

**Alaska Department of Environmental Conservation
Air Permits Program**

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**United States Department of Air Force - Elmendorf Air Force Base
Elmendorf Air Force Base - Flight Line**

**STATEMENT OF BASIS
of the terms and conditions for
Permit No. AQ0886TVP02**

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INTRODUCTION

This document sets forth the statement of basis for the terms and conditions of Operating Permit No. AQ0886TVP02.

STATIONARY SOURCE IDENTIFICATION

Section 1 of Operating Permit No. AQ0886TVP02 contains information on the stationary source, as provided in the Title V permit application. The stationary source (i.e., Elmendorf Air Force Base - Flight Line) is owned and operated by United States Department of Air Force - Elmendorf Air Force Base, and United States Department of Air Force - Elmendorf Air Force Base is the Permittee for the stationary source's operating permit. The SIC code for this stationary source is 4522 -- Air Transportation, Nonscheduled. The Elmendorf Air Force Base - Flight Line is located in Elmendorf Air Force Base and is considered a primary activity. It utilizes equipment to test aircraft engine performance, burn contraband waste from overseas returning aircraft, and provide backup power and comfort-heating needs.

EMISSION UNIT INVENTORY AND DESCRIPTION

Under 18 AAC 50.326(a), the Department requires operating permit applications to include identification of all emissions-related information, as described under 40 C.F.R. 71.5(c)(3). The emission units at the Elmendorf Air Force Base - Flight Line that have specific monitoring, recordkeeping, and reporting requirements are listed in Table A of Operating Permit No. AQ0886TVP02. Table A of Operating Permit No. AQ0886TVP02 also contains specific information on each of the emission units that are regulated by this permit and provided in the application. The table is provided for informational and identification purposes only. Specifically, the emission unit rating/size provided in the table is not intended to create an enforceable limit.

EMISSIONS

A summary of the potential to emit (PTE)¹ and assessable PTE is shown in Table C below.

Table C - Emissions Summary, in Tons Per Year (TPY)

Pollutant	NO _x	CO	PM-10	SO ₂	VOC	HAPs	Total
PTE	264.7	152.7	25.0	93.8	34.5	7.8	570.7
Assessable PTE	264.7	152.7	25.0	93.8	34.5	0	570.7

The assessable PTE listed under Condition 30.1 is the sum of the emissions of each individual regulated air pollutant for which the stationary source has the potential to emit quantities greater

¹ *Potential to Emit or PTE* means the maximum capacity of a stationary source to emit a pollutant under its physical or operational design. Any physical or operational limitation on the capacity of the source to emit a pollutant, including air pollution control equipment and restrictions on hours of operation or on the type or amount of material combusted, stored, or processed, shall be treated as part of its design if the limitation or the effect it would have on emissions is federally enforceable. Secondary emissions do not count in determining the potential to emit of a stationary source, as defined in AS 46.14.990(23), effective 12/3/05.

than 10 tons per year (TPY). The emissions listed in the table are estimates to be used for informational purposes only. The listing of the emissions does not create an enforceable limit to the stationary source.

Potential criteria and hazardous air pollutant emissions were estimated in the permit renewal application and application supplement for both significant and insignificant emission units. Emissions from the combustion units were estimated based on vendor data, AP-42 emission factors, and mass balance equations. Emissions for each emergency generator were calculated based on 500 hours of operation per year per unit, consistent with EPA J. Seitz memo for an emergency unit dated September 6, 1995. On December 22, 2009, the Permittee updated emissions for the insignificant incinerator.

The hazardous air pollutant (HAP) emissions are estimated at 7.8 TPY. These estimates are not above the HAP-major emissions thresholds of 10 TPY for an individual HAP or 25 TPY for total HAPs. HAP estimates were not included in the total in the table above because most HAPs are VOCs.

BASIS FOR REQUIRING AN OPERATING PERMIT

In accordance with AS 46.14.130(b), an owner or operator of a Title V source² must obtain a Title V permit consistent with 40 C.F.R. Part 71, as adopted by reference in 18 AAC 50.040.

Except for sources exempted or deferred by AS 46.14.120(e) or (f), AS 46.14.130(b) lists three categories of sources that require an operating permit:

- A major source;
- A stationary source subject to federal new source performance standards or national emission standards; and
- Another stationary source designated by the federal administrator by regulation.

This stationary source is further classified under 18 AAC 50.326(a) and 40 C.F.R. 71.3(a) as:

- Belonging to a single major industrial grouping as defined in Section 302 of the Act, that directly emits or has the potential to emit 100 TPY or more of any air pollutant; and
- Containing a source, including an area source, subject to a standard or other requirement under Section 111 of the Act (New Source Performance Standards, NSPS), and not exempted or deferred under AS 46.14.120(e) or (f); and
- Containing a source, including an area source, subject to a standard or other requirement under Section 112 of the Act (National Emission Standards for Hazardous Air Pollutants, NESHAP), and not exempted or deferred under AS 46.14.130(e) or (f).

² *Title V source* means a stationary source classified as needing a permit under AS 14.130(b) [ref. 18 AAC 50.990(111)].

CURRENT AIR QUALITY PERMITS

Previous Air Quality Permit to Operate

The Elmendorf Air Force Base was issued Permit to Operate No. 9421-AA012 on April 19, 1995. This permit-to-operate included construction authorizations for the entire base.

Pre-Approved Limits

During Title V processing, the Elmendorf Air Force Base's Title V permit was divided into independent stationary source groups categorized under different SIC codes. This was in accordance with the EPA/DOD guidance memorandum, "*Major Source Determinations for Military Installations under the Air Toxics, New Source Review, and Title V Operating Permit Programs of the Clean Air Act (CAA)*" dated August 2, 1996. Each SIC code was treated as a separate stationary source carrying its own individual air quality permit terms and conditions. This was the result of Elmendorf Air Force Base participating in an EPA-sponsored project called "Project XL", which streamlined the application, implementation, management, and renewal process for the Title V permit, through reduced monitoring and recordkeeping. Elmendorf Air Force Base estimates that total monitoring, recordkeeping, reporting, and overall permit management costs will decrease by about 80 percent, yielding about \$1.5 million in savings over six years. These realized cost savings were directed toward pollution prevention (P2) opportunities. The Final Project Agreement (FPA) was signed on December 15, 1999. The following historical information was taken from EPA's website describing the project: <http://www.epa.gov/projectxl/elmen/index.htm>.

"EAFB will spend the savings derived from streamlining its environmental management costs on P2 opportunities. One such P2 project identified in the FPA involves installation of a compressed natural gas (CNG) fueling station, the purchase of new CNG vehicles, and the conversion of certain base fleet vehicles to be capable of using CNG as an alternative fuel. EAFB has assembled a list of other feasible P2 opportunities available at the base, along with the estimated costs and environmental benefits of each opportunity. EPA, the State of Alaska, and EAFB have expressed a preference for hazardous air contaminant reduction projects. A supplemental agreement setting forth the specific additional P2 opportunities to be implemented will be developed with the assistance of stakeholders.

The traditional Alaska operating permit program would treat the entire EAFB installation as a single air contaminant emission source and EAFB would have 106 sources of regulated contaminants that would need to be addressed in its permit. Under these circumstances, the costs of obtaining and maintaining a Title V permit would be substantial.

The permit contemplated by the FPA applies to only a small segment of EAFB, including one source that is a major stationary source and several others that are subject to new source performance standards. The other sources at EAFB that will not be permitted will instead obtain limits on their potential-to-emit to ensure that they are not considered major sources. This will simplify monitoring, recordkeeping, and reporting associated with Title V, and result in significant cost savings that will be applied to P2 projects. Elmendorf held public meetings to request input on the project. These meetings were publicized through local newspapers and personal contacts. In addition, Trustees for

Alaska submitted a comment on the project. The comment and EPA's response are attached to the FPA."

On January 22, 2001, the Elmendorf Air Force Base - Flight Line was granted Pre-Approved Limit No. 291PAL01 (effective May 2, 1998). This Pre-Approved Limit included a diesel fuel usage limit and associated terms and conditions to limit NOx emissions from the stationary source to avoid PSD classification. Upon effective date of Permit No. AQ0886TVP01, the Permittee was no longer required to comply with the terms and conditions of the Pre-Approved Limit.

Title I (Construction and Minor) Permits

Minor Permit No. AQ0886MSS01 was issued to the Permittee on March 10, 2006. This permit granted authorization for the installation and operation of the C-17 Maintenance Complex (EU IDs 21 – 38). On January 21, 2008, the Department issued Minor Permit No. AQ0886MSS01 Revision 1 as an administrative revision to add EU IDs 75 – 79 (five insignificant units, Radiant Heaters rated at 0.1 MMBtu/hr each) to the proposed emission units list for installation authorization. All effective stationary source-specific requirements established in the Title I permit are included in the Title V operating permit as described in Table D.

Minor Permit No. AQ0886MSS02 was issued to the Permittee on July 19, 2006. This permit granted authorization for the installation and operation of the F-22A LO Facility (EU IDs 39 – 50). This permit was revised and replaced by Minor Permit No. AQ0886MSS03. None of these emission units remain at the base.

Minor Permit No. AQ0886MSS03 was issued to the Permittee on January 10, 2008 and revised and replaced Minor Permit No. AQ0886MSS02. This permit granted authorization for the installation and operation of the F-22A LO Facility, 7-Bay Weather Shelter, and the Jet Engine Shop (EU IDs 51 – 74). This permit was revised and replaced by Minor Permit No. AQ0886MSS04.

Minor Permit No. AQ0886MSS04 was issued to the Permittee on May 15, 2009 and revised and replaced Minor Permit No. AQ0886MSS03. This permit granted authorization for the installation of the F22 - Beddown Project and operation of previously permitted equipment (EU IDs 51 – 74 and 80 – 139). All effective stationary source-specific requirements established in the Title I permit is included in the Title V operating permit as described in Table E.

Title V Operating Permit Application, Revisions, and Renewal History

The Permittee submitted an application for a Title V operating permit on January 30, 2003. The application was amended in August 2003 and October 2003. The Department issued Permit No. AQ0886TVP01 (formerly called Permit No. 291TVP01C) on January 27, 2004.

The Permittee submitted an application for a renewal to the Title V operating permit on August 22, 2008. The application was deemed timely and complete on October 10, 2008.

On November 12, 2009, the Permittee supplied additional information in support of emission units listed in the renewal permit application but not previously permitted. Specifically, the Permittee stated that the Hydrant Tank Farm Phase II Generator (EU ID 140) was installed in 2004 and potentially subject to minor permitting under 18 AAC 50.502(c)(3)(A). However, based on its function as an emergency generator, the PTE using 500 hours of operation per year per unit consistent with EPA J. Seitz memo, did not exceed permitting thresholds. The used oil

burner (EU ID 142) was installed in 2005; this project also did not trigger minor permitting thresholds under 18 AAC 50.502(c)(3)(A). The 3rd EMS paint booth (EU ID 145) and Overseas Waste Incinerator (insignificant emission unit not listed in this renewal permit) were both listed in the initial Title V application as existing emission units. The Hangar 20 generator (EU ID 143) and miscellaneous boilers and heaters were installed in 2009 as part of the Large Aircraft Maintenance Hangar (LAMH) project. The entire project does not trigger minor permitting thresholds under 18 AAC 50.502(c)(3)(A).

On December 22, 2009, the Permittee supplied updated emissions for the Overseas Waste Incinerator (insignificant emission unit not listed in this renewal permit). Specifically, the Permittee used the single chamber, industrial/commercial incinerator emission factors in Table 2.1-12 of AP-42 to estimate the emissions rather than the starved air combustor (no controls) emission factors in Table 2.1-9 of AP-42. The incinerator remains an insignificant emission unit based on the updated emissions. The incinerator only burns prohibited food wastes that arrive at Elmendorf Air Force Base (EAFB) on flights that originate from locations outside of United States in accordance with United States Department of Agriculture regulations. The incinerator is owned and operated by the United States Air Force, has a maximum capacity of 600 lb/day, was installed in 1993, and has not been modified since the incinerator was installed.

As a result the incinerator is potentially subject to 40 CFR Part 60 Subpart FFFF. However, 40 CFR Part 60 Subpart FFFF only applies to existing Other Solid Waste Incinerators (OSWI) when a state has an approved state plan to implement 40 CFR Part 60 Subpart FFFF. Because the State of Alaska does not have an approved plan to implement 40 CFR Part 60 Subpart FFFF, 40 CFR Part 60 Subpart FFFF is not applicable to the incinerator. Therefore the incinerator is potentially subject to the Federal Plan to implement the New Source Performance Standards (NSPS) for OSWI (Proposed 40 CFR Part 62 Subpart KKK). EPA proposed a Federal Plan to implement the OSWI NSPS on December 18, 2006 but EPA has yet to finalize the Federal Plan to implement the OSWI NSPS. Because the incinerator only combusts food wastes that arrive from outside the United States at EAFB, there are no applicable requirements to the incinerator under 40 CFR Part 63.

Additionally, the Permittee determined it was not subject to 40 C.F.R. 63 Subparts HHHHHH or XXXXXX for the paint spray booths. As set out by 63.11169(d)(1), Subpart HHHHHH does not apply to Elmendorf Air Force Base – Flight Line because it is owned by the Armed Forces of the United States. In addition, as set out by 63.11514(g), Subpart XXXXXX does not apply because stationary source is owned by the Armed Forces of the United States.

COMPLIANCE HISTORY

Review of the permit files indicates that the stationary source generally operates in compliance with current permit requirements and emission standards. The Department’s April 20, 2009 full compliance evaluation discovered non-compliance with the Permit No. AQ0886TVP01 for the following: submitting a late report for the operating period January 1, 2007 to June 30, 2007; improper certification of conditions in the 2007 Annual Compliance Certification report; and, failure to comply with permit terms and conditions. The Permittee corrected the violations by submitting a revised 2007 Annual Compliance Certification.

STATIONARY SOURCE-SPECIFIC REQUIREMENTS CARRIED FORWARD

Incorporated by reference at 18 AAC 50.326(j), 40 C.F.R. Part 71.6 defines “applicable requirement” to include the terms and conditions of any pre-construction permit issued under rules approved in Alaska’s State Implementation plan.

Alaska’s State Implementation Plan included the following types of pre-construction permits:

- Permit-to-operate issued before January 18, 1997 (these permits cover both construction and operations);
- Construction Permits issued after January 17, 1997; and
- Minor permits issued after October 1, 2004.

Pre-construction permit terms and conditions include both source-specific conditions and conditions derived from regulatory applicable requirements such as standard conditions, generally applicable conditions and conditions that quote or paraphrase requirements in regulation. These requirements include, but are not limited to, each source-specific requirement established in these permits issued under 18 AAC 50 that are still in effect at the time of this operating permit issuance.

Table D and Table E list the requirements carried over from Permit Nos. AQ0886MSS01 and AQ0886MSS04 into Operating Permit No. AQ0886TVP02.

Table D - Comparison of Permit No. AQ0886MSS01 Rev. 1 Conditions to Operating Permit No. AQ0886TVP02 Conditions³

Permit No. AQ0886MSS01 Rev. 1 Condition No.	Description of Requirement	Permit No. AQ0886TVP02 Condition No.	How Condition was Revised
1	Installation authorization for EU IDs 21 – 38, and 75 – 79.	Section 2	EU IDs 21 – 37 and 75 – 79 as listed in Minor Permit No. AQ0886MSS01 Rev. 1 are insignificant emission units per 18 AAC 50.326(e) and (g)(5) and are not required to be listed in this renewal permit.

³ This table does not include all standard and general conditions.

Table E - Comparison of Permit No. AQ0886MSS04 Conditions to Operating Permit No. AQ0886TVP02 Conditions⁴

Permit No. AQ0886MSS04 Condition No.	Description of Requirement	Permit No. AQ0886TVP02 Condition No.	How Condition was Revised
1	Installation authorization for EU IDs 51 – 74 and 80 – 139.	Section 2	EU IDs 51 – 58, 62 – 74, 82 – 83, 86 – 94, 97 – 137 as listed in Minor Permit No. AQ0886MSS04 are insignificant emission units per 18 AAC 50.326(e), (g)(4) and g(5) and are not required to be listed in this renewal permit. In addition, ratings for EU IDs 59, 65 – 68, and 70 – 71 have been updated (all rating are less than previously indicated).
3.1	PM initial compliance demonstration for EU ID 138.	9	No change.

⁴ This table does not include all standard and general conditions.

STATEMENT OF BASIS FOR THE PERMIT CONDITIONS

The State and federal regulations for each condition are cited in Operating Permit No. AQ0886TVP02. The Statement of Basis provides the legal and factual basis for each term and condition as set forth in 40 C.F.R. 71.6(a)(1)(i).

Condition 1 - 4, Visible Emissions Standard and MR&R

Legal Basis: These conditions ensure compliance with the applicable requirements in 18 AAC 50.055(a). 18 AAC 50.055(a) applies to the operation of fuel-burning equipment and industrial processes. EU IDs 1 – 17, 20, 38, 60, 61, 80, 81, 84, 85, 95, 96, 138, 139, 140, 142, and 143 are fuel burning equipment or industrial processes. U.S. EPA incorporated these standards as revised in 2002 into the State Implementation Plan (SIP) effective September 13, 2007.

Factual Basis: Condition 1 prohibits the Permittee from causing or allowing visible emissions in excess of 18 AAC 50.055(a)(1).

The Permittee must monitor, record-keep and report emissions in accordance with Conditions 2 through 4 of the permit. Conditions 2 through 4 MR&R conditions are standard conditions adopted into regulation pursuant to AS 46.14.010(e). These conditions have been modified in this permit as follows. The Department added a provision that clarifies the option to continue an established monitoring frequency for renewal permits.

Beyond as noted above, the Department has previously determined that the standard conditions adequately meet the requirements of 40 C.F.R. 71.6(a)(3). No additional emission unit or stationary source operational or compliance factors indicate the unit-specific or stationary-source-specific conditions would better meet the requirements. Therefore, the Department concludes that the standard conditions as modified meet the requirements of 40 C.F.R. 71.6(a)(3).

Gas Fired:

Monitoring - The monitoring of gas fired emission units for visible emissions is waived, i.e. no source testing will be required. The Department has found that natural gas fired equipment inherently has negligible PM emissions. However, the Department can request a source test for PM emissions from any smoking equipment.

Reporting - The Permittee must certify that only gaseous fuels are used in the equipment.

Liquid Fuel-Fired:

Monitoring - The visible emissions may be observed by either Method-9 or the Smoke/No Smoke plans as detailed in Condition 2.2. Corrective actions such as maintenance procedures and either more frequent or less frequent testing may be required depending on the results of the observations.

Recordkeeping - The Permittee is required to record the results of all visible emission observations and record any actions taken to reduce visible emissions.

Reporting - The Permittee is required to report: 1) emissions in excess of the federal and the State visible emissions standard and 2) deviations from permit conditions. The Permittee is

required to include copies of the results of all visible emission observations with the stationary source operating report.

Insignificant Emission Units:

For EU IDs 1 – 17, 20, 38, 59, 138, 140, 142, and 143, no monitoring is required because these emission units are insignificant as set out by 18 AAC 50.326(e) and (g). Insignificant emission units have no monitoring required in accordance with Department Policy and Procedure No. AWQ 04.02.103, Topic # 3, dated October 8, 2004. The Permittee must annually certify compliance under Condition 59 with the opacity standard.

Conditions 5 - 9, Particulate Matter (PM) Standard and MR&R

Legal Basis: These conditions ensure compliance with the applicable requirement in 18 AAC 50.055(b). This requirement applies to operation of all industrial processes and fuel burning equipment in Alaska. EU IDs 1 – 17, 20, 38, 59 – 61, 80, 81, 84, 85, 95, 96, 138, 139, 140, 142, and 143 are fuel-burning equipment. These PM standards also apply because they are contained in the federally approved SIP effective September 13, 2007.

Factual Basis: Condition 5 prohibits emissions in excess of the state PM (also called grain loading) standard applicable to fuel-burning equipment and industrial processes. The Permittee shall not cause or allow fuel-burning equipment to violate this standard.

MR&R requirements are listed in Conditions 6 through 12 of the permit. Condition 6 is a requirement carried forward from Minor Permit No. AQ0886MSS04 requiring initial compliance demonstration with the State PM standard for EU ID 138.

Gas Fired:

For gas fired emission units, MR&R conditions are Standard Condition VIII adopted into regulation pursuant to AS 46.14.010(e). The Department determined that these standard conditions adequately meet the requirements of 40 C.F.R. 71.6(a)(3). No emission unit or stationary source operational or compliance factors indicate that unit-specific or stationary-source specific conditions would better meet these requirements. Therefore, the Department concluded that the standard conditions meet the requirements of 40 C.F.R. 71.6(a)(3).

Although periodic PM monitoring of gas-fired units is waived, the Department has the discretion to request a source test for PM emissions from any fuel burning equipment under 18 AAC 50.220(a) and 345(l).

Liquid Fuel-Fired:

For liquid fuel-fired units, the MR&R conditions are Standard Condition IX adopted into regulation pursuant to AS 46.14.010(e). The Department determined that these standard conditions adequately meet the requirements of 40 C.F.R. 71.6(a)(3). No emission unit or stationary source operational or compliance factors indicate that unit-specific or stationary-source specific conditions would better meet these requirements. Therefore, the Department concluded that the standard conditions meet the requirements of 40 C.F.R. 71.6(a)(3).

The Permittee must establish by actual visual observations which can be supplemented by other means, such as a defined Stationary Source Operation and Maintenance Program that the stationary source is in continuous compliance with the State's emission standards for particulate matter.

Insignificant Emission Units:

For EU IDs 1 – 17, 20, 38, 59, 138, 140, 142, and 143, no monitoring is required because these emission units are insignificant as set out by 18 AAC 50.326(e) and (g), except as indicated by Condition 6. Insignificant emission units have no monitoring required in accordance with Department Policy and Procedure No. AWQ 04.02.103, Topic # 3, dated October 8, 2004. The Permittee must annually certify compliance under Condition 59 with the particulate matter standard.

Condition 13, Sulfur Compound Emissions

Legal Basis: This condition requires the Permittee to comply with the sulfur compound emission standard for all fuel-burning equipment and industrial processes in the State of Alaska. EU IDs 1 – 17, 20, 38, 59 – 61, 80, 81, 84, 85, 95, 96, 138, 139, 140, 142, and 143 are fuel-burning equipment and industrial processes. These sulfur compound standards also apply because they are contained in the federally approved SIP effective September 13, 2007.

Factual Basis:

Liquid Fuels: For oil fired fuel burning equipment, the MR&R conditions are Standard Permit Conditions XI and XII adopted into regulation pursuant to AS 46.14.010(e). These conditions have been modified in this permit as follows. The Department corrected Condition 13.2 to replace the text “...method listed in 18 AAC 50.035 or an alternative method approved by the Department” with “...method listed in 18 AAC 50.035(b)-(c) and 40 C.F.R. 60.17 incorporated by reference in 18 AAC 50.040(a)(1)”. The text “...or an alternative method approved by the Department” was discarded during the Revised Action Plan submitted to EPA on July 15, 2007, as a result of the EPA Audit of the September 2006 Title V Program Review. This text is not to be used in subsequent permits since it allows a Permittee to bypass the public process for changing monitoring requirements by submitting off-record requests to change monitoring methods.

Beyond as noted above, the Department has previously determined that the standard conditions adequately meet the requirements of 40 C.F.R. 71.6(a)(3). No additional emission unit or stationary source operational or compliance factors indicate the unit-specific or stationary-source-specific conditions would better meet the requirements. Therefore, the Department concludes that the standard conditions as modified meets the requirements of 40 C.F.R. 71.6(a)(3).

Gaseous Fuels: Fuel sulfur testing will verify compliance with SO₂ emission standard. Mercaptans are a concentrated thiol molecule (e.g. ethanethiol) composed of hydrogen and sulfur used to detect the presence of natural gas by its strong odor as in t-butyl-mercaptan. Basically, it is the mercaptan that allows the presence of gas to be detected by its odor, so it is naturally used as a leak detectant. However, by that same token it significantly raises the sulfur content of the natural gas and should be accounted for in determining compliance with the State sulfur compound emissions standard. The Department has therefore revised the basic MR&R requirements to monitor the total sulfur quantity, instead of H₂S concentration, in the natural gas fuel due to the presence of mercaptans in the gas supply which raise the sulfur concentration.

Condition 13.5b requires the Permittee to conduct a semiannual analysis for the fuel gas sulfur content using either ASTM D4084, D5504, D4810, D4913, D6228 or GPA Standard 2377, or a listed method approved in 18 AAC 50.035(b)-(c) and 40 C.F.R. 60.17 incorporated by reference in 18 AAC 50.040(a)(1).

The Permittee is required to report as State excess emissions whenever the fuel combusted causes sulfur compound emissions to exceed the standards in this condition. The Permittee is required to include copies of the records of semiannual statement from the fuel supplier or the sulfur content analysis with the stationary source operating report.

Gasoline Fuels: The Permittee has gasoline fired emission units. No monitoring, recordkeeping or recording is necessary to ensure compliance with SO₂ emission standard. Typical sulfur levels for gasoline are 0.03-0.04 percent by weight. The maximum allowed sulfur content of unleaded gasoline is 0.10 percent and of leaded gasoline is 0.15 percent.

Condition 14, Used Oil Requirements

Legal Basis: This condition requires the Permittee to comply with the particulate matter and sulfur compound emissions standards for used oil burning equipment.

Factual Basis: Condition 14 incorporates monitoring, recording, and reporting for the burning of used oil to ensure compliance with both the sulfur and particulate matter State emission standards.

Condition 15, Existing Permit Requirements

Legal Basis: The Permittee is required to comply with all effective stationary source-specific requirements that were carried forward from previous EPA PSD permits, SIP approved permits to operate issued before January 18, 1997, SIP approved construction permit(s), SIP approved minor permits, operating permits issued between January 18, 1997 and September 30, 2004, or owner requested limits established under 18 AAC 50.225. These requirements include Best Available Control Technology limits, limits to ensure compliance with the attainment or maintenance of ambient air quality standards or maximum allowable ambient concentrations, and owner requested limits. State pre-construction requirements apply because they were originally developed through case-by-case action under a federally approved SIP or approved Operating Permit program. EPA approved the latest SIP effective September 13, 2007.

Factual Basis: The Permittee has a limit set out in Condition 15 on the total operational hours of EU IDs 1 – 20 per consecutive 12-month period in order to reduce the source's potential NO_x emissions to less than 250 TPY and the potential CO emissions to less than 100 TPY. This owner requested limit was established in the initial Title V Operating Permit No. AQ0886TVP01.

Conditions 16, Insignificant Emission Units

Legal Basis: The Permittee is required to meet state emission standards set out in 18 AAC 50.055 for all industrial processes fuel-burning equipment, and incinerators regardless of size.

Factual Basis: The conditions re-iterate the emission standards and require compliance for insignificant emission units. The Permittee may not cause or allow their equipment to

violate these standards. Insignificant emission units are not listed in the permit unless specific monitoring, recordkeeping and reporting are necessary to ensure compliance.

Condition 16.4 requires certification that the units did not exceed State emission standards during the previous year and did not emit any prohibited air pollution. For EU IDs 1 – 17, 20, 38, 59, 138, 140, 142, and 143, as long as they remain insignificant, no monitoring is required in accordance with Department Policy and Procedure No. AWQ 04.02.103, Topic # 3, dated October 8, 2004 for standby emission units.

Conditions 17 – 18, NSPS Subpart A Requirements

Legal Basis: The Permittee must comply with those New Source Performance Standard (NSPS) provisions incorporated by reference the NSPS effective July 1, 2007, for specific industrial activities, as listed in 18 AAC 50.040⁵.

Most affected facilities (with the exception of some storage tanks) subject to an NSPS are subject to Subpart A. At this stationary source, EU IDs 38, 59, 138, 139, and 143 are subject to NSPS Subpart III and therefore subject to Subpart A. NSPS Subpart III Table 8 specifies the parts of Subpart A that are applicable. Inapplicable parts of Subpart A have been removed from this permit.

Condition 17.1 - The requirements to notify the EPA and the Department of any proposed replacement of components of an existing facility (40 C.F.R. 60.15) apply in the event that the fixed capital cost of the new components exceeds 50 percent of the fixed capital cost that would be required to construct a comparable entirely new facility.

Condition 18 - Concealment of emissions prohibitions in 40 C.F. R. 60.12 are applicable to EU IDs 38, 59, 138, 139, and 143.

Factual Basis: Subpart A contains the general requirements applicable to all affected facilities (emission units) subject to NSPS. In general, the intent of NSPS is to provide technology-based emission control standards for new, modified and reconstructed affected facilities.

Conditions 19 - 23, NSPS Subpart III Requirements

Legal Basis: NSPS Subpart III applies to stationary compression ignition internal combustion engines (CI ICE) that commence construction, modification, or reconstruction after July 11, 2005 where the stationary CI ICE are manufactured after April 1, 2006 for non-fire pump engines. EU IDs 38, 59, 138, 139, and 143 are subject to Subpart III under 40 C.F.R. 60.4200.

Factual Basis: These conditions incorporate the Subpart III emissions standards applicable to EU IDs 38, 59, 138, 139, and 143. The Permittee may not cause or allow EU IDs 38, 59, 138, 139, and 143 to violate these standards. These conditions also provide MR&R specifically called out for within the Subpart. The Permittee is required to operate and maintain the stationary CI ICE according to the manufacturer's written instructions or procedures developed by the Permittee that are approved by the engine manufacturer. The Permittee is required to install a non-resettable hour meter prior to startup of the engine. For

⁵ EPA has not delegated to the Department the authority to administer the NSPS program as of the issue date of this permit.

emergency CI ICE, the unit is allowed 100 hours for maintenance check and readiness testing unless federal, state, or local standards require beyond 100 hours per year for the same purpose. For emergency CI ICE subject to emission standards under 60.4205, any operation other than emergency operation, and maintenance and testing as permitted is prohibited. Each affected stationary CI ICE must comply with the applicable emission standards in Subpart IIII and associated MR&R. The requirement in Condition 23 is added to fill gap in the reporting requirement under this Subpart.

Condition 24, NESHAPs Subpart A Requirements

Legal Basis: The Department has incorporated by reference the NESHAPs requirements effective July 16, 2007, for specific industrial activities, as listed in 18 AAC 50.040(c).

Most sources subject to a NESHAPs requirement are subject to Subpart A. At this stationary source, EU IDs 38, 59, 138, 139, and 143 are subject to NESHAPs Subpart ZZZZ and therefore are subject to Subpart A.

Factual Basis: Subpart A contains the general requirements applicable to all affected facilities (sources) subject to NESHAPs. In general, the intent of NESHAPs is to regulate specific categories of stationary sources that emit or have the potential to emit one or more hazardous air pollutants.

Condition 25, NESHAP Subpart ZZZZ Requirements

Legal Basis: NESHAP Subpart ZZZZ applies to owners and operators of stationary reciprocating internal combustion engines (RICE) located at major and area sources of HAP emissions.

Factual Basis: NESHAP Subpart ZZZZ applies to any existing, new, or reconstructed stationary RICE located at a major or area source of HAP emissions, excluding stationary RICE units being tested at a stationary RICE test cell/stand. EU IDs 38, 59, 138, 139, and 143 are subject to Subpart ZZZZ based on its construction, manufacturer, or reconstruction date. However, per 40 C.F.R.63.6590(c), an affected new or reconstructed stationary reciprocating internal combustion engines (RICE) located at an area source must meet the requirements of Subpart ZZZZ by meeting the requirements of 40 C.F.R. 60 Subpart IIII and no further requirements apply for such engines under 40 C.F.R. 63. EU IDs 38, 59, 138, 139, and 143 meet these criteria.

Conditions 26 - 28, Standard Terms and Conditions

Legal Basis: These are standard conditions required under 18 AAC 50.345(a) and (e)-(g) for all operating permits. This provision is incorporated in the federally approved Alaska operating permit program of November 30, 2001.

Factual Basis: These are standard conditions that apply to all permits.

Condition 29, Administration Fees

Legal Basis: This condition ensures compliance with the applicable requirement in 18 AAC 50.400-405 as derived from AS 46.14.130. This condition requires the Permittee, owner, or operator to pay administration fees as set out in regulation. Paying administration

fees is required as part of obtaining and holding a permit with the Department or as a fee for a Department action.

Factual Basis: The owner or operator of a stationary source who is required to apply for a permit under AS 46.14.130 shall pay to the Department all assessed permit administration fees. The regulations in 18 AAC 50.400-405 specify the amount, payment period, and the frequency of fees applicable to a permit action.

Conditions 30 - 31, Emission Fees

Legal Basis: These conditions ensure compliance with the applicable requirement in 18 AAC 50.410-420. The regulations require all permits to include due dates for the payment of fees and any method the Permittee may use to re-compute assessable emissions.

Factual Basis: These emission fee conditions are Standard Condition I under 18 AAC 50.346(b) adopted pursuant to AS 46.14.010(e). Except for the modification noted in the last paragraph of this “Factual Basis”, the Department determined that these standard conditions adequately meet the requirements of AS 46.14.250. No emission unit or stationary source operational or compliance factors indicate that unit-specific or stationary-source specific conditions would better meet these requirements. Therefore, the Department concluded that the standard conditions meet the requirements of AS 46.14.250.

These standard conditions require the Permittee to pay fees in accordance with the Department's billing regulations. The billing regulations set the due dates for payment of fees based on the billing date.

The default assessable emissions are emissions of each air pollutant authorized by the permit (AS 46.14.250(h)(1)(A)).

The conditions allow the Permittee to calculate **actual** annual assessable emissions based on previous actual annual emissions. According to AS 46.14.250(h)(1)(B), assessable emissions are based on each air pollutant. Therefore, fees based on actual emissions must also be paid on any pollutant emitted whether or not the permit contains any limitation of that pollutant.

This standard condition specifies that, unless otherwise approved by the Department, calculations of assessable emission based on actual emissions use the most recent previous calendar year's emissions. Since each current year's assessable emission are based on the previous year, the Department will not give refunds or make additional billings at the end of the current year if the estimated emissions and current year actual emissions do not match.

The Department modified the standard condition to correct Condition 31.2 such that it referenced “submitted” (i.e., postmarked) rather than “received” in accordance with the timeframe of Condition 31.1.

Condition 32, Good Air Pollution Control Practice

Legal Basis: This condition ensures compliance with the applicable requirement in 18 AAC 50.346(b)(5) and applies to all emission units, **except** those subject to federal emission standards, those subject to continuous emission or parametric monitoring, and for insignificant emission units.

Factual Basis: The condition requires the Permittee to comply with good air pollution control practices for all units.

The Department adopted this condition under 18 AAC 50.346(b) as Standard Permit Condition VI pursuant to AS 46.14.010(e). The Department determined that this standard condition adequately meets the requirements of 40 C.F.R. 71.6(a)(3). No emission unit or stationary source operational or compliance factors indicate that unit-specific or stationary-source specific conditions would better meet these requirements. Therefore, the Department concluded that the standard condition meets the requirements of 40 C.F.R. 71.6(a)(3).

Maintaining and operating equipment in good working order is fundamental to preventing unnecessary or excess emissions. Standard conditions for monitoring compliance with emission standards are based on the assumption that good maintenance is performed. Without appropriate maintenance, equipment can deteriorate more quickly than with appropriate maintenance. If appropriate maintenance is not applied to the equipment, the Department may have to apply more frequent periodic monitoring requirements (unless the monitoring is already continuous) to ensure that the monitoring results are representative of actual emissions.

The Permittee is required to keep maintenance records to show that proper maintenance procedures were followed, and to make the records available to the Department. The Department may use these records as a trigger for requesting source testing if the records show that maintenance has been deferred.

Condition 33, Dilution

Legal Basis: This condition prohibits the Permittee from using dilution as an emission control strategy as set out in 18 AAC 50.045(a). This State regulation applies to the Permittee because the Permittee is subject to emission standards in 18 AAC 50.

Factual Basis: The condition prohibits the Permittee from diluting emissions as a means of compliance with any standard in 18 AAC 50.

Condition 34, Reasonable Precautions to Prevent Fugitive Dust

Legal Basis: This condition requires the Permittee to use reasonable precautions when handling, storing or transporting bulk materials or engineering in an industrial activity in accordance with the applicable requirement in 18 AAC 50.045(d). Bulk material handling requirements apply to the Permittee because the Permittee will engage in bulk material handling, transporting, or storing; or will engage in industrial activity at the stationary source.

Factual Basis: The condition requires the Permittee to comply with 18 AAC 50.045(d), and take reasonable action to prevent particulate matter (PM) from being emitted into the ambient air.

Condition 35, Stack Injection

Legal Basis: This condition ensures compliance with the applicable requirement in 18 AAC 50.045(e)-(f). It prohibits the Permittee from releasing materials other than process emissions, products of combustion, or materials introduced to control pollutant emissions from a stack (i.e. disposing of material by injecting it into a stack). Stack injection

requirements apply to the stationary source because the stationary source contains a stack or source constructed or modified after November 1, 1982.

Factual Basis: No specific monitoring for this condition is practical. Compliance is ensured by inspections, because the emission unit or stack would need to be modified to accommodate stack injection.

Condition 36, Air Pollution Prohibited

Legal Basis: This condition ensures compliance with the applicable requirement in 18 AAC 50.110. The condition prohibits the Permittee from causing any emission which is injurious to human health or welfare, animal or plant life, or property, or which would unreasonably interfere with the enjoyment of life or property. Air Pollution Prohibited requirements apply to the stationary source because the stationary source will have emissions.

Factual Basis: While the other permit conditions and emissions limitation should ensure compliance with this condition, unforeseen emission impacts can cause violations of this standard. These violations would go undetected except for complaints from affected persons. Therefore, to monitor compliance, the Permittee must monitor and respond to complaints.

ADEC adopted this standard condition into 18 AAC 50.346(a) pursuant to AS 46.14.010(e). The Department determined that this condition adequately meet the requirements of 40 C.F.R. 71.6(a)(3). No emission unit or stationary source operational or compliance factors indicate that unit-specific or stationary-source specific conditions would better meet these requirements. Therefore, the Department concluded that the standard condition meets the requirements of 40 C.F.R. 71.6(a)(3).

The Permittee is required to report any complaints and injurious emissions. The Permittee must keep records of the date, time, and nature of all complaints received and summary of the investigation and corrective actions undertaken for these complaints and to submit copies of these records upon request of the Department.

Condition 37, Technology-Based Emission Standard

Legal Basis: The Permittee is required to take reasonable steps to minimize emissions if certain activity causes an exceedance of any technology-based emission standard in this permit. This condition ensures compliance with the applicable requirement in 18 AAC 50.235. Technology Based Emission Standard requirements apply to the stationary source because the stationary source contains equipment subject to a technology-based emission standard, such as BACT, MACT, LAER, NSPS or other “technologically feasible” determinations.

Factual Basis: The conditions of this permit list applicable technology-based emission standards and require excess emission reporting for each standard in accordance with Condition 57. Excess emission reporting under Condition 57 requires information on the steps taken to minimize emissions. Monitoring of compliance for this condition consists of the report required under Condition 57.

Condition 38, Asbestos NESHAP

Legal Basis: This condition requires the Permittee to comply with asbestos demolition or renovation requirements in 40 C.F.R. 61, Subpart M. The condition ensures compliance

with the applicable requirement in 18 AAC 50.040(b)(1) and (2)(F). The asbestos demolition and renovation requirements apply if the Permittee engages in asbestos demolition or renovation.

Factual Basis: Because these regulations include adequate monitoring and reporting requirements and because the Permittee is not currently engaged in such activity, simply citing the regulatory requirements is sufficient to ensure compliance with these federal regulations.

Condition 39, Refrigerant Recycling and Disposal

Legal Basis: This condition ensures compliance with the applicable requirement in 18 AAC 50.040(d) and applies if the Permittee engages in the recycling or disposal of certain refrigerants. The condition requires the Permittee to comply with the standards for recycling and emission reduction of refrigerants set forth in 40 C.F.R. 82, Subpart F, which will apply if the Permittee uses certain refrigerants.

Factual Basis: Because these regulations include adequate monitoring and reporting requirements and because the Permittee is not currently engaged in such activity, simply citing the regulatory requirements is sufficient to ensure compliance with this federal regulation.

Condition 40, NESHAPs Applicability Determinations

Legal Basis: This condition requires the Permittee to keep and make available to the Department copies of the major stationary source determination and applicability of specific federal regulations that may apply to its stationary sources.

Factual Basis: The Permittee has conducted an analysis of the stationary source and determined that it is not a major HAPs stationary source based on emissions. This condition requires the Permittee to keep and make available to the Department copies of the major stationary source determination, or to notify the Department and EPA if any modification or construction is undertaken that would result in an affected facility.

Conditions 41 - 42, Halon Prohibitions

Legal Basis: These prohibitions apply to all stationary sources that use halon for fire extinguishing and explosion inertion. The condition prohibits the Permittee from causing or allowing violations of these prohibitions. The stationary source uses halon and is therefore subject to the federal regulations contained in 40 C.F.R. 82.

Factual Basis: These conditions incorporate applicable 40 C.F.R. 82 requirements. This condition is aimed at halon fire fighting systems used at stationary sources with significant sized emission units. Although the condition is titled Halon Prohibitions, it references the Protection of Stratospheric Ozone prohibitions in both Subpart G (Significant New Alternatives Policy Program) and Subpart H (Halon Emission Reduction).

Condition 43, Open Burning

Legal Basis: The condition requires the Permittee to comply with the regulatory requirements when conducting open burning at the stationary source. This condition ensures compliance with the applicable requirement in 18 AAC 50.065. The open burning state

regulation in 18 AAC 50.065 applies to the Permittee if the Permittee conducts open burning at the stationary source.

Factual Basis: No specific monitoring is required for this condition. The Department has modified the Public Notice draft condition by incorporating the requirements of 18 AAC 50.065 by reference. Condition 43.1 requires the Permittee to keep "sufficient records" to demonstrate compliance with the standards for conducting open burning, but does not specify what these records should contain.

More extensive monitoring and recordkeeping is not warranted because the Permittee does not conduct open burning as a routine part of their business. Also, most of the requirements are prohibitions, which are not easily monitored. Compliance is demonstrated through annual certification required under Condition 59.

Condition 44, Requested Source Tests

Legal Basis: The Permittee is required to conduct source tests as requested by the Department. The Department adopted this condition under 18 AAC 50.345(k) as part of its operating permit program approved by EPA November 30, 2001.

Factual Basis: This condition ensures compliance with the applicable requirement in 18 AAC 50.220(a) and applies because this is a standard condition to be included in all operating permits. Monitoring consists of conducting the requested source test.

Conditions 45 - 47, Operating Conditions, Reference Test Methods, Excess Air Requirements

Legal Basis: These conditions ensure compliance with the applicable requirement in 18 AAC 50.220(b) and applies because the Permittee is required to conduct source tests by this permit. The Permittee is required to conduct source test as set out in Conditions 45 through 47.

Factual Basis: These conditions supplement the specific monitoring requirements stated elsewhere in this permit. Compliance monitoring with Conditions 45 through 47 consists of the test reports required by Condition 52.

Condition 48, Test Exemption

Legal Basis: This condition ensures compliance with the applicable requirement in 18 AAC 50.345(a) and applies when the source exhaust is observed for visible emissions.

Factual Basis: As provided in 18 AAC 50.345(a), amended May 3, 2002, the requirements for test plans, notifications and reports do not apply to visible emissions observations by smoke readers, except in connection with required particulate matter testing.

Conditions 49 - 52, Test Deadline Extension, Test Plans, Notifications and Reports

Legal Basis: These conditions ensure compliance with the applicable requirement in 18 AAC 50.345(l) - (o) and apply because the Permittee is required to conduct source test by this permit.

Factual Basis: Standard conditions 18 AAC 50.345(l) - (o) are incorporated through these conditions. These standard conditions supplement specific monitoring requirements stated elsewhere in this permit. The source test itself monitors compliance with this condition.

Condition 53, Recordkeeping Requirements

Legal Basis: Applies because the Permittee is required by the permit to keep records.

Factual Basis: The condition restates the regulatory requirements for recordkeeping, and supplements the recordkeeping defined for specific conditions in the permit. The records being kept provide an evidence of compliance with this requirement.

Condition 54, Certification

Legal Basis: This condition requires the Permittee to comply with the certification requirement in 18 AAC 50.205 and applies to all Permittees under EPA's approved operating permit program of November 30, 2001.

Factual Basis: This standard condition is required in all operating permits under 18 AAC 50.345(j). This condition requires the Permittee to certify any permit application, report, affirmation, or compliance certification submitted to the Department. To ease the certification burden on the Permittee, the condition allows the excess emission reports to be certified with the stationary source report, even though it must still be submitted more frequently than the stationary source operating report. This condition supplements the reporting requirements of this permit.

Condition 55, Submittals

Legal Basis: This condition requires the Permittee to comply with standardized reporting requirement in 18 AAC 50.326(j) and applies because the Permittee is required to send reports to the Department.

Factual Basis: This condition requires the Permittee to send submittals to the address specified in this condition. The Permittee is required to submit an original and one copy of reports, compliance certifications, and other submittals required by this permit. Receipt of the submittal at the correct Department office is sufficient monitoring for this condition. This condition supplements the reporting requirements of this permit.

Condition 56, Information Requests

Legal Basis: This condition requires the Permittee to submit requested information to the Department. This is a standard condition from 18 AAC 50.345(i) of the State approved operating permit program effective November 30, 2001.

Factual Basis: This condition incorporates a standard condition in regulation, which requires the Permittee to submit information requested by the Department. Monitoring consists of receipt of the requested information.

Condition 57, Excess Emission and Permit Deviation Reports

Legal Basis: This condition requires the Permittee to comply with the applicable requirement in 18 AAC 50.235(a)(2) and 18 AAC 50.240. Also, the Permittee is required to notify the Department when emissions or operations deviate from the requirements of the permit.

Factual Basis: This condition satisfies two state regulations related to excess emissions - the technology-based emission standard regulation and the excess emission regulation.

Although there are some differences between the regulations, the condition satisfies the requirements of each regulation.

The Department adopted this condition as Standard Operating Permit Condition III under 18 AAC 50.346(c) pursuant to AS 46.14.010(e). The Department made a correction to the Standard Operating Permit Condition III to allow identical reporting methodology for both Excess Emissions and Permit Deviations reports which use identical forms and should have identical submissions methods. Beyond as noted above, the Department has previously determined that the standard conditions adequately meet the requirements of 40 C.F.R. 71.6(a)(3). No additional emission unit or stationary source operational or compliance factors indicate the unit-specific or stationary-source-specific conditions would better meet the requirements. Therefore, the Department concludes that the standard conditions as modified meets the requirements of 40 C.F.R. 71.6(a)(3).

Section 13, Notification Form

The Department incorporated the August 20, 2008 Standard Permit Condition IV notification form. The rulemaking for these changes took effect November 9, 2008. The Department determined that this standard condition meets the requirement of 40 C.F.R. 71.6(a)(3). No emission unit or stationary source operational or compliance factors indicate that unit-specific or stationary-source specific conditions would better meet these requirements. Therefore, the Department concluded that the standard conditions meet the requirements of 40 C.F.R. 71.6(a)(3).

Condition 58, Operating Reports

Legal Basis: This condition ensures compliance with the applicable requirement in 18 AAC 50.346(b)(6) and applies to all permits.

Factual Basis: The condition restates the requirements for reports listed in regulation. The condition supplements the specific reporting requirements elsewhere in the permit. The reports themselves provide monitoring for compliance with this condition.

The Department used the Standard Permit Condition VII as adopted into regulation on August 20, 2008. For reporting, MR&R conditions are Standard Permit Condition VII adopted into regulation pursuant to AS 46.14.010(e). The Department has made a correction to the Standard Permit Condition VII by changing the number of copies of documents to be submitted from “an original and two copies” to “an original and one copy”. Beyond as noted above, the Department has previously determined that the standard conditions adequately meet the requirements of 40 C.F.R. 71.6(a)(3). No additional emission unit or stationary source operational or compliance factors indicate the unit-specific or stationary-source-specific conditions would better meet the requirements. Therefore, the Department concludes that the standard conditions as modified meets the requirements of 40 C.F.R. 71.6(a)(3).

Condition 59, Annual Compliance Certification

Legal Basis: This condition ensures compliance with the applicable requirement in 18 AAC 50.040(j)(4) and applies to all Permittees.

Factual Basis: This condition specifies the periodic compliance certification requirements, and specifies a due date for the annual compliance certification. The reports themselves provide monitoring for compliance with this condition.

Condition 59.2 provides clarification of transition periods between an expiring permit and a renewal permit to ensure that the Permittee certifies compliance with the permit terms and conditions of the permit that were in effect during those partial date periods involved in the transition. No format is specified: the Permittee may provide one report certifying compliance with each permit term or condition and the effective permit at that time, or may chose to provide two reports – one certifying compliance with permit terms and conditions from January 1 until the date of expiration of the old permit, and a second report certifying compliance with terms and conditions in effect from the effective date of the renewal permit until December 31.

This condition was further modified to allow the Permittee to submit one of the required two copies in electronic format. This change more adequately meets the requirements of 18 AAC 50 and agency needs, as the Department can more efficiently distribute the electronic copy to staff in other locations.

Condition 60, NSPS and NESHAP Reports

Legal Basis: The Permittee is required to provide the federal administrator and Department a copy of each emission unit report for units subject to NSPS or NESHAP federal regulations under 18 AAC 50.326(j)(4). 40 C.F.R. 70 Appendix A documents that EPA fully approved the Alaska operating permit program effective November 30, 2001.

Factual Basis: The condition supplements the specific reporting requirements in 40 C.F.R. 60 and 40 C.F.R. 61. The reports themselves provide monitoring for compliance with this condition.

Condition 61, Permit Applications and Submittals

Legal Basis: The Permittee may need to submit permit applications and related correspondence.

Factual Basis: Standard Condition XIV directs the applicant to send copies of all application materials required to be submitted to the Department directly to the EPA, in electronic format if practicable. This condition shifts the burden of compliance from the Department to ensure that copies of application materials are submitted to EPA by transferring that responsibility to the Permittee.

Conditions 62 - 64, Permit Changes and Revisions Requirements

Legal Basis: The Permittee is obligated to notify the Department of certain off-permit source changes and operational changes under 18 AAC 50.326(j)(4). 40 C.F.R. 71.6(a)(10), (12), and (13) incorporated by reference under 18 AAC 50.040(j) require these provisions within this permit. 40 C.F.R. 70 Appendix A documents that EPA fully approved the Alaska operating permit program effective November 30, 2001.

Factual Basis: These are conditions required in 40 C.F.R. 71.6 for all operating permits to allow changes within a permitted stationary source without requiring a permit revision. The Permittee did not request trading of emission increases and decreases as described in 71.6(a)(13)(iii).

Condition 65, Permit Renewal

Legal Basis: The Permittee must submit a timely and complete operating permit renewal application if the Permittee intends to continue source operations in accord with the operating permit program under 18 AAC 50.326(j)(3). The obligations for a timely and complete operating permit application are set out in 40 C.F.R. 71.5 incorporated by reference in 18 AAC 50.040(j)(3). 40 C.F.R. 70 Appendix A documents that EPA fully approved the Alaska operating permit program effective November 30, 2001.

Factual Basis: In accordance with AS 46.14.230(a), this operating permit is issued for a fixed term of five years after the date of issuance, unless a shorter term is requested by the permit applicant. The Permittee is required to submit an application for permit renewal by the specific dates applicable to the stationary source as listed in this condition. As stated in 40 C.F.R. 71.5(a)(1)(iii), submission for a permit renewal application is considered timely if it is submitted at least six months but no more than eighteen months prior to expiration of the operating permit. According to 71.5(a)(2), a complete renewal application is one that provides all information required pursuant to 40 C.F.R. 71.5(c) and must remit payment of fees owed under the fee schedule established pursuant to 18 AAC 50.400. 40 C.F.R. 71.7(b) states that if a source submits a timely and complete application for permit issuance (including renewal), the source's failure to have a permit is not a violation until the permitting authority takes final action on the permit application.

Therefore, for as long as an application has been submitted within the timeframe allowed under 40 C.F.R. 71.5(a)(1)(iii), and is complete before the expiration date of the existing permit, then the expiration of the existing permit is extended and the Permittee has the right to operate under that permit until the effective date of the new permit. However, this protection shall cease to apply if, subsequent to the completeness determination, the applicant fails to submit by the deadline specified in writing by the Department any additional information needed to process the application. Monitoring, recordkeeping, and reporting for this condition consist of the application submittal.

Conditions 66 - 70, General Compliance Requirements and Schedule

Legal Basis: These conditions ensure compliance with the applicable requirement in 18 AAC 50.326(j)(3). The Permittee is required to comply with these standard conditions set out in 18 AAC 50.345 included in all operating permits. 40 C.F.R. 70 Appendix A documents that EPA fully approved the Alaska operating permit program effective November 30, 2001.

Factual Basis: These are standard conditions for compliance required for all operating permits. Condition 70 is referencing pending 40 C.F.R. 62 Subpart FFFF for Other Solid Waste Incinerators. The insignificant incinerator appears subject to this pending subpart, but may qualify as an exemption per §62.15485.

Conditions 71 - 72, Permit Shield

Legal Basis: These conditions ensure compliance with the applicable requirement in 18 AAC 50.326(j) and apply because the Permittee has requested that the Department shield the source from the applicable requirements listed under this condition under the federally approved State operating program effective November 30, 2001.

Factual Basis: Table B of Operating Permit No. AQ0886TVP02 shows the permit shields that the Department granted to the Permittee.