PERMIT
Under the Environmental Conservation Law (ECL)

IDENTIFICATION INFORMATION

Permit Type: Air State Facility
Permit ID: 1-2824-00490/00014
Effective Date: 12/07/2004
Expiration Date: No expiration date

Permit Issued To: KEYSPAN ENERGY CORP
175 EAST OLD COUNTRY RD
HICKSVILLE, NY 11801

Contact: PAUL A LYNCH
KEYSPAN CORP. ENVIRON. ENGINEERING
175 EAST OLD COUNTRY ROAD
HICKSVILLE, NY 11801-4280

Facility: GLENWOOD BLACK START GT FACILITY
SHORE RD
GLENWOOD LANDING, NY 11547

Description:
THIS FACILITY CONSISTS OF A 15 MWE BLACK START COMBUSTION TURBINE MAINTAINED ON SITE TO MEET LOAD DEMAND AND EMERGENCY POWER REQUIREMENTS. FACILITY IS CAPPED AT 22.5 TONS PER YEAR OF OXIDES OF NITROGEN, THEREFORE, NOT SUBJECT TO TITLE V REQUIREMENTS. TITLE V PERMIT HAS BEEN CONVERTED TO STATE FACILITY PERMIT.

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

Administrative:

ROGER EVANS
DIVISION OF ENVIRONMENTAL PERMITS
SUNY CAMPUS, LOOP ROAD, BUILDING 40
STONY BROOK, NY 11790-2356

Authorized Signature: ________________________________ Date: __ / __ / _____

FINAL
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 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 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

ENERAL CONDITIONS

General Provisions
Facility Inspection by the Department
Relationship of this Permit to Other Department Orders and Determinations
Applications for Permit Renewals and Modifications
Permit Modifications, Suspensions and Revocations by the Department

Facility Level
Submission of Applications for Permit Modification or Renewal-REGION 1

HEADQUARTERS
Condition 1: Facility Inspection by the Department

Applicable State Requirement: ECL 19-0305

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

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

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

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

Applicable State Requirement: ECL 3-0301.2(m)

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

Condition 3: Applications for Permit Renewals and Modifications

Applicable State Requirement: 6NYCRR 621.13

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 and Revocations by the Department

**Applicable State Requirement:** 6NYCRR 621.14

**Item 4.1:**
The Department reserves the right to modify, suspend, or revoke this permit 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 Applications for Permit Modification or Renewal-REGION 1

**HEADQUARTERS**

**Applicable State Requirement:** 6NYCRR 621.5(a)

**Item 5.1:**
Submission of applications for permit modification or renewal are to be submitted to:

NYSDEC Regional Permit Administrator

Region 1 Headquarters
Division of Environmental Permits
SUNY Campus, Loop Road, Building 40
Stony Brook, NY 11790-2356
(631) 444-0365
Permit Under the Environmental Conservation Law (ECL)

ARTICLE 19: AIR POLLUTION CONTROL - AIR STATE FACILITY PERMIT

IDENTIFICATION INFORMATION

Permit Issued To: KEYSPAN ENERGY CORP
175 EAST OLD COUNTRY RD
HICKSVILLE, NY 11801

Facility: GLENWOOD BLACK START GT FACILITY
SHORE RD
GLENWOOD LANDING, NY 11547

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

FEDERALLY ENFORCEABLE CONDITIONS
Facility Level
1 6NYCRR 204-1.6: Permit requirements (facilities commencing operation on or after 01/00)
2 6NYCRR 204-2.1: Submissions to the Department.
3 6NYCRR 204-4.1: Contents of reports and compliance certifications.
4 6NYCRR 204-4.1: Discretionary report contents.
5 6NYCRR 204-4.1: Compliance Demonstration
6 6NYCRR 204-7.1: Submission of NOx allowance transfers.
7 6NYCRR 204-8.1: General provisions.
8 6NYCRR 204-8.1: Prohibitions.
9 6NYCRR 204-8.1: Requirements for installation, certification, and data accounting.
10 6NYCRR 204-8.2: Requirements for recertification of monitoring systems.
11 6NYCRR 204-8.2: Compliance Demonstration
12 6NYCRR 204-8.3: Out of control periods.
13 6NYCRR 204-8.4: Compliance Demonstration
14 6NYCRR 204-8.7: Compliance Demonstration
15 6NYCRR 225-1.2(c): Compliance Demonstration
16 6NYCRR 227-1.3(a): Compliance Demonstration
17 6NYCRR 227-2: Compliance Demonstration
18 6NYCRR 227.2(b)(1): Compliance Demonstration

STATE ONLY ENFORCEABLE CONDITIONS
Facility Level
19 ECL 19-0301: Contaminant List
20 6NYCRR 201-1.4: Unavoidable noncompliance and violations
21 6NYCRR 201-5: Emission Unit Definition
22 6NYCRR 201-7: Facility Permissible Emissions
*23 6NYCRR 201-7: Capping Monitoring Condition
24 6NYCRR 211.2: Air pollution prohibited

Emission Unit Level
25 6NYCRR 201-5: Emission Point Definition By Emission Unit
26 6NYCRR 201-5: Process Definition By Emission Unit
27 6NYCRR 201-7: Emission Unit Permissible Emissions

NOTE: * preceding the condition number indicates capping.
Permit Effective Date: 12/07/2004 Permit Expiration Date: No expiration date.
FEDERALLY ENFORCEABLE CONDITIONS
**** Facility Level ****

NOTIFICATION OF GENERAL PERMITTEE OBLIGATIONS

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

Item A: Sealing - 6NYCRR Part 200.5
The Commissioner may seal an air contamination source to prevent its operation if compliance with 6 NYCRR Chapter III is not met within the time provided by an order of the Commissioner issued in the case of the violation.
Sealing means labeling or tagging a source to notify any person that operation of the source is prohibited, and also includes physical means of preventing the operation of an air contamination source without resulting in destruction of any equipment associated with such source, and includes, but is not limited to, bolting, chaining or wiring shut control panels, apertures or conduits associated with such source.

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

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

Item B: Acceptable Ambient Air Quality - 6NYCRR Part 200.6
Notwithstanding the provisions of 6 NYCRR Chapter III, Subchapter A, no person shall allow or permit any air contamination source to emit air contaminants in quantities which alone or in combination with emissions from other air contamination sources would contravene any applicable ambient air quality standard and/or cause air pollution. In such cases where contravention occurs or may occur, the Commissioner shall specify the degree and/or method of emission control required.

Item C: Maintenance of Equipment - 6NYCRR Part 200.7
Any person who owns or operates an air contamination
source which is equipped with an emission control device shall operate such device and keep it in a satisfactory state of maintenance and repair in accordance with ordinary and necessary practices, standards and procedures, inclusive of manufacturer's specifications, required to operate such device effectively.

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

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

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

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

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

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

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

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

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

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

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

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

Item G: Prohibition of Reintroduction of Collected Contaminants to the Air - 6NYCRR Part 201-1.8

No person shall unnecessarily remove, handle, or cause to be handled, collected air contaminants from an air cleaning device for recycling, salvage or disposal in a manner that would reintroduce them to the outdoor atmosphere.

Item H: Proof of Eligibility for Sources Defined as Exempt Activities - 6 NYCRR Part 201-3.2(a)

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

Item I: Proof of Eligibility for Sources Defined as Trivial Activities - 6 NYCRR Part 201-3.3(a)

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

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

An acceptable report of measured emissions shall be submitted, as may be required by the Commissioner, to ascertain compliance or noncompliance with any air pollution code, rule, or regulation. Failure to submit a report acceptable to the Commissioner within the time stated shall be sufficient reason for the Commissioner to suspend or deny an operating permit. Notification and acceptable procedures are specified in 6NYCRR Part 202-1.

Item K: Visible Emissions Limited - 6 NYCRR Part 211.3

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

Item L: Open Fires - 6 NYCRR Part 215

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

Item M: Permit Exclusion - ECL 19-0305

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

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

FEDERAL APPLICABLE REQUIREMENTS
The following conditions are federally enforceable.

Condition 1: Permit requirements (facilities commencing operation on or after 01/00)
Effective between the dates of 12/07/2004 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 204-1.6

Item 1.1: The NOx authorized account representative of each NOx budget unit shall submit to the Department a complete NOx Budget permit application (as defined under Section 204-3.3) by May 1, 2002 or 12 months before the date on which the NOx Budget unit commences operation.

Condition 2: Submissions to the Department.
Effective between the dates of 12/07/2004 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 204-2.1

Item 2.1: Each submission under the NOx Budget Trading Program shall be submitted, signed and certified by the NOx authorized account representative for each NOx Budget source on behalf of which the submission is made. Each submission shall include a certification statement (as stated in paragraph 204-2.4(a)(4)) by the NOx authorized account representative.

Condition 3: Contents of reports and compliance certifications.
Item 3.1: The NOx authorized account representative shall include in the compliance certification report the following elements, in a format prescribed by the Administrator, concerning each unit at the source and subject to the NOx Budget emissions limitation for the control period covered by the report:

(1) Identification of each NOx Budget unit; and

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

   (i) Whether the unit was operated in compliance with the NOx Budget emissions limitation;
   (ii) Whether the monitoring plan that governs the unit has been maintained to reflect the actual operation and monitoring of the unit, and contains all information necessary to attribute NOx emissions to the unit, in accordance with Subpart 204-8;
   (iii) Whether all the NOx emissions from the unit, or a group of units (including the unit) using a common stack, were monitored or accounted for through the missing data procedures and reported in the quarterly monitoring reports, including whether conditional data were reported in the quarterly reports in accordance with Subpart 204-8. If conditional data were reported, the owner or operator shall indicate whether the status of all conditional data has been resolved and all necessary quarterly report resubmissions has been made;
   (iv) Whether the facts that form the basis for certification under Subpart 204-8 of each monitor at the unit or a group of units (including the unit) using a common stack, or for using an excepted monitoring method or alternative monitoring method approved under Subpart 204-8, if any, has changed; and
   (v) If a change is required to be reported under item (iv) above, specify the nature of the change, the reason for the change, when the change occurred, and how the unit's compliance status was determined subsequent to the change, including what method was used to determine emissions when a change mandated the need for monitor recertification.

Condition 4: Discretionary report contents.
Effective between the dates of 12/07/2004 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 204-4.1

Item 4.1: At the NOx authorized account representative's option the following may be included in the compliance certification report:

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

**Condition 5:** Compliance Demonstration
Effective between the dates of 12/07/2004 and Permit Expiration Date

**Applicable Federal Requirement:** 6NYCRR 204-4.1

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

**Item 5.2:**
Compliance Demonstration shall include the following monitoring:

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

**Reporting Requirements:** AS REQUIRED - SEE MONITORING DESCRIPTION

**Condition 6:** Submission of NOx allowance transfers.
Effective between the dates of 12/07/2004 and Permit Expiration Date

**Applicable Federal Requirement:** 6NYCRR 204-7.1

**Item 6.1:** The NOx authorized account representatives seeking recordation of a NOx allowance transfer shall submit the transfer to the Administrator. To be considered correctly submitted, the NOx allowance transfer shall include the following elements in a format specified by the Administrator:

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

**Condition 7:** General provisions.
Effective between the dates of 12/07/2004 and Permit Expiration Date

**Applicable Federal Requirement:** 6NYCRR 204-8.1

**Item 7.1:** The owners and operators, and to the extent applicable, the NOx authorized account representative of a NOx Budget unit, shall comply with the monitoring and reporting requirements as provided in this Subpart and in Subpart H of 40 CFR Part 75. For purposes of complying with such
Condition 8: **Prohibitions.**

Effective between the dates of 12/07/2004 and Permit Expiration Date

**Applicable Federal Requirement:** 6NYCRR 204-8.1

**Item 8.1:** No owner or operator of a NOx Budget unit or a non-NOx Budget unit monitored under 40 CFR 75.72(b)(2)(ii) shall:

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

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

Condition 9: **Requirements for installation, certification, and data accounting.**

Effective between the dates of 12/07/2004 and Permit Expiration Date

**Applicable Federal Requirement:** 6NYCRR 204-8.1

**Item 9.1:** The owner or operator of each NOx Budget unit must meet the following requirements. These provisions also apply to a unit for which an application for a NOx Budget opt-in permit is submitted and not denied or withdrawn, as provided in Subpart 204-9:

1. Install all monitoring systems required under this Subpart for monitoring NOx mass. This includes all systems required to monitor NOx emission rate, NOx concentration, heat input, and air or fuel flow, in
accordance with 40 CFR 75.71 and 75.72.
(2) Install all monitoring systems for monitoring heat input, if required under Section 204-8.7 for developing NOx allowance allocations.
(3) Successfully complete all certification tests required under Section 204-8.2 and meet all other provisions of this Subpart and 40 CFR Part 75 applicable to the monitoring systems under paragraphs (a)(1) and (2) of this section.
(4) Record and report data from the monitoring systems under paragraphs (a)(1) and (2) of this section.

**Condition 10:** Requirements for recertification of monitoring systems.
Effective between the dates of 12/07/2004 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 204-8.2

**Item 10.1:** Whenever the owner or operator makes a replacement, modification, or change in a certified monitoring system that the Administrator or the Department determines significantly affects the ability of the system to accurately measure or record NOx mass emissions or heat input or to meet the requirements of 40 CFR 75.21 or Appendix B to 40 CFR Part 75, the owner or operator shall recertify the monitoring system according to 40 CFR 75.20(b). Furthermore, whenever the owner or operator makes a replacement, modification, or change to the flue gas handling system or the unit's operation that the Administrator or the Department determines to significantly change the flow or concentration profile, the owner or operator shall recertify the continuous emissions monitoring system according to 40 CFR 75.20(b). Examples of changes which require recertification include: replacement of the analyzer, change in location or orientation of the sampling probe or site, or changing of flow rate monitor polynomial coefficients.

**Condition 11:** Compliance Demonstration
Effective between the dates of 12/07/2004 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 204-8.2

**Item 11.1:** The Compliance Demonstration activity will be performed for the Facility.

**Item 11.2:** Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES
Monitoring Description:
The owner or operator of a NOx Budget unit under paragraphs (b)(2) or (b)(3) of this section must determine, record and report NOx mass, heat input (if required for purposes of allocations) and any other values required to determine NOx Mass (e.g. NOx emission rate and heat input or NOx concentration and stack flow) using the provisions of 40 CFR 75.70(g), from the date and hour that the unit starts operating until all required certification tests are successfully completed.
Reporting Requirements: AS REQUIRED - SEE MONITORING DESCRIPTION

Condition 12: Out of control periods.
Effective between the dates of 12/07/2004 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 204-8.3

Item 12.1: Whenever any monitoring system fails to meet the quality assurance requirements of Appendix B of 40 CFR Part 75, data shall be substituted using the applicable procedures in Subpart D, Appendix D, or Appendix E of 40 CFR Part 75.

Condition 13: Compliance Demonstration
Effective between the dates of 12/07/2004 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 204-8.4

Item 13.1: The Compliance Demonstration activity will be performed for the Facility.

Item 13.2: Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES
Monitoring Description:
The Authorized Account Representative for a NOx Budget unit shall submit written notice to the Department and the USEPA Administrator in accordance with the requirements of this subpart as follows:

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

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

The address for the USEPA Administrator is as follows:
USEPA Clean Air Markets Division
1200 Pennsylvania Avenue, NW
Mail Code 6204J
Washington D.C.  20460

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

The address for the BQA is as follows:

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

AAR changes should be sent to the attention of:

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

The address for the RAPCE is as follows:

NYS SUNY
Building 40
Stony Brook, NY 11790-2356

Reporting Requirements: AS REQUIRED - SEE MONITORING DESCRIPTION

Condition 14: Compliance Demonstration
Effective between the dates of 12/07/2004 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 204-8.7

Item 14.1:
The Compliance Demonstration activity will be performed for the Facility.

Item 14.2:
Compliance Demonstration shall include the following monitoring:
Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES
Monitoring Description:
The owner or operator of a unit that elects to monitor and report NOx Mass emissions using a NOx concentration system and a flow system shall also monitor and report heat input at the unit level using the procedures set forth in 40 CFR Part 75.

Monitoring Frequency: HOURLY
Reporting Requirements: QUARTERLY (CALENDAR)
Reports due 30 days after the reporting period.
The initial report is due 1/30/2005.
Subsequent reports are due every 3 calendar month(s).

Condition 15: Compliance Demonstration
Effective between the dates of 12/07/2004 and Permit Expiration Date

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

Item 15.1:
The Compliance Demonstration activity will be performed for the Facility.

Item 15.2:
Compliance Demonstration shall include the following monitoring:

Monitoring Type: WORK PRACTICE INVOLVING SPECIFIC OPERATIONS
Monitoring Description:
OWNER OR OPERATOR SHALL NOT SELL, OFFER FOR SALE, PURCHASE OR USE DISTILLATE FUEL OIL WHICH CONTAINS SULFUR IN A QUANTITY EXCEEDING THE SIP (PART 225-1 TABLE 1) LIMITATION. THIS SIP LIMITATION IS FEDERALLY ENFORCEABLE. **NOTE** IF THE SULFUR IN FUEL LIMITATION CONTAINED IN PART 225-1 TABLE 2 IS MORE STRINGENT, THEN THIS LIMITATION SHALL BE USED FOR COMPLIANCE BY THE NYSDEC.

Work Practice Type: PARAMETER OF PROCESS MATERIAL
Process Material: DISTILLATES - NUMBER 1 AND NUMBER 2 OIL
Parameter Monitored: SULFUR CONTENT
Upper Permit Limit: .37 percent by volume
Monitoring Frequency: PER BATCH OF PRODUCT/RAW MATERIAL CHANGE
Averaging Method: MAXIMUM - NOT TO BE EXCEEDED AT ANY TIME (INSTANTANEOUS/DISCRETE OR GRAB)
Condition 16: Compliance Demonstration  
Effective between the dates of 12/07/2004 and Permit Expiration Date  

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

Item 16.1:  
The Compliance Demonstration activity will be performed for the Facility.  

Item 16.2:  
Compliance Demonstration shall include the following monitoring:  

- Monitoring Type: MONITORING OF PROCESS OR CONTROL DEVICE PARAMETERS AS SURROGATE  
- Monitoring Description:  
  No owner or operator of a combustion installation shall emit greater than 20 percent opacity except for one six minute period per hour, not to exceed 27 percent, based upon the six minute average in reference test method 9 in Appendix A of 40 CFR 60.  
  Parameter Monitored: OPACITY  
  Upper Permit Limit: 20 percent  
  Monitoring Frequency: ANNUALLY  
  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 1/30/2005.  
  Subsequent reports are due every 6 calendar month(s).  

Condition 17: Compliance Demonstration  
Effective between the dates of 12/07/2004 and Permit Expiration Date  

Applicable Federal Requirement: 6NYCRR 227-2  

Item 17.1:  
The Compliance Demonstration activity will be performed for the Facility.  

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

Item 17.2:  
Compliance Demonstration shall include the following monitoring:  

- Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES  
- Monitoring Description:
Compliance with the requirements of 6NYCRR Part 227-2 is assured on a system wide basis using a NOx RACT Compliance Plan approved by the NYSDEC.

Monitoring Frequency: CONTINUOUS
Reporting Requirements: QUARTERLY (CALENDAR)
Reports due 30 days after the reporting period.
The initial report is due 1/30/2005.
Subsequent reports are due every 3 calendar month(s).

Condition 18: Compliance Demonstration
Effective between the dates of 12/07/2004 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 227.2(b)(1)

Item 18.1:
The Compliance Demonstration activity will be performed for the facility:
The Compliance Demonstration applies to:

Emission Unit: U-GT011
Regulated Contaminant(s):
CAS No: 0NY075-00-0 PARTICULATES

Item 18.2:
Compliance Demonstration shall include the following monitoring:

Monitoring Type: INTERMITTENT EMISSION TESTING
Monitoring Description:
The two hour average emission of particulates from each combustion installation shall not exceed 0.10 pounds per million Btu of heat input. The owner or operator shall comply with the following once per term of this permit:
1- Submit to the Department an acceptable protocol for the testing of particulate emissions to verify compliance with the emission limit cited in this condition.
2- Perform a particulate emissions stack test, based upon the approved test protocol.
3- Submit to the Department a stack test report for review and approval.
4- Maintain all records at the facility for at least five years.

Parameter Monitored: PARTICULATES
Upper Permit Limit: 0.1 pounds per million Btus
Reference Test Method: 40CFR60 Method 5
Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION
Averaging Method: AVERAGING METHOD - SEE MONITORING DESCRIPTION
Reporting Requirements: SEMI-ANNUALLY (CALENDAR)
Reports due 30 days after the reporting period.
The initial report is due 1/30/2005.
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: Public Access to Recordkeeping for Facilities With State Facility Permits - 6NYCRR Part 201-1.10(a)
Where emission source owners and/or operators keep records pursuant to compliance with the operational flexibility requirements of 6 NYCRR Subpart 201-5.4(b)(1) and/or the emission capping requirements of 6 NYCRR Subparts 201-7.2(d), 201-7.3(f), 201-7.3(g), 201-7.3(h)(5), 201-7.3(i) and 201-7.3(j), the Department will make such records available to the public upon request in accordance with 6 NYCRR Part 616 - Public Access to Records. Emission source owners and/or operators must submit the records required to comply with the request within sixty working days of written notification by the Department of receipt of the request.

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

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

The following conditions are state only enforceable.

Condition 19:  Contaminant List
Effective between the dates of 12/07/2004 and Permit Expiration Date

Applicable State Requirement:  ECL 19-0301

Item 19.1:
Emissions of the following contaminants are subject to contaminant specific requirements in this permit (emission limits, control requirements or compliance monitoring conditions).

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

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

Condition 20:  Unavoidable noncompliance and violations
Effective between the dates of 12/07/2004 and Permit Expiration Date

Applicable State Requirement:  6NYCRR 201-1.4

Item 20.1:
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 supersede 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 21:** Emission Unit Definition
Effective between the dates of 12/07/2004 and Permit Expiration Date

**Applicable State Requirement:** 6NYCRR 201-5

**Item 21.1:**
The facility is authorized to perform regulated processes under this permit for:
   Emission Unit: U-GT011
   Emission Unit Description:
   THIS UNIT IS A "BLACK START" COMBUSTION TURBINE DESIGNED TO PROVIDE SUFFICIENET POWER TO BRING THE NEARBY KEYSpan GLENWOOD POWER STATION BACK ON LINE FOLLOWING A CATASTROPHIC SYSTEM COLLAPSE. IN ADDITION THE UNIT IS USED TO SUPPLY PEAK GENERATION CAPACITY, AS REQUIRED TO SUPPORT THE LONG ISLAND ELECTRIC DISTRIBUTION SYSTEM.

   Building(s): CT1

**Item 21.2:**
The facility is authorized to perform regulated processes under this permit for:
Emission Unit: U-GTS11
Emission Unit Description:
THIS UNIT IS A 430 HP DIESEL ENGINE USED TO START THE "BLACK START" COMBUSTION TURBINE, DESIGNATED EMISSION UNIT UGT011. THIS UNIT ONLY OPERATES DURING STARTUP OF THE COMBUSTION TURBINE, GENERALLY LESS THAN 15 MIN PER EVENT.

Building(s): CT1

Condition 22: Facility Permissible Emissions
Effective between the dates of 12/07/2004 and Permit Expiration Date

Applicable State Requirement: 6NYCRR 201-7

Item 22.1:
The sum of emissions from the emission units specified in this permit shall not equal or exceed the following Potential To Emit (PTE) rate for each regulated contaminant:

<table>
<thead>
<tr>
<th>CAS No: 0NY210-00-0</th>
<th>PTE: 45,000 pounds per year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Name: OXIDES OF NITROGEN</td>
<td></td>
</tr>
</tbody>
</table>

Condition 23: Capping Monitoring Condition
Effective between the dates of 12/07/2004 and Permit Expiration Date

Applicable State Requirement: 6NYCRR 201-7

Item 23.1:
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 227-2

Item 23.2:
Operation of this facility shall take place in accordance with the approved criteria, emission limits, terms, conditions and standards in this permit.

Item 23.3:
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 23.4:
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 23.5:
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 23.6:
The Compliance Demonstration activity will be performed for the Facility.

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

Item 23.7:
Compliance Demonstration shall include the following monitoring:

- Capping: Yes
- Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES
- Monitoring Description:
  Facility is limited to emit no more than 22.5 tons per year of Oxides of Nitrogen, NOx, therefore, becomes a synthetic minor.

- Monitoring Frequency: CONTINUOUS
- Averaging Method: ANNUAL MAXIMUM ROLLED MONTHLY
- Reporting Requirements: ANNUALLY (CALENDAR)
  Reports due 30 days after the reporting period.
  The initial report is due 1/30/2005.
  Subsequent reports are due every 12 calendar month(s).

Condition 24: Air pollution prohibited
Effective between the dates of 12/07/2004 and Permit Expiration Date

Applicable State Requirement: 6NYCRR 211.2

Item 24.1:
No person shall cause or allow emissions of air contaminants to the outdoor atmosphere of such quantity, characteristic or duration which are injurious to human, plant or animal life or to property, or which unreasonably interfere with the comfortable enjoyment of life or property. Notwithstanding the existence of specific air quality standards or emission limits, this prohibition applies, but is not limited to, any particulate, fume, gas, mist, odor, smoke, vapor, pollen, toxic or deleterious emission, either alone or in combination with others.
**** Emission Unit Level ****

Condition 25:  Emission Point Definition By Emission Unit
Effective between the dates of 12/07/2004 and Permit Expiration Date

Applicable State Requirement: 6NYCRR 201-5

Item 25.1:
The following emission points are included in this permit for the cited Emission Unit:

Emission Unit: U-GT011

Emission Point: 00011
   Height (ft.): 38  Length (in.): 133  Width (in.): 103
   NYTMN (km.): 4521.023  NYTME (km.): 613.933  Building: CT1

Item 25.2:
The following emission points are included in this permit for the cited Emission Unit:

Emission Unit: U-GTS11

Emission Point: 00S11
   Height (ft.): 20  Diameter (in.): 5
   NYTMN (km.): 4521.023  NYTME (km.): 613.933  Building: CT1

Condition 26:  Process Definition By Emission Unit
Effective between the dates of 12/07/2004 and Permit Expiration Date

Applicable State Requirement: 6NYCRR 201-5

Item 26.1:
This permit authorizes the following regulated processes for the cited Emission Unit:

Emission Unit: U-GT011

Process: P28  Source Classification Code: 2-01-009-01
Process Description:
   THIS PROCESS IS THE COMBUSTION OF #1 DISTILLATE OIL IN A COMBUSTION TURBINE UGTO11. IN ORDER TO IMPROVE COMBUSTION A FUEL ADDITIVE MAY BE MIXED WITH THE DISTILLATE OIL PRIOR TO COMBUSTION. IN ADDITION, WHEN FUEL OIL IS STORED FOR EXTENDED PERIODS, A BIocide MAY BE ADDED TO PREVENT FOULING.
This permit authorizes the following regulated processes for the cited Emission Unit:

**Item 26.2:**
Emission Unit: U-GT011
Process: P29
Source Classification Code: 2-01-001-01
Process Description:

THIS PROCESS IS THE COMBUSTION OF #2 DISTILLATE OIL IN A COMBUSTION TURBINE UGT011. IN ORDER TO IMPROVE COMBUSTION A FUEL ADDITIVE MAY BE MIXED WITH THE DISTILLATE OIL PRIOR TO COMBUSTION. IN ADDITION, WHEN FUEL OIL IS STORED FOR EXTENDED PERIODS, A BIocide MAY BE ADDED TO PREVENT FOULING.

**Item 26.3:**
Emission Unit: U-GTS11
Process: P91
Source Classification Code: 2-02-009-02
Process Description:

THIS PROCESS IS THE COMBUSTION OF #1 DISTILLATE OIL IN A DIESEL ENGINE. THIS ENGINE IS USED TO START THE ASSOCIATED COMBUSTION TURBINE (UGT011). DURING EACH STARTUP THE ENGINE OPERATES FOR LESS THAN 15 MINUTES. IN ADDITION, WHEN FUEL OIL IS STORED FOR EXTENDED PERIODS, A BIocide MAY BE ADDED TO PREVENT FOULING.

**Item 26.4:**
Emission Unit: U-GTS11
Process: P92
Source Classification Code: 2-01-001-02
Process Description:

THIS PROCESS IS THE COMBUSTION OF #2
DISTILLATE OIL IN A DIESEL ENGINE. THIS ENGINE IS USED TO START THE ASSOCIATED COMBUSTION TURBINE. DURING EACH STARTUP THE ENGINE OPERATES FOR LESS THAN 15 MINUTES. IN ADDITION, WHEN FUEL OIL IS STORED FOR EXTENDED PERIODS, A BIOCIDE MAY BE ADDED TO PREVENT FOULING.

Emission Source/Control: ES006 - Combustion
Design Capacity: 430 horsepower (mechanical)

Condition 27: Emission Unit Permissible Emissions
Effective between the dates of 12/07/2004 and Permit Expiration Date

Applicable State Requirement: 6NYCRR 201-7

Item 27.1: 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: U-GT011

CAS No: 0NY210-00-0
Name: OXIDES OF NITROGEN
PTE(s): 262.5 pounds per hour
       45,000 pounds per year

Emission Unit: U-GTS11

CAS No: 0NY210-00-0
Name: OXIDES OF NITROGEN
PTE(s): 1.65 pounds per hour
       65.6 pounds per year