Alaska Department of Environmental Conservation Air Permits Program

2nd Public Comment – November 28, 2023

Hilcorp Alaska, LLC (HAK) Point Thomson Production Facility

STATEMENT OF BASIS for the terms and conditions of Permit No. AQ1201TVP02

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INTRODUCTION

This document sets forth the statement of basis for the terms and conditions of Operating Permit No. AQ1201TVP02.

STATIONARY SOURCE IDENTIFICATION

Section 1 of Operating Permit No. AQ1201TVP02 contains information on the stationary source as provided in the Title V permit application with the change in operator made in Operating Permit No. AQ1201TVP01 Revision 4, which was issued after the application for Operating Permit No. AQ1201TVP02 had been submitted.

The Point Thomson Production Facility is jointly owned by Hilcorp North Slope, LLC (HNS) and ExxonMobil Alaska Production Inc. (EMAP). The stationary source is operated by Hilcorp Alaska, LLC (HAK), who is the Permittee for the stationary source's operating permit. The SIC code for this stationary source is 1311 - Crude Petroleum and Natural Gas.

The stationary source is permitted as a gas cycling operation that processes approximately 200 million standard cubic feet-per-day of gas in order to recover approximately 10,000 barrels-perday of hydrocarbon condensate. The recovered hydrocarbon condensate product is sent to market via pipeline. The collected gas is used as fuel gas in the combustion turbines and the unburned gas is re-injected in the field reservoir. Equipment permitted at the Point Thomson Production Facility includes two fuel gas-fired turbines, two dual fuel-fired turbines, one waste incinerator, two flares, 16 heaters, two stationary emergency fire pump engines, six stationary generator engines, and 38 nonroad engines.

The Point Thomson Production Facility stationary source includes the Central Pad, the airstrip, the water access pad, and the Alaska State C-1 Pad. The Point Thomson Production Facility stationary source does not include the West Pad, the East Pad, the gravel mines, the off-pad pipelines, the gravel roads, and the ice roads.

EMISSIONS 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 emissions units at the Point Thomson Production Facility that have specific monitoring, recordkeeping, and reporting requirements are listed in Table A of Operating Permit No. AQ1201TVP02.

Table A of Operating Permit No. AQ1201TVP02 contains information on the emissions units regulated by this permit as provided in the application. Table B of Operating Permit No. AQ1201TVP02 contains information on the emissions units classified as nonroad engines (NREs). These tables are provided for informational and identification purposes only. Specifically, the emissions unit rating/size provided in these tables are not intended to create an enforceable limit.

EMISSIONS

A summary of the potential to emit $(PTE)^1$ and assessable PTE as indicated in the application from the Point Thomson Production Facility is shown in the table below.

Emissions	NOx	СО	PM ₁₀	SO ₂	VOC	CO ₂ e ¹	HAPs	Total ²
PTE	245.53	243.29	19.36	32.32	187.68	217,835.81	5.58	728.18
Assessable PTE	245.53	243.29	19.36	32.32	187.68	0	0	728.18

Table J – Emissions Summary, in Tons Per Year (TPY)

Notes:

1. CO₂e emissions are defined as the sum of the mass emissions of each individual GHG adjusted for its global warming potential.

2. Total PTE and total assessable PTE shown in the table do not include CO2e and HAPs.

3. HAP emissions are a subset of either VOC emissions or PM₁₀ emissions and are excluded from the assessable emissions total to avoid double counting.

The assessable PTE listed under Condition 64.1 is the sum of the PTE of each individual air pollutant, other than greenhouse gases (GHGs). The emissions listed in Table J are estimates that are for informational use only. The listing of the emissions does not create an enforceable limit for the stationary source.

For criteria pollutants, GHGs, and Hazardous Air Pollutants (HAPs), emissions are as provided in the operating permit application and supplement.

Worst case potential emissions are used for the combustion turbines. Higher potential Carbon Monoxide (CO) emissions result from the dual fuel-fired turbines firing fuel gas than ultra-low sulfur diesel (ULSD) in SoLoNOx mode. Potential particulate matter (PM) emissions are listed when the turbines are operating in SoLoNOx mode, because there is no separate PM emission factor for out of SoLoNOx mode. Higher potential VOC emissions result from the dual fuel-fired turbines firing ULSD than fuel gas, in or out of SoLoNOx mode. Emission factors for turbines firing out of SoLoNOx mode are taken from Table B-12a through B-14b of the application for Minor Permit AQ1201MSS03 Revision 5 (50% or 25% load, whichever gives a higher emission factor), except for NO_X and CO. NO_X emission factors provided by the Permittee in the application were based on vendor data and the 2016 and 2018 source test results. SO₂ emissions were calculated by the Permittee through mass balance calculations based on the amount and the maximum allowable fuel sulfur content of the fuel burned in each EU. In the case of the dual fuel-fired turbines (EU IDs 103 and 104), SO₂ emissions were based off the worst-case scenario, combusting fuel gas, which has a higher sulfur content than ULSD. The Permittee calculated HAP emissions using AP-42 emission factors.

Each turbine has a catalytic oxidizer to reduce the vendor-provided CO emission factors by 90percent in SoLoNOx mode and 85-percent out of SoLoNOx mode. The catalytic oxidizers control 50-percent of VOC emissions while firing on fuel gas in SoLoNOx mode and 48-percent of VOC emissions while firing on ULSD in SoLoNOx mode. The catalytic oxidizers control five percent of VOC emissions, regardless of fuel, while operating out of SoLoNOx mode. VOC emissions are

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(22).

assumed to be 20-percent of the un-burnt hydrocarbon emissions when firing fuel gas and 100percent un-burnt hydrocarbon emissions while firing ULSD. CO emission factors have been verified by source tests conducted in 2018. CO emission factors provided by the Permittee in the application were based on vendor data and the 2018 source test results.

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 the following categories of sources that require an operating permit:

- A major source;
- A stationary source, including an area source, subject to federal New Source Performance Standards (NSPS) under Section 111 of the Clean Air Act or National Emission Standards for Hazardous Air Pollutants (NESHAP) under Section 112 of the CAA;
- Another stationary source designated by the Federal Administrator by regulation.

The Permittee is required to obtain an operating permit for the Point Thomson Production Facility as specified under 18 AAC 50.326(a) and 40 C.F.R. 71.3(a), because the stationary source is:

- A major source. This stationary source is a major source because
 - as defined in Section 302 of the CAA, it directly emits, or has the potential to emit, 100 TPY or more of any air pollutant subject to regulation.

AIR QUALITY PERMITS

Permits to Operate

No previous air quality control permit-to-operate exists for this stationary source.

Title I (Construction and Minor) Permits

<u>Permit No. AQ1201ORL01.</u> On January 20, 2008, the Department issued an owner requested limit (ORL) through Permit No. AQ1201ORL01 to authorize Exxon Mobil Corporation (ExxonMobil)'s establishment of an operation camp and drill rigs at the Point Thomson East, West, and Central Pads. This ORL limited the emissions of criteria pollutants from 15 EUs that were authorized to operate at the camp to less than the minor permit thresholds listed in 18 AAC 50.502(c)(1).

<u>Minor Permit No. AQ1201MSS01.</u> On May 26, 2010, the Department issued Minor Permit No. AQ1201MSS01 to authorize a larger drilling effort at Central Pad. The EUs authorized under this Minor Permit included drill rigs, boilers, heaters, a flare, an incinerator, storage tanks, and non-road engines. Minor Permit No. AQ1201MSS01 also established ORLs to avoid classifying the drilling project as a prevention of significant deterioration (PSD) major source.

ExxonMobil asked the Department to rescind Minor Permit No. AQ1201MSS01 in April 2011. In a May 2011 response letter to ExxonMobil, the Department rescinded that permit and stated that

² *Title V source* means a stationary source classified as needing a permit under AS 46.14.130(b) [ref. 18 AAC 50.990(111)].

any restart or continued operation of the EUs will be treated as new construction under applicable provisions of AS 46.14 and 18 AAC 50.

<u>Construction Permit No. AQ1201CPT01.</u> ExxonMobil submitted a PSD permit application for developing a Central Pad production facility on July 19, 2011. On August 20, 2012, the Department issued Construction Permit No. AQ1201CPT01. The project triggered PSD review for NO_X, CO, particulate matter with an aerodynamic diameter of 2.5 microns or less (PM-2.5), and GHGs. Construction Permit No. AQ1201CPT01 authorized the installation and operation of several turbines, pumps, incinerators, generators, boilers, heaters, reciprocating internal combustion engines (RICEs), and drilling EUs to support construction, drilling, and production operations. The permit also included ambient limits for protecting the ambient air quality standards and increments for pollutants that triggered PSD and an ORL for avoiding a PSD permit for SO₂.

<u>Construction Permit No. AQ1201CPT02.</u> In November 2012, ExxonMobil submitted a revised PSD permit application which incorporated revised engineering specifications, changes to the EU inventory, and increased operational flexibility. The revised project triggered PSD review for particulate matter with an aerodynamic diameter of 10 microns or less (PM-10), in addition to the previously triggered pollutants. The Department treated the revised application as a change in project scope and on June 12, 2013, rescinded Construction Permit No. AQ1201CPT01 and issued Construction Permit No. AQ1201CPT02. The revision also incorporated 40 C.F.R. 60 Subpart OOOO, NSPS Requirement for Standards of Performance for Crude Oil and Natural Gas Production, Transmission, and Distribution because the rule became effective on October 15, 2012. Additionally, the revision included 40 C.F.R. 63 Subpart JJJJJJ, NESHAPs. While NESHAP standards are not required to be included in a construction permit, ExxonMobil requested them to be included.

<u>Construction Permit No. AQ1201CPT03.</u> In December 2013, ExxonMobil submitted a PSD permit application which incorporated additional changes to the project scope. The revisions triggered PSD review for the previously triggered pollutants, as well as volatile organic compounds (VOCs). ExxonMobil maintained their ORL to avoid PSD review for SO₂. On August 7, 2014, the Department rescinded Construction Permit No. AQ1201CPT02 and issued Construction Permit No. AQ1201CPT03.

In a non-related case, the U.S. Supreme Court ruled on June 23, 2014 that GHG emissions may not be used to trigger PSD review (Case No. 12-1146). The Department was aware of this decision prior to issuing Construction Permit No. AQ1201CPT03 but was unable to incorporate the ramifications into its final decision. However, it was clear that the decision was substantive and would likely lead to additional revisions to the Central Pad project scope and permitting strategy. As a result of this ruling, the Central Pad development project would only trigger PSD review due to the NO_X emissions. The emissions of all other PSD-triggering pollutants were less than the 250 ton per year (TPY) PSD threshold.

ExxonMobil initially incorporated the Supreme Court decision in a PSD permit application that they submitted on September 3, 2014 (Construction Permit Application No. AQ1201CPT04). However, they simultaneously withdrew their PSD permit application and submitted a minor permit application on December 7, 2014. Their December 7, 2014 minor permit application includes ORLs for the non-GHG pollutants (NO_X) that would otherwise trigger PSD review.

Construction Permit No. AQ1201CPT03 Revision No. 1. On January 19, 2015, ExxonMobil notified the Department of material mistakes in Construction Permit No. AQ1201CPT03.

ExxonMobil identified Conditions 11.10 and 11.13 as containing material mistakes. The Department reviewed the information and concluded that Conditions 11.10 and 11.13 contained material mistakes. On January 23, 2015, the Department rescinded Construction Permit No. AQ1201CPT03 and issued Construction Permit No. AQ1201CPT03 Revision 1 to correct those material mistakes.

<u>Minor Permit No. AQ1201MSS03.</u> The Department issued Minor Permit No. AQ1201MSS03 on February 27, 2015. ExxonMobil notified the Department of technical errors in the permit on March 23, 2015.

<u>Minor Permit No. AQ1201MSS03 Revision Nos. 1-5</u>. Minor Permit No. AQ1201MSS03 Revision 1 was issued on March 27, 2015. Minor Permit No. AQ1201MSS03 Revisions 2, 3, and 4 were issued on March 4, 2016, June 20, 2016, and August 26, 2016, respectively. The Department issued Minor Permit No. AQ1201MSS03 Revision 5 to this stationary source on April 17, 2017.

<u>Minor Permit No. AQ1201MSS04.</u> The Department issued Minor Permit No. AQ1201MSS04 on June 24, 2019, while simultaneously rescinding Minor Permit No. AQ1201MSS03 Revision 5. Minor Permit No. AQ1201MSS04 includes three new heaters, EU IDs 152, 162, and 163, each smaller than 2 MMBtu/hr, and the addition of 16 new nonroad engines, EU IDs 150, 151, 153-161, and 164-168. Additionally, the minor permit allows for increased operation of the turbines, EU IDs 101-104, while burning fuel gas and operating out of SoLoNOx mode, and decreased operation of the dual fuel-fired turbines, EU IDs 103 and 104, while burning ULSD and operating in SoLoNOx mode. The minor permit also changed some of the NO_X and CO emission factors for certain operating scenarios to rates lower than those achieved during source tests in 2016 and 2018. Additionally, the NO_X PSD avoidance limit for the turbines, EU IDs 101-104, decreased from 188 to 184 tons per consecutive 12-month period combined. The minor permit also contains a new ORL to restrict total CO emissions from the turbines, EU IDs 101-104, to no more than 200 tons per 12 consecutive month period.

All stationary source-specific requirements established in Minor Permit No. AQ1201MSS04 are included in the Operating Permit No. AQ1201TVP02 as described in Table K.

Title V Operating Permits

Under AS 46.14.190, the owner or operator has requested multiple operating permits for this stationary source.

<u>Operating Permit No. AQ1201TVP01.</u> EMAP submitted a complete application for Operating Permit No. AQ1201TVP01 under an August 11, 2016, cover letter. The Department received the application on August 12, 2016. The application was amended on September 13, 2016. The initial Title V Permit was issued on June 6, 2017, and incorporated terms and conditions of Minor Permit No. AQ1201MSS03 Revision 5.

- Revision No. 1: On June 21, 2017, EMAP notified the Department of a material mistake in the NSPS Subpart A applicability for EUs 112, 113, 115, 116, 130, 138, 147, and 246. The Department corrected the material mistake and issued Operating Permit No. AQ1201TVP01 Revision 1 on June 26, 2017.
- Revision No. 2: On September 13, 2017, EMAP notified the Department of an inconsistency between Condition 6.1 and the Standard Operating Permit Condition IX for visible emissions observations for the flare. The Department revised the condition to mirror

the language in the standard permit condition and issued Operating Permit No. AQ1201TVP01 Revision 2 on September 15, 2017.

- Revision No. 3: On December 13, 2018, the Department received EMAP's application to make permit changes previously mentioned in Minor Permit No. AQ1201MSS04 and perform an integrated review creating a new revision to Operating Permit No. AQ1201TVP01. On April 1, 2019, the Department received an addendum to the application with specific NO_X and CO turbine emission rates requested for the permit, as well as a discussion on the effects of EU ID 155 on the ambient air quality standards. See AQ1201MSS04 Technical Analysis Report for more details on these changes.
- Revision No. 4: On November 23, 2021, the Department received correspondence that reflected the name change of the Permittee from ExxonMobil Alaska Production Inc. (EMAP) to Hilcorp Alaska, LLC (HAK), effective on January 1, 2022. The Department found that the change in the Permittee for this stationary source is an administrative amendment as described by 40 C.F.R. section 71.7(d) adopted by reference in 18 AAC 50.040(j).

<u>Operating Permit No. AQ1201TVP02</u>. EMAP submitted a complete application for Operating Permit No. AQ1201TVP02 under an August 13, 2021, cover letter. The Department received the application on August 16, 2021. As mentioned previously, the Department received correspondence that reflected the name change of the Permittee from EMAP to HAK, effective on January 1, 2022. Operating Permit No. AQ1201TVP02, once issued, will reflect this change because it will be issued after January 1, 2022.

COMPLIANCE HISTORY

The stationary source commenced operations, for purposes of Title V permitting, in November 2015.

Based on a Full Compliance Evaluation report covering operations from August 20, 2012, through June 30, 2017, with an onsite visit conducted on July 31 through August 1, 2017, the stationary source was found out of compliance for six procedural violations and five excess emissions violations. Four of the five excess emissions violations were for violating the daily average temperature limits for the outlet of the catalytic bed associated with the turbines. All of these daily temperature violations were for either load shifting or cold starts of the gas cycling process, which were exempted starting with Minor Permit No. AQ1201MSS03 Revision 2. These violations have been addressed and resolved.

Based on a Full Compliance Evaluation report covering operations from April 1, 2019, through December 31, 2020, with a virtual inspection conducted on March 5, 2021, the stationary source was found out of compliance with Condition 28.1 – Fuel Gas Hydrogen Sulfide (H₂S) Content Limit found in Operating Permit No. AQ1201TVP01 Rev. 4. This condition requires the Permittee to measure the H₂S content of the fuel gas fired in the turbines (EU IDs 101-104), the high-pressure flare (EU ID 112), and in the low-pressure flare (EU ID 113) at least once each calendar month using ASTM D 4810-06, D 4913-89, or Gas Processors Association 2377-86, or an appropriate alternative method adopted in 18 AAC 50.035(c). Samples at Point Thomson Production Facility are collected using Length-of-Stain Detector Tubes (Draeger Tubes) per ASTM D-4810-06. On July 19, 2019, the Permittee discovered that the Draeger tubes used to collect the June 2019 samples had expired at the end of May 2019. These violations have been addressed and resolved.

Based on a Full Compliance Evaluation report covering operations from January 1, 2022, through September 30, 2022, with an onsite visit conducted on March 15, 2022, the stationary source was found to be operating in compliance with Operating Permit Nos. AQ1201TVP01 Rev. 3, AQ1201TVP01 Rev. 4, Minor Permit No. AQ1201MSS04, and Alaska Air Quality Control Regulations.

Review of the permit files for this stationary source, which includes the past inspection reports and compliance evaluations indicate a stationary source generally operating in compliance with its operating permit.

APPLICABLE REQUIREMENTS FROM PRECONSTRUCTION PERMITS

Incorporated by reference at 18 AAC 50.326(j), 40 C.F.R. Part 71.2 defines "applicable requirement" to include the terms and conditions of any preconstruction permit issued under rules approved in Alaska's State Implementation Plan (SIP).

Alaska's SIP includes the following types of preconstruction permits:

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

Preconstruction 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 emissions unit- or source-specific requirement established in these permits issued under 18 AAC 50 that are still in effect at the time of issuance of Operating Permit No. AQ1201TVP02.

Table K below lists the requirements carried into Operating Permit No. AQ1201TVP02 to ensure compliance with the preconstruction permit requirements.

AQ1201MSS04 Condition No.	Description of Requirement	AQ1201TVP02 Condition No.	How Condition was Revised
Table 1	Production Emissions Units Inventory	Table A	No change.
Table 2	NRE Production EUs Inventory	Table B	No change.
3	AAAQS Requirements for NO _x , PM10, and PM2.5	18-23	Included respective subhead titles in Conditions 18.1, 18.2, and 18.3, for consistency in text formatting and organization.
4-6	Limits to Protect the Annual NO ₂ ,	19-23	Spelled out descriptive average basis for each pollutant in the heading titles above Conditions 19 and 21 for clarity.

Table K – Comparison of Minor Permit No. AQ1201MSS04 Conditions to Operating
Permit No. AQ1201TVP02 Conditions ¹ .

			Added subhead titles in Conditions 21 and 23 for better readability and clarity
			Assigned lead Condition numbers 20 and 22 for MR&R for consistency and better organization.
			Added "or include in the operating report the record required in Condition 20.1" at the end of Condition 20.2 to cover reporting requirement if EU IDs 114- 116 were operated outside the airstrip.
			Used sub-conditions (Conditions 20.3.a and 20.3.b) to itemize recordkeeping requirements for EU ID 148 for better organization and readability.
			Added "any of" before "Conditions 19.1 and 19.2 were not met" in Condition 20.4 to clarify that the condition applies if either one or both of the conditions were not met.
			Reworded and reorganized MR&R in Conditions 22.1 through 22.3 for consistency and clarity, and to avoid redundancy. Same requirements.
			Reorganized MR&R in Condition 23 for better organization. Same requirements.
			Added subhead titles in Conditions 24 through 27 for better readability and clarity.
	NO _X PSD Avoidance Limits		Added gap-fill requirement (Condition 24.1) to add maintenance and operating requirements for hour meters installed on EUs 107-109.
			Added "or the monthly hour meter of reading of each of EU IDs 107-109" to Condition 24.2 to add the option of monitoring hours of operation through the use of hour meters.
			Used sub-conditions (Conditions 24.3.a and 24.3.b) to itemize recordkeeping requirements for EU IDs 107-109 for better organization and readability.
7-10		24-27	Reworded Condition 24.4 to clarify reporting requirements. Operating reports must include for each month covered, the combined total number of hours for each month and each 12-consecutive-month period.
			Added "or if any of Conditions 24.1 through 24.4 are not met" to end of Condition 24.5 to clarify that permit deviations must be reported as well.
			Used sub-conditions (Conditions 25.1.a and 25.1.b) to itemize recordkeeping requirements for EU IDs 114 for better organization and readability.
			Added "or if any of Conditions 25.1 and 25.2 are not met" to end of Condition 25.3 to clarify that permit deviations must be reported as well.
			Reworded and reorganized MR&R in Condition 26.1 and sub-conditions for consistency and clarity, and to avoid redundancy. Same requirements.
			Added "monthly" and "total" to Condition 26.2 to clarify that the total combined NO_X emissions from

			EU IDs 101-104 should be calculated and recorded monthly.Added "combined" before "NO_X emissions" in Condition 26.4 to clarify that the emissions being reported are the combined emissions of EU IDs 101-
			104. Added subhead titles in Conditions 28 through 30 for better readability and clarity
			Reworded Condition 28.1 for consistency and clarity. Same requirements.
11-13	CO PSD Avoidance Limits	28-30	Added "or if any of Conditions 28.1 through 28.4 are not met" to end of Condition 28.5 to clarify that permit deviations must be reported as well.
			Added "or if any of Conditions 29.1 and 29.2 are not met" to the end of Condition 29.3 to clarify that permit deviations must be reported as well.
			Added "or if any of Conditions 31.1 and 31.2 are not met" to the end of Condition 31.3 to clarify that permit deviations must be reported as well.
	Minor Permitting Avoidance Limits for SO ₂	31-34	Reworded Condition 32.1 to clarify the intent of the condition. Used sub-conditions to itemize different testing schedules dependent on whether EU ID 147 is in operation or not. Same requirements, except a 30-day window has been added in Condition 32.1.b to account for situations where EU ID 147 may be out of operation for long periods of time.
14-16			Added requirement to record "the dates of analyses" to Condition 32.2 to make required records more complete.
14-10			Changed inspection frequency of oil/ULSD fuel tank in Condition 32.4 from "within five years of the effective date of this permit" to "at least every five years" to establish a more even frequency.
			Reworded Condition 32.7 to clarify the intent of the condition. Same requirements.
			Used sub-conditions (Conditions 33.1 and 33.2) to itemize the different hydrogen sulfide content limits in Condition 33 for better organization and readability.
			Assigned lead Condition number 34 for MR&R for consistency and better organization.
	Limits to Avoid		Changed the word "percent" to "percentage" in Condition 35.2 for clarity and proper grammar.
17	Limits to Avoid Regulation under NSPS Subpart Ec	35	Added "40 C.F.R. 60.50c(c) & 60.51c "Co-fired combustor", Subpart Ec" to citations to show complete regulatory basis for requirements in Condition 35.

Note:

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

NON-APPLICABLE REQUIREMENTS

This section discusses standard conditions that have not been included in the permit and other requirements that are not included for specific reasons.

- Incineration Unit: The Department has adopted 40 C.F.R. 60, Subpart DDDD by reference into 18 AAC 50.040(a)(LL) but has not yet developed or submitted a State plan for existing Commercial and Industrial Solid Waste Incineration (CISWI) units to the U.S. EPA in accordance with the procedures outlined within the Subpart. As of the publication date for this decision, U.S. EPA has not developed a federal plan according to 40 C.F.R. 60.27 to implement these guidelines. 40 C.F.R. 60.2545 states that this Subpart does not directly affect CISWI unit owners or operators in the state. Instead, this Subpart obligates owners and operators to comply with the State plan. Therefore, the model rule is currently not an applicable requirement for the purpose of this operating permit as defined in 40 C.F.R. 71.2.
- **40 C.F.R. 60 Subparts OOOO and OOOOa:** Subparts OOOO and OOOOa do not include standards for oil and conventional natural gas wells that are not hydraulically fractured.³ The gas wells at Central Pad will not be hydraulically fractured, as described in the *Permit as Shield from Inapplicable Requirements* section, Section 10, of the Title V permit.

STATEMENT OF BASIS FOR THE PERMIT CONDITIONS

The Department adopted regulations from 40 C.F.R. 71, as specified in 18 AAC 50.040(j), to establish operating permit regulations. The EPA fully approved the Alaska Operating Permit Program on November 30, 2001, as noted in Appendix A to 40 C.F.R. 70. This Statement of Basis, required under 40 C.F.R. 71.11(b), provides the legal and factual basis for each condition of Operating Permit No. AQ1201TVP02. Additionally, and as required by 40 C.F.R. 71.6(a)(1)(i), the state and federal regulations for each permit condition are cited in the permit.

Conditions 1, 3 through 6, and 14, Visible Emissions Standard and MR&R

Legal Basis: These conditions require 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 96, 101-104, 107-116, 130-138, 147-149, 152, 162, and 163 are fuel-burning equipment.

U.S. EPA approved the addition of these standards to the SIP, as noted in 40 C.F.R. 52.70. The Department included permit conditions for MR&R as required by 40 C.F.R. 71.6(a)(3) and 71.6(c)(1).

Factual Basis: Condition 1 prohibits the Permittee from causing or allowing visible emissions in excess of the applicable standard in 18 AAC 50.055(a)(1). MR&R requirements are listed in Conditions 3 through 5 (for liquid fuel-burning equipment), Condition 6 (for flares), and Condition 14 (for dual fuel-burning equipment) of the permit. These conditions

³ See "Oil and Natural Gas Sector: New Source Performance Standards and National Emission Standards for Hazardous Air Pollutants Reviews, 40 C.F.R. Parts 60 and 63, Response to Public Comments on Proposed Rule August 23, 2011 (76 FR 52738)," page 30, April 17, 2012, available at <u>https://www.regulations.gov/document?D=EPA-HQ-OAR-2010-0505-4546</u>.

have been adopted into regulation as Standard Permit Condition (SPC) IX – Visible Emissions and Particulate Matter Monitoring Plan for Liquid Fuel-Burning Equipment and Flares. The Department has modified these conditions, as follows:

• The Smoke/No Smoke Plan was removed because the Permittee has opted not to use this option.

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

Except for gas fuel-burning equipment, the Permittee must establish by visual observations of emissions unit exhaust, which may be supplemented by other means (e.g., a defined stationary source operation and maintenance program), that the stationary source is in continuous compliance with the state emission standards for visible emissions.

These conditions detail a stepwise process for monitoring to determine compliance with the state's visible emissions standard for liquid fuel-burning equipment. Equipment types covered by these conditions are stationary internal combustion engines, turbines, heaters, boilers, and flares. Initial monitoring frequency schedules are established along with subsequent reductions or increases in frequency depending on the results of the self-monitoring program.

Reasonable action thresholds are established in these conditions that require the Permittee to progressively address potential visible emission problems from emissions units either through maintenance programs and/or more rigorous tests that will quantify whether a specific emission standard has been exceeded.

Condition 6 was developed to provide a standardized version of flare monitoring that is not dependent upon the type or design of upstream equipment. It has been claimed that gas fuelburning flares normally burn without emitting visible emissions. However, gas fuel-burning flares have been shown to smoke when a control device malfunctions (e.g., knockout drum, flare scrubber, gas or steam assist, or vapor recovery system). The condition sets out a protocol to collect actual field data to determine compliance with the 20 percent visible emissions standard for flares.

Gas Fuel-Burning Equipment:

<u>Monitoring</u> – The monitoring of gas fuel-burning emissions units for visible emissions is waived; i.e., no Method 9 observations will be required. The Department has found that natural

gas fuel-burning equipment inherently has negligible visible emissions. However, the Department can request a source test for PM emissions from any smoking equipment.

<u>Reporting</u> – The Permittee must state in each operating report whether only gaseous fuels were used in the equipment during the period covered by the report.

Liquid Fuel-Burning Equipment:

 $\underline{Monitoring}$ – The emissions unit exhaust must be observed by the Method 9 Plan as detailed in Condition 3. Corrective actions such as maintenance procedures or more frequent observations may be required depending on the results of the observations.

<u>Recordkeeping</u> – The Permittee is required to record the results of all observations of emissions unit exhaust and record any actions taken to reduce visible emissions.

<u>Reporting</u> – The Permittee is required to report emissions in excess of the state visible emissions standard and deviations from permit conditions. The Permittee is also required to include in the operating report a statement of which visible emissions plan was used for each emissions unit and copies of the results of all visible emission observations.

Dual Fuel-Burning Equipment:

As long as dual fuel-burning emissions units operate only on gas, monitoring consists of a statement in each operating report indicating only gaseous fuels were used in the equipment during the reporting period. When any of EU IDs 103 and 104 operates on a backup liquid fuel for more than 400 hours in a calendar year, monitoring as detailed in Condition 14.3 is required for that emissions unit in accordance with Department Policy and Procedure No. 04.02.103, Topic # 2. When any of EU IDs 103 and 104 operates on a backup liquid fuel for 400 hours or less in a calendar year, monitoring for that emissions unit consists of an annual certification of compliance with the visible emissions standard. The 400-hour trigger for additional monitoring applies to each individual unit and not as a combined total for all units.

Significant Emissions Units under 18 AAC 50.326(d)(1):

EU IDs 115, 116, 130-138, 152, 162, and 163 have unrestricted potential emissions that are below the significant thresholds listed in 18 AAC 50.326(e). However, these emissions units do not qualify as insignificant per 18 AAC 50.326(d)(1) because they are subject to an emissions unit-specific emission limitation in Condition 31. Therefore, the Department has waived visible emissions monitoring for EU IDs 115, 116, 130-138, 152, 162, and 163 but these units are subject to compliance certification requirements, in accordance with Department Policy and Procedure No. 04.02.103, Topic #3. Monitoring for these emissions units consists of an annual certification under Condition 89 for the visible emissions standard based on reasonable inquiry.

Flares:

Monitoring for flares (EU IDs 112 and 113) requires Method 9 observations of scheduled daylight flaring events lasting more than one hour. The Permittee must report the results of these observations to the Department.

Condition 2, Incinerator Visible Emissions Standard and MR&R

Legal Basis: This visible emissions standard under 18 AAC 50.050(a) applies to the operation of any incinerator in Alaska, including air curtain incinerators. The visible emissions

standard is included in the SIP approved by EPA, and the Department included permit conditions for MR&R as required by 40 C.F.R. 71.6(a)(3) and 71.6(c)(1).

Factual Basis: Condition 2 requires the Permittee to comply with the applicable visible emissions standard in 18 AAC 50.050(a). The Permittee shall not cause or allow the affected incinerator, EU ID 246, to violate this standard. The Permittee is required to monitor, record, and report according to Conditions 2.1 through 2.3.

Conditions 7, 8 through 13, and 14, PM Standard and MR&R

Legal Basis: These conditions require compliance with the applicable requirement in 18 AAC 50.055(b).

• 18 AAC 50.055(b)(1) applies to the operation of fuel-burning equipment and industrial processes. EU IDs 96, 101-104, 107-116, 130-138, 147-149, 152, 162, and 163 are fuel-burning equipment.

This PM standard applies because it is contained in the federally approved SIP. The Department included permit conditions for MR&R as required by 40 C.F.R. 71.6(a)(3) and 71.6(c)(1).

Factual Basis: Condition 7 prohibits emissions in excess of the applicable state PM standard. MR&R requirements are listed in Conditions 8 through 10, 11 through 13, and 14 of the permit. These conditions have been adopted into regulation as SPC IX.

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

Except for gas fuel-burning equipment, the Permittee must establish by visual observations, which may be supplemented by other means (e.g., a defined stationary source operation and maintenance program), that the stationary source is in continuous compliance with the state's emission standards for PM.

Gas Fuel-Burning Equipment:

<u>Monitoring</u> – The monitoring of gas fuel-burning emissions units for PM is waived; i.e., no source testing will be required. The Department has found that natural gas fuel-burning equipment inherently has negligible PM emissions. However, the Department can request a source test for PM emissions from any smoking equipment.

<u>Reporting</u> – The Permittee must state in each operating report whether only gaseous fuels were used in the equipment during the period covered by the report.

Liquid Fuel-Burning Equipment:

<u>Monitoring</u> – The Permittee is required to either take corrective action or conduct PM source testing if opacity threshold values are exceeded. For liquid fuel-burning engines and turbines, the Department set opacity threshold values of 15 percent for stack diameters less than 18 inches and 20 percent for stack diameters equal to or greater than 18 inches. These opacity thresholds are based on a study conducted by the Department in an effort to establish a

correlation between opacity and PM. The data was collected from diesel engines of various stack sizes and the results are as follows:

- For stacks normalized to 21 inches 0.05 gr/dscf corresponds to 27% opacity;
- For stacks normalized to 18 inches 0.05 gr/dscf corresponds to 23% opacity;
- For stacks normalized to 12 inches -0.05 gr/dscf corresponds to 16.8 % opacity; and
- For stacks normalized to 10 inches -0.05 gr/dscf corresponds to 14.3 % opacity.

This means that the trend line for the complete data set predicts that 20% opacity corresponds to a little less than the PM limit for an 18-inch stack. There may be engines that exceed the thresholds, but the intent of the standard condition is not to guarantee that each engine that might exceed the PM standard will be tested. The Department expects few, if any, engines to actually be tested under this condition. What the Department does expect is that with the adopted condition in place, operators that find an opacity above or near the testing threshold will take corrective action necessary to reduce PM emissions. This would achieve the desired environmental outcome without the added cost of testing. The Department expects this to be the case with both thresholds.

The method is premised on the fact that a five percent difference in opacity is distinguishable. The conditions mean that if opacity readings as measured using Method 9 – with all of its limitations – exceed the threshold, the Permittee must either take corrective action or conduct a PM source test. The compliance conditions for PM do not draw a legal conclusion about whether the method shows compliance with the visible emissions standard.

<u>Recordkeeping</u> – The Permittee is required to record the results of PM source tests and visible emissions observations conducted during the source tests.

<u>Reporting</u> – The Permittee is required to report incidents when emissions in excess of the opacity threshold are observed and the results of PM source tests. The Permittee is also required to include copies of the results of all visible emission observations taken during PM source testing in the operating report.

Dual Fuel-Burning Equipment:

As long as dual fuel-burning emissions units operate only on gas, monitoring consists of a statement in each operating report indicating only gaseous fuels were used in the equipment during the reporting period. When any of EU IDs 103 and 104 operates on a backup liquid fuel for more than 400 hours in a calendar year, monitoring as detailed in Condition 14.3 is required for that emissions unit in accordance with Department Policy and Procedure No. 04.02.103, Topic # 2. When any of EU IDs 103 and 104 operates on a backup liquid fuel for 400 hours or less in a calendar year, monitoring for that unit consists of an annual certification of compliance with the particulate matter standard. The 400-hour trigger for additional monitoring applies to each individual unit and not as a combined total for all units.

Significant Emissions Units under 18 AAC 50.326(d)(1):

EU IDs 115, 116, 130-138, 152, 162, and 163 have unrestricted potential emissions that are below the significant thresholds listed in 18 AAC 50.326(e). However, these emissions units do not qualify as insignificant per 18 AAC 50.326(d)(1) because they are subject to an emissions unit-specific emission limitation in Condition 31. Therefore, the Department has waived PM monitoring for EU IDs 115, 116, 130-138, 152, 162, and 163. Instead, these units are subject to compliance certification requirements, in accordance with Department Policy

and Procedure No. 04.02.103, Topic #3. Monitoring for these emissions units consists of an annual certification under Condition 89 for the PM emissions standard based on reasonable inquiry.

Flares:

Monitoring of flares for PM is waived; i.e., no source testing is required, because of the difficulty and questionable results these tests produce when applied to flares. Compliance with the state visible emissions standard serves as surrogate compliance demonstration for the state particulate matter emissions standard.

Condition 15 through 17, Sulfur Compound Emissions Standard and MR&R

Legal Basis: This condition requires compliance with the sulfur compound emissions standard under 18 AAC 50.055(c).

• 18 AAC 50.055(c) applies to the operation of fuel-burning equipment and industrial processes. EU IDs 96, 101-104, 107-116, 130-138, 147-149, 152, 162, and 163 are fuel-burning equipment.

The sulfur compound standard applies because it is contained in the federally approved SIP. The Department included permit conditions for MR&R as required by 40 C.F.R. 71.6(a)(3) and 71.6(c)(1).

Factual Basis: The Permittee may not cause or allow the affected equipment to violate the applicable sulfur compound standard. Sulfur dioxide comes from the sulfur in the fuel gas and diesel fuel.

Liquid Fuels:

Sulfur dioxide comes from the sulfur in the liquid hydrocarbon fuel (e.g., diesel or No. 2 fuel oil). Fuel sulfur testing will verify compliance. Fuel containing no more than 0.75 percent sulfur by weight will always comply with the emission standard.

For the liquid fuel-burning equipment, EU IDs 96, 107-111, 114-116, 130-138, 147-149, 152, 162, 163, and EU IDs 103 and 104 when burning ultra-low sulfur diesel (ULSD), the Department did not use the MR&R conditions in SPCs XI and XII because the EUs are subject to EU-specific requirements that would more adequately meet the requirements of 18 AAC 50.055(c). Except for the used oil/ULSD fuel-burning heater, EU ID 147, to avoid a minor permit classification for SO₂, the Permittee is required to limit sulfur contents of diesel fuel burned in the emissions units to concentrations lower than necessary to comply with the SO₂ state emission standard in Condition 15, as shown in Condition 31. Therefore, the MR&R requirements in Condition 16 for compliance with the state SO₂ standard in Condition 15 have been streamlined based on the more stringent fuel sulfur content limit of 0.0015 percent by weight, the sulfur content of ultra-low diesel fuel (ULSD), rather than having two sets of MR&R.

For liquid fuel-burning heater, EU ID 147, the Permittee may burn used oil mixed with ULSD. To avoid a minor permit classification for SO₂, the Permittee is required to measure the ash content of a representative sample of the used oil and then is allowed to use a blending ratio from Table F, corresponding to the measured ash content, as shown in Condition 32. By complying with Condition 32, the Permittee will ensure compliance with Condition 15.

Therefore, the MR&R requirements in Condition 16 for compliance with the state SO₂ standard in Condition 15 have been streamlined based on the blending requirements of Condition 32.

Gaseous Fuels:

Fuel sulfur testing will verify compliance with SO₂ emission standard. Fuel gas sulfur is measured as hydrogen sulfide (H₂S) concentration in parts per million by volume (ppmv). Calculations show that fuel gas containing no more than 4000 ppmv H₂S will always comply with this emission standard. This is true for all fuel gases, even with no excess air. Equations to calculate the exhaust gas SO₂ concentrations resulting from the combustion of fuel gas were not included in this permit. Fuel gas with an H₂S concentration of even 10 percent of 4,000 ppmv is currently not available in Alaska and is not projected to be available during the life of this permit. Condition 17 streamlines MR&R requirements for compliance with the state sulfur compound emission standard in Condition 15 by requiring compliance with the more stringent fuel gas H₂S limits in Condition 33 for protection of the SO₂ ambient air quality standards and associated MR&R requirements in Conditions 33 rather than having two sets of MR&R.

Conditions 18 through 35, Preconstruction Permit Requirements

Legal Basis: The Permittee is required to comply with all stationary source-specific requirements that were carried forward from previous SIP-approved Permits to Operate (PTO) issued on or before January 17, 1997, and operating permits issued between January 18, 1997 and September 30, 2004, and with all stationary source-specific requirements in EPA PSD permits, SIP-approved construction permits, SIP-approved minor permits, and owner requested limits (ORLs) established under 18 AAC 50.225. Such requirements may potentially include Best Available Control Technology (BACT), limits to ensure compliance with the attainment or maintenance of ambient air quality standards or maximum allowable ambient concentrations, and owner requested limits. Requirements from the permits listed above apply because they were originally developed through case-by-case action under a federally approved SIP or approved operating permit program.

Factual Basis: These conditions reflect the emissions unit- and stationary source-specific requirements that are in effect from Title I Minor Permit No. AQ1201MSS04. Conditions 18 through 34 provide requirements to protect ambient air quality, avoid PSD classification for NO_X and CO, and avoid minor permit classification for SO₂. In addition, Condition 35 was included to make enforceable the exemption requirements from the federal NSPS 40 C.F.R. 60 Subpart Ec for the waste incinerator. Any co-fired combustor is not subject to NSPS Subpart Ec if the owner or operator fulfills the exemption requirements as set out in 40 C.F.R. 60.50c(c), as provided in Condition 35. 40 C.F.R. 60.51c's definition of "Co-fired combustor" requires the exempted EU to be "**subject to an enforceable requirement** limiting the unit to combusting a fuel feed stream, 10 percent or less of the weight of which is comprised, in aggregate, of hospital waste and medical/infectious waste as measured on a calendar quarter basis." Hence, the condition was included in the minor permit and carried forward into the Title V permit.

The Air Quality Permits section of this SOB describe which emissions units were authorized and how the terms and conditions have been revised, rescinded, and replaced in the Title I permit issued for the stationary source. Background information details for these requirements are found in the corresponding Technical Analysis Report (TAR) for the Title I permits. Table K to the SOB describes how the conditions of Minor Permit AQ1201MSS04 are carried forward into the Title V permit.

Condition 36, Insignificant Emissions Units

Legal Basis: The Permittee is required to meet the state emission standards in 18 AAC 50.050(a) for all incinerators regardless of size and 18 AAC 50.055 for all industrial processes and fuel-burning equipment regardless of size. 18 AAC 50.050(a) and 50.055 are contained in the federally approved SIP. The Department also added permit conditions for MR&R as required by 40 C.F.R. 71.6(a)(3) and 71.6(c)(1).

Factual Basis: The condition requires insignificant emissions units to comply with the state emission standards for visible emissions, particulate matter emissions, and sulfur-compound emissions. Insignificant emissions units are not generally listed in operating permits unless specific monitoring, recordkeeping, and reporting are necessary to ensure compliance with the state emission standards. However, the Permittee may not cause or allow insignificant emissions units at the stationary source to violate these standards whether or not they are listed in the operating permit.

The Department finds that the insignificant emissions units at this stationary source do not require specific monitoring, recordkeeping, and reporting to ensure compliance under these conditions.

Condition 36.4.a requires certification that the insignificant emissions units did not exceed state emission standards during the previous year and did not emit any prohibited air pollution, based on reasonable inquiry.

The Department used the language in SPC V, adopted by reference under 18 AAC 50.346(b)(4), for the permit condition.

Conditions 37 through 42, NSPS Subpart A Requirements

Legal Basis: The EPA approved Alaska's Part 70 Program granted on November 30, 2001 (40 C.F.R. 70 Appendix A). The Department is the permitting authority for the Part 70 program. As the permitting authority, the Department requires compliance with all permit conditions. Although the EPA has not delegated to the Department the authority to administer the New Source Performance Standard (NSPS) program, NSPS requirements are included in the definition for "applicable requirement" under 40 C.F.R. 71.2, which has been adopted by the Department under 18 AAC 50.040(j)(1).

The NSPS provisions under Subparts IIII and KKKK apply to the stationary source. Therefore, the Department requires compliance with those standards in a Part 70 permit issued under the approved program. However, the Department is unable to change the actual wording of the relevant standard to substitute "the Department" for "the Administrator" in those standards. Since the Department expects access to any permit-related information provided by the Permittee to the EPA, the Department will act on its responsibility as the permitting authority to determine compliance with the standard. To reflect this relationship and for the purposes of this permit, the Department has defined "the Administrator" to mean the "EPA and the Department" for conditions implementing the federal emission standards under Section 4.

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 101-104 are subject to NSPS Subpart

KKKK and EU IDs 107-111, 114, 148, and 149 are subject to NSPS Subpart IIII, and therefore both sets of emissions units are subject to certain portions of Subpart A.

Conditions 37.1 through 37.3 - The Permittee has already complied with the notification requirements in 40 C.F.R. 60.7 (a)(1) – (4) for EU IDs 101-104. However, the Permittee is still subject to these requirements in the event of a new NSPS affected facility⁴ or in the event of a modification or reconstruction of an existing facility⁵ into an affected facility.

Condition 37.4 – 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 38 – The requirements in 40 C.F.R. 60.7(b) to maintain start-up, shutdown, or malfunction records are applicable to EU IDs 101-104.

Condition 39 – The Permittee has already complied with the initial performance test requirements in 40 C.F.R. 60.8 for EU IDs 101-104. However, the Permittee is still subject to these requirements in the event of a new NSPS affected facility, in the event of a modification or reconstruction of an existing facility into an affected facility, or at such other times as may be required by EPA.

Condition 40 – Good air pollution control practices in 40 C.F.R. 60.11 are applicable to most NSPS affected facilities subject to Subpart A (EU IDs 101-104).

Condition 41 – The condition states that any credible evidence may be used to demonstrate compliance or to establish violations of relevant NSPS standards for EU IDs 101-104.

Condition 42 – Concealment of emissions prohibitions in 40 C.F.R. 60.12 are applicable to EU IDs 101-104, 107-111, 114, 148, and 149.

The flares are not subject to 40 C.F.R. 60.18 because they are safety devices and not control devices. The flares do not control emissions from any NSPS regulated emissions units.

Factual Basis: Subpart A contains general requirements applicable to certain affected facilities (emissions 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 43 through 48, NSPS Subpart IIII Requirements

Legal Basis: NSPS Subpart IIII applies to stationary compression ignition internal combustion engines (CI ICE) that commence construction, modification, or reconstruction after July 11, 2005, where the stationary CI ICEs are manufactured after April 1, 2006 for non-fire pump engines, and manufactured as a certified National Fire Protection Association (NFPA) fire pump engine after July 1, 2006 for fire pump engines.

⁴ *Affected facility* means, with reference to a stationary source, any apparatus to which a standard applies, as defined in 40 C.F.R. 60.2.

⁵ *Existing facility* means, with reference to a stationary source, any apparatus of the type for which a standard is promulgated in this part, and the construction or modification of which was commenced before the date of proposal of that standard; or any apparatus which could be altered in such a way as to be of that type, as defined in 40 C.F.R. 60.2.

EU IDs 107-109, 114, 148, and 149 are non-emergency CI ICE, while EU IDs 110 and 111 are emergency fire pump engines. These EUs meet the applicability criteria of Subpart IIII under 40 C.F.R. 60.4200(a)(2)(i) and (ii).

Factual Basis: These conditions incorporate the Subpart IIII emissions standards applicable to EU IDs 107-111, 114, 148, and 149. The Permittee may not cause or allow these emissions units to violate these standards. These conditions also provide MR&R specifically called out for the EUs 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.

Emission standards that apply to Subpart IIII-affected CI ICE depend on several factors, including, but not limited to, the unit's purpose (whether emergency or non-emergency), model year, displacement in liters/cylinder (L/cyl), and location. Some of this information is provided in Table A of the permit.

Because the stationary source location meets the definition of "remote areas of Alaska" in 40 C.F.R. 60.4219, the applicable standards and MR&R requirements for EU IDs 107-111, 114, 148, and 149 are rooted from the provisions under 40 C.F.R. 60.4216 that specifically address engines used in remote areas of Alaska. In particular, 40 C.F.R. 60.4216(c) allows the Permittee to comply with the applicable emission standards for emergency engines in 40 C.F.R. 60.4202 and 60.4205, and not those for non-emergency engines in 40 C.F.R. 60.4201 and 60.4204, whether the unit is operated as emergency or non-emergency CI ICE. Therefore, EU IDs 107-111 and 114 are subject to EPA Tier 2 and 3 emission standards for nonroad CI engines as specified in Tables 2 and 3 to Appendix I to Part 1039.

As reported by the Permittee in the 2017 2nd half operating report, the 24.8-hp Kubota CI engine, EU ID 149, is a 2014 model engine certified by the California Air Resources Board (CARB) to meet the EPA Tier 4 emission standards for CI engines. These applicable standards are shown in Table G. Additionally, the applicable emission standards, found in Table 2 of Subpart IIII, are equivalent to the Tier 4 emission standards that would be applicable to an EU ID 149, if not for the provisions found in 40 C.F.R. 4216(c).

The yet to be installed EU ID 148 must comply with the requirements and deadlines found in 40 C.F.R. 60.4208(a) for importing or installing stationary CI ICE in previous model years. Therefore, EU ID 148 must at least be a 2011 model year engine. In accordance with 40 C.F.R. 60.4216(c), EU ID 148, a non-emergency CI ICE with a rating of 400 hp and model year of 2011 or later, must at least meet the EPA Tier 3 emission standards for nonroad CI engines as specified in Table 3 to Appendix I to Part 1039. However, EU ID 148 cannot operate unless it meets the EPA Tier 4i emission standards for nonroad CI engines according to Condition 19.2 (for ambient air quality protection). The EPA Tier 4i emission standards for nonroad CI engines (see Table 6 to Part 1039.102) are more stringent than the EPA Tier 3 emission standards, Table G shows the more stringent EPA Tier 4i emission standards applicable to EU ID 148.

Specific standards and requirements applicable to EU IDs 110 and 111 as emergency fire pump engine units are specified in 40 C.F.R. 60.4202(d), 60.4205(c), 60.4209, 60.4211(f), 60.4214(b), and Table 4 to Subpart IIII, as shown in Conditions 45.2, 46.4, and 46.5.

40 C.F.R. 60.4216(f) allows owners and operators in remote areas of Alaska to use fuel mixed with used lubricating oil, in volumes up to 1.75 percent of the total fuel. However, HAK does not mix used lubricating oil with fuel. Consistent with Condition 31, HAK only burns ULSD in the EUs listed in Table A, with the exception of the Used Oil-fired Heater (EU ID 147).

EU IDs 107-109, 114, 148, and 149 do not need and are not equipped with diesel particulate filters to comply with the applicable PM standard. Therefore, the provisions regarding diesel particulate filters in 40 C.F.R. 60.4209(b) and 60.4214(c) are not included in the permit.

The Department added Condition 47 to gap-fill the operating and excess emissions and permit deviation reporting requirements.

The NSPS GAPCP requirements provided in 40 C.F.R. 60.4211(a), as reflected in Conditions 43.2 and 43.3, suffices the State GAPCP requirement under 18 AAC 50.346(b)(5). MR&R requirements are provided in Conditions 46 and 47. Provisions for importing or installing stationary CI ICE in previous model years required under 40 C.F.R. 60.4208 are provided in Condition 48.

The provisions of NSPS Subpart IIII listed in Conditions 43 through 48 are current as amended through March 27, 2023. Should EPA promulgate revisions to this subpart, the Permittee shall be subject to the revised final provisions as promulgated and not the superseded provisions summarized in these conditions.

Conditions 49 through 51, NSPS Subpart KKKK Requirements

Legal Basis: Conditions 50 and 51 prohibit the Permittee from exceeding emission standards for NO_X and SO_2 set out in Subpart KKKK. Condition 49.2 reiterates the "good air pollution control practices" requirements for the affected EUs. The Subpart applies to combustion turbines with a heat input at peak load equal to or greater than 10.7 gigajoules (10 MMBtu) per hour, based on the higher heating value of the fuel, which commenced construction, modification, or reconstruction after February 18, 2005. EU IDs 101-104 meet these criteria and are therefore subject to these requirements.

Factual Basis: These conditions incorporate the Subpart KKKK NO_X and SO_2 emissions standards. The Permittee may not cause or allow EU IDs 101-104 to violate these standards. These conditions also provide MR&R specifically called out for within the Subpart. Condition 50.3, which requires keeping records of performance tests data by referencing the standard requirement in Condition 83, is added to gap-fill the recordkeeping requirements.

The provisions of NSPS Subpart KKKK listed in Conditions 49 through 51 are current as amended through December 7, 2020. Should EPA promulgate revisions to this subpart, the Permittee shall be subject to the revised final provisions as promulgated and not the superseded provisions summarized in these conditions.

Condition 52, NESHAP Subpart ZZZZ Applicability

Legal Basis: The Department has incorporated by reference the National Emission Standards for Hazardous Air Pollutants (NESHAP) requirements for specific industrial activities under 40 C.F.R. 63, as listed in 18 AAC 50.040(c). According to 40 C.F.R. 63.6590(a), NESHAP Subpart ZZZZ applies to owners and operators of any existing, new, or reconstructed stationary reciprocating internal combustion engines (RICE), whose construction commenced before June 12, 2006, located at major and area sources of HAP

emissions, excluding stationary RICE units being tested at a stationary RICE test cell/stand. Point Thomson Production Facility is an area source that owns and operates RICE units, EU IDs 107-111, 114, 148, and 149, that are NESHAP Subpart ZZZZ-affected EUs.

Factual Basis: EU IDs 107-111, 114, 148, and 149 meet the criteria for new stationary RICE subject to NESHAP Subpart ZZZZ per 40 C.F.R. 63.6590(a)(2)(iii). Most sources subject to specific NESHAP subpart requirements are subject to the general provisions in NESHAP Subpart A. As stated in 40 C.F.R. 63.6665, Table 8 to NESHAP Subpart ZZZZ provides specific parts of the NESHAP Subpart A that apply to EUs that are subject to ZZZZ. However, per 40 C.F.R. 63.6690(c)(1), compliance with the requirements of Subpart ZZZZ for these new stationary RICE units is achieved by meeting the requirements of 40 C.F.R. 60 Subpart IIII (Conditions 43 through 48) and **no further requirements under this part (40 C.F.R. 63) apply**. Therefore, EU IDs 107-111, 114, 148, and 149 are not required to comply with the requirements of NESHAP Subparts A and ZZZZ.

Condition 53, Asbestos NESHAP

Legal Basis: The requirements of 40 C.F.R. 61 are applicable requirements for Title V permitting purposes, as stated in item 4 of the "applicable requirement" definition under 40 C.F.R. 71.2. The condition requires the Permittee to comply with asbestos demolition or renovation requirements in 40 C.F.R. 61, Subpart M and associated general provisions under Subpart A, as adopted by reference under 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. ADEC received delegation for §61.145 and §61.154 of Subpart M (Asbestos), along with other sections and appendices which are referenced in §61.145, as §61.145 applies to sources required to obtain an operating permit under Alaska's regulations. ADEC has not received delegation for Subpart M for sources not required to obtain an operating permit under Alaska's regulations.

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 54 and Section 14, Compliance Assurance Monitoring (CAM)

Legal Basis: The combustion turbines (EU IDs 101-104) use control devices, catalytic oxidizers, to achieve compliance with the CO PSD avoidance limit in Condition 28 and have the potential pre-control device emissions equal to or greater than the major source thresholds for CO (100 TPY). This condition applies because the stationary source has pollutant-specific emitting units that satisfy all of the CAM applicability criteria in 40 C.F.R. 64.2(a)(1-3): (1) the EUs are subject to an applicable emission limitation or standard; (2) the units use a control device to comply with any such applicability emission limitation or standard; and (3) the units have potential pre-control device emissions of the applicable regulated air pollutant equal to or greater than the major source thresholds for the applicable regulated air pollutant.

Factual Basis: The Permittee has an ORL in Condition 28 to restrict the potential CO emissions to avoid classification as a PSD major source. The combustion turbines use control devices to achieve compliance with the CO limit in Condition 28 and have potential pre-control device emissions equal to or greater than the major source thresholds for CO (100 TPY). The control devices used are oxidation catalysts that reduce CO and VOC emissions from the

turbines. The oxidation catalysts must operate within the temperature ranges contained in Condition 30.

The design control efficiency for the catalytic oxidizer is 90% while the turbines are operating in SoLoNOx mode and 85% while the turbines are operating out of SoLoNOx mode. EMAP had prepared a Compliance Assurance Monitoring strategy shown in Section 14 to ensure fulfillment of the 40 C.F.R. 64 CAM rule. The Department incorporates EMAP's plan in Condition 54 and Section 14.

Condition 55, Chemical Accident Prevention Provisions

Legal Basis: This condition applies because the Permittee has more than a threshold quantity of a regulated substance in a process, as determined by 40 C.F.R. 68.115.

Factual Basis: This condition incorporates applicable 40 C.F.R. 68 requirements. The Permittee must comply with RMP provisions of 40 C.F.R. 68.190 during the permit term.

Conditions 56 through 58, Protection of Stratospheric Ozone, 40 C.F.R. 82

Legal Basis: The requirements of 40 C.F.R. 82 are applicable requirements for Title V permitting purposes, as stated in item 12 of the "applicable requirement" definition under 40 C.F.R. 71.2.

Condition 56 requires compliance with the applicable requirements in 40 C.F.R. 82, as adopted by reference under 18 AAC 50.040(d). The requirements apply 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 in 40 C.F.R. 82, Subpart F.

Conditions 57 and 58 also require compliance with the applicable requirement adopted under 18 AAC 50.040(d). Condition 57 prohibitions apply to all stationary sources that use substitutes for ozone-depleting compounds. Condition 58 prohibitions apply to all stationary sources that use halon for extinguishing fires and inert gas to reduce explosion risk. These conditions prohibit the Permittee from causing or allowing violations of these requirements. The Point Thomson Production Facility 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. 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 require compliance with this federal regulation.

Condition 59, NESHAP Applicability Determinations

Legal Basis: This condition requires the Permittee to determine rule applicability of NESHAP and requires record keeping for those determinations if required by the source classification.

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 notify the Department and EPA if the stationary source becomes an affected source subject to a standard promulgated by EPA under 40 C.F.R. 63 and to keep records of applicability determinations and make those records available to the Department.

Conditions 60 through 62, Standard Terms and Conditions

Legal Basis: These are standard conditions required for all operating permits under 18 AAC 50.345(a) and (e)-(g). As stated in 18 AAC 50.326(j)(3), the standard permit conditions of 18 AAC 50.345 replace the provisions of 40 C.F.R. 71.6(a)(5) - (7).

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

Condition 63, Administration Fees

Legal Basis: This condition requires compliance with the applicable fee requirements in 18 AAC 50.400-403. As stated in 18 AAC 50.326(j)(1), the provisions of 18 AAC 50.400 through 50.430 are applicable and 40 C.F.R. 71.9 is not applicable.

Factual Basis: Paying administration fees is required as part of obtaining and holding a permit with the Department or as a fee for a Department action. The regulations in 18 AAC 50.400-403 specify the amount, payment period, and the frequency of fees applicable to a permit action.

Conditions 64 and 65, Emission Fees

Legal Basis: These conditions require compliance with the applicable fee requirements in 18 AAC 50.410-420. The regulations specify the time period for the assessable emissions and the methods the Permittee may use to calculate assessable emissions. As stated in 18 AAC 50.326(j)(1), the provisions of 18 AAC 50.400 through 50.430 are applicable and 40 C.F.R. 71.9 is not applicable.

Factual Basis: Except, as noted in the last paragraph, the Department used the language in SPC I, adopted by reference under 18 AAC 50.346(b), for the permit. SPC I requires 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.

SPC I also allows the Permittee to recalculate the stationary source's assessable emissions based on previous actual annual emissions. According to AS 46.14.250(h)(1), assessable emissions are based on each air pollutant. Therefore, fees shall be paid on any pollutant emitted whether or not the permit contains any limitation for that pollutant.

This standard condition specifies that, unless otherwise approved by the Department, calculations of assessable emissions must be based on actual emissions for the previous calendar year. Since each current year's assessable emissions 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's actual emissions do not match.

As indicated in Condition 65.3, if the stationary source has not commenced construction or operation on or before March 31st, the Permittee may submit a waiver letter certified by the responsible official under 18 AAC 50.205 indicating that the assessable emissions for the source is zero for the previous fiscal year.

The Department has modified Condition 64 by deleting the phrase "in quantities 10 tons per year or greater" to match the revision made in 18 AAC 50.410 effective September 7, 2022. Beyond as noted, the Department has determined that the standard conditions adequately meet the requirements of 40 C.F.R. 71.6(a)(3).

Condition 66, Good Air Pollution Control Practice

Legal Basis: This condition requires compliance with the requirements in 18 AAC 50.346(b)(5) and applies to all emissions units, **except** those subject to an emission standard in 40 C.F.R. 60, 61, or 63, those subject to continuous emission or parametric monitoring requirements, and insignificant emissions units; i.e., except EU IDs 101-104, 107-111, 114, 148, and 149.

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 SPC VI pursuant to AS 46.14.010(e). Records kept in accordance with Condition 66.2 for units subject to GAPCP need to be maintained for 5 years in accordance with Condition 83 even if a unit is no longer subject to this condition.

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 an adequate maintenance schedule is not maintained.

Condition 67, Dilution

Legal Basis: This condition reiterates 18 AAC 50.045(a), which prohibits the Permittee from using dilution as an emission control strategy. 18 AAC 50.045 is included in the SIP approved by EPA and, therefore, is an applicable requirement, per 40 C.F.R. 71.2.

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

Condition 68, Reasonable Precautions to Prevent Fugitive Dust

Legal Basis: This condition reiterates 18 AAC 50.045(d), which requires a person to use reasonable precautions when handling, storing, or transporting bulk materials or engaging in an industrial activity. 18 AAC 50.045 is included in the SIP approved by EPA and, therefore, is an applicable requirement, per 40 C.F.R. 71.2.

Factual Basis: The Department used the language in SPC X for the permit. The condition requires the Permittee to take reasonable action to prevent particulate matter from being emitted into the ambient air in accordance with 18 AAC 50.045(d).

Condition 69, Stack Injection

Legal Basis: This condition reiterates 18 AAC 50.055(g), which 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). 18 AAC 50.055 is included in the SIP approved by EPA and, therefore, is an applicable requirement, per 40 C.F.R. 71.2.

Stack injection requirements apply to stacks of emissions units at a stationary source constructed or modified after November 1, 1982.

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

Condition 70, Air Pollution Prohibited

Legal Basis: This condition requires compliance with 18 AAC 50.110. 18 AAC 50.110 is included in the SIP approved by EPA and, therefore, is an applicable requirement, per 40 C.F.R. 71.2. 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. The Department also included permit conditions for MR&R as required by 40 C.F.R. 71.6(a)(3) and 71.6(c)(1).

Factual Basis: The Department used the language in SPC II for the permit. This condition spells out how to monitor, record, and report prohibited air pollution. While the other permit conditions and emissions limitations 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.

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 a summary of the investigation and corrective actions undertaken for these complaints and must submit copies of these records upon request of the Department.

Condition 71, Technology-Based Emission Standard

Legal Basis: The Permittee is required to take reasonable steps to minimize emissions if unavoidable emergency, malfunction, or non-routine repair activities cause an exceedance of any technology-based emission standard in this permit. This condition requires compliance with the requirement in 18 AAC 50.235. Technology-Based Emission Standard requirements apply because the stationary source contains equipment subject to a technology-based emission standard, such as BACT, MACT, LAER, NSPS or any other similar standard for which the stringency of the standard is based on determinations of what is technologically feasible, considering relevant factors.

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 87. Excess emission reporting under Condition 87 requires information on the steps taken to minimize emissions. Monitoring of compliance for this condition consists of the report required under Condition 87.

Condition 72, Open Burning

Legal Basis: The condition requires the Permittee to comply with the regulatory requirements in 18 AAC 50.065 when conducting open burning at the stationary source. 18 AAC 50.065 is included in the SIP approved by EPA and, therefore, is an applicable

requirement, per 40 C.F.R. 71.2. The state open burning regulation in 18 AAC 50.065 applies to the Permittee if the Permittee conducts open burning at the stationary source.

Factual Basis: The Permittee may conduct open burning by following the provisions of 18 AAC 50.065 and by following the Department guidelines posted at the website <u>http://dec.alaska.gov/air/air-permit/open-burn-info</u>. Condition 72.1 requires the Permittee to keep records to demonstrate compliance with the standards for conducting open burning.

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 89.

Condition 73, Requested Source Tests

Legal Basis: The Permittee is required to conduct source tests as requested by the Department. This requirement is under 18 AAC 50.220(a) and 50.345(k), which are included in the SIP approved by EPA.

Factual Basis: This condition applies because this is a standard condition to be included in all operating permits, as specified in 18 AAC 50.345(a). Compliance is demonstrated through the submission of the required source test plan and report.

Conditions 74 through 76, Operating Conditions, Reference Test Methods, Excess Air Requirements

Legal Basis: Conditions 74 and 76 require compliance with the applicable requirements in 18 AAC 50.220(b) and (c)(3), which are included in the SIP approved by EPA. Condition 75 specifies source test methods, as required by 40 C.F.R. 71.6(a)(3)(i) and 71.6(c)(1). These requirements apply because the Permittee is required by the permit to conduct source tests, or a source test may be requested by the Department. The Permittee is required to conduct source tests in the manner set out in Conditions 74 through 76.

Factual Basis: These conditions supplement the specific monitoring requirements stated elsewhere in this permit.

Condition 77, Test Exemption

Legal Basis: This condition incorporates the source test exemption in 18 AAC 50.345(a) regarding visible emissions observations. 18 AAC 50.345(a) is included in the SIP approved by EPA.

Factual Basis: As provided in 18 AAC 50.345(a), 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 78 through 81, Test Deadline Extension, Test Plans, Notifications, and Reports

Legal Basis: Condition 78 contains the requirement in 18 AAC 50.345(l). Conditions 79 through 81 require compliance with the applicable requirements in 18 AAC 50.345(m) through (o). 18 AAC 50.345(l) through (o) are included in the SIP approved by EPA. The requirements in 18 AAC 50.345(l) through (o) constitute standard conditions that must be included in each operating permit, as specified in 18 AAC 50.345(a). These requirements apply because the

Permittee is required to conduct source tests as set out by this permit or as requested by the Department.

Factual Basis: These standard conditions supplement specific monitoring requirements stated elsewhere in this permit.

Condition 82, Particulate Matter Calculations

Legal Basis: This condition requires the Permittee to reduce particulate matter data in accordance with 18 AAC 50.220(f), which is included in the SIP approved by EPA. It applies when the Permittee tests for compliance with the particulate matter standards in 18 AAC 50.050 or 50.055.

Factual Basis: The condition incorporates a regulatory requirement for particulate matter source tests. The Permittee must use the equation given in this condition to calculate the particulate matter emission concentration from the source test results. This condition supplements specific monitoring requirements stated elsewhere in this permit.

Condition 83, Recordkeeping Requirements

Legal Basis: This condition requires the Permittee to keep records in accordance with 40 C.F.R. 71.6(a)(3)(ii), which the Department adopted by reference under 18 AAC 50.040(j)(4). It also incorporates the general NSPS recordkeeping requirement under 40 C. F. R. 60.7(f), which the Department adopted by reference under 18 AAC 50.040(a)(1).

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 evidence of compliance with this requirement.

40 C.F.R. 60.7(f) requires records retention for at least two years of the measurements required to be maintained by this Part while 40 C.F.R. 71.6(a)(3)(ii) requires at least five years of records retention. The five-year records retention requirement in Condition 83 satisfies both 40 C.F.R. 60.7(f) and 40 C.F.R. 71.6(a)(3)(ii).

Condition 84, Certification

Legal Basis: All operating permits must contain a requirement to certify permit applications, reports, affirmations, or compliance certification, per 18 AAC 50.345(j). The requirement is a part of the SIP approved by EPA.

Factual Basis: The Department used the language in SPC XVII, adopted by reference under 18 AAC 50.346(b)(10), for the permit condition. The requirement in 18 AAC 50.345(j) is a standard condition that must be included in each operating permit, as specified in 18 AAC 50.345(a). 18 AAC 50.345(j) allows the excess emissions reports to be certified with the operating report. However, the Department reminds the Permittee that excess emissions reports must be submitted according to the applicable deadline given in Condition 87 and must not be withheld from the Department until the deadline for submittal of an operating report. This condition supplements the reporting requirements of this permit. The certification statement through electronic signature and options for submittal provide paperless options for reporting without compelling Permittees to any specific means of submission.

Condition 85, Submittals

Legal Basis: This condition applies because the Permittee is required to send reports to the Department and supplements the standard reporting and notification requirements of this permit.

Factual Basis: The Department used the language in SPC XVII, adopted by reference under 18 AAC 50.346(b)(10), for the permit condition. This condition lists the Department's appropriate address for reports and written notices. This condition states that the Department requires one certified copy of submitted reports (except as otherwise required by the Department or other conditions of the permit) and provides an allowance for either electronic or hard copy document submittals. The condition also directs the Permittee to refer to the submission instructions on the Department's Standard Permit Conditions webpage for additional information regarding document submittals (e.g., the appropriate Department address).

Condition 86, Information Requests

Legal Basis: All operating permits must include a condition that requires the Permittee to furnish certain information upon request, per 18 AAC 50.345(i). The requirement is part of the SIP approved by EPA.

Factual Basis: The requirement in 18 AAC 50.345(i) is a standard condition that must be included in each operating permit, as specified in 18 AAC 345(a). This condition requires the Permittee to submit information requested by the Department.

Condition 87 and Section 12, Excess Emission and Permit Deviation Reports and Notification Form

Legal Basis: This condition requires the Permittee to comply with the requirements in 18 AAC 50.235(a)(2) and 18 AAC 50.240(c). 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.

Except as noted in the last paragraph, the Department used the language in SPCs III and IV, adopted by reference under 18 AAC 50.346(b)(2), for the permit condition. The Department used the Notification Form in SPC IV adopted by reference under 18 AAC 50.346(b)(3), for the notification requirements (see Section 12).

The Department has modified Condition 87.3 and the Notification Form in Section 12 to reflect the electronic submittal requirements in 18 AAC 50.270 using the Department's online form to submit notification of excess emissions and permit deviations beginning September 7, 2023. The electronic notification form is found at the Division of Air Quality's Air Online Services (AOS) system webpage http://dec.alaska.gov/applications/air/airtoolsweb using the Permittee Portal option. Submittal through other methods may be allowed only upon written Department approval. Beyond as noted, the Department has determined that the standard conditions adequately meet the requirements of 40 C.F.R. 71.6(a)(3).

Condition 88, Operating Reports

Legal Basis: The condition specifies reporting requirements as required by 40 C.F.R. 71.6(a)(3)(iii)(A) which the Department has adopted by reference under 18 AAC 50.040(j)(4).

Factual Basis: The Department used the language in SPC VII, adopted by reference under 18 AAC 50.346(b)(6), for the permit condition. The condition restates the requirements for reports listed in regulation. The condition supplements the specific reporting requirements identified elsewhere in the permit.

The condition specifies that for the transition periods between an expiring permit and a renewal permit, the Permittee shall ensure that there is date-to-date continuity between the expired permit and the renewal permit such that the Permittee reports against the permit terms and conditions of the permit that was in effect during those partial date periods of the transition. No format is specified. The Permittee may provide one report accounting for each permit term or condition and the effective permit at that time. Alternatively, the Permittee may choose to provide two reports: one accounting for reporting elements of permit terms and conditions from the end date of the previous operating report until the date of expiration of the old permit, and a second operating report accounting for reporting elements of terms and conditions in effect from the effective date of the renewal permit until the end of the reporting period.

Condition 89, Annual Compliance Certification

Legal Basis: This condition requires compliance with the requirements in 40 C.F.R. 71.6(c)(5), which the Department adopted by reference under 18 AAC 50.040(j).

Factual Basis: This condition specifies the periodic compliance certification requirements and specifies a due date for the annual compliance certification.

Condition 89.2 provides clarification of transition periods between an expiring permit and a renewed or revised permit to ensure that the Permittee certifies compliance with the permit terms and conditions of the permit that was 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 for each of the effective permits during the certification period or may choose 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 renewed or revised permit until December 31.

The Permittee is required to submit to the Department an annual compliance certification report. The Permittee may submit the required report electronically at their discretion.

Condition 90, Emission Inventory Reporting

Legal Basis: This condition requires the Permittee to submit emissions data to the state, so the state is able to satisfy the federal requirement to submit emission inventory data from point sources to the EPA as required under 40 C.F.R. 51.15 and 51.321. The federal emission inventory requirement applies to sources defined as point sources in 40 C.F.R. 51.50. Under 18 AAC 50.275, the state also requires reporting of emissions triennially for stationary sources with an air quality permit, regardless of permit classification. This includes sources that do not meet the federal emission thresholds in Table 1 to Appendix A of 40 C.F.R. 51 Subpart A. The

state must report emissions data as described in 40 C.F.R 51.15 and the data elements in Tables 2a and 2b to Appendix A of 40 C.F.R. 51 Subpart A to EPA.

Factual Basis: Except as noted in the last paragraph, the Department used the language in SPC XV, as adopted by reference under 18 AAC 50.346(b)(8), for the permit condition.

The emission inventory data is due to EPA 12 months after the end of the reporting year (40 C.F.R. 51.30(a)(1) and (b)(1)). Permittees have until April 30th to compile and submit the data to the Department. To expedite the Department's process of transferring data into EPA's electronic reporting system, the Department encourages Permittees to submit the emission inventory through the Department's electronic emission inventory submission system in the Permittee Portal on the Department's Air Online Services webpage http://dec.alaska.gov/Applications/Air/airtoolsweb/. A myAlaska account and profile are needed to gain access to the Permittee Portal. Other options are to submit the emission inventory via mail, email, or fax.

Detailed instructions on completing and submitting the emission inventory and the report form are available at the Point Source Emission Inventory page <u>http://dec.alaska.gov/Applications/Air/airtoolsweb/PointSourceEmissionInventory</u> by clicking the Emission Inventory Instructions button. The emission inventory instructions and report form may also be obtained by contacting the Department.

To ensure that the Department's electronic system reports complete information to the National Emissions Inventory, stationary sources with air quality permits are required to submit with each report emissions data described in 40 C.F.R. 51.15 and the data elements in Tables 2a and 2b to Appendix A of 40 C.F.R. 51 Subpart A, as applicable. Title V stationary sources with potential annual emissions greater than or equal to any of the emission thresholds shown in Condition 90.1 for Type A (large) sources, as listed in Table 1 to Appendix A of 40 C.F.R. 51 Subpart A, are required to report emission inventory data every year for the previous calendar year (also known as the inventory year). For triennial inventory years, Type A sources only need to submit one report, not both an annual report and a separate triennial report.

Stationary sources, excluding owner requested limits (ORLs) issued under 18 AAC 50.225 and preapproved emission limits (PAELs) issued under 18 AAC 50.230, that do not meet any of the emission thresholds in Condition 90.1 for Type A (large) sources are required to report emission inventory data every third year (i.e., triennially) for the previous inventory year under Condition 90.2.

As of the issue date of this permit, the Point Thomson Production Facility is required to report under Condition 90.2.

The Department has modified Condition 90 by lowering the thresholds that require reporting to include all stationary sources regardless of permit classification (excluding ORLs and PAELs) to capture the new requirements found in 18 AAC 50.275, effective September 7, 2022. Beyond as noted, the Department has determined that the standard conditions adequately meet the requirements of 40 C.F.R. 71.6(a)(3).

Condition 91, Consistency of Reporting Methodologies

Legal Basis: Condition 91 is from 18 AAC 50.275(a) and requires all stationary sources, regardless of permit classification (with the exception of owner requested limits (ORLs) issued under 18 AAC 50.225 and preapproved emission limits (PAELs) issued under 18 AAC

50.230), to report actual emissions to the state so that the state can meet its obligation under 40 C.F.R. 51. Condition 91.1 is from 18 AAC 50.275(b) and requires consistency on the stationary sources' actual emissions reports submitted for NEI and the state's assessable emissions.

Factual Basis: The regulation was added to 18 AAC 50 on September 7, 2022 so as to include all stationary sources required to report actual emissions for the purpose of federal emissions inventory and to avoid inconsistencies in actual emissions reports submitted. When reporting actual emissions under Condition 90 or assessable emissions under Condition 64.1, consistent emission factors and calculation methods shall be used for all reporting requirements for the stationary source.

Condition 92, NSPS and NESHAP Reports

Legal Basis: The Permittee is required to provide the Department a copy of each report submitted to EPA as required for emissions units subject to NSPS or NESHAP federal regulations under 18 AAC 50.326(j)(4). Appendix A to 40 C.F.R. 70 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, 40 C.F.R. 61, and 40 C.F.R. 63. The reports themselves provide monitoring for compliance with this condition.

Condition 93, Permit Applications and Submittals

Legal Basis: 40 C.F.R. 71.10(d)(1), adopted by reference by the Department under 18 AAC 50.040(j)(7), requires submission of a copy of each permit application to EPA.

Factual Basis: The Department used the language in SPC XIV, adopted by reference under 18 AAC 50.346(b)(7), for the permit condition. The condition directs the applicant to send a copy of each application for modification or renewal of this permit to the EPA. The information may be submitted in electronic format, if practicable. This condition shifts the burden of compliance with 40 C.F.R. 71.10(d)(1) from the Department to the Permittee as allowed under 40 C.F.R. 71.10(d)(1).

Conditions 94 through 96, 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)(8), (12), and (13), incorporated by reference under 18 AAC 50.040(j), require that these provisions be included in operating permits.

Factual Basis: 40 C.F.R. 71.6(a)(12) and (13), as reflected in Conditions 95 and 96, respectively, specify changes that may be made without a permit revision, and 40 C.F.R. 71.6(a)(8) (Condition 94) states permit revisions are not required for some emissions trading and similar programs.

The Permittee did not request trading of emission increases and decreases as described in 40 C.F.R. 71.6(a)(13)(iii); therefore, language addressing these provisions has not been included in this permit as part of Condition 94.

Condition 97, 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 accordance with the operating permit program. The obligations for a timely and complete operating permit application are in 40 C.F.R. 71.5(a) - (c), adopted by reference in 18 AAC 50.040(j)(3), and 18 AAC 50.326(c).

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 40 C.F.R. 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 remits 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, as long as an application has been submitted within the timeframe specified 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.

Conditions 98 through 102, General Compliance Requirements and Schedule

Legal Basis: These conditions require compliance with the applicable requirements in 18 AAC 50.345(b) through (d) and (h) and 40 C.F.R. 71.6(c)(3). As stated in 18 AAC 50.345(a), the requirements in 18 AAC 50.345(b) through (d) and (h) are standard conditions that must be included in all operating permits issued by the Department.

Factual Basis: These are standard conditions for compliance required for all operating permits.

Conditions 103 and 104, Permit Shield

Legal Basis: These conditions require compliance with the requirements in 40 C.F.R. 71.6(f), which the Department has adopted by reference under 18 AAC 50.040(j)(4). These requirements apply because the Permittee has requested that the Department shield the stationary source from specific non-applicable requirements listed under this condition.

Factual Basis: Table I of Operating Permit No. AQ1201TVP02 shows the permit shields that the Department granted to the Permittee. The following table shows the requests that were denied and the reasons that they were denied. The Department based the determinations on the permit application, past operating permit, Title I permits, and inspection reports. Should any of the shielded requirements become applicable during the permit term, the Permittee is required to take necessary steps to comply with all applicable requirements in a timely manner.

Shield Requested for:	Reason for Shield Request:	Reason for Denial
Stationary source-wide 40 C.F.R. 60 Subparts D, Da, Db, Dc, E, Ea, Eb, Ec, F, G, Ga, H, I, J, Ja, K, Ka, Kb, L, M, N, Na, O, P, Q, R, S, T, U, V, W, X, Y, Z, AA, AAa, BB, CC, DD, EE, GG, HH, KK, LL, MM, NN, PP, QQ, RR, SS, TT, UU, VV, VVa, WW, XX, AAA, BBB, DDD, FFF, GGG, GGGa, HHH, III, JJJ, KKK, LLL, NNN, OOO, PPP, QQQ, RRR, SSS, TTT, UUU, VVV, WWW, MMMM, QQQQ, TTTT, and UUUU – Standards of Performance for New Stationary Sources	The facility is not an affected stationary source, operation, or industry.	A shield is not necessary for NSPS Subparts that are inherently irrelevant and inapplicable to the stationary source's line of operations and activities. No shield included in the permit does not mean the requirement is applicable.
Stationary source-wide 40 C.F.R. 61 Subparts B, C, D, E, F, H, I, J, K, L, N, O, P, Q, R, T, V, W, Y, BB, and FF – National Emission Standards for Hazardous Air Pollutants	No affected facility within the stationary source.	A shield is not necessary for NESHAP Subparts that are inherently irrelevant and inapplicable to the stationary source's line of operations and activities. No shield included in the permit does not mean the requirement is applicable.
Stationary source-wide 40 C.F.R. 61 Subpart M – National Emission Standard for Asbestos	No affected facility within the stationary source.	The requirements of 40 C.F.R. 61 are applicable requirements for Title V permitting purposes, as stated in item 4 of the "applicable requirement" definition under 40 C.F.R. 71.2. Condition 53 requires the Permittee to comply with the requirements of Subpart M if the Permittee engages in asbestos demolition or renovation.
Stationary source-wide 40 C.F.R. 63 Subparts B, F, G, H, I, J, L, M, N, O, Q, R, S, T, U, W, X, Y, AA, BB, CC, DD, EE, GG, HH, II, JJ, KK, LL, MM, NN, OO, PP, QQ, RR, SS, TT, UU, VV, WW, XX, YY, CCC, DDD, EEE, GGG, HHH, III, JJJ, LLL, MMM, NNN, OOO, PPP, QQQ, RRR, TTT, UUU, VVV, XXX, AAAA, CCCC, DDDD, EEEE, FFFF, GGGGG, HHHH, IIII, JJJJ, KKKK, MMMM, NNNN, OOOO, PPPP, QQQQ, RRRR, SSSS, TTTT, UUUU, VVVV, WWWW, XXXX, YYYY,	The facility does not contain an affected stationary source, operation, or industry.	A shield is not necessary for NESHAP Subparts that are inherently irrelevant and inapplicable to the stationary source's line of operations and activities. No shield included in the permit does not mean the requirement is applicable.

Table L – Permit Shields Denied

Shield Requested for:	Reason for Shield Request:	Reason for Denial
AAAAA, BBBBB, CCCCC, DDDDD, EEEEE, FFFFF, GGGGG, HHHHH, IIIII, JJJJJ, KKKKK, LLLLL, MMMMM, NNNNN, PPPPP, QQQQQ, RRRRR, SSSSS, TTTTT, UUUUU, WWWW, YYYYY, ZZZZZ, BBBBBB, CCCCCC, DDDDDD, EEEEEE, FFFFFF, GGGGGGG, HHHHHH, JJJJJJ, LLLLLL, MMMMMM, NNNNNN, OOOOOO, PPPPP, QQQQQQ, RRRRR, SSSSSS, TTTTTT, VVVVVV, WWWWW, XXXXX, YYYYYY, ZZZZZ, AAAAAA, BBBBBBB, CCCCCCC, DDDDDDD, EEEEEEE, and HHHHHHH – National Emission Standards for Hazardous Air Pollutants for Source Categories		
40 C.F.R. 1043 – Control of NO _X , SO _X , and PM Emissions from Marine Engines and Vessels Subject to MARPOL Protocol	The facility is not an affected stationary source, operation or industry.	A shield is not necessary for federal requirements that are inherently irrelevant and inapplicable to the stationary source's line of operations and activities. No shield included in the permit does not mean the requirement is applicable.
40 C.F.R. 1051 Subparts A, B, C, D, F, G, H, and I – Control of Emissions from Recreational Engines and Vehicles	The facility will not manufacture engines.	A shield is not necessary for federal requirements that are inherently irrelevant and inapplicable to the stationary source's line of operations and activities. No shield included in the permit does not mean the requirement is applicable.
40 C.F.R. 1054 Subparts A, B, C, D, E, F, G, H, and I – Control of Emissions from New, Small Nonroad Spark- Ignition Engines and Equipment	The facility will not manufacture or import engines.	A shield is not necessary for federal requirements that are inherently irrelevant and inapplicable to the stationary source's line of operations and activities. No shield included in the permit does not mean the requirement is applicable.
40 C.F.R. 1045 Subparts A, B, C, D, E, F, G, H, and I – Control of Emissions from Spark-Ignition Propulsion Marine Engines and Vessels	The facility will not manufacture or import engines.	A shield is not necessary for federal requirements that are inherently irrelevant and inapplicable to the stationary source's line of operations and activities. No shield included in the permit does not mean the requirement is applicable.
40 C.F.R. 1065, Subparts A, B, C, D, E, F, G, H, I, J, K, and L – Engine-Testing Procedures	The facility is not an affected stationary source,	A shield is not necessary for federal requirements that are inherently irrelevant and inapplicable to the stationary source's line of operations and activities. No shield

Shield Requested for:	Reason for Shield Request:	Reason for Denial		
	operation, or industry.	included in the permit does not mean the requirement is applicable.		
40 C.F.R. 1066, Subparts A, B, C, D, E, F, G, H, I, J, and K – Vehicle-Testing Procedures	The facility is not an affected stationary source, operation, or industry.	A shield is not necessary for federal requirements that are inherently irrelevant and inapplicable to the stationary source's line of operations and activities. No shield included in the permit does not mean the requirement is applicable.		
40 C.F.R. 96 Subparts A, B, C, D, E, F, G, H, I, AA, BB, CC, EE, FF, GG, HH, II, AAA, BBB, CCC, FFF, GGG, HHH, III, AAAA, BBBB, CCCC, EEEE, FFFF, GGGG, HHHH, and IIII NO _X Budget Trading Program and CAIR NO _X and SO ₂ Trading Programs for State Implementation Plans	Alaska does not have or participate in a NO _X or SO ₂ Trading Program.	A shield is not necessary for federal requirements that are inherently irrelevant and inapplicable to the stationary source's line of operations and activities. No shield included in the permit does not mean the requirement is applicable.		
40 C.F.R. 97 Subparts A, B, C, D, E, F, G, H, I, J, AA, BB, CC, EE, FF, GG, HH, II, AAA, BBB, CCC, FFF, GGG, HHH, III, AAAA, BBBB, CCCC, EEEE, FFFF, GGGG, HHH, IIII, AAAAA, BBBBB, CCCCC, and DDDDD – Federal NO _X Budget Trading Program, CAIR NO _X and SO ₂ Trading Programs, CSAPR NO _X and SO ₂ Trading Programs, and Texas SO ₂ Trading Program	Alaska does not have or participate in a NOx or SO ₂ Trading Program.	A shield is not necessary for federal requirements that are inherently irrelevant and inapplicable to the stationary source's line of operations and activities. No shield included in the permit does not mean the requirement is applicable.		
40 C.F.R. 98 Subparts C – Mandatory Greenhouse Gas Reporting	The facility is not an affected facility within the stationary source.	Subpart C addresses Stationary Fuel Gas Combustion Sources. This is applicable per 40 C.F.R. 98.2(a)(2) since the stationary source is subject to 40 C.F.R. 98 Subpart W – Petroleum and Natural Gas Systems, a source category listed in Table A-4.		
40 C.F.R. 1036 Subparts A, B, C, E, F, G, H, and I – Control of Emissions from New and In-Use Heavy- Duty Highway Engines	The facility will not manufacture or import engines.	A shield is not necessary for federal requirements that are inherently irrelevant and inapplicable to the stationary source's line of operations and activities. No shield included in the permit does not mean the requirement is applicable.		
40 C.F.R. 1037 Subparts A, B, C, E, F, G, H, and I – Control of Emissions from New Heavy-Duty Motor Vehicles	The facility will not manufacture or import engines.	A shield is not necessary for federal requirements that are inherently irrelevant and inapplicable to the stationary source's line of operations and activities. No shield included in the permit does not mean the requirement is applicable.		

Shield Requested for:	Reason for Shield Request:	Reason for Denial
EU IDs 107-109, 114, 148, and 149 40 C.F.R. Subpart IIII – Standards of Performance for Stationary Compression Ignition Internal Combustion Engines 60.4204(d) and 60.4212	The emissions units are not subject to performance tests.	40 C.F.R. 60.4204(d) and 40 C.F.R. 60.4212 are applicable because performance tests may be required if the requirements of 40 C.F.R. 60.4211(g) are triggered. See Conditions 46.2 and 46.3.
EU IDs 107-109, 114, 148, and 149 40 C.F.R. Subpart IIII – Standards of Performance for Stationary Compression Ignition Internal Combustion Engines 60.4204(e), 60.4205, 60.4207(e), and 60.4211(e)	The emission units are diesel-fired, 2007 model year or later nonemergency stationary compression ignition internal combustion engines with a displacement of less than 30 liters per cylinder.	 40 C.F.R. 60.4204(e) applies to modified or reconstructed non-emergency stationary CI ICEs. This requirement may apply to the non-emergency stationary CI ICEs at the Point Thomson Production Facility in the event they are modified. 40 C.F.R. 60.4205 contain the emission standards applicable to emergency engines. While EU IDs 107-109, 114, 148, and 149 are not emergency engines, HAK is using the relaxation provisions under 40 C.F.R. 60.4216(c) that allows HAK to meet the applicable emission standards for emergency engines in 40 C.F.R. 60.4205 and 60.4202, instead of the emission standards under 40 C.F.R. 60.4204 and 60.4201 for EU IDs 107-109, 114, 148, and 149. See Condition 45.1. 40 C.F.R. 60.4207(e) provides an exemption from fuel requirements for CI ICEs that have a national security exemption under 40 C.F.R. 60.4200(d). The EUs at the Point Thomson Production Facility are not used for national security and do not need to be shielded from a non-applicable exemption provision. 40 C.F.R. 60.4211(e) applies to modified or reconstructed stationary CI ICEs. This requirement may apply to the CI ICEs at the Point Thomson Production Facility in the event they are modified
EU IDs 110 and 111 40 C.F.R. Subpart IIII – Standards of Performance for Stationary Compression Ignition Internal Combustion Engines 40 C.F.R. 60.4205(f), 60.4207(e), 60.4208, 60.4211(c), and (e)	The emission units are diesel-fired, 2007 model year or later emergency fire pump compression ignition internal combustion engines with a displacement of less than 30 liters per cylinder.	 40 C.F.R. 60.4205(f) applies to modified or reconstructed emergency stationary CI ICE. This requirement may apply to the CI ICEs at the Point Thomson Production Facility in the event they are modified. 40 C.F.R. 60.4207(e) provides an exemption from fuel requirements for CI ICEs that have a national security exemption under 40 C.F.R. 60.4200(d). The EUs at the Point Thomson Production Facility are not used for national security and do not need to be shielded from a non-applicable exemption provision. 40 C.F.R. 60.4208 is a general requirement that sets a deadline for importing or installing stationary CI ICE produced in previous model years applicable to all owners and operators subject to Subpart IIII per 40 C.F.R. 60.4200(a)(4). See Condition 48. 40 C.F.R. 60.4211(c) is a requirement for owners and operators of CI fire pump engines subject to the emission standards specified in 40 C.F.R. 60.4205(c). EU IDs 110 and 111 are subject to 40 C.F.R. 60.4205(c). See

Shield Requested for:	Reason for Shield Request:	Reason for Denial
		Conditions 45.2 and 46.1. 40 C.F.R. 60.4211(e) applies to modified or reconstructed stationary CI ICEs. This requirement may apply to the CI ICEs at the Point Thomson Production Facility in the event they are modified.
EU IDs 110 and 111 40 C.F.R. Subpart IIII – Standards of Performance for Stationary Compression Ignition Internal Combustion Engines 40 C.F.R. 60.4211(c) Subpart IIII	The emission units are diesel-fired, 2007 model year or later emergency fire pump compression ignition internal combustion engines with a displacement of less than 30 liters per cylinder.	This is a requirement for an owner or operator of a CI fire pump engine subject to the emission standards specified in 40 C.F.R. 60.4205(c). Consequently, EU IDs 110 and 111 are subject to the requirements of 40 C.F.R. 60.4211(c). See Conditions 45.2, 46.1, and Table H.
EU IDs 110 and 111 40 C.F.R. Subpart IIII – Standards of Performance for Stationary Compression Ignition Internal Combustion Engines 40 C.F.R. 60.4205(e) and 60.4212	The emissions units are not subject to performance tests.	40 C.F.R. 60.4205(e) and 60.4212 are applicable because performance tests may be required if the requirements of 40 C.F.R. 60.4211 are triggered. See Conditions 46.2 and 46.3.
EU IDs 107-111, 114, 148, 149 40 C.F.R. Subpart IIII – Standards of Performance for Stationary Compression Ignition Internal Combustion Engines 40 C.F.R. 60.4202, 60.4204(e)	The stationary source is not an engine manufacturer.	Although 40 C.F.R. 60.4202 is specific to engine manufacturers, specific standards set out for emergency CI ICEs from 40 C.F.R. 60.4202 are referenced in 60.4205 for the owners to comply with. Additionally non- emergency engines in remote areas of Alaska may comply with the emission standards for emergency CI ICEs instead of the emission standards for non-emergency CI ICEs. See Conditions 45.1 and Table G. 60.4204(e) applies to modified reconstructed non- emergency stationary CI ICE that may apply to the EUs in the event that they are modified or reconstructed.
EU IDs 107-111, 114, 148, and 149 40 C.F.R. 63 Subpart ZZZZ – National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines	In accordance with 40 C.F.R. 60.6590(c), an affected source consisting of a new or reconstructed stationary RICE located at an area source meets the requirements of 40 C.F.R. Part 63 Subpart ZZZZ by meeting the requirements of 40 CFR Part 60 Subpart IIII. No further	EU IDs 107-111, 114, 148, and 149 meet the criteria for new stationary RICE subject to NESHAP Subpart ZZZZ per 40 C.F.R. 63.6590(a)(2)(iii). 40 C.F.R. 60.6590(c)(1) requires compliance of these EUs with NESHAP Subpart ZZZZ through compliance with the applicable requirements of NSPS Subpart IIII.

Shield Requested for:	Reason for Shield Request:	Reason for Denial
	requirements apply for such engines.	
EU ID 246 40 C.F.R. 60 Subpart Ec – Standards of Performance for New Stationary Sources: Hospital/Medical/Infections Waste Incinerators	The waste combusted in EU ID 246 is less than 10 percent hospital medical infectious waste by weight per calendar quarter.	EU ID 246 is subject to an enforceable limit, as provided under Condition 35, to be exempt from the requirements of Subpart Ec. These exemption requirements are mandated through 40 C.F.R. 60.50c(c).
EU ID 246 40 C.F.R. Subpart EEEE – Standards of Performance for Other Solid Waste Incineration Units for Which Construction is Commenced After December 9, 2004, or for Which Modification or Reconstruction is Commenced on or After June 16, 2006 40 C.F.R. Subpart FFFF – Emission Guidelines and Compliance Times for Other Solid Waste Incineration Units that Commenced Construction On or Before December 9, 2004	The facility does not contain an affected stationary source, operation, or industry.	Upcoming revisions to the Other Solid Waste Incineration (OSWI) New Source Performance Standards (NSPS) and Emission Guidelines (EG), at 40 C.F.R. 60, Subparts EEEE and FFFF, are scheduled to be finalized on March 1, 2024. The proposed revisions include removing the definition of the term "collected from" as used in and limiting the definition of "municipal solid waste" in order to place the focus on the source and type or nature of the waste, rather than the manner in which it is "collected." This proposed removal of the definition of "collected from" and consequent revision to the definition of "municipal solid waste" will most likely result in NSPS Subpart EEEE and EG Subpart FFFF being applicable to EU ID 246.