Division of Air Resources
Permit Review Report

Permit ID: 3-3309-00040/00004
Renewal Number: 4
02/23/2022

Facility Identification Data
Name: ALLIANCE ENERGY - SHOEMAKER GAS TURBINE FACILITY
Address: 71 DOLSON AVE
MIDDLETOWN, NY 10940

Owner/Firm
Name: ALLIANCE NYGT LLC
Address: 110 E SENECA ST
SHERRILL, NY 13461, USA
Owner Classification: Corporation/Partnership

Permit Contacts
Division of Environmental Permits:
Name: CARRIE MACKEY
Address: NYSDEC - REGION 3
21 S PUTT CORNERS RD
NEW PALTZ, NY 12561-1696
Phone: 8452563040

Division of Air Resources:
Name: DYLAN J KAHLSTORF
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Phone: 8452563185

Air Permitting Facility Owner Contact:
Name: GREG SHARLAND
Address: ALLIANCE NYGT LLC
110 E SENECA ST
SHERRILL, NY 13461
Phone: 8458563920

Permit Description
Introduction
The Title V operating air permit is intended to be a document containing only enforceable terms and conditions as well as any additional information, such as the identification of emission units, emission points, emission sources and processes, that makes the terms meaningful. 40 CFR Part 70.7(a)(5) requires that each Title V permit have an accompanying "...statement that sets forth the legal and factual basis for the draft permit conditions". The purpose for this permit review report is to satisfy the above requirement by providing pertinent details regarding the permit/application data and permit conditions in a more easily understandable format. This report will also include background narrative and explanations of regulatory decisions made by the reviewer. It should be emphasized that this permit review report, while based on information contained in the permit, is a separate document and is not itself an enforceable term and condition of the permit.

Summary Description of Proposed Project
Application for renewal of Air Title V Facility. No changes in facility emissions have been made. New regulations have been added that address the Climate Leadership and Community Protection Act (CLCPA), and Cross-State Air Pollution rule (CSAPR) which
adds new operating limits starting in 2023 and 2025.

**Attainment Status**

ALLIANCE ENERGY - SHOEMAKER GAS TURBINE FACILITY is located in the town of MIDDLETOWN in the county of ORANGE.

The attainment status for this location is provided below. (Areas classified as attainment are those that meet all ambient air quality standards for a designated criteria air pollutant.)

<table>
<thead>
<tr>
<th>Criteria Pollutant</th>
<th>Attainment Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Particulate Matter (PM)</td>
<td>ATTAINMENT</td>
</tr>
<tr>
<td>Particulate Matter&lt; 10µ in diameter (PM10)</td>
<td>ATTAINMENT</td>
</tr>
<tr>
<td>Sulfur Dioxide (SO2)</td>
<td>ATTAINMENT</td>
</tr>
<tr>
<td>Ozone*</td>
<td>MODERATE NON-ATTAINMENT</td>
</tr>
<tr>
<td>Oxides of Nitrogen (NOx)**</td>
<td>ATTAINMENT</td>
</tr>
<tr>
<td>Carbon Monoxide (CO)</td>
<td>ATTAINMENT</td>
</tr>
</tbody>
</table>

* Ozone is regulated in terms of the emissions of volatile organic compounds (VOC) and/or oxides of nitrogen (NOx) which are ozone precursors.

** NOx has a separate ambient air quality standard in addition to being an ozone precursor.

**Facility Description:**
The Shoemaker Gas Turbine is a peak generating station which consists of one natural gas/jet fuel A/distillate/biodiesel-fired (512 mmBtu/hr) gas turbine, one natural gas-fired (560 kW) internal combustion engine, one natural gas-fired (45 kW) emergency generator. The facility is located within Orange and Rockland’s Middletown operations center.

**Permit Structure and Description of Operations**
The Title V permit for ALLIANCE ENERGY - SHOEMAKER GAS TURBINE FACILITY is structured in terms of the following hierarchy: facility, emission unit, emission point, emission source and process. A facility is defined as all emission sources located at one or more adjacent or contiguous properties owned or operated by the same person or persons under common control. The facility is subdivided into one or more emission units (EU). Emission units are defined as any part or activity of a stationary facility that emits or has the potential to emit any federal or state regulated air pollutant. An emission unit is represented as a grouping of processes (defined as any activity involving one or more emission sources (ES) that emits or has the potential to emit any federal or state regulated air pollutant). An emission source is defined as any apparatus, contrivance or machine capable of causing emissions of any air contaminant to the outdoor atmosphere, including any appurtenant exhaust system or air cleaning device. [NOTE: Indirect sources of air contamination as defined in 6 NYCRR Part 203 (i.e. parking lots) are excluded from this definition]. The applicant is required to identify the principal piece of equipment (i.e., emission source) that directly results in or controls the emission of federal or state regulated air pollutants from an activity (i.e., process). Emission sources are categorized by the following types: combustion - devices which burn fuel to generate heat, steam or power incinerator - devices which burn waste material for disposal.
Division of Air Resources
Permit Review Report

Permit ID: 3-3309-00040/00004
Renewal Number: 4
02/23/2022

control - emission control devices
process - any device or contrivance which may emit air contaminants that is not included in the above categories.

ALLIANCE ENERGY - SHOEMAKER GAS TURBINE FACILITY is defined by the following emission unit(s):

Emission unit 100002 - Natural gas-fired reciprocating internal combustion engine used to boost the pressure of the natural gas supplied to the gas turbine. Engine rated at 560 kW.

Emission unit 100002 is associated with the following emission points (EP):
00002
Process: 2GS is located at SAME, Building ICBLDG - Natural gas-fired reciprocating internal combustion engine used to boost the pressure of the natural gas supplied to the gas turbine.

Emission unit 100001 - Natural gas/jet fuel A/distillate/biodiesel-fired twin pac turbine consisting of two engines used to turn a simple cycle gas turbine rated at 512 mmBtu/hr (40 MW).

Emission unit 100001 is associated with the following emission points (EP):
00001
Process: 1GS is located at SAME, Building GTBLDG - Two natural gas-fired stationary jet engines drive a simple cycle gas turbine rated at 40 MW generating electricity for sale.

Process: 1OL is located at SAME, Building GTBLDG - Two distillate-fired engines drive a simple cycle gas turbine rated at 40 MW to generate electricity for sale. Distillate shall include jet fuel A, kerosene and a distillate/biodiesel blend.

Title V/Major Source Status
ALLIANCE ENERGY - SHOEMAKER GAS TURBINE FACILITY is subject to Title V requirements. This determination is based on the following information:
Facility is considered a major source for Oxides of Nitrogen (NOx) due to the criteria pollutant being over the major threshold of 100 tons per year (tpy). The 100 tpy limit comes from Shoemaker being within a moderate non-attainment zone for ozone. Due to this, the facility is subject to Title V requirements.

Program Applicability
The following chart summarizes the applicability of ALLIANCE ENERGY - SHOEMAKER GAS TURBINE FACILITY with regards to the principal air pollution regulatory programs:

<table>
<thead>
<tr>
<th>Regulatory Program</th>
<th>Applicability</th>
</tr>
</thead>
</table>

Page 3 of 19
NOTES:

PSD Prevention of Significant Deterioration (40 CFR 52, 6 NYCRR 231-7, 231-8) - requirements which pertain to major stationary sources located in areas which are in attainment of National Ambient Air Quality Standards (NAAQS) for specified pollutants.

NSR New Source Review (6 NYCRR 231-5, 231-6) - requirements which pertain to major stationary sources located in areas which are in non-attainment of National Ambient Air Quality Standards (NAAQS) for specified pollutants.

NESHAP National Emission Standards for Hazardous Air Pollutants (40 CFR 61, 6 NYCRR 200.10) - contaminant and source specific emission standards established prior to the Clean Air Act Amendments of 1990 (CAA) which were developed for 9 air contaminants (inorganic arsenic, radon, benzene, vinyl chloride, asbestos, mercury, beryllium, radionuclides, and volatile HAP's).

MACT Maximum Achievable Control Technology (40 CFR 63, 6 NYCRR 200.10) - contaminant and source specific emission standards established by the 1990 CAAA. Under Section 112 of the CAAA, the US EPA is required to develop and promulgate emissions standards for new and existing sources. The standards are to be based on the best demonstrated control technology and practices in the regulated industry, otherwise known as MACT. The corresponding regulations apply to specific source types and contaminants.

NSPS New Source Performance Standards (40 CFR 60, 6 NYCRR 200.10) - standards of performance for specific stationary source categories developed by the US EPA under Section 111 of the CAAA. The standards apply only to those stationary sources which have been constructed or modified after the regulations have been proposed by publication in the Federal Register and only to the specific contaminant(s) listed in the regulation.

Title IV Acid Rain Control Program (40 CFR 72 thru 78, 6 NYCRR 201-6) - regulations which mandate the implementation of the acid rain control program for large stationary combustion facilities.

Title VI Stratospheric Ozone Protection (40 CFR 82, Subpart A thru G, 6 NYCRR 200.10) - federal requirements that apply to sources which use a minimum quantity of CFC’s (chlorofluorocarbons), HCFC’s (hydrofluorocarbons) or other ozone depleting substances or regulated substitute substances in equipment such as air conditioners, refrigeration equipment or motor vehicle air conditioners or appliances.
Division of Air Resources
Permit Review Report

Permit ID: 3-3309-00040/00004
Renewal Number: 4
02/23/2022

RACT  Reasonably Available Control Technology (6 NYCRR Parts 212-3, 220-1.6, 220-1.7, 220-2.3, 220-2.4, 226, 227-2, 228, 229, 230, 233, 234, 235, 236) - the lowest emission limit that a specific source is capable of meeting by application of control technology that is reasonably available, considering technological and economic feasibility. RACT is a control strategy used to limit emissions of VOC’s and NOx for the purpose of attaining the air quality standard for ozone. The term as it is used in the above table refers to those state air pollution control regulations which specifically regulate VOC and NOx emissions.

SIP  State Implementation Plan (40 CFR 52, Subpart HH, 6 NYCRR 200.10) - as per the CAAA, all states are empowered and required to devise the specific combination of controls that, when implemented, will bring about attainment of ambient air quality standards established by the federal government and the individual state. This specific combination of measures is referred to as the SIP. The term here refers to those state regulations that are approved to be included in the SIP and thus are considered federally enforceable.

Compliance Status
Facility is in compliance with all requirements.

SIC Codes
SIC or Standard Industrial Classification code is an industrial code developed by the federal Office of Management and Budget for use, among other things, in the classification of establishments by the type of activity in which they are engaged. Each operating establishment is assigned an industry code on the basis of its primary activity, which is determined by its principal product or group of products produced or distributed, or services rendered. Larger facilities typically have more than one SIC code.

<table>
<thead>
<tr>
<th>SIC Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>4911</td>
<td>ELECTRIC SERVICES</td>
</tr>
</tbody>
</table>

SCC Codes
SCC or Source Classification Code is a code developed and used by the USEPA to categorize processes which result in air emissions for the purpose of assessing emission factor information. Each SCC represents a unique process or function within a source category logically associated with a point of air pollution emissions. Any operation that causes air pollution can be represented by one or more SCC’s.

<table>
<thead>
<tr>
<th>SCC Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2-01-002-01</td>
<td>INTERNAL COMBUSTION ENGINES - ELECTRIC GENERATION</td>
</tr>
<tr>
<td></td>
<td>ELECTRIC UTILITY INTERNAL COMBUSTION ENGINE - NATURAL GAS</td>
</tr>
<tr>
<td></td>
<td>Turbine</td>
</tr>
<tr>
<td>2-01-009-01</td>
<td>INTERNAL COMBUSTION ENGINES - ELECTRIC GENERATION</td>
</tr>
<tr>
<td></td>
<td>ELECTRIC UTILITY IC ENGINE - KEROSENE/NAPHTHA (JET FUEL)</td>
</tr>
<tr>
<td></td>
<td>Turbine</td>
</tr>
<tr>
<td>2-02-002-02</td>
<td>INTERNAL COMBUSTION ENGINES - INDUSTRIAL</td>
</tr>
<tr>
<td></td>
<td>INDUSTRIAL INTERNAL COMBUSTION ENGINE - NATURAL GAS</td>
</tr>
<tr>
<td></td>
<td>Reciprocating</td>
</tr>
</tbody>
</table>
Facility Emissions Summary
In the following table, the CAS No. or Chemical Abstract Service code is an identifier assigned to every chemical compound. [NOTE: Certain CAS No.’s contain a ‘NY’ designation within them. These are not true CAS No.’s but rather an identification which has been developed by the department to identify groups of contaminants which ordinary CAS No.’s do not do. As an example, volatile organic compounds or VOC’s are identified collectively by the NY CAS No. 0NY998-00-0.] The PTE refers to the Potential to Emit. This is defined as the maximum capacity of a facility or air contaminant source to emit any air contaminant under its physical and operational design. Any physical or operational limitation on the capacity of the facility or air contamination source to emit any air contaminant, including air pollution control equipment and/or restrictions on the hours of operation, or on the type or amount or material combusted, stored, or processed, shall be treated as part of the design only if the limitation is contained in federally enforceable permit conditions. The PTE for each contaminant that is displayed represents the facility-wide PTE in tons per year (tpy) or pounds per year (lbs/yr). In some instances the PTE represents a federally enforceable emissions cap or limitation for that contaminant. The term ‘HAP’ refers to any of the hazardous air pollutants listed in section 112(b) of the Clean Air Act Amendments of 1990. Total emissions of all hazardous air pollutants are listed under the special NY CAS No. 0NY100-00-0. In addition, each individual hazardous air pollutant is also listed under its own specific CAS No. and is identified in the list below by the (HAP) designation.

<table>
<thead>
<tr>
<th>Cas No.</th>
<th>Contaminant</th>
<th>PTE lbs/yr</th>
<th>PTE tons/yr</th>
<th>Actual lbs/yr</th>
<th>Actual tons/yr</th>
</tr>
</thead>
<tbody>
<tr>
<td>007440-38-2</td>
<td>ARSENIC</td>
<td></td>
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<tr>
<td>007440-41-7</td>
<td>BERYLLIUM</td>
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<td>007440-43-9</td>
<td>CADMIUM</td>
<td>96854000</td>
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</tr>
<tr>
<td>000124-38-9</td>
<td>CARBON DIOXIDE</td>
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<td></td>
<td>1.620</td>
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<tr>
<td>000630-08-0</td>
<td>CARBON MONOXIDE</td>
<td>52486</td>
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<tr>
<td>007440-47-3</td>
<td>CHROMIUM</td>
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<tr>
<td>007440-48-4</td>
<td>COBALT</td>
<td></td>
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<td>0.002</td>
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<tr>
<td>000050-00-0</td>
<td>FORMALDEHYDE</td>
<td>14.028</td>
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<td>007439-96-5</td>
<td>MANGANESE</td>
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<tr>
<td>007439-97-6</td>
<td>MERCURY</td>
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</tr>
<tr>
<td>007440-02-0</td>
<td>NICKEL METAL AND INSOLUBLE COMPOUNDS</td>
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<tr>
<td>0NY210-00-0</td>
<td>OXIDES OF NITROGEN</td>
<td>204822</td>
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<td>6322</td>
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<tr>
<td>0NY975-00-0</td>
<td>PARTICULATES</td>
<td>4224</td>
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<td>130</td>
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<tr>
<td>007782-49-2</td>
<td>SELENIUM</td>
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</tr>
<tr>
<td>007446-09-5</td>
<td>SULFUR DIOXIDE</td>
<td>377</td>
<td></td>
<td>12</td>
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<tr>
<td>0NY100-00-0</td>
<td>TOTAL HAP</td>
<td>621</td>
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<td>19.78</td>
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<tr>
<td>0NY998-00-0</td>
<td>VOC</td>
<td>1344</td>
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<td>41</td>
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</tr>
</tbody>
</table>

NOTIFICATION OF GENERAL PERMITTEE OBLIGATIONS

Item A: Public Access to Recordkeeping for Title V Facilities - 6 NYCRR 201-1.10(b)
The Department will make available to the public any permit application, compliance plan, permit, and monitoring and compliance certification report pursuant to Section

Page 6 of 19
503(e) of the Act, except for information entitled to confidential treatment pursuant to 6 NYCRR Part 616 - Public Access to records and Section 114(c) of the Act.

Item B:  Timely Application for the Renewal of Title V Permits -6 NYCRR Part 201-6.2(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 C:  Certification by a Responsible Official - 6 NYCRR Part 201-6.2(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 D:  Requirement to Comply With All Conditions - 6 NYCRR Part 201-6.4(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 E:  Permit Revocation, Modification, Reopening, Reissuance or Termination, and Associated Information Submission Requirements - 6 NYCRR Part 201-6.4(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 F:  Cessation or Reduction of Permitted Activity Not a Defense - 6 NYCRR 201-6.4(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 G:  Property Rights - 6 NYCRR 201-6.4(a)(6)

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

Item H:  Severability - 6 NYCRR Part 201-6.4(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 I:  Permit Shield - 6 NYCRR Part 201-6.4(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 J: Reopening for Cause - 6 NYCRR Part 201-6.4(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 K: 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 L: 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.

NOTIFICATION OF GENERAL PERMITTEE OBLIGATIONS

Item A: Emergency Defense - 6 NYCRR 201-1.5
An emergency, as defined by subpart 201-2, constitutes an affirmative defense to penalties sought in an enforcement action brought by the Department 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 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 and maintained;
(3) During the period of the emergency the facility owner 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 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 or operator
Division of Air Resources
Permit Review Report

Permit ID: 3-3309-00040/00004
Renewal Number: 4
02/23/2022

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_02

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 law.

Regulatory Analysis

<table>
<thead>
<tr>
<th>Location</th>
<th>Regulation</th>
<th>Condition</th>
<th>Short Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>FACILITY</td>
<td>ECL 19-0301</td>
<td>46</td>
<td>Powers and Duties of the Department with respect to air pollution control</td>
</tr>
<tr>
<td>FACILITY</td>
<td>40CFR 63-ZZZZ</td>
<td>40</td>
<td>Reciprocating Internal Combustion Engine (RICE) NESHAP</td>
</tr>
<tr>
<td>FACILITY</td>
<td>40CFR 68</td>
<td>18</td>
<td>Chemical accident prevention provisions</td>
</tr>
<tr>
<td>FACILITY</td>
<td>40CFR 82-F</td>
<td>19</td>
<td>Protection of Stratospheric Ozone - recycling and emissions reduction</td>
</tr>
<tr>
<td>FACILITY</td>
<td>40CFR 97-AAAAA.406</td>
<td>41</td>
<td>Transport Rule (TR) NOx Annual Trading Program Standard Requirements</td>
</tr>
<tr>
<td>FACILITY</td>
<td>40CFR 97-GGGGG.1006</td>
<td>42</td>
<td>CSAFR NOx Ozone Season Group 3 Trading Program Standard Requirements</td>
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<tr>
<td>FACILITY</td>
<td>6NYCRR 200.6</td>
<td>1</td>
<td>Acceptable ambient air quality.</td>
</tr>
<tr>
<td>FACILITY</td>
<td>6NYCRR 200.7</td>
<td>10</td>
<td>Maintenance of equipment.</td>
</tr>
<tr>
<td>FACILITY</td>
<td>6NYCRR 201-1.4</td>
<td>47</td>
<td>Unavoidable noncompliance and violations</td>
</tr>
<tr>
<td>FACILITY</td>
<td>6NYCRR 201-1.7</td>
<td>11</td>
<td>Recycling and Salvage</td>
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</table>
Division of Air Resources
Permit Review Report
Permit ID: 3-3309-00040/00004
Renewal Number: 4
02/23/2022

FACILITY  6NYCRR 201-1.8  12 Prohibition of reintroduction of collected contaminants to the air
FACILITY  6NYCRR 201-3.2(a)  13 Exempt Activities - Proof of eligibility
FACILITY  6NYCRR 201-3.3(a)  14 Trivial Activities - proof of eligibility
FACILITY  6NYCRR 201-6  20, 21, 22, 43, 44 Title V Permits and the Associated Permit Conditions
FACILITY  6NYCRR 201-6.4(a)(4)  15 General Conditions - Requirement to Provide Information
FACILITY  6NYCRR 201-6.4(a)(7)  2 General Conditions - Fees
FACILITY  6NYCRR 201-6.4(a)(8)  16 General Conditions - Right to Inspect
FACILITY  6NYCRR 201-6.4(c)  3 Recordkeeping and Reporting of Compliance Monitoring Records of Monitoring, Sampling and Measurement
FACILITY  6NYCRR 201-6.4(c)(2)  4 Compliance Monitoring Requirements - Deviations and Noncompliance
FACILITY  6NYCRR 201-6.4(d)(4)  23 Compliance Schedules - Progress Reports
FACILITY  6NYCRR 201-6.4(e)  6 Compliance Certification
FACILITY  6NYCRR 201-6.4(f)  24 Operational Flexibility
FACILITY  6NYCRR 202-1.1  48 State Enforceable Requirements
FACILITY  6NYCRR 202-1.5(a)  48 Emission Statements - record keeping requirements.
FACILITY  6NYCRR 202-1.1  48 Annual Tune-up Requirement
FACILITY  6NYCRR 202-1.2  25 General Prohibitions - visible emissions limited.
FACILITY  6NYCRR 215.2  9 Open Fires - Prohibitions
FACILITY  6NYCRR 225-1.2(c)  26 Sulfur-in-Fuel Limitations - Residual Oil
FACILITY  6NYCRR 225-1.2(d)  27 Sulfur-in-Fuel Limitation - Distillate Oil
FACILITY  6NYCRR 225-1.3(a)  28 Particulate Emission Standards
FACILITY  6NYCRR 227-1.3(c)  29 Annual Tune-up Requirement
FACILITY  6NYCRR 227-1.4(a)  45 Opacity Standard
FACILITY  6NYCRR 227-2.4(e)(1)  30 Simple cycle combustion turbines.
FACILITY  6NYCRR 227-3.4(a)(1)  34, 35 Alternative RACT option.
FACILITY  6NYCRR 227-2.5(c)  31, 32, 33 May 1, 2023 Control
Division of Air Resources
Permit Review Report
Permit ID: 3-3309-00040/00004
Renewal Number: 4
02/23/2022

FACILITY 6NYCRR 227-3.4(a)(2) 36, 37, 38, 39
Requirements May 1, 2025 Control
Requirements

FACILITY 6NYCRR 242-1.5 49, 50
Requirements CO2 Budget Trading
Program - Standard
requirements

1-00001 6NYCRR 251.3(b) 51
Requirements Emission limits for
non-modified sources.

1-00002 6NYCRR 251.3(b) 52
Requirements Emission limits for
non-modified sources.

Applicability Discussion:
Mandatory Requirements: The following facility-wide regulations are included in all Title V permits:

ECL 19-0301
This section of the Environmental Conservation Law establishes the powers and duties assigned to the
Department with regard to administering the air pollution control program for New York State.

6 NYCRR 200.6
Acceptable ambient air quality - prohibits contravention of ambient air quality standards without mitigating
measures

6 NYCRR 200.7
Anyone owning or operating an air contamination source which is equipped with an emission control
device must operate the control consistent with ordinary and necessary practices, standards and
procedures, as per manufacturer's specifications and keep it in a satisfactory state of maintenance and
repair so that it operates effectively

6 NYCRR 201-1.4
This regulation specifies the actions and recordkeeping and reporting requirements for any violation of an
applicable state enforceable emission standard that results from a necessary scheduled equipment
maintenance, start-up, shutdown, malfunction or upset in the event that these are unavoidable.

6 NYCRR 201-1.7
Requires the recycle and salvage of collected air contaminants where practical

6 NYCRR 201-1.8
Prohibits the reintroduction of collected air contaminants to the outside air

6 NYCRR 201-3.2 (a)
An owner and/or operator of an exempt emission source or unit may be required to certify that it operates
within the specific criteria described in this Subpart. All required records must be maintained on-site for a
period of 5 years and made available to department representatives upon request. In addition, department
representatives must be granted access to any facility which contains exempt emission sources or units,
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.

6 NYCRR 201-3.3 (a)
The owner and/or operator of a trivial emission source or unit may be required to certify that it operates
within the specific criteria described in this Subpart. All required records must be maintained on-site for a
period of 5 years and made available to department representatives upon request. In addition, department
representatives must be granted access to any facility which contains trivial 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.

6 NYCRR Subpart 201-6
This regulation applies to those terms and conditions which are subject to Title V permitting. It establishes the applicability criteria for Title V permits, the information to be included in all Title V permit applications as well as the permit content and terms of permit issuance. This rule also specifies the compliance, monitoring, recordkeeping, reporting, fee, and procedural requirements that need to be met to obtain a Title V permit, modify the permit and demonstrate conformity with applicable requirements as listed in the Title V permit. For permitting purposes, this rule specifies the need to identify and describe all emission units, processes and products in the permit application as well as providing the Department the authority to include this and any other information that it deems necessary to determine the compliance status of the facility.

6 NYCRR 201-6.4 (a) (4)
This mandatory requirement applies to all Title V facilities. It requires the permittee to provide information that the Department may request in writing, within a reasonable time, in order to determine whether cause exists for modifying, revoking and reissuing, or terminating the permit or to determine compliance with the permit. The request may include copies of records required to be kept by the permit.

6 NYCRR 201-6.4 (a) (7)
This is a mandatory condition that requires the owner or operator of a facility subject to Title V requirements to pay all applicable fees associated with the emissions from their facility.

6 NYCRR 201-6.4 (a) (8)
This is a mandatory condition for all facilities subject to Title V requirements. It allows the Department to inspect the facility to determine compliance with this permit, including copying records, sampling and monitoring, as necessary.

6 NYCRR 201-6.4 (c)
This requirement specifies, in general terms, what information must be contained in any required compliance monitoring records and reports. This includes the date, time and place of any sampling, measurements and analyses; who performed the analyses; analytical techniques and methods used as well as any required QA/QC procedures; results of the analyses; the operating conditions at the time of sampling or measurement and the identification of any permit deviations. All such reports must also be certified by the designated responsible official of the facility.

6 NYCRR 201-6.4 (c) (2)
This requirement specifies that all compliance monitoring and recordkeeping is to be conducted according to the terms and conditions of the permit and follow all QA requirements found in applicable regulations. It also requires monitoring records and supporting information to be retained for at least 5 years from the time of sampling, measurement, report or application. Support information is defined as including all calibration and maintenance records and all original strip-chart recordings for continuous monitoring instrumentation, and copies of all reports required by the permit.

6 NYCRR 201-6.4 (c) (3) (ii)
This regulation specifies any reporting requirements incorporated into the permit must include provisions regarding the notification and reporting of permit deviations and incidences of noncompliance stating the probable cause of such deviations, and any corrective actions or preventive measures taken.

6 NYCRR 201-6.4 (d) (4)
This condition applies to every Title V facility subject to a compliance schedule. It requires that reports,
detailing the status of progress on achieving compliance with emission standards, be submitted semiannually.

6 NYCRR 201-6.4 (e)  
Sets forth the general requirements for compliance certification content; specifies an annual submittal frequency; and identifies the EPA and appropriate regional office address where the reports are to be sent.

6 NYCRR 202-1.1  
This regulation allows the department the discretion to require an emission test for the purpose of determining compliance. Furthermore, the cost of the test, including the preparation of the report are to be borne by the owner/operator of the source.

6 NYCRR 202-2.1  
Requires that emission statements shall be submitted on or before April 15th each year for emissions of the previous calendar year.

6 NYCRR 202-2.5  
This rule specifies that each facility required to submit an emission statement must retain a copy of the statement and supporting documentation for at least 5 years and must make the information available to department representatives.

6 NYCRR 211.2  
This regulation limits opacity from sources to less than or equal to 20 percent (six minute average) except for one continuous six-minute period per hour of not more than 57 percent opacity.

6 NYCRR 215.2  
Except as allowed by section 215.3 of 6 NYCRR Part 215, no person shall burn, cause, suffer, allow or permit the burning of any materials in an open fire.

40 CFR Part 68  
This Part lists the regulated substances and there applicability thresholds and sets the requirements for stationary sources concerning the prevention of accidental releases of these substances.

40 CFR Part 82, Subpart F  
Subpart F requires the reduction of emissions of class I and class II refrigerants to the lowest achievable level during the service, maintenance, repair, and disposal of appliances in accordance with section 608 of the Clean Air Act Amendments of 1990. This subpart applies to any person servicing, maintaining, or repairing appliances except for motor vehicle air conditioners. It also applies to persons disposing of appliances, including motor vehicle air conditioners, refrigerant reclaimers, appliance owners, and manufacturers of appliances and recycling and recovery equipment. Those individuals, operations, or activities affected by this rule, may be required to comply with specified disposal, recycling, or recovery practices, leak repair practices, recordkeeping and/or technician certification requirements.

Facility Specific Requirements  
In addition to Title V, ALLIANCE ENERGY - SHOEMAKER GAS TURBINE FACILITY has been determined to be subject to the following regulations:

40 CFR 97.1006  
This section refers to the Cross State Air Pollution Rule (CSAPR) NOx Ozone Season
Group 3 sources. Regulation refers to monitoring, reporting, and recordkeeping related to Subpart GGGGG

40 CFR 97.406
This condition provides the general requirements for implementing EPAs Transport Rule (TR) 40 CFR Part 97, Subpart AAAAA; intended to reduce the interstate transport of fine particulate matter and ozone. This particular condition requires facilities to measure and report their emissions of Nitrogen Oxide (NOx) and to hold TR annual NOx allowances sufficient to cover these emissions. Commonly referred to as a budget trading program, each State has an established 'budget' of emissions that are distributed or sold to facilities, which, in turn, can only emit as much as they hold in allowances.

40 CFR Part 63, Subpart ZZZZ
Subpart ZZZZ applies to reciprocating internal combustion engines. Sources subject to Subpart ZZZZ must limit emissions of carbon monoxide and formaldehyde. Sources must also comply with work practice standards and operating limits.

6 NYCRR 201-6.4 (f)
This section describes the potential for certain operational changes to be made by the facility owner or operator without first obtaining a permit modification. Changes made pursuant to this provision must meet all of the criteria described in this section to qualify for consideration as operational flexibility. The Department reserves the right to require the facility owner or operator to obtain a permit modification prior to making any changes at the facility pursuant to this section.

6 NYCRR 201-6.5 (a)
This subdivision states that the Department shall include state enforceable conditions in Title V permits. State enforceable conditions related to regulations developed pursuant to the Climate Leadership and Community Protection Act (CLCPA) and Article 75 of New York State Environmental Conservation Law may be included in future versions of this permit, as applicable.

6 NYCRR 225-1.2 (c)
This subdivision sets the sulfur-in-fuel limitation for residual oil fired emission sources throughout the State.

6 NYCRR 225-1.2 (d)
This subdivision sets the sulfur-in-fuel limitation for distillate oil fired emission sources throughout the State.
6 NYCRR 227-1.3 (a)
This subdivision sets the particulate matter emission standards for subject stationary combustion installations.

6 NYCRR 227-1.3 (c)
This subdivision requires that all stationary combustion installations subject to this subpart perform an annual tune-up.

6 NYCRR 227-1.4 (a)
This subdivisions sets the opacity standard for subject stationary combustion installations.

6 NYCRR 227-2.4 (e) (1)
Presumptive NOx RACT emission limits for simple cycle combustion turbines.

6 NYCRR 227-2.5 (c)
This provision allows the owner or operator to demonstrate that the applicable presumptive RACT emission limit in section 227-2.4 of this Subpart is not economically or technically feasible. Based on this determination the Department is allowed to set a higher emission source specific emission limit.

6 NYCRR 227-3.4 (a) (1)
This paragraph sets the ozone season NOx emission limit for applicable sources set to go into effect on May 1, 2023. The facility is required to perform an emission test certifying these limits before the regulation goes into effect.

6 NYCRR 227-3.4 (a) (2)
This paragraph sets the ozone season NOx emission limit for applicable sources set to go into effect on May 1, 2025. The facility is required to perform an emission test certifying these limits before the regulation goes into effect.

6 NYCRR 242-1.5
This regulation requires that the facility hold enough carbon dioxide allowances in their carbon dioxide budget at least equal to the amount of carbon dioxide emitted from the facility each year.
6 NYCRR 251.3 (b)
CO2 emission limits for non-modified sources.

Compliance Certification
Summary of monitoring activities at ALLIANCE ENERGY - SHOEMAKER GAS TURBINE FACILITY:

<table>
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<tr>
<th>Location</th>
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<tr>
<td>FACILITY</td>
<td>41</td>
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<tr>
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<td>record keeping/maintenance procedures</td>
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<td>26</td>
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<td>28</td>
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Basis for Monitoring
This permit action constitutes a renewal of the facility’s Air Title V permit. No changes have been made to the facility's emission limits. The Shoemaker Gas Turbine is a peak generating station that consists of one simple cycle gas turbine rated at 512 MMBtu/hr that may fire natural gas, jet fuel A, distillate oil and biodiesel, one natural gas-fired internal combustion engine (compressor) rated at 560 kW, and one natural gas-fired emergency generator rated at 45 kW.

Shoemaker is considered a major facility for Oxides of Nitrogen (NOx) and is therefore subject to Title V requirements under 6 NYCRR Part 201-6. The facility is located in Middletown, NY,
which is classified as an Ozone Transport Region (OTR) as well as moderate non-attainment - where the major threshold for NOx is 100 tons per year.

The facility has been operating under the previously approved (2016) NOx emission limits of 300 ppmvd @ 15 % O2 when firing fuel oil (Condition 29) and 191 ppmvd @ 15 % O2 when firing natural gas (Condition 30). The facility will continue to adhere to the NOx RACT plan until May 1st 2023, when more stringent Cross-State Air Pollution Rule regulations come into effect, as outlined in 6 NYCRR 227-3. However, the facility is still subject to general NOx RACT under 6 NYCRR 227-2.4 (e)(1)(i). Since general NOx RACT is more stringent than the 227-3 limits that come into effect in 2023, the limits defined by general NOx RACT will be the governing limits within the permit from May 1st 2023 to April 30th 2025. The facility plans to install a water injection system to bring the facility to compliance with 227-3 by 2023. The facility is required to test emissions before CSAPR goes into effect to confirm compliance with the regulation. For clarity, a table is provided to define NOx limits based on timeframe.

Permit Issuance to May 1st, 2023 – NOx limit of 300 ppmvd (Gas) / 191 ppmvd (Liquid) @15% O2 as defined under Alliance’s NOx RACT Variance (6 NYCRR 227-2.5 (c)).

May 1st 2023 to April 30th, 2025 – NOx limit of 50 ppmvd @ 15% O2 as defined under 6 NYCRR 227-2.4 (e)(1)(i).

May 1st 2025 onward – NOx limit of 25 ppmvd (Gas) / 42 ppmvd (Liquid) @15% O2 as defined by 6 NYCRR 227-3.4 (a)(2).

The facility also owns a natural gas-fired emergency generator that is subject to 40 CFR 63 Subpart ZZZZ. Requirements for Existing Stationary RICE Located at Area Sources of HAP Emissions, is subject to the following:

- Change oil and filter every 500 hours of operation or annually, whichever - comes first;
- Inspect spark plugs every 1000 hours of operation or annually, whichever comes first, and replace as necessary; and
- Inspect all hoses and belts every 500 hours of operations or annually, whichever comes first, and replace, as necessary.

NYSDEC has declined delegation of this regulation (40 CFR 63 ZZZZ), however the permit contains a condition (Condition 37) that outlines the above requirements.

The ability to fire fuel oil or distillate oil in the turbine requires the facility to comply with the sulfur content limitations listed in 6 NYCRR Part 225-1.2 (c) and 225-1.2 (d). Distillate fuel oil being purchased is limited to a sulfur content of 0.0015% by weight. These requirements are outlined in Conditions 24 and 25.

Opacity from the combustion sources is regulated under 6 NYCRR Part 227-1.4 (a) (Condition 42). This facility must not operate any stationary combustion installation which exhibits greater than 20 percent opacity (six minute average), except for one six-minute period per hour of not more than 27 percent opacity.
Shoemaker is subject to the Regional Greenhouse Gas Initiative (RGGI) requirements of 6 NYCRR Part 242, a budget program for CO2. Potential to emit calculations for Hazardous Air Pollutants (HAPs) show a value of 0.311 tons per year, placing the facility below the major source threshold for HAPs. Accordingly, the Stationary Combustion Turbine NESHAP under 40 CFR Part 63 Subpart YYYY does not apply. Accidental chemical releases are covered under the requirements of 40 CFR Part 68. The permit also includes reference to 40 CFR Part 82, Subpart F which covers the protection of the stratospheric ozone through recycling and reducing class I and class II refrigerant emissions.

The facility is subject to the Cross-State Air Pollution Rule (CSAPR) regulations under the following subparts of 40 CFR Part 97: AAAAA and GGGGG. CSAPR regulates both NOx and sulfur dioxide (SO2) during the entire year.