

Applicable Federal Requirement:6NYCRR 202-2.1

Item 7.1:

The Compliance Certification activity will be performed for the Facility.

Item 7.2:

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 8: Recordkeeping requirements
Effective between the dates of 10/03/2005 and 10/02/2010

Applicable Federal Requirement:6NYCRR 202-2.5

Item 8.1:

(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 9: Open Fires Prohibited at Industrial and Commercial Sites
Effective between the dates of 10/03/2005 and 10/02/2010**

Applicable Federal Requirement:6NYCRR 215

Item 9.1:

No person shall burn, cause, suffer, allow or permit the burning in an open fire of garbage, refuse, rubbish for salvage, or rubbish generated by industrial or commercial activities.

**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 10: Maintenance of Equipment
Effective between the dates of 10/03/2005 and 10/02/2010**

Applicable Federal Requirement:6NYCRR 200.7

Item 10.1:

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 11: Recycling and Salvage
Effective between the dates of 10/03/2005 and 10/02/2010**

Applicable Federal Requirement:6NYCRR 201-1.7

Item 11.1:

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 2-1: Prohibition of Reintroduction of Collected Contaminants to
the air**

Effective between the dates of 08/05/2009 and 10/02/2010



Applicable Federal Requirement:6NYCRR 201-1.8

Item 2-1.1:

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: Prohibition of Reintroduction of Collected Contaminants to the air

Effective between the dates of 10/03/2005 and 10/02/2010

Applicable Federal Requirement:6NYCRR 201-1.8

Item 12.1:

No person shall 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 13: Exempt Sources - Proof of Eligibility

Effective between the dates of 10/03/2005 and 10/02/2010

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

Item 13.1:

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 14: Trivial Sources - Proof of Eligibility

Effective between the dates of 10/03/2005 and 10/02/2010

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

Item 14.1:

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 15: Standard Requirement - Provide Information

Effective between the dates of 10/03/2005 and 10/02/2010

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



Item 15.1:

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 16: General Condition - Right to Inspect
Effective between the dates of 10/03/2005 and 10/02/2010

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

Item 16.1:

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 17: Standard Requirements - Progress Reports
Effective between the dates of 10/03/2005 and 10/02/2010

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

Item 17.1:

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 18: Off Permit Changes
Effective between the dates of 10/03/2005 and 10/02/2010

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



Item 18.1:

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 19: Required Emissions Tests
Effective between the dates of 10/03/2005 and 10/02/2010

Applicable Federal Requirement:6NYCRR 202-1.1

Item 19.1:

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. Such person shall bear the cost of measurement and preparing the report of measured emissions. Failure of such person to submit a report acceptable to the commissioner within the time stated shall be sufficient reason for the commissioner to suspend or deny a certificate to operate.

Condition 20: Visible Emissions Limited
Effective between the dates of 10/03/2005 and 10/02/2010

Applicable Federal Requirement:6NYCRR 211.3

Item 20.1:

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 21: Accidental release provisions.
Effective between the dates of 10/03/2005 and 10/02/2010

Applicable Federal Requirement:40CFR 68

Item 21.1:

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 22: Recycling and Emissions Reduction
Effective between the dates of 10/03/2005 and 10/02/2010

Applicable Federal Requirement:40CFR 82, Subpart F

Item 22.1:

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 23: Sealing
Effective between the dates of 10/03/2005 and 10/02/2010

Applicable Federal Requirement:6NYCRR 200.5

Item 23.1:

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

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

(c) Unless authorized by the commissioner, no person shall remove or alter any seal



affixed to any contamination source in accordance with this section

Condition 24: Unpermitted Emission Sources
Effective between the dates of 10/03/2005 and 10/02/2010

Applicable Federal Requirement:6NYCRR 201-1.2

Item 24.1:

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

- (a) The owner and/or operator must apply for a permit for such emission source or register the facility in accordance with the provisions of Part 201.
- (b) The emission source or facility is subject to all regulations that were applicable to it at the time of construction or modification and any subsequent requirements applicable to existing sources or facilities.

Condition 25: Emission Unit Definition
Effective between the dates of 10/03/2005 and 10/02/2010

Applicable Federal Requirement:6NYCRR 201-6

Item 25.1(From Mod 2):

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

Emission Unit: 1-MCENG

Emission Unit Description:

This emission unit consists of seven (7) Caterpillar G3516 (Process MC1) and four (4) Caterpillar G3520C (Process 001) reciprocating internal combustion (IC) engine generator sets. The seven (7) Caterpillar G3516 IC engines are housed in building BLDG1. The four (4) Caterpillar G3520C IC engines are housed in a separate building ENGBLD. The seven (7) Caterpillar G3516 IC engine exhaust stacks are identified as ENG01-ENG07 and aligned in a east to west direction with ENG01 being situated farthest to the east. The four (4) Caterpillar G3520C IC engine exhaust stacks are identified as ENG08-ENG11 and aligned in a east to west direction with ENG08 being situated farthest to the east. The electricity that is produced by this equipment is sold on the open market to contract purchasers. The process MC1 engine radiator coolant (new and used) is stored in separate above ground holding tanks positioned on the premises of the LFG fueled IC engine electricity generation process. The new and waste engine radiator coolant storage tanks have capacities of 1,000 gallons. Engine lube oil (new and used) is stored in separate above ground holding tanks positioned on the premises of the LFG fueled IC engine electricity generation process. The new lube oil storage tank has a capacity of 8,000 gallons. The waste oil storage tank has a capacity of 2,000



gallons.

The process 001 engine radiator coolant (new and used) is stored in separate above ground holding tanks positioned on the premises of the LFG fueled IC engine electricity generation process. The new and waste engine radiator coolant storage tanks have capacities of 1,000 gallons. Engine lube oil (new and used) is stored in separate above ground holding tanks positioned on the premises of the landfill gas (LFG) fueled IC engine electricity generation process. The new lube oil storage tank has a capacity of 10,000 gallons. The waste oil storage tank has a capacity of 2,000 gallons. The engine coolant and oil storage tanks are exempt from permitting pursuant to 6NYCRR Part 201-3.1(b). All 11 IC engines are fueled with treated LFG that is produced by the decomposition of municipal solid waste in a nearby landfill. Two separate and similar LFG treatment systems (one for the operation of the G3516 IC engines and one for the operation of the G3520C IC engines) are utilized at the emission unit.

Building(s): BLDG1
ENGBLDG

Condition 26: Performance test methods.
Effective between the dates of 10/03/2005 and 10/02/2010

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

Item 26.1:

Performance testing shall be conducted in accordance with the methods and procedures prescribed in this part or by alternative methods and procedures approved by the Administrator.

Condition 27: Required performance test information.
Effective between the dates of 10/03/2005 and 10/02/2010

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

Item 27.1:

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 28: Prior notice.
Effective between the dates of 10/03/2005 and 10/02/2010

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

Item 28.1:

The owner or operator shall provide the Administrator with prior notice of any performance test at least 30 days in advance of testing.

Condition 29: Performance testing facilities.
Effective between the dates of 10/03/2005 and 10/02/2010



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

Emission Unit: 1-MCENG

Process: 001

Source Classification Code: 2-01-008-02

Process Description:

Process 001 consists of four (4) Caterpillar G3520C reciprocating internal combustion (IC) engine generator sets. At an IC engine maximum LHV input rate of 15.09 MMBtu/hr and minimum fuel heating value requirement of 350 Btu/scf LHV, the maximum fuel use rate for the Caterpillar G3520C IC engine is approximately 719 scfm. A 100 kilowatt (kW) IC engine generator is operated to supply Process 001 with limited temporary power when utility outages occur. The emergency generator is powered with diesel fuel that is supplied from a 200 gallon above ground storage tank.

Emission Source/Control: 08ENG - Combustion

Design Capacity: 1,600 kilowatts

Emission Source/Control: 09ENG - Combustion

Design Capacity: 1,600 kilowatts

Emission Source/Control: 10ENG - Combustion

Design Capacity: 1,600 kilowatts

Emission Source/Control: 11ENG - Combustion

Design Capacity: 1,600 kilowatts

Item 34.2(From Mod 2):

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

Emission Unit: 1-MCENG

Process: MC1

Source Classification Code: 2-01-008-02

Process Description:

Process MC1 consists of seven (7) Caterpillar G3516 reciprocating internal combustion (IC) engine generator sets. At an IC engine maximum LHV input rate of 8.6 MMBtu/hr and minimum fuel heating value requirement of 350 Btu/scf LHV, the maximum fuel use rate for the Caterpillar G3516 IC engine is approximately 410 scfm.

Emission Source/Control: 01ENG - Combustion

Design Capacity: 835 kilowatts

Emission Source/Control: 02ENG - Combustion

Design Capacity: 835 kilowatts

Emission Source/Control: 03ENG - Combustion

Design Capacity: 835 kilowatts

Emission Source/Control: 04ENG - Combustion

Design Capacity: 835 kilowatts



Emission Source/Control: 05ENG - Combustion
Design Capacity: 835 kilowatts

Emission Source/Control: 06ENG - Combustion
Design Capacity: 835 kilowatts

Emission Source/Control: 07ENG - Combustion
Design Capacity: 835 kilowatts

Condition 2-2: Emission Unit Permissible Emissions
Effective between the dates of 08/05/2009 and 10/02/2010

Applicable Federal Requirement:6NYCRR 201-7.1

Item 2-2.1:

The sum of emissions from all regulated processes specified in this permit for the emission unit cited shall not exceed the following Potential to Emit (PTE) rates for each regulated contaminant:

Emission Unit: 1-MCENG

CAS No: 000630080 (From Mod 2)

Name: CARBON MONOXIDE

PTE(s): 480,000 pounds per year

54.79 pounds per hour

CAS No: 0NY210000 (From Mod 2)

Name: OXIDES OF NITROGEN

PTE(s): 190,000 pounds per year

21.689 pounds per hour

Condition 2-3: Capping Monitoring Condition
Effective between the dates of 08/05/2009 and 10/02/2010

Applicable Federal Requirement:6NYCRR 201-7.1

Item 2-3.1:

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

40CFR 52-A.21

Item 2-3.2:

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

Item 2-3.3:

The owner or operator of the permitted facility must maintain all required records on-site for a period of five years and make them available to representatives of the Department upon request. Department representatives must be granted access to any facility regulated by this Subpart,



during normal operating hours, for the purpose of determining compliance with this and any other state and federal air pollution control requirements, regulations or law.

Item 2-3.4:

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

Item 2-3.5:

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

Item 2-3.6:

The Compliance Certification activity will be performed for:

Emission Unit: 1-MCENG

Regulated Contaminant(s):

CAS No: 000630-08-0 CARBON MONOXIDE

Item 2-3.7:

Compliance Certification shall include the following monitoring:

Capping: Yes

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

Monitoring Description:

This condition applies to the seven Model G3516 engines and the stationary combustion sources at Modern Landfill.

Model City Energy Facility has accepted a cap of 240 tons per year of Carbon Monoxide (CO) on the seven Model G3516 engines and the stationary combustion sources at Modern Landfill. Operation of the engines below the permitted CO emission rates will ensure emissions do not exceed the applicability threshold of Prevention of Significant Deterioration (40CFR52.21). The facility must calculate and record the 12-month rolling total CO emissions from stationary combustion sources at modern landfill and the seven Model G3516 engines. Emissions from Modern Landfill will be determined by monitoring the amount of fuel used at the facility and applying emission factors approved by the Department. The facility must track the kilowatt-hour (kwh) output of each engine and use an emission factor developed from the most recent performance test to calculate the 12-month rolling total of CO emissions from the engines. The emissions factor is calculated as follows: lb/hr CO emission rate measured during stack



Emission Unit: 1-MCENG

Regulated Contaminant(s):

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

Item 2-4.7:

Compliance Certification shall include the following monitoring:

Capping: Yes

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

Monitoring Description:

This condition applies to the seven Model G3516 engines and the stationary combustion sources at Modern Landfill.

Model City Energy Facility has accepted a cap of 95 tons per year of Oxides of Nitrogen (NO_x) on the seven Model G3516 engines and the stationary combustion sources at Modern Landfill. This cap will allow the engines to not be subject to the New Source Review (NSR) regulations. The facility must calculate and record the 12-month rolling total NO_x emissions from stationary combustion sources at modern landfill and the seven Model G3516 engines. Emissions from Modern Landfill will be determined by monitoring the amount of fuel used at the facility and applying emission factors approved by the Department. The facility must track the kilowatt-hour (kwh) output of each engine and use an emission factor developed from the most recent performance test to calculate the 12-month rolling total of NO_x emissions from the engines. The emissions factor is calculated as follows: lb/hr NO_x emission rate measured during stack test divided by the kwh output from the engine during the test equals the lb/kwh emission factor. NO_x emissions are calculated as kwh multiplied by the lb/kwh emissions factor equals lb/month (then converted to tons/month).

Parameter Monitored: OXIDES OF NITROGEN

Upper Permit Limit: 95 tons per year

Monitoring Frequency: MONTHLY

Averaging Method: ANNUAL MAXIMUM ROLLED MONTHLY

Reporting Requirements: SEMI-ANNUALLY (CALENDAR)

Reports due 30 days after the reporting period.

The initial report is due 1/30/2010.

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

Condition 2-5: Capping Monitoring Condition

Effective between the dates of 08/05/2009 and 10/02/2010

Applicable Federal Requirement:6NYCRR 201-7.1



Item 2-5.1:

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

6NYCRR 231-2

Item 2-5.2:

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

Item 2-5.3:

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

Item 2-5.4:

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

Item 2-5.5:

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

Item 2-5.6:

The Compliance Certification activity will be performed for:

Emission Unit: 1-MCENG

Regulated Contaminant(s):

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

Item 2-5.7:

Compliance Certification shall include the following monitoring:

Capping: Yes

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

Monitoring Description:

This condition applies to the four Model G3520 engines.

Model City Energy Facility has accepted a cap of 95 tons per year of Oxides of Nitrogen (NOx) on the four Model G3520 engines. This cap will allow the engines to not be



subject to the New Source Review (NSR) regulations. The facility must track the kilowatt-hour (kwh) output of each engine and use an emission factor developed from the most recent performance test to calculate the 12-month rolling total of NOx emissions from the engines. The emissions factor is calculated as follows: lb/hr NOx emission rate measured during stack test divided by the kwh output from the engine during the test equals the lb/kwh emission factor. NOx emissions are calculated as kwh multiplied by the lb/kwh emissions factor equals lb/month (then converted to tons/month).

Parameter Monitored: OXIDES OF NITROGEN

Upper Permit Limit: 95 tons per year

Monitoring Frequency: MONTHLY

Averaging Method: ANNUAL MAXIMUM ROLLED MONTHLY

Reporting Requirements: SEMI-ANNUALLY (CALENDAR)

Reports due 30 days after the reporting period.

The initial report is due 1/30/2010.

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

Condition 2-6: Capping Monitoring Condition
Effective between the dates of 08/05/2009 and 10/02/2010

Applicable Federal Requirement:6NYCRR 201-7.1

Item 2-6.1:

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

40CFR 52-A.21

Item 2-6.2:

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

Item 2-6.3:

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

Item 2-6.4:

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



Item 2-6.5:

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

Item 2-6.6:

The Compliance Certification activity will be performed for:

Emission Unit: 1-MCENG

Regulated Contaminant(s):

CAS No: 000630-08-0 CARBON MONOXIDE

Item 2-6.7:

Compliance Certification shall include the following monitoring:

Capping: Yes

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

Monitoring Description:

This condition applies to the four Model G3520 engines.

Model City Energy Facility has accepted a cap of 240 tons per year of Carbon Monoxide (CO) on the four Model G3520 engines. Operation of the engines below the permitted CO emission rates will ensure emissions do not exceed the applicability threshold of Prevention of Significant Deterioration (40CFR52.21). The facility must track the kilowatt-hour (kwh) output of each engine and use an emission factor developed from the most recent performance test to calculate the 12-month rolling total of CO emissions from the engines. The emissions factor is calculated as follows: lb/hr CO emission rate measured during stack test divided by the kwh output from the engine during the test equals the lb/kwh emission factor. CO emissions are calculated as kwh multiplied by the lb/kwh emissions factor equals lb/month (then converted to tons/month).

Parameter Monitored: CARBON MONOXIDE

Upper Permit Limit: 240 tons per year

Monitoring Frequency: MONTHLY

Averaging Method: ANNUAL MAXIMUM ROLLED MONTHLY

Reporting Requirements: SEMI-ANNUALLY (CALENDAR)

Reports due 30 days after the reporting period.

The initial report is due 1/30/2010.

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

Condition 2-7: Compliance Certification

Effective between the dates of 08/05/2009 and 10/02/2010

Applicable Federal Requirement:6NYCRR 202-1



Item 2-7.1:

The Compliance Certification activity will be performed for:

Emission Unit: 1-MCENG

Regulated Contaminant(s):

CAS No: 000630-08-0	CARBON MONOXIDE
CAS No: 0NY210-00-0	OXIDES OF NITROGEN

Item 2-7.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

The emission limits of the 3516 internal combustion engines for nitrogen oxides (NO_x) and carbon monoxide (CO) are 1.05 grams per brake horsepower-hour (g/bhp-hr) and 2.60 g/bhp-hr, respectively. The emission limits of the 3520 internal combustion engines for nitrogen oxides (NO_x) and carbon monoxide (CO) are 0.6 grams per brake horsepower-hour (g/bhp-hr) and 2.89 g/bhp-hr, respectively. These emission limits are conservative emission limits based on the results of the May 2007 emission tests performed on the 3516 and 3520 engines operated at the Model City Energy Facility. The emission limits were used to assess compliance and applicability to New Source Review (6NYCRR Part 231-2), Prevention of Significant Deterioration (40CFR52.21) and Reasonable Available Control Technology for Oxides of Nitrogen (6NYCRR Part 227-2). The Department requires routine performance testing and periodic monitoring of the internal combustion engines to confirm the engines consistently operate within the design criteria.

NO_x:

Compliance Certification shall include the following monitoring:

Monitoring Type: Periodic Monitoring

Monitoring Description: The facility is required to analyze stack emissions on each engine with a portable NO_x analyzer.

The suitability of the portable analyzer shall be approved by the Department. The analyzer shall be calibrated in accordance with the manufacturer's recommended procedures and schedule. A report for each calibration shall be kept on site and made available for Department review upon request. The analyzer shall be zeroed prior to each use



following manufacturer's procedures.

A permanent sample port shall be installed in each engine exhaust at a location to obtain a representative sample from the flow profile. To reduce uncertainties in the measurements, a sampling method should be followed including: instructions on the assembly of the equipment, details of any leak checks, calibration procedures, and time to allow the instrument to stabilize. The sample collection and analysis shall be completed during normal operating conditions.

Monitoring will be performed on a monthly basis. A threshold for NO_x (in ppm) will be established based on the assumed emission factors included in the Title V Permit and the measured exhaust stack conditions from the most recent performance test. If the threshold is exceeded, the engines shall be tuned and monitoring repeated within 10 business days. If the threshold is exceeded upon remonitoring, performance testing shall be conducted. If corrective actions are taken as specified, the monitored exceedance is not a violation of the operational requirements, however the permittee shall report these episodes as deviations.

Records shall be maintained to include: (1) date and time of the measurement, (2) a log of the NO_x measurements in ppm, (3) backup for determination of monitoring threshold, and (4) description of adjustments made to the engine (if any). The records shall be kept on-site and be made available to the Department upon request.

A summary of all monthly monitoring results shall be reported to the Department semiannually.

CO:

Compliance Certification shall include the following monitoring:

Monitoring Type: Periodic Monitoring

Monitoring Description: The facility is required to analyze stack emissions on each engine with a portable CO analyzer.

The suitability of the portable analyzer shall be approved by the Department. The analyzer shall be calibrated in accordance with the manufacturer's recommended procedures and schedule. A report for each calibration shall be kept on site and made available for Department review upon



request. The analyzer shall be zeroed prior to each use following manufacturer's procedures.

A permanent sample port shall be installed in each engine exhaust at a location to obtain a representative sample from the flow profile. To reduce uncertainties in the measurements, a sampling method should be followed including: instructions on the assembly of the equipment, details of any leak checks, calibration procedures, and time to allow the instrument to stabilize. The sample collection and analysis shall be completed during normal operating conditions.

Monitoring will be performed on a monthly basis. A threshold for CO (in ppm) will be established based on the assumed emission factors included in the Title V Permit and the measured exhaust stack conditions from the most recent performance test. If the threshold is exceeded, the engines shall be tuned and monitoring repeated within 10 business days. If the threshold is exceeded upon remonitoring, performance testing shall be conducted. If corrective actions are taken as specified, the monitored exceedance is not a violation of the operational requirements, however the permittee shall report these episodes as deviations.

Records shall be maintained to include: (1) date and time of the measurement, (2) a log of the CO measurements in ppm, (3) backup for determination of monitoring threshold, and (4) description of adjustments made to the engine (if any). The records shall be kept on-site and be made available to the Department upon request.

A summary of all monthly monitoring results shall be reported to the Department semiannually.

ROUTINE PERFORMANCE TESTING

1.) A performance test to demonstrate compliance with the emission limits of NO_x and CO must be completed, at a minimum, every five years on one engine from each similar engine type at the facility. For purposes of this testing, the G3516 engines will be considered one engine type and the 3520 engines will be considered another type. More frequent performance testing may be required as determined necessary by the Department.

2.) The specific engine to be tested will be selected by the Department. The test must be completed at the maximum normal operating load.

3.) The methods used to measure NO_x and CO shall include



EPA Methods 7 or 7E and EPA Method 19 from 40CFR60, Appendix A or another reference method approved by the Department.

4.) A performance test protocol shall be submitted to the Department for approval at least 60 days prior to completion of the test. The Department must be notified 10 days prior to the scheduled test date so a Department representative may be present during the test.

5.) A performance test report of the results shall be submitted to this office within 45 days of completion of the test. The test report must include a data quality review, which consists of a separate independent data quality review completed by a person having demonstrated expertise in reviewing stack test reports and associated test procedures. The ultimate purpose of this review is to determine acceptability of the results for determining compliance with applicable standards and/or requirements. The data quality review report must include the following:

- a.) Whether test methods used followed those contained in the approved protocol and where variations occurred their acceptability under the test methods.
- b.) Where problems occurred during testing, what corrective measures were used and the adequacy of those measures.
- c.) Determination whether data quality is adequate for determining compliance with performance specifications.
- d.) Determine whether the testing demonstrates compliance or noncompliance with emission limits and/or performance requirements.

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 1/30/2010.

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

Condition 39: Compliance Certification
Effective between the dates of 10/03/2005 and 10/02/2010

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

Item 39.1:

The Compliance Certification activity will be performed for:

Emission Unit: 1-MCENG

Item 39.2:

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 in reference test method 9 in Appendix A of 40 CFR 60.

Parameter Monitored: OPACITY

Upper Permit Limit: 27 percent

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING
DESCRIPTION

Averaging Method: 6-MINUTE AVERAGE (METHOD 9)

Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

Condition 2-8: Compliance Certification
Effective between the dates of 08/05/2009 and 10/02/2010

Applicable Federal Requirement: 6NYCRR 227-2.4(f)(2)(iii)

Item 2-8.1:

The Compliance Certification activity will be performed for:

Emission Unit: 1-MCENG

Regulated Contaminant(s):

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

Item 2-8.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: INTERMITTENT EMISSION TESTING

Monitoring Description:

In order to show compliance with the NO_x RACT standard of 2.0 grams per brake horsepower-hour on engines firing landfill gas, the facility is required to conduct the emission monitoring and testing contained in the 6NYCRR Part 202-1 condition contained elsewhere in this permit.

Upper Permit Limit: 2.0 grams per brake horsepower-hour

Reference Test Method: EPA Methods 7 or 7E or 19

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING
DESCRIPTION

Averaging Method: 1-HOUR AVERAGE

Reporting Requirements: ONCE / BATCH OR MONITORING OCCURRENCE

Condition 2-9: Compliance Certification
Effective between the dates of 08/05/2009 and 10/02/2010



**Applicable Federal Requirement: 40 CFR 60.752(b)(2)(iii)(C), NSPS
Subpart WWW**

Item 2-9.1:

The Compliance Certification activity will be performed for:

Emission Unit: 1-MCENG

Item 2-9.2:

Compliance Certification shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

In accordance with 40 CFR §60.752(b)(2)(iii)(C), landfill gas collected from a MSW landfill may be either combusted in an appropriate control device or routed to a treatment system that processes the collected gas for subsequent sale or use.

Treatment is defined by EPA and the Department as compression, dewatering and filtering of particulate.

The following provides a general description of the landfill gas (LFG) treatment system used at the Model City Energy Facility. There are two similar systems, one at Model City Energy (CAT G3516 engine generator sets) and one at Modern Innovative Energy (CAT G3520C engine generators sets).

The equipment and processes that treat (de-water, filter and compress) LFG received from the landfill (prior to its combustion as fuel in the IC engines) consist of:

1. An initial inlet filter, which is used to remove liquid aerosols and solid particulates from the gas;
 2. Gas blowers, which are used to compress the gas to a required pressure;
 3. A water-to-gas cooler (heat exchanger), which will be used to reduce the elevated temperatures of LFG received from the compressor;
 4. A second filter, which is used to remove liquid aerosols and solid particulates from the gas;
 5. A glycol scrubber (closed system with no atmospheric vents), which is used to remove moisture and other impurities from the gas;
- and
6. A third (and final) filter, which is used to remove liquid aerosols and solid particulates from the gas.

Components of the specified gas treatment system are not equipped with atmospheric vents. Therefore, all of the LFG received by the system is directed to the IC engines



for use as a fuel.

Initial (primary) filter vessel vacuum pressure: The pressure on the vacuum side of the gas mover (inlet of the gas flow through the vessel) is continuously monitored with a pressure switch. The existence of elevated pressures indicates that the filter is wet, loaded with particulate matter or significant accumulation of condensate is present in the vessel. The pressure at the primary coalescing filter (vacuum side of blower) should be equal to or less than 20 inches of water.

The primary filter typically operates without any noticeable condensate accumulation (no water is typically present in the vessel).

If the vacuum pressure drop at the primary coalescing filter is observed to be greater than 20 inches of water, the filter will be replaced and/or investigations will be performed to evaluate potential malfunctions of upstream landfill gas dewatering equipment.

The replacement filters will be of comparable designed for critical air or gas service applications where high-efficiency removal of oil or water droplets and particulate solids is required. The primary filter is rated for particulate matter removal to 5.0 microns.

Second filter vessel differential pressure: The pressure drop across the second coalescing filter (inlet and outlet of the gas flow through the vessel) is continuously monitored with a pressure differential switch. Large differential pressures (dP) indicate that the filter is wet or loaded with particulate matter and should be replaced. The dP at the second filter (pressure side of blower and downstream of gas cooler) should be equal to or less than 2.0 pounds per square inch differential (psid).

If the pressure drop across the polishing coalescing filter is greater than 2.0 psid, the filter will be replaced and/or investigations will be performed to evaluate potential malfunctions of upstream landfill gas dewatering equipment.

The replacement filters will be of comparable designed for critical air or gas service applications where high-efficiency removal of oil or water droplets and particulate solids is required. The second filter is rated for particulate matter removal to 1.0 micron.



Third (polishing) filter vessel differential pressure:
The pressure drop across the polishing coalescing filter (inlet and outlet of the gas flow through the vessel) is continuously monitored with a pressure differential switch. Large differential pressures (dP) indicate that the filter is wet or loaded with particulate matter and should be replaced. The dP at the polishing filter (pressure side of blower and downstream of the gas cooler) should be equal to or less than 2.0 psid.

If the pressure drop across the polishing coalescing filter is greater than 2.0 psid, the filter will be replaced and/or investigations will be performed to evaluate potential malfunctions of upstream landfill gas dewatering equipment.

The replacement filters will be of comparable designed for critical air or gas service applications where high-efficiency removal of oil or water droplets and particulate solids is required. The polishing filter is rated for particulate matter removal to 0.1 micron.

Blower discharge pressure (gas compression): The pressure of the gas in the treatment system is continuously monitored with a pressure switch that is located before (upstream) of the water-to-gas cooler. The landfill gas treatment system (blower) should be operated so that the minimum pressure observed at the specified monitoring location is at least 1.5 pounds per square inch gauge (psig). Pressures measured before the water-to-gas cooler that are less than 1.5 psig are an indication of problems with the gas compression system.

If the pressure of the gas in the treatment system monitored before the water-to-gas cooler is less than 1.5 psig, an investigation of the equipment will be performed and corrective actions implemented.

Water-to-gas cooler outlet temperature: The temperature of the gas in the treatment system is continuously monitored with a temperature switch that is located before (upstream) of the second filter vessel. The landfill gas treatment system (water-to-gas cooler) should be operated so that the maximum temperature observed at the specified monitoring location is equal to or less than 45°F. Gas temperatures measured before the second filter vessel that are greater than 45°F are an indication of problems with the operation of the water-to-gas cooler.

If the temperature of the gas in the treatment system



monitored after the polishing filter vessel is greater than 45°F, an investigation of the water-to-gas cooler will be performed and corrective actions implemented.

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 1/30/2010.

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 41: Contaminant List
Effective between the dates of 10/03/2005 and 10/02/2010**

Applicable State Requirement:ECL 19-0301

Item 41.1:

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

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

CAS No: 0NY210-00-0



Name: OXIDES OF NITROGEN

**Condition 42: Unavoidable noncompliance and violations
Effective between the dates of 10/03/2005 and 10/02/2010**

Applicable State Requirement: 6NYCRR 201-1.4

Item 42.1:

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 43: Air pollution prohibited
Effective between the dates of 10/03/2005 and 10/02/2010

Applicable State Requirement:6NYCRR 211.2

Item 43.1:

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.

New York State Department of Environmental Conservation

Permit ID: 9-2924-00110/00002

Facility DEC ID: 9292400110

