

**Commonwealth of Kentucky
Energy and Environment Cabinet
Department for Environmental Protection
Division for Air Quality
300 Sower Boulevard, 2nd Floor
Frankfort, Kentucky 40601
(502) 564-3999**

Draft

**AIR QUALITY PERMIT
Issued under 401 KAR 52:020**

Permittee Name: East Kentucky Power Cooperative, Inc
Mailing Address: 4775 Lexington Road, PO Box 707
Winchester, KY 40392

Source Name: EKPC Bluegrass Generating Station
Mailing Address: 3095 Commerce Parkway
LaGrange, KY 40031

Source Location: Near exit 18 on I-71

Permit: V-21-048 R1
Agency Interest: 39541
Activity: APE20260001
Review Type: Title V, Operating
Source ID: 21-185-00036

Regional Office: Frankfort Regional Office
300 Sower Boulevard, 1st Floor
Frankfort, KY 40601
(502) 564-3358
County: Oldham

Application
Complete Date: January 13, 2022
Issuance Date: January 3, 2023
Revision Date:
Expiration Date: January 3, 2028

**For Michael J. Kennedy, P.E.
Director
Division for Air Quality**

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Permit	Permit Type	Activity #	Complete Date	Issuance Date	Summary of Action
V-21-048	Renewal	APE20210001	1/13/2022	1/3/2023	Title V Renewal
V-21-048 R1	Revision	APE20260001	7/03/2026		Increase in source-wide CO limit to 249 tpy; Increase in source-wide NO _x limit to 99 tpy; Addition of fuel oil as a secondary fuel and not emergency fuel for EUs 01, 02 & 03

SECTION A - PERMIT AUTHORIZATION

Pursuant to a duly submitted application the Kentucky Energy and Environment Cabinet (Cabinet) hereby authorizes the operation of the equipment described herein in accordance with the terms and conditions of this permit. This permit was issued under the provisions of Kentucky Revised Statutes (KRS) Chapter 224 and regulations promulgated pursuant thereto.

The permittee shall not construct, reconstruct, or modify any affected facilities without first submitting a complete application and receiving a permit for the planned activity from the permitting authority, except as provided in this permit or in 401 KAR 52:020, Title V Permits.

Issuance of this permit does not relieve the permittee from the responsibility of obtaining any other permits, licenses, or approvals required by the Cabinet or any other federal, state, or local agency.

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS

Emissions Units 01, 02, and 03

Three (3) Natural Gas-Fired, Simple Cycle Combustion Turbines

Description:

Model:	Siemens-Westinghouse 501FD
Construction Commenced:	October 2000 – Emissions Units 01 and 02 June 2001– Emissions Unit 03
Maximum Continuous Rating:	2,076 MMBtu/hr rated heat input capacity (each), 208 MW rated capacity output (each)
Primary Fuel:	Natural gas
Secondary Fuel:	No. 2 Ultra Low Sulfur Fuel Oil
Control Equipment:	Dry-Low NO _x Burners & Water Injection on all three units

APPLICABLE REGULATIONS:

401 KAR 51:160, *NO_x requirements for large utility and industrial boilers*
401 KAR 51:210, *CAIR NO_x annual trading program*
401 KAR 51:220, *CAIR NO_x ozone season Trading Program*
401 KAR 51:230, *CAIR SO₂ trading program*
401 KAR 51:240, *Cross-State Air Pollution Rule (CSAPR) NO_x annual trading program.*
401 KAR 51: 260, *Cross-State Air Pollution Rule (CSAPR) SO₂ group 1 trading program*
401 KAR 52:060, *Acid rain permits*
401 KAR 60:005, Section 2(1), 40 C.F.R. 60.1 through 60.19, Table 1 (**Subpart A**), *General Provisions*
401 KAR 60:005, Section 2(2)(ss), 40 C.F.R. 60.330 through 60.335 (**Subpart GG**), *Standards of Performance for Stationary Gas Turbines*
40 CFR 75, *Continuous Emissions Monitoring (CEM)*
40 CFR 97, Subpart GGGGG, *CSAPR NO_x Ozone Season Group 3 Trading Program*

PRECLUDED REGULATIONS:

401 KAR 51:017, *Prevention of significant deterioration of air quality*

NON APPLICABLE REGULATIONS:

401 KAR 60:005, Section 2(2)(qqqq), 40 C.F.R. 60.4300 through 60.4420, Table 1 (**Subpart KKKK**), *Standards of Performance for Stationary Combustion Turbines*
401 KAR 60:005, Section 2(2)(vvvv), 40 C.F.R. 60.5508 through 60.5580, Tables 1 through 3 (**Subpart TTTT**), *Standards of Performance for Greenhouse Gas Emissions for Electric Generating Units*
401 KAR 63:002, Section 2(4)(dddd), 40 C.F.R. 63.6080 through 63.6175, Tables 1 through 7 (**Subpart YYYY**), *National Emission Standards for Hazardous Air Pollutants for Stationary Combustion Turbines*

STATE ORIGIN REQUIREMENTS:

401 KAR 63:020, *Potentially hazardous matter or toxic substances*

1. Operating Limitations:

N/A

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**2. Emission Limitations:**

- a. The concentration of nitrogen oxides (NO_x) in the exhaust gas from each unit shall not exceed 111 parts per million (ppm) by volume at 15 percent oxygen, on a dry basis, and based on a four-hour rolling average [40 CFR 60.332(b) referencing 40 CFR 60.332(a)(1)].

Compliance Demonstration Method:

See 4. Monitoring Requirements a and 5. Specific Recordkeeping Requirements g.

- b. The permittee is exempt from the 40 CFR 60, Subpart GG NO_x emission limitation under 2. Emission Limitations a. when ice fog is deemed a traffic hazard by the owner or operator of the gas turbine [40 CFR 60.332(f)].

Compliance Demonstration Method:

The permittee shall demonstrate compliance according to 6. Specific Reporting Requirements b. iii.

- c. The permittee shall either not discharge any gases into the atmosphere which contain sulfur dioxide (SO₂) in excess of 0.015 percent by volume at 15 percent oxygen, on a dry basis, or not burn any fuel which contains sulfur in excess of 0.8 percent by weight [40 CFR 60.333(a) and (b)].

Compliance Demonstration Method:

See 4. Specific Monitoring Requirement c, and 5. Specific Recordkeeping Requirements d.

- d. The permittee shall provide the utmost care and consideration, in the handling of materials from which hazardous matter or toxic substances may be emitted, to the potentially harmful effects of the emissions resulting from such activities. The permittee shall not allow any affected facility to emit potentially hazardous matter or toxic substances in such quantities or duration as to be harmful to the health and welfare of humans, animals and plants. Evaluation of such facilities as to adequacy of controls and/or procedures and emission potential will be made on an individual basis by the Cabinet. [401 KAR 63:020, Section 3]

Compliance Demonstration Method:

Based upon the emission rates of toxic and hazardous air pollutants determined by the Cabinet using information provided in the application and supplemental information submitted by the source, the Cabinet determines the affected facility to be in compliance with 401 KAR 63:020.

- e. See **Section D – Source Emission Limitations and Testing Requirements** for source-wide emission limitations on CO and NO_x.

3. Testing Requirements:

Performance testing using the reference methods specified in 401 KAR 50:015 shall be conducted if required by the Cabinet. [401 KAR 50:045, Section 1]

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

4. Specific Monitoring Requirements:

- a. The permittee shall install, certify, calibrate, maintain, operate, and quality-assure a continuous emission monitoring system (CEMS) consisting of NO_x and O₂ monitors. As an alternative, a CO₂ monitor may be used to adjust the measured NO_x concentrations to 15 percent O₂ by either converting the CO₂ hourly averages to equivalent O₂ concentrations using Equation F-14a or F-14b in appendix F to 40 CFR part 75 and making the adjustments to 15 percent O₂ or by using the CO₂ readings directly make the adjustments, as described in Method 20. If the option to use a CEMS is chosen, the CEMS shall be installed, certified, maintained and operated as follows: [40 CFR 60.334(b)]
 - i. The NO_x CEMS shall be used to demonstrate continuous compliance with the NO_x emission standard. Excluding startup and shutdown periods, if any four-hour rolling average exceeds the NO_x emission limitation, the permittee shall, as appropriate, initiate an investigation of the cause of the exceedance and complete necessary control device/process/CEMS repairs or take corrective action as soon as practicable. [40 CFR 60.334(b) and 40 CFR part 75]
 - ii. Each CEMS must be installed and certified according to PS 2 and 3 (for diluent) of 40 CFR part 60, appendix B, except the 7-day calibration drift is based on unit operating days, not calendar days. 40 CFR Part 60, Appendix F, Procedure 1 is not required. The relative accuracy test audit (RATA) of the NO_x and diluent monitors may be performed individually or on a combined basis, *i.e.* the relative accuracy tests of the CEMS may be performed either: [40 CFR 60.334(b)(1)]
 1. On a ppm basis (for NO_x) and a percent O₂ basis for oxygen; or [40 CFR 60.334(b)(1)(i)]
 2. On a ppm at 15 percent O₂ basis; or [40 CFR 60.334(b)(1)(ii)]
 3. On a ppm basis (for NO_x) and a percent CO₂ basis (for a CO₂ monitor that uses the procedures in Method 20 to correct the NO_x data to 15 percent O₂). [40 CFR 60.334(b)(1)(iii)]
 - iii. As specified in 40 CFR 60.13(e)(2), during each full unit operating hour, each monitor must complete a minimum of one cycle of operation (sampling, analyzing, and data recording) for each 15-minute quadrant of the hour, to validate the hour. For partial unit operating hours, at least one valid data point must be obtained for each quadrant of the hour in which the unit operates. For unit operating hours in which required quality assurance and maintenance activities are performed on the CEMS, a minimum of two valid data points (one in each of two quadrants) are required to validate the hour. [40 CFR 60.334(b)(2)]
 - iv. For purposes of identifying excess emissions, CEMS data must be reduced to hourly averages as specified in 40 CFR 60.13(h). [40 CFR 60.334(b)(3)]
 1. For each unit operating hour in which a valid hourly average, as described in 40 CFR 60.334(b)(2), is obtained for both NO_x and diluent, the data acquisition and handling system must calculate and record the hourly NO_x emissions in the units of the applicable NO_x emission standard under 40 CFR 60.332(a), *i.e.*, percent NO_x by volume, dry basis, corrected to 15 percent O₂ and International Organization for Standardization (ISO) standard conditions (if required as given in 40 CFR 60.335(b)(1)). For any hour in which the hourly average O₂ concentration exceeds

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

- 19.0 percent O₂, a diluent cap value of 19.0 percent O₂ may be used in the emission calculations. [40 CFR 60.334(b)(3)(i)]
2. A worst-case ISO correction factor may be calculated and applied using historical ambient data. For the purpose of this calculation, substitute the maximum humidity of ambient air (H_o), minimum ambient temperature (T_a), and minimum combustor inlet absolute pressure (P_o) into the ISO correction equation. [40 CFR 60.334(b)(3)(ii)]
 3. If the permittee has installed a NO_x CEMS to meet the requirements of 40 CFR part 75, and is continuing to meet the ongoing requirements of 40 CFR part 75, the CEMS may be used to meet the requirements of this section, except that the missing data substitution methodology provided for at subpart D of 40 CFR part 75, is not required for purposes of identifying excess emissions. Instead, periods of missing CEMS data are to be reported as monitor downtime in the excess emissions and monitoring performance report required in 40 CFR 60.7(c). For affected units that are also regulated under 40 CFR part 75, the NO_x emission rate may be monitored using a NO_x diluent CEMS that is installed and certified in accordance with appendix A to part 75 and the QA program in appendix E to part 75, or the low mass emissions methodology in 40 CFR 75.19. [40 CFR 60.334(b)(3)(iii)]
- b. The permittee shall determine sulfur dioxide (SO₂) emissions by using the heat input calculated using a certified fuel flow monitoring system in conjunction with the default SO₂ emission rate for pipeline natural gas from Section 2.3.1 of Appendix D and equation F-20 in Appendix F [40 CFR 75.11(d)(2)].
 - c. The permittee shall monitor the sulfur content of the fuel being fired in the turbine. The frequency of determination of these values shall be as specified in the following approved custom fuel monitoring schedule [40 CFR 60.334(h)]:
 - i. The sulfur content of the gaseous fuel shall be determined twice per year. The monitoring shall be conducted during the first and third quarters of each calendar year. [401 KAR 52:020, Section 10]
 - ii. The permittee may elect not to monitor the total sulfur content of the gaseous fuel combusted in the turbine if the fuel meets the definition of natural gas in 40 CFR 60.331(u). [40 CFR 60.334(h)(3)]
 - iii. If there is a change in fuel supply, the permittee shall notify the Division of such change for re-examination of this custom schedule. A substantial change in fuel quality shall be considered a change in fuel supply. Sulfur monitoring shall be conducted weekly during the interim period when this custom schedule is being re-examined [401 KAR 52:020, Section 10].
 - iv. For fuel oil, use one of the total sulfur sampling options and the associated sampling frequency described in sections 2.2.3, 2.2.4.1, 2.2.4.2, and 2.2.4.3 of appendix D to 40 CFR part 75 (*i.e.*, flow proportional sampling, daily sampling, sampling from the unit's storage tank after each addition of fuel to the tank, or sampling each delivery prior to combining it with fuel oil already in the intended storage tank). If an emission

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

allowance is being claimed for fuel-bound nitrogen, the nitrogen content of the oil shall be determined and recorded once per unit operating day. [40 CFR 60.334(i)(1)].

- d. The permittee shall monitor for carbon monoxide using a CO CEMS [401 KAR 52:020, Section 10].
- e. The permittee shall install, calibrate, operate, test, and monitor all continuous monitoring systems and monitoring devices [40 CFR 60.13 or 40 CFR 75]. Verification of operational status shall, as a minimum, include completion of the manufacturer's written requirements or recommendations for installation, operation, and calibration of the device(s).
- f. The permittee shall conduct a performance evaluation of the continuous monitoring system during any performance test required under 40 CFR 60.8 or within 30 days thereafter, in accordance with the applicable performance specification in 40 CFR 60 Appendix B. The permittee shall conduct CEMS performance evaluations at such other times as may be required by the Administrator under section 114 of the Act. [40 CFR 60.13(c)]
- g. For affected facilities that are infrequently operated, an alternative monitoring procedure for CO monitors zero and span calibration checks has been approved by the Director. The permittee shall check the zero and span drift of the CO monitors at least once daily when operating, in accordance with and consistent with NO_x and O₂ monitor requirements under 40 CFR 75. The following provisions shall be adhered to while executing this alternative procedure [401 KAR 59:005 Section 4(9)(b)]:
 - i. Conditions for monitoring emissions data out-of-control periods as defined in 40 CFR 75.24 for CEMS shall apply to the CO monitors including but not limited to failed zero/span checks, and RATA tests. This out-of-control data shall not be used to calculate hourly emissions for the time period considered out-of-control until that time when the appropriate corrective measures specified in 40 CFR 75.24 are successfully completed and the data is back in-control.
 - ii. Data substitution rules shall apply to the CO emissions data for out-of-control periods, including monitoring downtime, and those substituted emission data values shall count toward the facility source-wide annual federally enforceable CO emissions limit. For the purpose of complying with this requirement, the data substitution rules for NO_x monitors listed in 40 CFR 75.33 shall be applied to the CO monitors.
- h. Except during system breakdowns, repairs, calibration checks, and zero and span adjustments required under 40 CFR 60.13(d), all continuous monitoring systems shall be in continuous operation and shall meet the minimum frequency of operation requirements by completing one cycle of operation (sampling, analyzing, and data recording) for each successive fifteen (15) minute period [40 CFR 60.13(e)(2)].

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

- i. All continuous monitoring systems or monitoring devices shall be installed such that representative measurements of emissions or process parameters from the emissions units are obtained. Additional procedures for location of continuous monitoring systems, as contained in the applicable Performance Specifications of 40 CFR 60 Appendix B, shall be used. [40 CFR 60.13(f)]
- j. For continuous monitoring systems, 1-hour averages shall be computed as follows: [40 CFR 60.13(h)(2)]
 - i. Except as provided under 40 CFR 60.13(h)(2)(iii), for a full operating hour (any clock hour with 60 minutes of unit operation), at least four valid data points are required to calculate the hourly average, i.e., one data point in each of the 15-minute quadrants of the hour. [40 CFR 60.13(h)(2)(i)]
 - ii. Except as provided under 40 CFR 60.13(h)(2)(iii), for a partial operating hour (any clock hour with less than 60 minutes of unit operation), at least one valid data point in each 15-minute quadrant of the hour in which the unit operates is required to calculate the hourly average. [40 CFR 60.13(h)(2)(ii)]
 - iii. For any operating hour in which required maintenance or quality-assurance activities are performed: [40 CFR 60.13(h)(2)(iii)]
 - 1. If the unit operates in two or more quadrants of the hour, a minimum of two valid data points, separated by at least 15 minutes, is required to calculate the hourly average; or [40 CFR 60.13(h)(2)(iii)(A)]
 - 2. If the unit operates in only one quadrant of the hour, at least one valid data point is required to calculate the hourly average. [40 CFR 60.13(h)(2)(iii)(B)]
 - iv. If a daily calibration error check is failed during any operating hour, all data for that hour shall be invalidated, unless a subsequent calibration error test is passed in the same hour and the requirements of 40 CFR 60.13(h)(2)(iii) are met, based solely on valid data recorded after the successful calibration. [40 CFR 60.13(h)(2)(iv)]
 - v. For each full or partial operating hour, all valid data points shall be used to calculate the hourly average. [40 CFR 60.13(h)(2)(v)]
 - vi. Except as provided in 40 CFR 60.13(h)(2)(iii), data recorded during periods of continuous monitoring system breakdown, repair, calibration checks, and zero and span adjustments shall not be included in the data averages computed under 40 CFR 60.13(h). [40 CFR 60.13(h)(2)(vi)]
 - vii. The permittee complying with the requirements of 40 CFR 60.7(f)(1) or (2) must include any data recorded during periods of monitor breakdown or malfunction in the data averages. [40 CFR 60.13(h)(2)(vii)]
 - viii. Either arithmetic or integrated averaging of all data may be used to calculate the hourly averages. The data may be recorded in reduced or nonreduced form (e.g. ppm pollutant and percent O₂ or ng/J of pollutant). [40 CFR 60.13(h)(2)(ix)]
 - ix. All excess emissions shall be converted into units of the standard using the applicable conversion procedures specified in 40 CFR 60, Subpart GG. After conversion into units of the standard, the data may be rounded to the same number of significant digits used in 40 CFR 60, Subpart GG to specify the emission limit. [40 CFR 60.13(h)(3)]

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

- k. The permittee shall monitor operating parameters for the low NO_x burners. [401 KAR 52:020, Section 10]
- l. The permittee shall monitor the following: [401 KAR 52:020, Section 10]
 - i. The daily hours of operation and quantity of fuel oil (in 1000 gallons) combusted by each turbine, on a monthly basis;
 - ii. The daily hours of operation and quantity of natural gas (in MMscf) combusted by each turbine, on a monthly basis;

5. Specific Recordkeeping Requirements:

- a. The permittee shall maintain a file of all measurements, including continuous monitoring system, monitoring device, and performance testing measurements; all continuous monitoring system performance evaluations; all continuous monitoring system or monitoring device calibration checks; adjustments and maintenance performed on these systems and devices; and all other information required by 401 KAR 59:005 recorded in a permanent form suitable for inspection [401 KAR 52:020, Section 10].
- b. The permittee shall maintain all records required by this permit, including those documenting the results of each compliance, for a period of five (5) years. [401 KAR 52:020, Section 10]
- c. The permittee shall maintain records of the occurrence and duration of any start-up, shutdown, or malfunction in the operation of the emissions units; any malfunction of the air pollution control equipment; or any period during which a continuous monitoring system or monitoring device is inoperative [401 KAR 52:020, Section 10].
- d. The permittee shall maintain a log of all sulfur content measurements. Records of sample analysis and fuel supply data pertinent to the custom fuel sulfur monitoring schedule shall be retained for a period of five (5) years, and shall be available for inspection by personnel of federal, state, and local air pollution control agencies [401 KAR 52:020, Section 10].
- e. The permittee shall maintain a log of the quantity of fuel oil (in 1000 gallons), and natural gas (in MMscf), fired in each turbine, measured on a monthly basis. [401 KAR 52:020, Section 10].
- f. The permittee on a daily basis shall record the hours of operation for each turbine and fuel used. [401 KAR 52:020, Section 10]
- g. The permittee shall maintain record of the four-hour rolling average NO_x emissions as measured by the NO_x CEMS for each unit. [401 KAR 52:020, Section 10]
- h. The permittee shall maintain record of the three-hour rolling average CO emissions as measured by CO CEMS for each unit. [401 KAR 52:020, Section 10]

6. Specific Reporting Requirements:

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

- a. The minimum data reporting requirements, which follow, shall be maintained and furnished in the format specified by the Cabinet. The permittee shall submit a written report of excess emissions (as defined in applicable sections) to the cabinet for every calendar quarter. All quarterly reports shall be postmarked by the thirtieth (30th) day following the end of each calendar quarter and shall include the following information [401 KAR 52:020, Section 10]:
 - i. The magnitude of the excess emissions computed in accordance with 401 KAR 59:005, Section 4(8), any conversion factors used, and the date and time of commencement and completion of each time period of excess emissions
 - ii. Specific identification of each period of excess emission that occurs during start-ups, shutdowns, and malfunctions of the emission unit including the nature and cause of any malfunction (if known), the corrective action taken or preventive measures adopted.
 - iii. The date and time identifying each period during which the continuous monitoring system was inoperative, except for zero and span checks, and the nature of the system repairs or adjustments.
 - iv. When no excess emissions have occurred or the continuous monitoring system(s) has not been inoperative, repaired, or adjusted, such information shall be stated in the report.
- b. The permittee shall submit reports of excess emissions and monitor downtime, in accordance with 40 CFR 60.7(c). Excess emissions shall be reported for all periods of unit operation, including startup, shutdown and malfunction. For the purpose of reports required under 40 CFR 60.7(c), periods of excess emissions and monitor downtime that shall be reported are defined as follows [40 CFR 60.334(j)(1)]:
 - i. Nitrogen oxides. For turbines using NO_x and diluent CEMS [40 CFR 60.334(j)(1)(iii)]:
 1. An hour of excess emissions shall be any unit operating hour in which the 4-hour rolling average NO_x concentration exceeds the applicable emission limit in 40 CFR 60.332(a)(1) or (2). For the purposes of 40 CFR 60, Subpart GG, a “4-hour rolling average NO_x concentration” is the arithmetic average of the average NO_x concentration measured by the CEMS for a given hour (corrected to 15 percent O₂ and, if required under 40 CFR 60.335(b)(1), to ISO standard conditions) and the three unit operating hour average NO_x concentrations immediately preceding that unit operating hour. [40 CFR 60.334(j)(1)(iii)(A)]
 2. A period of monitor downtime shall be any unit operating hour in which sufficient data are not obtained to validate the hour, for either NO_x concentration or diluent (or both). [40 CFR 60.334(j)(1)(iii)(B)]
 3. Each report shall include the ambient conditions (temperature, pressure, and humidity) at the time of the excess emission period and (if the permittee has claimed an emission allowance for fuel bound nitrogen) the nitrogen content of the fuel during the period of excess emissions. The permittee does not have to report ambient conditions if the permittee opts to use the worst case ISO correction factor as specified in 40 CFR 60.334(b)(3)(ii), or if the permittee is not using the ISO correction equation under the provisions of 40 CFR 60.335(b)(1). [40 CFR 60.334(j)(1)(iii)(C)]

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

- ii. Sulfur dioxide. Excess emissions of SO₂ are defined by each unit operating hour included in the period beginning on the date and hour of any sample (or as otherwise required in the custom fuel sulfur monitoring plan) for which the sulfur content of the fuel being fired in the gas turbine(s) exceeds the limitations set forth in **2. Emission Limitations**; and ending on the date and hour that a subsequent sample is taken that demonstrates compliance. These periods of excess emissions shall be reported quarterly [40 CFR 60.334(j)(2)].
 - iii. Ice fog. Each period during which an exemption provided in 40 CFR 60.332(f) is in effect shall be reported in writing to the Administrator in the semiannual report described in 40 CFR 60.334(k)(3). For each period, the ambient conditions existing during the period, the date and time the air pollution control system was deactivated, and the date and time the air pollution control system was reactivated shall be reported. [40 CFR 60.334(j)(3)]
- c. The reporting requirements for 40 CFR 60, Subpart GG shall be as follows: [40 CFR 60.334(k)]
- i. Reporting frequency. All reports required under 40 CFR 60.7(c) must be electronically submitted via the Compliance and Emissions Data Reporting Interface (CEDRI) by the 30th day following the end of each 6-month period. [40 CFR 60.334(k)(1)]
 - ii. Electronic reporting. Within 60 days after the date of completing each performance test or CEMS performance evaluation that includes a RATA, the permittee must submit the results following the procedures specified in 40 CFR 60.334(k)(4). The permittee must submit the report in a file format generated using the EPA's Electronic Reporting Tool (ERT). Alternatively, the permittee may submit an electronic file consistent with the extensible markup language (XML) schema listed on the EPA's ERT website (<https://www.epa.gov/electronic-reporting-air-emissions/electronic-reporting-tool-ert>) accompanied by the other information required by 40 CFR 60.8(f)(2) in PDF format. [40 CFR 60.334(k)(2)]
 - iii. General reporting requirements. The permittee must submit to the Administrator semiannual reports of the following recorded information. Beginning on January 15, 2027, or once the report template for 40 CFR 60, Subpart GG has been available on the CEDRI website (<https://www.epa.gov/electronic-reporting-air-emissions/cedri>) for one year, whichever date is later, submit all subsequent reports using the appropriate electronic report template on the CEDRI website for 40 CFR 60, Subpart GG and following the procedure specified 40 CFR 60.334(k)(4). The date report templates become available will be listed on the CEDRI website. Unless the Administrator or delegated State agency or other authority has approved a different schedule for submission of reports, the report must be submitted by the deadline specified in this subpart, regardless of the method in which the report is submitted. [40 CFR 60.334(k)(3)]
 - iv. CEDRI and CBI. If the permittee is required to submit notifications or reports following the procedure specified in 40 CFR 60.334(k)(4), the permittee must submit notifications or reports to the EPA via CEDRI, which can be accessed through the EPA's Central Data Exchange (CDX) (<https://cdx.epa.gov/>). The EPA will make all the information submitted through CEDRI available to the public without further

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

- notice to the permittee. Do not use CEDRI to submit information claimed as CBI. [40 CFR 60.334(k)(4)]
- v. System outage. If the permittee is required to electronically submit a report through CEDRI in the EPA's CDX, the permittee may assert a claim of EPA system outage for failure to timely comply with that reporting requirement. To assert a claim of EPA system outage, the permittee must meet the requirements outlined in 40 CFR 60.334(k)(5)(i) through (vii). [40 CFR 60.334(k)(5)]
 - vi. Force majeure If the permittee is required to electronically submit a report through CEDRI in the EPA's CDX, the permittee may assert a claim of *force majeure* for failure to timely comply with that reporting requirement. To assert a claim of *force majeure*, the permittee must meet the requirements outlined in 40 CFR 60.334(k)(6)(i) through (v). [40 CFR 60.334(k)(6)]
 - vii. Record availability. Any records required to be maintained by 40 CFR 60, Subpart GG that are submitted electronically via the EPA's CEDRI may be maintained in electronic format. This ability to maintain electronic copies does not affect the requirement for facilities to make records, data, and reports available upon request to a delegated air agency or the EPA as part of an on-site compliance evaluation. [40 CFR 60.334(k)(7)]
- d. See **Section F – Monitoring, Recordkeeping, and Reporting Requirements** for additional reporting requirements.
7. **Specific Control Equipment Operating Conditions:**
- a. The dry low-NO_x burners shall be operated while burning natural gas to maintain compliance with permitted emission limitations, in accordance with manufacturer's specifications and/or standard operating practices [401 KAR 50:055, Section 2].
 - b. The water injection systems shall be operated while burning fuel oil to maintain compliance with permitted emission limitations, in accordance with manufacturer's specifications and/or standard operating practices [401 KAR 50:055 Section 2].
 - c. See **Section E - Source Control Equipment Requirements** for additional control equipment requirements.

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**Emission Unit 04 (HTR)****Forced Draft Indirect Water Bath Heater****Description:**

Gas Tech Heater

Primary Fuel: Natural Gas

Maximum Continuous Rating: 5 MMBtu/hr

Construction Commenced: 2001

APPLICABLE REGULATIONS:**401 KAR 59:015**, *New indirect heat exchangers***STATE ORIGIN REQUIREMENTS:****401 KAR 63:020**, *Potentially hazardous matter or toxic substances***1. Operating Limitations:**

During a startup period or shutdown period the permittee shall comply with the work practice standards established in 401 KAR 59:015, Section 7: [401 KAR 59:015, Section 7]

- i. The permittee shall comply with 401 KAR 50:055, Section 2(5); [401 KAR 59:015, Section 7(1)(a)]
- ii. The frequency and duration of startup periods or shutdown periods shall be minimized by the affected facility; [401 KAR 59:015, Section 7(1)(b)]
- iii. All reasonable steps shall be taken by the permittee to minimize the impact of emissions on ambient air quality from the affected facility during startup periods and shutdown periods; [401 KAR 59:015, Section 7(1)(c)]
- iv. The actions, including the duration of the startup period, of the permittee during startup and shutdown periods, shall be documented by signed, contemporaneous logs or other relevant evidence; [401 KAR 59:015, Section 7(1)(d)]
- v. Startups and shutdowns shall be conducted according to either: [401 KAR 59:015, Section 7(1)(e)]
 1. The manufacturer's recommended procedures; or [401 KAR 59:015, Section 7(1)(e)1.]
 2. Recommended procedures for a unit of similar design, for which manufacturer's recommended procedures are available as approved by the cabinet based on documentation provided by the permittee. [401 KAR 59:015, Section 7(1)(e)2.]

Compliance Demonstration Method

Compliance shall be demonstrated according to 5. **Specific Recordkeeping Requirements** (b).

2. Emission Limitations:

- a. The permittee shall not cause emissions of particulate matter in excess of 0.56 lb/MMBtu [401 KAR 59:015, Section 4(1)(a)]
- b. The permittee shall not cause emissions of particulate matter in excess of 20 percent opacity, except: [401 KAR 59:015, Section 4(2)]
 - i. A maximum of 40 percent opacity shall be allowed for a maximum of 6 consecutive minutes in any 60 consecutive minutes during fire box cleaning or soot blowing; and [401 KAR 59:015, Section 4(2)(b)]
 - ii. For emissions from an affected facility caused by building a new fire, emissions

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

during the period required to bring the boiler up to operating conditions shall be allowed, if the method used is recommended by the manufacturer and the time does not exceed the manufacturer's recommendations. [401 KAR 59:015, Section 4(2)(c)]

- c. The permittee shall not cause emissions of gases that contain sulfur dioxide in excess of 3.0 lb/MMBtu actual heat input. [401 KAR 59:015, Section 5(1)(a)1.]

Compliance Demonstration Method:

Compliance with the 401 KAR 59:015 emission standards is assumed. [401 KAR 50:045, Section 4(3)(c)1.]

- d. The permittee shall provide the utmost care and consideration, in the handling of material from which hazardous matter or toxic substances may be emitted, to the potentially harmful effects of the emissions resulting from such activities. The permittee shall not allow any affected facility to emit potentially hazardous matter or toxic substances in such quantities or duration as to be harmful to the health and welfare of humans, animals and plants. Evaluation of such facilities as to adequacy of controls and/or procedures and emission potential will be made on an individual basis by the cabinet. [401 KAR 63:020, Section 3]

Compliance Demonstration Method:

Based upon the emission rates of toxic and hazardous air pollutants determined by the Cabinet using information provided in the application and supplemental information submitted by the source, the Cabinet determines the affected facility to be in compliance with 401 KAR 63:020.

3. Testing Requirements:

Performance testing using the reference methods specified in 401 KAR 50:015 shall be conducted if required by the Cabinet. [401 KAR 50:045, Section 1, and 401 KAR 59:005, Section 2(2)]

4. Specific Monitoring Requirements:

The permittee shall monitor the amount of fuel burned, in MMscf, and hours of operation for the unit on a monthly basis [401 KAR 52:020, Section 10].

5. Specific Recordkeeping Requirements:

- a. The permittee shall maintain records of the amount of fuel burned, in MMscf, and hours of operation for the unit on a monthly basis [401 KAR 52:020, Section 10].
- b. The permittee shall keep records of the manufacturer's recommended procedures for startup and shutdown, any instance in which the recommended procedures were not followed, and any corrective action taken. [401 KAR 52:020, Section 10]

6. Specific Reporting Requirements:

See **Section F – Monitoring, Recordkeeping, and Reporting Requirements** for general reporting requirements.

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

Emission Units 05-06

Two (2) Existing CI Emergency RICE <500 HP

Emission Unit	Description	Manufacture Date	Maximum Continuous Rating (HP)	Fuel	Control Equipment
05	Caterpillar 3306B Emergency Generator	2001	382	Diesel	None
06	Cummins 6BTA5.9-F1 Emergency Fire Pump		208		

APPLICABLE REGULATIONS:

401 KAR 63:002, Section 2(4)(eeee), 40 CFR 63.6580 through 63.6675, Tables 1a through 8, and Appendix A (**Subpart ZZZZ**), *National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines*

1. Operating Limitations:

- a. For each unit the permittee shall [40 CFR 63.6603(a), 40 CFR 63.6625(e), and 40 CFR 63.6625(i)]:
 - i. Change oil and filter every 500 hours of operation or annually, whichever comes first, or change oil utilizing an oil analysis program according to the methods and requirements in order to extend the specified oil change requirements.
 - ii. Inspect air cleaner every 1,000 hours of operation or annually, whichever comes first;
 - iii. Inspect all hoses and belts every 500 hours of operation or annually, whichever comes first, and replace as necessary.
 - iv. Minimize the engine's time spent at idle and minimize the engine's startup time at startup to a period needed for appropriate and safe loading of the engine, not to exceed 30 minutes, after which time the non-start emission limitations apply.

Compliance Demonstration:

The permittee shall operate and maintain the engines according to the manufacturer's emission-related operating and maintenance instructions, or develop and follow the permittee own maintenance plan which shall provide, to the extent practicable, for the maintenance and operation of the engine in a manner consistent with good air pollution control practice for minimizing emissions [40 CFR 63.6625(e)].

- b. For each unit, any operation other than emergency operation, maintenance and testing, and operation in non-emergency situations for fifty (50) hours per year is prohibited. There is no limit on the use of emergency stationary RICE in emergency situations. Maintenance checks and readiness testing of these units is limited to 100 hours per year. Operation of a unit in non-emergency situations is counted towards the 100 hours per year provided for maintenance and testing [40 CFR 63.6640(f)(1)(i)].

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

- c. The permittee shall be in compliance with the emission limitations and operating limitations in 40 CFR 63, Subpart ZZZZ that apply at all times [40 CFR 63.6605(a)].

2. Emission Limitations:

See **Section D – Source Emission Limitations and Testing Requirements** for source-wide emission limitations of CO and NO_x.

3. Testing Requirements:

Performance testing using the reference methods specified in 401 KAR 50:015 shall be conducted if required by the Cabinet. [401 KAR 50:045, Section 1,]

4. Specific Monitoring Requirements:

The permittee shall monitor the hours of operation on a monthly basis [401 KAR 52:020, Section 10].

5. Specific Recordkeeping Requirements:

- a. The permittee shall keep records of each notification and report that is submitted, the occurrence and duration of each malfunction of operation or the air pollution control and monitoring equipment, records of performance tests and performance evaluations as required in 40 CFR 63.10(b)(2)(viii), records of all required maintenance performed on the air pollution control and monitoring equipment, and records of actions taken during periods of malfunction to minimize emissions in accordance with 40 CFR 63.6605(b), including corrective actions to restore malfunctioning process and air pollution control and monitoring equipment to its normal or usual manner of operation [40 CFR 60.6655(a)].
- b. The permittee shall maintain records of the maintenance conducted on the engine in order to demonstrate that the engine were operated and maintained, including any after-treatment control device, according to the maintenance plan for the engine. [40 CFR 63.6655(e)].
- c. If the engines are not certified to the standards applicable to non-emergency engines (see Table 2d to 40 CFR 63, Subpart ZZZZ), then the permittee shall keep records of the hours of operation of the engine that is recorded through the non-resettable hour meter. The permittee shall document how many hours are spent for emergency operation; including what classified the operation as emergency and how many hours are spent for non-emergency operation. If the engines are used for demand response, records shall be kept of the notification of the emergency situation, and the time the engines were operated as part of demand response [40 CFR 63.6655(f)(1)].

6. Specific Reporting Requirements:

- a. The permittee shall report each instance in which the operating limitations in Subsection 1 have not been met. These instances are deviations from the emission and operating limitation in 40 CFR 63, Subpart ZZZZ and shall be reported according to 40 CFR 63.6650 [40 CFR 63.6640(b)].

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

- b. The permittee shall report each instance in which the requirements of Table 8 to 40 CFR 63, Subpart ZZZZ, that apply, have not been met [40 CFR 63.6640(e)]. The notifications listed in 40 CFR 63.7(b) and (c), 40 CFR 63.8(e), (f)(4) and (f)(6), 40 CFR 63.9(b) through (e), and (g) are not required [40 CFR 63.6645(a)(5)].
- c. See **Section F – Monitoring, Recordkeeping, and Reporting Requirements** for general reporting requirements.

SECTION C - INSIGNIFICANT ACTIVITIES

The following listed activities have been determined to be insignificant activities for this source pursuant to 401 KAR 52:020, Section 6. Although these activities are designated as insignificant the permittee shall comply with the applicable regulation. Process and emission control equipment at each insignificant activity subject to an opacity standard shall be inspected monthly and a qualitative visible emissions evaluation made. Results of the inspection, evaluation, and any corrective action shall be recorded in a log.

<u>Description</u>	<u>Generally Applicable Regulation</u>
1. Two (2) 3,0000 Gallon Tanks 19% Aqueous Ammonia Solutions	401 KAR 63:020
2. Two (2) 300 Gallon Diesel Fuel Storage Tanks	N/A
3. 3000 Gallon Oil/Water Separator Tank	N/A
4. 259 Gallon By-Product Condensate Tank	N/A
5. Fugitive Emissions from Natural Gas Fuel Handling System	401 KAR 63:010
6. Two Fuel Oil Storage Tanks (580,000 Gallons Each)	401 KAR 63:020
7. Fugitive Emissions from Fuel Oil Handling System	401 KAR 63:010
8. 1 MMgal Fuel Oil Storage Tank	401 KAR 63:020

SECTION D - SOURCE EMISSION LIMITATIONS AND TESTING REQUIREMENTS

1. As required by Section 1b of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26; compliance with annual emissions and processing limitations contained in this permit, shall be based on emissions and processing rates for any twelve (12) consecutive months.
2. Emissions of PM, SO₂, NO_x and CO, measured by applicable reference methods, or an equivalent or alternative method specified in 40 C.F.R. Chapter I, or by a test method specified in the state implementation plan shall not exceed the respective limitations specified herein.
3. To preclude the applicability of 401 KAR 51:017, source-wide emissions of CO shall not exceed 249 tons per year.

Compliance Demonstration:

The permittee shall calculate CO emissions on a monthly basis and maintain a 12-month rolling total of source-wide CO emissions. If the 12-month rolling total exceeds 225 tons of CO, the permittee shall calculate CO emissions on a daily basis and update the 12-month rolling total on a daily basis. When the 12-month rolling total of CO emissions is below 225 tons, the permittee may calculate and record emissions of CO on a monthly basis and calculate the 12-month rolling total emissions of CO on a monthly basis. CO emissions shall be calculated according to the following equation:

$$CO \text{ emissions } \left(\frac{\text{tons}}{\text{month}} \right) = CO_{CEMS} + CO_{CALC}$$

Where:

CO_{CEMS} = sum of CO emissions from CEMS on each turbine, in tons, on a monthly or daily basis, as appropriate

$$CO_{calc} \left(\frac{\text{tons}}{\text{month}} \right) = \text{Hours of Operation} \times \text{Emission Rate} \left(\frac{\text{lb}}{\text{hour}} \right) \times \frac{1 \text{ Ton}}{2000 \text{ lbs}}$$

Emission Unit(s)	Fuel	Emission Rate
04	Natural Gas	0.25 lb/hr
05	Diesel	2.38 lb/hr
06	Diesel	1.33 lb/hr

4. To preclude the applicability of 401 KAR 51:017, source-wide emissions of NO_x shall not exceed 99 tons per year, during any consecutive 12-month period.

Compliance Demonstration:

The permittee shall calculate NO_x emissions on a monthly basis and maintain a 12-month rolling total of source-wide NO_x emissions. If the 12-month rolling total emissions exceeds 90 tons of NO_x, the permittee shall calculate NO_x emissions on a daily basis and update the 12-month rolling total on a daily basis. When the 12-month rolling total of NO_x emissions is

SECTION D - SOURCE EMISSION LIMITATIONS AND TESTING REQUIREMENTS (CONTINUED)

below 90 tons the permittee may calculate and record emissions of NO_x on a monthly basis and calculate the 12-month rolling total emissions of NO_x on a monthly basis. NO_x emissions shall be calculated according to the following equation:

$$NO_x \text{ emissions } \left(\frac{\text{tons}}{\text{month}} \right) = NO_{x\text{CEMS}} + NO_{x\text{CALC}}$$

Where:

NO_{x CEMS} = sum of NO_x emissions from CEMS on each turbine, in tons, on a monthly or daily basis, as appropriate.

$$NO_{x\text{CALC}} \left(\frac{\text{tons}}{\text{hour}} \right) = \text{Hours of Operation} \times \text{Emission Rate} \left(\frac{\text{lb}}{\text{hour}} \right) \times \frac{1 \text{ Ton}}{2000 \text{ lbs}}$$

Emission Unit(s)	Fuel	Emission Rate
04	Natural Gas	0.6 lb/hr
05	Diesel	11.05 lb/hr
06	Diesel	6.17 lb/hrt

Records of tons of NO_x and CO emissions emitted from the source in any consecutive twelve (12) month period shall be reported quarterly to the Division's Frankfort Regional Office.

SECTION E - SOURCE CONTROL EQUIPMENT REQUIREMENTS

Pursuant to 401 KAR 50:055, Section 2(5), at all times, including periods of startup, shutdown and malfunction, owners and operators shall, to the extent practicable, maintain and operate any affected facility including associated air pollution control equipment in a manner consistent with good air pollution control practice for minimizing emissions. Determination of whether acceptable operating and maintenance procedures are being used will be based on information available to the Division which may include, but is not limited to, monitoring results, opacity observations, review of operating and maintenance procedures, and inspection of the source.

SECTION F - MONITORING, RECORDKEEPING, AND REPORTING REQUIREMENTS

1. Pursuant to Section 1b-IV-1 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26, when continuing compliance is demonstrated by periodic testing or instrumental monitoring, the permittee shall compile records of required monitoring information that include:
 - a. Date, place as defined in this permit, and time of sampling or measurements;
 - b. Analyses performance dates;
 - c. Company or entity that performed analyses;
 - d. Analytical techniques or methods used;
 - e. Analyses results; and
 - f. Operating conditions during time of sampling or measurement.
2. Records of all required monitoring data and support information, including calibrations, maintenance records, and original strip chart recordings, and copies of all reports required by the Division for Air Quality, shall be retained by the permittee for a period of five (5) years and shall be made available for inspection upon request by any duly authorized representative of the Division for Air Quality [Sections 1b-IV-2 and 1a-8 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
3. In accordance with the requirements of 401 KAR 52:020, Section 3(1)h, the permittee shall allow authorized representatives of the Cabinet to perform the following during reasonable times:
 - a. Enter upon the premises to inspect any facility, equipment (including air pollution control equipment), practice, or operation;
 - b. To access and copy any records required by the permit;
 - c. Sample or monitor, at reasonable times, substances or parameters to assure compliance with the permit or any applicable requirements.

Reasonable times are defined as during all hours of operation, during normal office hours; or during an emergency.

4. No person shall obstruct, hamper, or interfere with any Cabinet employee or authorized representative while in the process of carrying out official duties. Refusal of entry or access may constitute grounds for permit revocation and assessment of civil penalties.
5. Summary reports of any monitoring required by this permit shall be submitted to the Regional Office listed on the front of this permit at least every six (6) months during the life of this permit, unless otherwise stated in this permit. For emission units that were still under construction, or which had not commenced operation at the end of the 6-month period covered by the report and are subject to monitoring requirements in this permit, the report shall indicate that no monitoring was performed during the previous six months because the emission unit was not in operation [Sections 1b-V-1 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].

SECTION F - MONITORING, RECORDKEEPING, AND REPORTING REQUIREMENTS (CONTINUED)

6. The semi-annual reports are due by January 30th and July 30th of each year. All reports shall be certified by a responsible official pursuant to 401 KAR 52:020, Section 23. If continuous emission and opacity monitors are required by regulation or this permit, data shall be reported in accordance with the requirements of 401 KAR 59:005, General Provisions, Section 3(3). All deviations from permit requirements shall be clearly identified in the reports.
7. In accordance with the provisions of 401 KAR 50:055, Section 1, the permittee shall notify the Regional Office listed on the front of this permit concerning startups, shutdowns, or malfunctions as follows:
 - a. When emissions during any planned shutdowns and ensuing startups will exceed the standards, notification shall be made no later than three (3) days before the planned shutdown, or immediately following the decision to shut down, if the shutdown is due to events which could not have been foreseen three (3) days before the shutdown.
 - b. When emissions due to malfunctions, unplanned shutdowns and ensuing startups are or may be in excess of the standards, notification shall be made as promptly as possible by telephone (or other electronic media) and shall be submitted in writing upon request.
8. The permittee shall promptly report deviations from permit requirements, including those attributable to upset conditions as defined in the permit, the probable cause of such deviations, and any corrective actions or preventive measures taken shall be submitted to the Regional Office listed on the front of this permit. Where the underlying applicable requirement contains a definition of prompt or otherwise specifies a time frame for reporting deviations, that definition or time frame shall govern. Where the underlying applicable requirement does not identify a specific time frame for reporting deviations, prompt reporting, as required by Sections 1b-V, 3 and 4 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26, shall be defined as follows:
 - a. For emissions of a hazardous air pollutant or a toxic air pollutant (as identified in an applicable regulation) that continue for more than an hour in excess of permit requirements, the report must be made within 24 hours of the occurrence.
 - b. For emissions of any regulated air pollutant, excluding those listed in F.8.a., that continue for more than two hours in excess of permit requirements, the report must be made within 48 hours.
 - c. All deviations from permit requirements, including those previously reported, shall be included in the semiannual report required by F.6.
9. Pursuant to 401 KAR 52:020, Title V permits, Section 21, the permittee shall annually certify compliance with the terms and conditions contained in this permit, by completing and returning a Compliance Certification Form (DEP 7007CC) (or an alternative approved by the regional office) to the Regional Office listed on the front of this permit and the U.S. EPA in accordance with the following requirements:
 - a. Identification of the term or condition;
 - b. Compliance status of each term or condition of the permit;
 - c. Whether compliance was continuous or intermittent;
 - d. The method used for determining the compliance status for the source, currently and over the reporting period.

SECTION F - MONITORING, RECORDKEEPING, AND REPORTING REQUIREMENTS (CONTINUED)

- e. For an emissions unit that was still under construction, or which has not commenced operation at the end of the 12-month period covered by the annual compliance certification, the permittee shall indicate that the unit is under construction and that compliance with any applicable requirements will be demonstrated within the timeframes specified in the permit.
- f. The certification shall be submitted by January 30th of each year. Annual compliance certifications shall be sent to the following addresses:

Division for Air Quality	U.S. EPA Region 4
Frankfort Regional Office	Air Enforcement Branch
300 Sower Boulevard, 1 st Floor	Atlanta Federal Center
Frankfort, KY 40601	61 Forsyth St.
	Atlanta, GA 30303-8960

- 10. In accordance with 401 KAR 52:020, Section 22, the permittee shall provide the Division with all information necessary to determine its subject emissions within 30 days of the date the Kentucky Emissions Inventory System (KYEIS) emissions survey is mailed to the permittee.

SECTION G - GENERAL PROVISIONS

1. General Compliance Requirements

- a. The permittee shall comply with all conditions of this permit. Noncompliance shall be a violation of 401 KAR 52:020, Section 3(1)(b), and a violation of Federal Statute 42 USC 7401 through 7671q (the Clean Air Act). Noncompliance with this permit is grounds for enforcement action including but not limited to termination, revocation and reissuance, revision or denial of a permit [Section 1a-3 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
- b. The filing of a request by the permittee for any permit revision, revocation, reissuance, or termination, or of a notification of a planned change or anticipated noncompliance, shall not stay any permit condition [Section 1a-6 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
- c. This permit may be revised, revoked, reopened and reissued, or terminated for cause in accordance with 401 KAR 52:020, Section 19. The permit will be reopened for cause and revised accordingly under the following circumstances:
 - (1) If additional applicable requirements become applicable to the source and the remaining permit term is three (3) years or longer. In this case, the reopening shall be completed no later than eighteen (18) months after promulgation of the applicable requirement. A reopening shall not be required if compliance with the applicable requirement is not required until after the date on which the permit is due to expire, unless this permit or any of its terms and conditions have been extended pursuant to 401 KAR 52:020, Section 12;
 - (2) The Cabinet or the United States Environmental Protection Agency (U. S. EPA) determines that the permit shall be revised or revoked to assure compliance with the applicable requirements;
 - (3) The Cabinet or the U. S. EPA 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;
 - (4) New requirements become applicable to a source subject to the Acid Rain Program.Proceedings to reopen and reissue a permit shall follow the same procedures as apply to initial permit issuance and shall affect only those parts of the permit for which cause to reopen exists. Reopenings shall be made as expeditiously as practicable. Reopenings shall not be initiated before a notice of intent to reopen is provided to the source by the Division, at least thirty (30) days in advance of the date the permit is to be reopened, except that the Division may provide a shorter time period in the case of an emergency.
- d. The permittee shall furnish information upon request of the Cabinet to determine if cause exists for modifying, revoking and reissuing, or terminating the permit; or to determine compliance with the conditions of this permit [Sections 1a- 7 and 8 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
- e. Emission units described in this permit shall demonstrate compliance with applicable requirements if requested by the Division [401 KAR 52:020, Section 3(1)(c)].

SECTION G - GENERAL PROVISIONS (CONTINUED)

- f. The permittee, upon becoming aware that any relevant facts were omitted or incorrect information was submitted in the permit application, shall promptly submit such supplementary facts or corrected information to the permitting authority [401 KAR 52:020, Section 7(1)].
- g. Any condition or portion of this permit which becomes suspended or is ruled invalid as a result of any legal or other action shall not invalidate any other portion or condition of this permit [Section 1a-14 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
- h. The permittee shall not use as a defense in an enforcement action the contention that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance [Section 1a-4 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
- i. All emission limitations and standards contained in this permit shall be enforceable as a practical matter. All emission limitations and standards contained in this permit are enforceable by the U.S. EPA and citizens except for those specifically identified in this permit as state-origin requirements. [Section 1a-15 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
- j. This permit shall be subject to suspension if the permittee fails to pay all emissions fees within 90 days after the date of notice as specified in 401 KAR 50:038, Section 3(6) [Section 1a-10 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
- k. Nothing in this permit shall alter or affect the liability of the permittee for any violation of applicable requirements prior to or at the time of permit issuance [401 KAR 52:020, Section 11(3) b.].
- l. This permit does not convey property rights or exclusive privileges [Section 1a-9 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
- m. Issuance of this permit does not relieve the permittee from the responsibility of obtaining any other permits, licenses, or approvals required by the Cabinet or any other federal, state, or local agency.
- n. Nothing in this permit shall alter or affect the authority of U.S. EPA to obtain information pursuant to Federal Statute 42 USC 7414, Inspections, monitoring, and entry [401 KAR 52:020, Section 11(3) d.].
- o. Nothing in this permit shall alter or affect the authority of U.S. EPA to impose emergency orders pursuant to Federal Statute 42 USC 7603, Emergency orders [401 KAR 52:020, Section 11(3) a.].
- p. This permit consolidates the authority of any previously issued PSD, NSR, or Synthetic Minor source preconstruction permit terms and conditions for various emission units and incorporates all requirements of those existing permits into one single permit for this source.

SECTION G - GENERAL PROVISIONS (CONTINUED)

- q. Pursuant to 401 KAR 52:020, Section 11, a permit shield shall not protect the permittee from enforcement actions for violating an applicable requirement prior to or at the time of permit issuance. Compliance with the conditions of this permit shall be considered compliance with:
 - (1) Applicable requirements that are included and specifically identified in this permit;
and
 - (2) Non-applicable requirements expressly identified in this permit.

2. Permit Expiration and Reapplication Requirements

- a. This permit shall remain in effect for a fixed term of five (5) years following the original date of issue. Permit expiration shall terminate the source's right to operate unless a timely and complete renewal application has been submitted to the Division at least six (6) months prior to the expiration date of the permit. Upon a timely and complete submittal, the authorization to operate within the terms and conditions of this permit, including any permit shield, shall remain in effect beyond the expiration date, until the renewal permit is issued or denied by the Division [401 KAR 52:020, Section 12].
- b. The authority to operate granted shall cease to apply if the source fails to submit additional information requested by the Division after the completeness determination has been made on any application, by whatever deadline the Division sets [401 KAR 52:020, Section 8(2)].

3. Permit Revisions

- a. A minor permit revision procedure may be used for permit revisions involving the use of economic incentive, marketable permit, emission trading, and other similar approaches, to the extent that these minor permit revision procedures are explicitly provided for in the State Implementation Plan (SIP) or in applicable requirements and meet the relevant requirements of 401 KAR 52:020, Section 14(2).
- b. This permit is not transferable by the permittee. Future owners and operators shall obtain a new permit from the Division for Air Quality. The new permit may be processed as an administrative amendment if no other change in this permit is necessary, and provided that a written agreement containing a specific date for transfer of permit responsibility coverage and liability between the current and new permittee has been submitted to the permitting authority within ten (10) days following the transfer.

4. Construction, Start-Up, and Initial Compliance Demonstration Requirements

No construction is authorized by this permit (V-21-048 R1).

5. Testing Requirements

- a. Pursuant to 401 KAR 50:045, Section 2, a source required to conduct a performance test shall submit a completed Compliance Test Protocol form, DEP form 6028, or a test protocol a source has developed for submission to other regulatory agencies, in a format approved by the cabinet, to the Division's Frankfort Central Office a minimum of sixty (60) days prior to the scheduled test date. Pursuant to 401 KAR 50:045, Section 7, the Division shall be notified of the actual test date at least thirty (30) days prior to the test.

SECTION G - GENERAL PROVISIONS (CONTINUED)

- b. Pursuant to 401 KAR 50:045, Section 5, in order to demonstrate that a source is capable of complying with a standard at all times, any required performance test shall be conducted under normal conditions that are representative of the source's operations and create the highest rate of emissions. If [When] the maximum production rate represents a source's highest emissions rate and a performance test is conducted at less than the maximum production rate, a source shall be limited to a production rate of no greater than 110 percent of the average production rate during the performance tests. If and when the facility is capable of operation at the rate specified in the application, the source may retest to demonstrate compliance at the new production rate. The Division for Air Quality may waive these requirements on a case-by-case basis if the source demonstrates to the Division's satisfaction that the source is in compliance with all applicable requirements.
- c. Results of performance test(s) required by the permit shall be submitted to the Division by the source or its representative within forty-five days or sooner if required by an applicable standard, after the completion of the fieldwork.

6. Acid Rain Program Requirements

- a. If an applicable requirement of Federal Statute 42 USC 7401 through 7671q (the Clean Air Act) is more stringent than an applicable requirement promulgated pursuant to Federal Statute 42 USC 7651 through 7651o (Title IV of the Act), both provisions shall apply, and both shall be state and federally enforceable.
- b. The permittee shall comply with all applicable requirements and conditions of the Acid Rain Permit and the Phase II permit application (including the Phase II NO_x compliance plan and averaging plan, if applicable) incorporated into the Title V permit issued for this source. The source shall also comply with all requirements of any revised or future acid rain permit(s) issued to this source.

7. Emergency Provisions

- a. Pursuant to 401 KAR 52:020, Section 24(1), an emergency shall constitute an affirmative defense to an action brought for the noncompliance with the technology-based emission limitations if the permittee demonstrates through properly signed contemporaneous operating logs or relevant evidence that:
 - (1) An emergency occurred and the permittee can identify the cause of the emergency;
 - (2) The permitted facility was at the time being properly operated;
 - (3) During an emergency, the permittee took all reasonable steps to minimize levels of emissions that exceeded the emissions standards or other requirements in the permit; and
 - (4) Pursuant to 401 KAR 52:020, 401 KAR 50:055, and KRS 224.01-400, the permittee notified the Division as promptly as possible and submitted written notice of the emergency to the Division when emission limitations were exceeded due to an emergency. The notice shall include a description of the emergency, steps taken to mitigate emissions, and corrective actions taken.

SECTION G - GENERAL PROVISIONS (CONTINUED)

- (5) This requirement does not relieve the source of other local, state, or federal notification requirements.
 - b. Emergency conditions listed in General Condition G.7.a above are in addition to any emergency or upset provision(s) contained in an applicable requirement [401 KAR 52:020, Section 24(3)].
 - c. In an enforcement proceeding, the permittee seeking to establish the occurrence of an emergency shall have the burden of proof [401 KAR 52:020, Section 24(2)].
8. Ozone Depleting Substances
- a. The permittee shall comply with the standards for recycling and emissions reduction pursuant to 40 CFR 82, Subpart F, except as provided for Motor Vehicle Air Conditioners (MVACs) in Subpart B:
 - (1) Persons opening appliances for maintenance, service, repair, or disposal shall comply with the required practices contained in 40 CFR 82.156.
 - (2) Equipment used during the maintenance, service, repair, or disposal of appliances shall comply with the standards for recycling and recovery equipment contained in 40 CFR 82.158.
 - (3) Persons performing maintenance, service, repair, or disposal of appliances shall be certified by an approved technician certification program pursuant to 40 CFR 82.161.
 - (4) Persons disposing of small appliances, MVACs, and MVAC-like appliances (as defined at 40 CFR 82.152) shall comply with the recordkeeping requirements pursuant to 40 CFR 82.166
 - (5) Persons owning commercial or industrial process refrigeration equipment shall comply with the leak repair requirements pursuant to 40 CFR 82.156.
 - (6) Owners/operators of appliances normally containing 50 or more pounds of refrigerant shall keep records of refrigerant purchased and added to such appliances pursuant to 40 CFR 82.166.
 - b. If the permittee performs service on motor (fleet) vehicle air conditioners containing ozone-depleting substances, the source shall comply with all applicable requirements as specified in 40 CFR 82, Subpart B, *Servicing of Motor Vehicle Air Conditioners*.
9. Risk Management Provisions
- a. The permittee shall comply with all applicable requirements of 401 KAR Chapter 68, Chemical Accident Prevention, which incorporates by reference 40 CFR Part 68, Risk Management Plan provisions. If required, the permittee shall comply with the Risk Management Program and submit a Risk Management Plan to U.S. EPA using the RMP* eSubmit software.
 - b. If requested, submit additional relevant information to the Division or the U.S. EPA.

SECTION H - ALTERNATE OPERATING SCENARIOS

None

SECTION I - COMPLIANCE SCHEDULE

None

SECTION J - ACID RAIN PERMIT**1. Statement of Basis:**

Statutory and Regulatory Authorities: The Energy and Environmental Cabinet, Division for Air Quality issues this permit pursuant to 401 KAR 52:020, title V permits, 401 KAR 52:060, Acid rain permits, and 40 CFR 76 and in accordance to KRS 224.10-100 and Titles IV and V of the Clean Air Act.

2. SO₂ allowances allocated under this permit and NO_x requirements for each affected unit.

<u>Plant Name:</u> Bluegrass Generating Station, East Kentucky Power Cooperative, Inc.
<u>Affected Units:</u> (GTG-01) – EU03 (G7G03)

<u>SO₂ Allowances</u>	<u>Year</u>				
<u>Tables 2, 3, or 4 of</u>	2022	2023	2024	2025	2026
<u>40 CFR Part 73</u>	0	0	0	0	0

<u>NO_x Requirements</u>	
<u>NO_x Limits</u>	N/A

3. Comments, Notes, and Justifications:

- a. The three combustion turbines, Emission Units 01-03 have no SO₂ allowances allocated by U.S. EPA.
- b. The three combustion turbines, Emission Units 01-03 do not have applicable NO_x limits set by 40 CFR Part 76.

4. Permit Application:

The Acid Rain Permit Application and CAIR Permit Application are a part of this permit and the source shall comply with the standard requirements and special provisions set forth in the applications.

SECTION K - CLEAN AIR INTERSTATE RULE

1. **Statutory and Regulatory Authority:**

In accordance with KRS 224.10-100, the Kentucky Energy and Environmental Cabinet issues this permit pursuant to 401 KAR 52:020, Title V permits, 401 KAR 51:210, CAIR NO_x annual trading program, 401 KAR 51:220, CAIR NO_x Ozone season Trading Program, and 401 KAR 51:230, CAIR SO₂ Trading Program.

2. **Application and Requirements:**

The CAIR application for three (3) electrical generating units was submitted to the Division and received on July 5, 2007. The standard requirements and special provisions set forth in the application are hereby incorporated into and made part of this CAIR Permit. [401 KAR 51:210, 401 KAR 51:220, and 401 KAR 51:230]. Pursuant to 401 KAR 52:020, Section 3, the source shall operate in compliance with those requirements.

3. **Unit Description**

The affected units are three (3) natural gas-fired simple combustion turbines each rated at 2076 MMBtu /hour (EU 01, EU 02 and 03). Each unit has a capacity to generate 208MW of electricity, which is offered for sale.

4. **Summary of Actions**

The CAIR Permit is being re-issued in conjunction with the Title V permit.

A December 2008 court decision kept the requirements of CAIR in place temporarily but directed EPA to issue a new rule to implement Clean Air Act requirements concerning the transport of air pollution across state boundaries. On July 6, 2011, EPA finalized the Cross-State Air Pollution Rule (CSAPR). On December 30, 2011, CSAPR was stayed prior to implementation. On April 29, 2014, the United States Supreme Court issued an opinion reversing an August 21, 2012 D.C. Circuit decision that had vacated CSAPR. Following the remand of the case to the appellate court, EPA requested that the court lift the CSAPR stay and toll the CSAPR compliance deadlines by three years. On October 23, 2014 EPA's request was granted. CSAPR Phase I implementation is now in place and replaces requirements under CAIR.

SECTION L - CROSS-STATE AIR POLLUTION RULE (CSAPR)

The CSAPR subject units, and the unit-specific monitoring provisions at this source, are identified in the following tables. These units are subject to the requirements for the CSAPR NO_x Annual Trading Program, CSAPR NO_x Ozone Season Group 2 Trading Program, and CSAPR SO₂ Group 1 Trading Program

Unit ID 01 thru 03: Three natural gas fired simple cycle turbines.					
Parameter	Continuous emission monitoring system or systems (CEMS) requirements pursuant to 40 CFR part 75, Subpart B (for SO ₂ monitoring) and 40 CFR part 75, Subpart H (for NO _x monitoring)	Excepted monitoring system requirements for gas- and oil-fired units pursuant to 40 CFR part 75, appendix D	Excepted monitoring system requirements for gas- and oil-fired peaking units pursuant to 40 CFR part 75, appendix E	Low Mass Emissions excepted monitoring (LME) requirements for gas- and oil-fired units pursuant to 40 CFR 75.19	EPA-approved alternative monitoring system requirements pursuant to 40 CFR part 75, Subpart E
SO ₂		X			
NO _x	X				
Heat input	X				

1. The above description of the monitoring used by a unit does not change, create an exemption from, or otherwise affect the monitoring, recordkeeping, and reporting requirements applicable to the unit under 401 KAR 51:240, Section 3(25) through 401 KAR 51:240, Section 3(30) (CSAPR NO_x Annual Trading Program), 401 KAR 51:250 Section 3(25) through 401 KAR 51:250, Section 3(30) (CSAPR NO_x Ozone Season Group 2 Trading Program), and 401 KAR 51:260 Section 3(25) through 401 KAR 51:260, Section 3(30) (CSAPR SO₂ Group 1 Trading Program). The monitoring, recordkeeping, and reporting requirements applicable to each unit are included below in the standard conditions for the applicable CSAPR trading programs.
2. Owners and operators must submit to the Administrator a monitoring plan for each unit in accordance with 40 CFR 75.53, 75.62 and 75.73, as applicable. The monitoring plan for each unit is available at the EPA's website:
<http://www.epa.gov/airmarkets/emissions/monitoringplans.html>.

SECTION L - CROSS-STATE AIR POLLUTION RULE (CONTINUED)

3. Owners and operators that want to use an alternative monitoring system must submit to the Administrator a petition requesting approval of the alternative monitoring system in accordance with 40 CFR 75, Subpart E and 40 CFR 75.66 and 401 KAR 51:240, Section 3(30) (CSAPR NO_x Annual Trading Program), 401 KAR 51:250, Section 3(30) (CSAPR NO_x Ozone Season Group 2 Trading Program), and/or 401 KAR 51:260, Section 3(30) (CSAPR SO₂ Group 1 Trading Program). The Administrator's response approving or disapproving any petition for an alternative monitoring system is available on the EPA's website at:
<http://www.epa.gov/airmarkets/emissions/petitions.html>.
4. Owners and operators that want to use an alternative to any monitoring, recordkeeping, or reporting requirements under 401 KAR 51:240, Section 3(25) through 401 KAR 51:240, Section 3(29) (CSAPR NO_x Annual Trading Program), 401 KAR 51:250, Section 3(25) through 401 KAR 51:250, Section 3(29) (CSAPR NO_x Ozone Season Group 2 Trading Program), and/or 401 KAR 51:260, Section 3(25) through 401 KAR 51:260, Section 3(29) (CSAPR SO₂ Group 1 Trading Program) must submit to the Administrator a petition requesting approval of the alternative in accordance with 401 KAR 51:240, Section 3(30) (CSAPR NO_x Annual Trading Program), 401 KAR 51:250, Section 3(30) (CSAPR SO₂ Group 1 Trading Program), and 401 KAR 51:260, Section 3(30) (CSAPR NO_x Ozone Season Group 2 Trading Program). The Administrator's response approving or disapproving any petition for an alternative to a monitoring, recordkeeping, or reporting requirement is available on the EPA's website at <http://www.epa.gov/airmarkets/emissions/petitions.html>.
5. The descriptions of monitoring applicable to the unit included above meet the requirement of 401 KAR 51:240, Section 3(25) through 401 KAR 51:240, Section 3(29) (CSAPR NO_x Annual Trading Program), 401 KAR 51:250, Section 3(25) through 401 KAR 51:250, Section 3(29) (CSAPR NO_x Ozone Season Group 2 Trading Program), and 401 KAR 51:260, Section 3(25) through 401 KAR 51:260, Section 3(29) (CSAPR SO₂ Group 1 Trading Program), and therefore minor permit modification procedures, in accordance with 40 CFR 70.7(e)(2)(i)(B), may be used to add or change this unit's monitoring system description.

CSAPR NO_x Annual Trading Program requirements (401 KAR 51:240, Section 3(4))**a) Designated representative requirements.**

The owners and operators shall comply with the requirement to have a designated representative, and may have an alternate designated representative, in accordance with 401 KAR 51:240, Section 3(10) through 401 KAR 51:240, Section 3(15).

b) Emissions monitoring, reporting, and recordkeeping requirements.

- 1) The owners and operators, and the designated representative, of each CSAPR NO_x Annual source and each CSAPR NO_x Annual unit at the source shall comply with the monitoring, reporting, and recordkeeping requirements of 401 KAR 51:240, Section 3(25) (general requirements, including installation, certification, and data accounting, compliance deadlines, reporting data, prohibitions, and long-term cold storage), 401 KAR 51:240, Section 3(26) (initial monitoring system certification and recertification procedures), 401 KAR 51:240, Section 3(27) (monitoring system out-of-control periods), 401 KAR 51:240, Section 3(28) (notifications concerning monitoring), 401 KAR 51:240, Section 3(29) (recordkeeping and reporting, including monitoring plans, certification

SECTION L - CROSS-STATE AIR POLLUTION RULE (CONTINUED)

applications, quarterly reports, and compliance certification), and 401 KAR 51:240, Section 3(30) (petitions for alternatives to monitoring, recordkeeping, or reporting requirements).

- 2) The emissions data determined in accordance with 401 KAR 51:240, Section 3(25) through 401 KAR 51:240, Section 3(30) shall be used to calculate allocations of CSAPR NO_x Annual allowances under 401 KAR 51:240, Section 3(8) (40 CFR 97.411(a)(2) and (b)) and 401 KAR 51:240, Section 3(9) and to determine compliance with the CSAPR NO_x Annual emissions limitation and assurance provisions under paragraph (c) below, provided that, for each monitoring location from which mass emissions are reported, the mass emissions amount used in calculating such allocations and determining such compliance shall be the mass emissions amount for the monitoring location determined in accordance with 401 KAR 51:240, Section 3(25) through 401 KAR 51:240, Section 3(30) and rounded to the nearest ton, with any fraction of a ton less than 0.50 being deemed to be zero.

c) NO_x emissions requirements.

- 1) CSAPR NO_x Annual emissions limitation.
 - i) As of the allowance transfer deadline for a control period in a given year, the owners and operators of each CSAPR NO_x Annual source and each CSAPR NO_x Annual unit at the source shall hold, in the source's compliance account, CSAPR NO_x Annual allowances available for deduction for such control period under 401 KAR 51:240, Section 3(20) (40 CFR 97.424(a)) in an amount not less than the tons of total NO_x emissions for such control period from all CSAPR NO_x Annual units at the source.
 - ii) If total NO_x emissions during a control period in a given year from the CSAPR NO_x Annual units at a CSAPR NO_x Annual source are in excess of the CSAPR NO_x Annual emissions limitation set forth in paragraph (c)(1)(i) above, then:
 - A) The owners and operators of the source and each CSAPR NO_x Annual unit at the source shall hold the CSAPR NO_x Annual allowances required for deduction under 401 KAR 51:240, Section 3(20) (40 CFR 97.424(d)); and
 - B) The owners and operators of the source and each CSAPR NO_x Annual unit at the source shall pay any fine, penalty, or assessment or comply with any other remedy imposed, for the same violations, under the Clean Air Act, and each ton of such excess emissions and each day of such control period shall constitute a separate violation of 401 KAR 51:240 and the Clean Air Act.
- 2) CSAPR NO_x Annual assurance provisions.
 - i) If total NO_x emissions during a control period in a given year from all CSAPR NO_x Annual units at CSAPR NO_x Annual sources in the state exceed the state assurance level, then the owners and operators of such sources and units in each group of one or more sources and units having a common designated representative for such control period, where the common designated representative's share of such NO_x emissions during such control period exceeds the common designated representative's assurance level for the state and such control period, shall hold (in the assurance account established for the owners and operators of such group) CSAPR NO_x Annual allowances available for deduction for such control period under 401 KAR 51:240, Section 3(21) (40 CFR 97.425(a)) in an amount equal to two times the product (rounded to the nearest whole number), as determined by the Administrator in accordance with 401 KAR 51:240, Section 3(21) (40 CFR 97.425(b)), of multiplying— (A) The quotient of the amount by which the common designated

SECTION L - CROSS-STATE AIR POLLUTION RULE (CONTINUED)

- representative's share of such NO_x emissions exceeds the common designated representative's assurance level divided by the sum of the amounts, determined for all common designated representatives for such sources and units in the state for such control period, by which each common designated representative's share of such NO_x emissions exceeds the respective common designated representative's assurance level; and (B) The amount by which total NO_x emissions from all CSAPR NO_x Annual units at CSAPR NO_x Annual sources in the state for such control period exceed the state assurance level.
- ii) The owners and operators shall hold the CSAPR NO_x Annual allowances required under paragraph (c)(2)(i) above, as of midnight of November 1 (if it is a business day), or midnight of the first business day thereafter (if November 1 is not a business day), immediately after such control period.
 - iii) Total NO_x emissions from all CSAPR NO_x Annual units at CSAPR NO_x Annual sources in the State during a control period in a given year exceed the state assurance level if such total NO_x emissions exceed the sum, for such control period, of the state NO_x Annual trading budget under 401 KAR 51:240, Section 3(7)(a)(1) and the state's variability limit under 401 KAR 51:240, Section 3(7)(a)(3).
 - iv) It shall not be a violation of 401 KAR 51:240, or of the Clean Air Act if total NO_x emissions from all CSAPR NO_x Annual units at CSAPR NO_x Annual sources in the State during a control period exceed the state assurance level or if a common designated representative's share of total NO_x emissions from the CSAPR NO_x Annual units at CSAPR NO_x Annual sources in the state during a control period exceeds the common designated representative's assurance level.
 - v) To the extent the owners and operators fail to hold CSAPR NO_x Annual allowances for a control period in a given year in accordance with paragraphs (c)(2)(i) through (iii) above.
 - A) The owners and operators shall pay any fine, penalty, or assessment or comply with any other remedy imposed under the Clean Air Act; and
 - B) Each CSAPR NO_x Annual allowance that the owners and operators fail to hold for such control period in accordance with paragraphs (c)(2)(i) through (iii) above and each day of such control period shall constitute a separate violation of 401 KAR 51:240, and the Clean Air Act.
- 3) Compliance periods.
- i) A CSAPR NO_x Annual unit shall be subject to the requirements under paragraph (c)(1) above for the control period starting on the later of January 1, 2015, or the deadline for meeting the unit's monitor certification requirements under 401 KAR 51:240, Section 3(25) (40 CFR 97.430(b)) and for each control period thereafter.
 - ii) A CSAPR NO_x Annual unit shall be subject to the requirements under paragraph (c)(2) above for the control period starting on the later of January 1, 2017 or the deadline for meeting the unit's monitor certification requirements under 401 KAR 51:240, Section 3(25) (40 CFR 97.430(b)) and for each control period thereafter.
- 4) Vintage of allowances held for compliance.
- i) A CSAPR NO_x Annual allowance held for compliance with the requirements under paragraph (c)(1)(i) above for a control period in a given year shall be a CSAPR NO_x Annual allowance that was allocated for such control period or a control period in a prior year.

SECTION L - CROSS-STATE AIR POLLUTION RULE (CONTINUED)

- ii) A CSAPR NO_x Annual allowance held for compliance with the requirements under paragraphs (c)(1)(ii)(A) and (2)(i) through (iii) above for a control period in a given year shall be a CSAPR NO_x Annual allowance that was allocated for a control period in a prior year or the control period in the given year or in the immediately following year.
- 5) Allowance Management System requirements. Each CSAPR NO_x Annual allowance shall be held in, deducted from, or transferred into, out of, or between Allowance Management System accounts in accordance with 401 KAR 51:240.
- 6) Limited authorization. A CSAPR NO_x Annual allowance is a limited authorization to emit one ton of NO_x during the control period in one year. Such authorization is limited in its use and duration as follows:
 - i) Such authorization shall only be used in accordance with the CSAPR NO_x Annual Trading Program; and
 - ii) Notwithstanding any other provision of 40 CFR 97, the Administrator has the authority to terminate or limit the use and duration of such authorization to the extent the Administrator determines is necessary or appropriate to implement any provision of the Clean Air Act.
- 7) Property right. A CSAPR NO_x Annual allowance does not constitute a property right.
- d) Title V permit revision requirements.**
 - 1) No Title V permit revision shall be required for any allocation, holding, deduction, or transfer of CSAPR NO_x Annual allowances in accordance with 401 KAR 51:240.
 - 2) This permit incorporates the CSAPR emissions monitoring, recordkeeping, and reporting requirements pursuant to 401 KAR 51:240, Section 3(25) through 401 KAR 51:240, Section 3(30), and the requirements for a continuous emission monitoring system (pursuant to 40 CFR 75, Subparts B and H), an excepted monitoring system (pursuant to 40 CFR 75, Appendices D and E), a low mass emissions excepted monitoring methodology (pursuant to 40 CFR 75.19), and an alternative monitoring system (pursuant to 40 CFR 75, Subpart E). Therefore, the Description of CSAPR Monitoring Provisions table for units identified in this permit may be added to, or changed, in this Title V permit using minor permit modification procedures in accordance with 401 KAR 51:240, Section 3(4) (40 CFR 97.406(d)(2)) and 70.7(e)(2)(i)(B).
- e) Additional recordkeeping and reporting requirements.**
 - 1) Unless otherwise provided, the owners and operators of each CSAPR NO_x Annual source and each CSAPR NO_x Annual unit at the source shall maintain on site at the source each of the following documents (in hardcopy or electronic format) for a period of 5 years from the date the document is created. This period may be extended for cause, at any time before the end of 5 years, in writing by the Administrator.
 - i) The certificate of representation under 401 KAR 51:240, Section 3(13) for the designated representative for the source and each CSAPR NO_x Annual unit at the source and all documents that demonstrate the truth of the statements in the certificate of representation; provided that the certificate and documents shall be retained on site at the source beyond such 5-year period until such certificate of representation and documents are superseded because of the submission of a new certificate of representation under 401 KAR 51:240, Section 3(13) changing the designated representative.
 - ii) All emissions monitoring information, in accordance with 401 KAR 51:240.

SECTION L - CROSS-STATE AIR POLLUTION RULE (CONTINUED)

- iii) Copies of all reports, compliance certifications, and other submissions and all records made or required under, or to demonstrate compliance with the requirements of, the CSAPR NO_x Annual Trading Program.
 - 2) The designated representative of a CSAPR NO_x Annual source and each CSAPR NO_x Annual unit at the source shall make all submissions required under the CSAPR NO_x Annual Trading Program, except as provided in 401 KAR 51:240, Section 3(15). This requirement does not change, create an exemption from, or otherwise affect the responsible official submission requirements under a Title V operating permit program in 40 CFR 70.
- f) Liability.**
- 1) Any provision of the CSAPR NO_x Annual Trading Program that applies to a CSAPR NO_x Annual source or the designated representative of a CSAPR NO_x Annual source shall also apply to the owners and operators of such source and of the CSAPR NO_x Annual units at the source.
 - 2) Any provision of the CSAPR NO_x Annual Trading Program that applies to a CSAPR NO_x Annual unit or the designated representative of a CSAPR NO_x Annual unit shall also apply to the owners and operators of such unit.
- g) Effect on other authorities.**
- No provision of the CSAPR NO_x Annual Trading Program or exemption under 401 KAR 51:240, Section 3(3) shall be construed as exempting or excluding the owners and operators, and the designated representative, of a CSAPR NO_x Annual source or CSAPR NO_x Annual unit from compliance with any other provision of the applicable, approved state implementation plan, a federally enforceable permit, or the Clean Air Act.

CSAPR NO_x Ozone Season Group 2 Group 2 Trading Program Requirements (401 KAR 51:250, Section 3(4))

a) Designated representative requirements.

The owners and operators shall comply with the requirement to have a designated representative, and may have an alternate designated representative, in accordance with 401 KAR 51:250, Section 3(10) through 401 KAR 51:250, Section 3(15).

b) Emissions monitoring, reporting, and recordkeeping requirements.

- 1) The owners and operators, and the designated representative, of each CSAPR NO_x Ozone Season Group 2 source and each CSAPR NO_x Ozone Season Group 2 unit at the source shall comply with the monitoring, reporting, and recordkeeping requirements of 401 KAR 51:250, Section 3(25) (general requirements, including installation, certification, and data accounting, compliance deadlines, reporting data, prohibitions, and long-term cold storage), 401 KAR 51:250, Section 3(26) (initial monitoring system certification and recertification procedures), 401 KAR 51:250, Section 3(27) (monitoring system out-of-control periods), 401 KAR 51:250, Section 3(28) (notifications concerning monitoring), 401 KAR 51:250, Section 3(29) (recordkeeping and reporting, including monitoring plans, certification applications, quarterly reports, and compliance certification), and 401 KAR 51:250, Section 3(30) (petitions for alternatives to monitoring, recordkeeping, or reporting requirements).
- 2) The emissions data determined in accordance with 401 KAR 51:250, Section 3(25) through 401 KAR 51:250, Section 3(30) shall be used to calculate allocations of CSAPR NO_x Ozone Season Group 2 allowances under 401 KAR 51:250, Section 3(8) (40 CFR 97.811(a)(2) and (b)) and 401 KAR 51:250, Section 3(9) (40 CFR 97.812) and to

SECTION L - CROSS-STATE AIR POLLUTION RULE (CONTINUED)

determine compliance with the CSAPR NO_x Ozone Season Group 2 emissions limitation and assurance provisions under paragraph (c) below, provided that, for each monitoring location from which mass emissions are reported, the mass emissions amount used in calculating such allocations and determining such compliance shall be the mass emissions amount for the monitoring location determined in accordance with 401 KAR 51:250, Section 3(25) through 401 KAR 51:250, Section 3(30) and rounded to the nearest ton, with any fraction of a ton less than 0.50 being deemed to be zero.

c) NO_x emissions requirements.**1) CSAPR NO_x Ozone Season Group 2 emissions limitation.**

- i) As of the allowance transfer deadline for a control period in a given year, the owners and operators of each CSAPR NO_x Ozone Season Group 2 source and each CSAPR NO_x Ozone Season Group 2 unit at the source shall hold, in the source's compliance account, CSAPR NO_x Ozone Season Group 2 allowances available for deduction for such control period under 401 KAR 51:250, Section 3(20) (40 CFR 97.824(a)) in an amount not less than the tons of total NO_x emissions for such control period from all CSAPR NO_x Ozone Season Group 2 units at the source.
- ii) If total NO_x emissions during a control period in a given year from the CSAPR NO_x Ozone Season Group 2 units at a CSAPR NO_x Ozone Season Group 2 source are in excess of the CSAPR NO_x Ozone Season Group 2 emissions limitation set forth in paragraph (c)(1)(i) above, then:
 - A) The owners and operators of the source and each CSAPR NO_x Ozone Season Group 2 unit at the source shall hold the CSAPR NO_x Ozone Season Group 2 allowances required for deduction under 401 KAR 51:250, Section 3(20) (40 CFR 97.824(d)); and
 - B) The owners and operators of the source and each CSAPR NO_x Ozone Season Group 2 unit at the source shall pay any fine, penalty, or assessment or comply with any other remedy imposed, for the same violations, under the Clean Air Act, and each ton of such excess emissions and each day of such control period shall constitute a separate violation of 401 KAR 51:250, and the Clean Air Act.

2) CSAPR NO_x Ozone Season Group 2 assurance provisions.

- i) If total NO_x emissions during a control period in a given year from all CSAPR NO_x Ozone Season Group 2 units at CSAPR NO_x Ozone Season Group 2 sources in the state exceed the state assurance level, then the owners and operators of such sources and units in each group of one or more sources and units having a common designated representative for such control period, where the common designated representative's share of such NO_x emissions during such control period exceeds the common designated representative's assurance level for the state and such control period, shall hold (in the assurance account established for the owners and operators of such group) CSAPR NO_x Ozone Season Group 2 allowances available for deduction for such control period under 401 KAR 51:250, Section 3(21) (40 CFR 97.825(a)) in an amount equal to two times the product (rounded to the nearest whole number), as determined by the Administrator in accordance with 401 KAR 51:250, Section 3(21) (40 CFR 97.825(b)), of multiplying—
 - A) The quotient of the amount by which the common designated representative's share of such NO_x emissions exceeds the common designated representative's assurance level divided by the sum of the amounts, determined for all common

SECTION L - CROSS-STATE AIR POLLUTION RULE (CONTINUED)

- designated representatives for such sources and units in the state for such control period, by which each common designated representative's share of such NO_x emissions exceeds the respective common designated representative's assurance level; and
- B) The amount by which total NO_x emissions from all CSAPR NO_x Ozone Season Group 2 units at CSAPR NO_x Ozone Season Group 2 sources in the state for such control period exceed the state assurance level.
- ii) The owners and operators shall hold the CSAPR NO_x Ozone Season Group 2 allowances required under paragraph (c)(2)(i) above, as of midnight of November 1 (if it is a business day), or midnight of the first business day thereafter (if November 1 is not a business day), immediately after such control period.
- iii) Total NO_x emissions from all CSAPR NO_x Ozone Season Group 2 units at CSAPR NO_x Ozone Season Group 2 sources in the state during a control period in a given year exceed the state assurance level if such total NO_x emissions exceed the sum, for such control period, of the State NO_x Ozone Season Group 2 trading budget under 401 KAR 51:250, Section 3(7)(a)(1) (40 CFR 97.810(a)) and the state's variability limit under 401 KAR 51:250, Section 3(7)(a)(3) (40 CFR 97.810(b)).
- iv) It shall not be a violation of 401 KAR 51:250, or of the Clean Air Act if total NO_x emissions from all CSAPR NO_x Ozone Season Group 2 units at CSAPR NO_x Ozone Season Group 2 sources in the state during a control period exceed the state assurance level or if a common designated representative's share of total NO_x emissions from the CSAPR NO_x Ozone Season Group 2 units at CSAPR NO_x Ozone Season Group 2 sources in the state during a control period exceeds the common designated representative's assurance level.
- v) To the extent the owners and operators fail to hold CSAPR NO_x Ozone Season Group 2 allowances for a control period in a given year in accordance with paragraphs (c)(2)(i) through (iii) above.
- A) The owners and operators shall pay any fine, penalty, or assessment or comply with any other remedy imposed under the Clean Air Act; and
- B) Each CSAPR NO_x Ozone Season Group 2 allowance that the owners and operators fail to hold for such control period in accordance with paragraphs (c)(2)(i) through (iii) above and each day of such control period shall constitute a separate violation of 401 KAR 51:250, and the Clean Air Act.
- 3) Compliance periods.
- i) A CSAPR NO_x Ozone Season Group 2 unit shall be subject to the requirements under paragraph (c)(1) above for the control period starting on the later of May 1, 2015 or the deadline for meeting the unit's monitor certification requirements under 401 KAR 51:250, Section 3(25) (40 CFR 97.830(b)) and for each control period thereafter.
- ii) A CSAPR NO_x Ozone Season Group 2 unit shall be subject to the requirements under paragraph (c)(2) above for the control period starting on the later of May 1, 2017 or the deadline for meeting the unit's monitor certification requirements under 401 KAR 51:250, Section 3(25) (40 CFR 97.830(b)) and for each control period thereafter.
- 4) Vintage of allowances held for compliance.
- i) A CSAPR NO_x Ozone Season Group 2 allowance held for compliance with the requirements under paragraph (c)(1)(i) above for a control period in a given year shall be a CSAPR NO_x Ozone Season Group 2 allowance that was allocated for such control period or a control period in a prior year.

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- ii) A CSAPR NO_x Ozone Season Group 2 allowance held for compliance with the requirements under paragraphs (c)(1)(ii)(A) and (2)(i) through (iii) above for a control period in a given year shall be a CSAPR NO_x Ozone Season Group 2 allowance that was allocated for a control period in a prior year or the control period in the given year or in the immediately following year.
 - 5) Allowance Management System requirements. Each CSAPR NO_x Ozone Season Group 2 allowance shall be held in, deducted from, or transferred into, out of, or between Allowance Management System accounts in accordance with 401 KAR 51:250.
 - 6) Limited authorization. A CSAPR NO_x Ozone Season Group 2 allowance is a limited authorization to emit one ton of NO_x during the control period in one year. Such authorization is limited in its use and duration as follows:
 - i) Such authorization shall only be used in accordance with the CSAPR NO_x Ozone Season Group 2 Trading Program; and
 - ii) Notwithstanding any other provision of 401 KAR 51:250, the Administrator has the authority to terminate or limit the use and duration of such authorization to the extent the Administrator determines is necessary or appropriate to implement any provision of the Clean Air Act.
 - 7) Property right. A CSAPR NO_x Ozone Season Group 2 allowance does not constitute a property right.
- d) Title V permit revision requirements.**
- 1) No Title V permit revision shall be required for any allocation, holding, deduction, or transfer of CSAPR NO_x Ozone Season Group 2 allowances in accordance with 401 KAR 51:250.
 - 2) This permit incorporates the CSAPR emissions monitoring, recordkeeping and reporting requirements pursuant to 401 KAR 51:250, Section 3(25) through 401 KAR 51:250, Section 3(30), and the requirements for a continuous emission monitoring system (pursuant to 40 CFR 75, Subparts B and H), an excepted monitoring system (pursuant to 40 CFR 75, Appendices D and E), a low mass emissions excepted monitoring methodology (pursuant to 40 CFR 75.19), and an alternative monitoring system (pursuant to 40 CFR 75, Subpart E). Therefore, the Description of CSAPR Monitoring Provisions table for units identified in this permit may be added to, or changed, in this Title V permit using minor permit modification procedures in accordance with 401 KAR 51:250, Section 3(4) (40 CFR 97.806(d)(2)) and 70.7(e)(2)(i)(B).
- e) Additional recordkeeping and reporting requirements.**
- 1) Unless otherwise provided, the owners and operators of each CSAPR NO_x Ozone Season Group 2 source and each CSAPR NO_x Ozone Season Group 2 unit at the source shall maintain on site at the source each of the following documents (in hardcopy or electronic format) for a period of 5 years from the date the document is created. This period may be extended for cause, at any time before the end of 5 years, in writing by the Administrator.
 - i) The certificate of representation under 401 KAR 51:250, Section 3(13) for the designated representative for the source and each CSAPR NO_x Ozone Season Group 2 unit at the source and all documents that demonstrate the truth of the statements in the certificate of representation; provided that the certificate and documents shall be retained on site at the source beyond such 5-year period until such certificate of representation and documents are superseded because of the submission of a new certificate of representation under 401 KAR 51:250, Section 3(13) changing the designated representative.

SECTION L - CROSS-STATE AIR POLLUTION RULE (CONTINUED)

- ii) All emissions monitoring information, in accordance with 401 KAR 51:250.
 - iii) Copies of all reports, compliance certifications, and other submissions and all records made or required under, or to demonstrate compliance with the requirements of, the CSAPR NO_x Ozone Season Group 2 Trading Program.
 - 2) The designated representative of a CSAPR NO_x Ozone Season Group 2 source and each CSAPR NO_x Ozone Season Group 2 unit at the source shall make all submissions required under the CSAPR NO_x Ozone Season Group 2 Trading Program, except as provided in 401 KAR 51:250, Section 3(15). This requirement does not change, create an exemption from, or otherwise affect the responsible official submission requirements under a Title V operating permit program in 40 CFR 70.
- f) Liability.**
- 1) Any provision of the CSAPR NO_x Ozone Season Group 2 Trading Program that applies to a CSAPR NO_x Ozone Season Group 2 source or the designated representative of a CSAPR NO_x Ozone Season Group 2 source shall also apply to the owners and operators of such source and of the CSAPR NO_x Ozone Season Group 2 units at the source.
 - 2) Any provision of the CSAPR NO_x Ozone Season Group 2 Trading Program that applies to a CSAPR NO_x Ozone Season Group 2 unit or the designated representative of a CSAPR NO_x Ozone Season Group 2 unit shall also apply to the owners and operators of such unit.
- g) Effect on other authorities.**
- No provision of the CSAPR NO_x Ozone Season Group 2 Trading Program or exemption under 401 KAR 51:250, Section 3(3) shall be construed as exempting or excluding the owners and operators, and the designated representative, of a CSAPR NO_x Ozone Season Group 2 source or CSAPR NO_x Ozone Season Group 2 unit from compliance with any other provision of the applicable, approved state implementation plan, a federally enforceable permit, or the Clean Air Act.

CSAPR SO₂ Group 1 Trading Program requirements (401 KAR 51:260, Section 3(4))

- a) Designated representative requirements.**
- The owners and operators shall comply with the requirement to have a designated representative, and may have an alternate designated representative, in accordance with 401 KAR 51:260, Section 3(10) through 401 KAR 51:260, Section 3(15).
- b) Emissions monitoring, reporting, and recordkeeping requirements.**
- 1) The owners and operators, and the designated representative, of each CSAPR SO₂ Group 1 source and each CSAPR SO₂ Group 1 unit at the source shall comply with the monitoring, reporting, and recordkeeping requirements of 401 KAR 51:260, Section 3(25) (general requirements, including installation, certification, and data accounting, compliance deadlines, reporting data, prohibitions, and long-term cold storage), 401 KAR 51:260, Section 3(26) (initial monitoring system certification and recertification procedures), 401 KAR 51:260, Section 3(27) (monitoring system out-of-control periods), 401 KAR 51:260, Section 3(28) (notifications concerning monitoring), 401 KAR 51:260, Section 3(29) (recordkeeping and reporting, including monitoring plans, certification applications, quarterly reports, and compliance certification), and 401 KAR 51:260, Section 3(30) (petitions for alternatives to monitoring, recordkeeping, or reporting requirements).
 - 2) The emissions data determined in accordance with 401 KAR 51:260, Section 3(25) through 401 KAR 51:260, Section 3(30) shall be used to calculate allocations of CSAPR

SECTION L - CROSS-STATE AIR POLLUTION RULE (CONTINUED)

SO₂ Group 1 allowances under 401 KAR 51:260, Section 3(8) (40 CFR 97.611(a)(2)) and (b)) and 401 KAR 51:260, Section 3(9) and to determine compliance with the CSAPR SO₂ Group 1 emissions limitation and assurance provisions under paragraph (c) below, provided that, for each monitoring location from which mass emissions are reported, the mass emissions amount used in calculating such allocations and determining such compliance shall be the mass emissions amount for the monitoring location determined in accordance with 401 KAR 51:260, Section 3(25) through 401 KAR 51:260, Section 3(30) and rounded to the nearest ton, with any fraction of a ton less than 0.50 being deemed to be zero.

c) SO₂ emissions requirements.

- 1) CSAPR SO₂ Group 1 emissions limitation.
 - i) As of the allowance transfer deadline for a control period in a given year, the owners and operators of each CSAPR SO₂ Group 1 source and each CSAPR SO₂ Group 1 unit at the source shall hold, in the source's compliance account, CSAPR SO₂ Group 1 allowances available for deduction for such control period under 401 KAR 51:260, Section 3(20) (40 CFR 97.624(a)) in an amount not less than the tons of total SO₂ emissions for such control period from all CSAPR SO₂ Group 1 units at the source.
 - ii) If total SO₂ emissions during a control period in a given year from the CSAPR SO₂ Group 1 units at a CSAPR SO₂ Group 1 source are in excess of the CSAPR SO₂ Group 1 emissions limitation set forth in paragraph (c)(1)(i) above, then:
 - A) The owners and operators of the source and each CSAPR SO₂ Group 1 unit at the source shall hold the CSAPR SO₂ Group 1 allowances required for deduction under 401 KAR 51:260, Section 3(20) (40 CFR 97.624(d)); and
 - B) The owners and operators of the source and each CSAPR SO₂ Group 1 unit at the source shall pay any fine, penalty, or assessment or comply with any other remedy imposed, for the same violations, under the Clean Air Act, and each ton of such excess emissions and each day of such control period shall constitute a separate violation 401 KAR 51:260, and the Clean Air Act.
- 2) CSAPR SO₂ Group 1 assurance provisions.
 - i) If total SO₂ emissions during a control period in a given year from all CSAPR SO₂ Group 1 units at CSAPR SO₂ Group 1 sources in the state exceed the state assurance level, then the owners and operators of such sources and units in each group of one or more sources and units having a common designated representative for such control period, where the common designated representative's share of such SO₂ emissions during such control period exceeds the common designated representative's assurance level for the state and such control period, shall hold (in the assurance account established for the owners and operators of such group) CSAPR SO₂ Group 1 allowances available for deduction for such control period under 401 KAR 51:260, Section 3(21) (40 CFR 97.625(a)) in an amount equal to two times the product (rounded to the nearest whole number), as determined by the Administrator in accordance with 401 KAR 51:260, Section 3(21) (40 CFR 97.625(b)), of multiplying—
 - A) The quotient of the amount by which the common designated representative's share of such SO₂ emissions exceeds the common designated representative's assurance level divided by the sum of the amounts, determined for all common designated representatives for such sources and units in the state for such control period, by which each common designated representative's share of such SO₂

SECTION L - CROSS-STATE AIR POLLUTION RULE (CONTINUED)

- emissions exceeds the respective common designated representative's assurance level; and
- B) The amount by which total SO₂ emissions from all CSAPR SO₂ Group 1 units at CSAPR SO₂ Group 1 sources in the state for such control period exceed the state assurance level.
 - ii) The owners and operators shall hold the CSAPR SO₂ Group 1 allowances required under paragraph (c)(2)(i) above, as of midnight of November 1 (if it is a business day), or midnight of the first business day thereafter (if November 1 is not a business day), immediately after such control period.
 - iii) Total SO₂ emissions from all CSAPR SO₂ Group 1 units at CSAPR SO₂ Group 1 sources in the state during a control period in a given year exceed the state assurance level if such total SO₂ emissions exceed the sum, for such control period, of the state SO₂ Group 1 trading budget under 401 KAR 51:260, Section 3(7)(a)(1) and the state's variability limit under 401 KAR 51:260, Section 3(7)(a)(3).
 - iv) It shall not be a violation of 401 KAR 51:260, or of the Clean Air Act if total SO₂ emissions from all CSAPR SO₂ Group 1 units at CSAPR SO₂ Group 1 sources in the state during a control period exceed the state assurance level or if a common designated representative's share of total SO₂ emissions from the CSAPR SO₂ Group 1 units at CSAPR SO₂ Group 1 sources in the state during a control period exceeds the common designated representative's assurance level.
 - v) To the extent the owners and operators fail to hold CSAPR SO₂ Group 1 allowances for a control period in a given year in accordance with paragraphs (c)(2)(i) through (iii) above.
 - A) The owners and operators shall pay any fine, penalty, or assessment or comply with any other remedy imposed under the Clean Air Act; and
 - B) Each CSAPR SO₂ Group 1 allowance that the owners and operators fail to hold for such control period in accordance with paragraphs (c)(2)(i) through (iii) above and each day of such control period shall constitute a separate violation of 401 KAR 51:260, and the Clean Air Act.
- 3) Compliance periods.
- i) A CSAPR SO₂ Group 1 unit shall be subject to the requirements under paragraph (c)(1) above for the control period starting on the later of January 1, 2015 or the deadline for meeting the unit's monitor certification requirements under 401 KAR 51:260, Section 3(25) (40 CFR 97.630(b)) and for each control period thereafter.
 - ii) A CSAPR SO₂ Group 1 unit shall be subject to the requirements under paragraph (c)(2) above for the control period starting on the later of January 1, 2017 or the deadline for meeting the unit's monitor certification requirements under 401 KAR 51:260, Section 3(25) (40 CFR 97.630(b)) and for each control period thereafter.
- 4) Vintage of allowances held for compliance.
- i) A CSAPR SO₂ Group 1 allowance held for compliance with the requirements under paragraph (c)(1)(i) above for a control period in a given year shall be a CSAPR SO₂ Group 1 allowance that was allocated for such control period or a control period in a prior year.
 - ii) A CSAPR SO₂ Group 1 allowance held for compliance with the requirements under paragraphs (c)(1)(ii)(A) and (2)(i) through (iii) above for a control period in a given year shall be a CSAPR SO₂ Group 1 allowance that was allocated for a control period

SECTION L - CROSS-STATE AIR POLLUTION RULE (CONTINUED)

in a prior year or the control period in the given year or in the immediately following year.

- 5) Allowance Management System requirements. Each CSAPR SO₂ Group 1 allowance shall be held in, deducted from, or transferred into, out of, or between Allowance Management System accounts in accordance with 401 KAR 51:260.
- 6) Limited authorization. CSAPR SO₂ Group 1 allowance is a limited authorization to emit one ton of SO₂ during the control period in one year. Such authorization is limited in its use and duration as follows:
 - i) Such authorization shall only be used in accordance with the CSAPR SO₂ Group 1 Trading Program; and
 - ii) Notwithstanding any other provision of 401 KAR 51:260, the Administrator has the authority to terminate or limit the use and duration of such authorization to the extent the Administrator determines is necessary or appropriate to implement any provision of the Clean Air Act.
- 7) Property right. CSAPR SO₂ Group 1 allowance does not constitute a property right.

d) Title V permit revision requirements.

- 1) No Title V permit revision shall be required for any allocation, holding, deduction, or transfer of CSAPR SO₂ Group 1 allowances in accordance with 401 KAR 51:260.
- 2) This permit incorporates the CSAPR emissions monitoring, recordkeeping and reporting requirements pursuant to 401 KAR 51:260, Section 3(25) through 401 KAR 51:260, Section 3(30), and the requirements for a continuous emission monitoring system (pursuant to 40 CFR 75, Subparts B and H), an excepted monitoring system (pursuant to 40 CFR 75, Appendices D and E), a low mass emissions excepted monitoring methodology (pursuant to 40 CFR 75.19), and an alternative monitoring system (pursuant to 40 CFR 75, Subpart E). Therefore, the Description of CSAPR Monitoring Provisions table for units identified in this permit may be added to, or changed, in this Title V permit using minor permit modification procedures in accordance with 401 KAR 51:260, Section 3(4) (40 CFR 97.606(d)(2)) and 70.7(e)(2)(i)(B).

e) Additional recordkeeping and reporting requirements.

- 1) Unless otherwise provided, the owners and operators of each CSAPR SO₂ Group 1 source and each CSAPR SO₂ Group 1 unit at the source shall maintain on site at the source each of the following documents (in hardcopy or electronic format) for a period of 5 years from the date the document is created. This period may be extended for cause, at any time before the end of 5 years, in writing by the Administrator.
 - i) The certificate of representation under 401 KAR 51:260, Section 3(13) for the designated representative for the source and each CSAPR SO₂ Group 1 unit at the source and all documents that demonstrate the truth of the statements in the certificate of representation; provided that the certificate and documents shall be retained on site at the source beyond such 5-year period until such certificate of representation and documents are superseded because of the submission of a new certificate of representation under 40 CFR 97.616 changing the designated representative.
 - ii) All emissions monitoring information, in accordance with 401 KAR 51:260.
 - iii) Copies of all reports, compliance certifications, and other submissions and all records made or required under, or to demonstrate compliance with the requirements of, the CSAPR SO₂ Group 1 Trading Program.
- 2) The designated representative of a CSAPR SO₂ Group 1 source and each CSAPR SO₂ Group 1 unit at the source shall make all submissions required under the CSAPR SO₂

SECTION L - CROSS-STATE AIR POLLUTION RULE (CONTINUED)

Group 1 Trading Program, except as provided in 401 KAR 51:260, Section 3(15). This requirement does not change, create an exemption from, or otherwise affect the responsible official submission requirements under a Title V operating permit program in 40 CFR 70.

f) Liability.

- 1) Any provision of the CSAPR SO₂ Group 1 Trading Program that applies to a CSAPR SO₂ Group 1 source or the designated representative of a CSAPR SO₂ Group 1 source shall also apply to the owners and operators of such source and of the CSAPR SO₂ Group 1 units at the source.
- 2) Any provision of the CSAPR SO₂ Group 1 Trading Program that applies to a CSAPR SO₂ Group 1 unit or the designated representative of a CSAPR SO₂ Group 1 unit shall also apply to the owners and operators of such unit.

g) Effect on other authorities.

No provision of the CSAPR SO₂ Group 1 Trading Program or exemption under 401 KAR 51:260, Section 3(3) shall be construed as exempting or excluding the owners and operators, and the designated representative, of a CSAPR SO₂ Group 1 source or CSAPR SO₂ Group 1 unit from compliance with any other provision of the applicable, approved state implementation plan, a federally enforceable permit, or the Clean Air Act.