

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

**PUBLIC COMMENT - March 6, 2024  
Doyon Utilities, LLC  
Fort Greely Real Estate - Doyon Utilities**

**STATEMENT OF BASIS  
for  
Permit No. AQ1183TVP04**

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## **INTRODUCTION**

This document sets forth the statement of basis for the terms and conditions of Operating Permit No. AQ1183TVP04.

### **STATIONARY SOURCE IDENTIFICATION**

Section 1 of Operating Permit No. AQ1183TVP04 contains information on the stationary source as provided in the Title V permit application.

The stationary source, Fort Greely Real Estate - Doyon Utilities, is owned and operated by Doyon Utilities, LLC and Doyon Utilities, LLC is the Permittee for the stationary source's operating permit. The standard industrial classification (SIC) code for this stationary source is 65 – Real Estate.

Fort Greely primarily supports the Missile Defense Agency, but also supports U.S. Army, Alaska training activities. The Department issued Construction Permit No. 238CP01 for Fort Greely in August 2002. Ownership of Fort Greely, Alaska was transferred on October 1, 2002 from the U.S. Army Alaska (USARAK), a subordinate command of the U.S. Army Pacific, to the U.S. Army Space and Missile Defense Command. On August 23, 2002, the Department received a revision to USARAK's original operating permit application to reflect Fort Greely's change in ownership. The transfer of ownership recognized that only a portion of the original Fort Greely, approximately 7,000 acres, was to be transferred from USARAK to USASMDC. The remainder of the land continues under the control of USARAK as the "Fort Wainwright Donnelly Training Area".

On January 20, 2006, the Department decided to allow Fort Greely to disaggregate into separate stationary sources according to functionality along SIC major group classifications and to allow separate air quality control permits to each of those sources requiring a permit. The Fort Greely Real Estate stationary source was created, and it retained Facility ID 238.

Fort Greely then participated in a DoD-wide privatization initiative called Utilities Privatization. This process transferred ownership and operation of utility systems, including central heat and power plant heat distribution, to private entities. At Fort Greely, Utilities Privatization included transfer of backup power generation; electrical distribution; potable water treatment and distribution; wastewater collection, treatment, and discharge; and central heat and steam distribution. Doyon Utilities (DU) became the owner and operator of the privatized utility systems at Fort Greely and provides utility services to the Army under the terms and conditions of the contract for Utilities Privatization. Therefore, the Fort Greely Real Estate stationary source remains aggregated for permitting purposes, but the privatized units operate under Facility ID 1183 and the remaining units operate under Facility ID 238.

### **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 CFR 71.5(c)(3).

The emissions units that have specific monitoring, recordkeeping, and reporting requirements are listed in Table A of the operating permit. Table A contains information on the emissions units

regulated by the operating permit as provided in the application. The table is provided for informational and identification purposes only. Specifically, the emissions unit rating/size provided in the table is not intended to create an enforceable limit.

## EMISSIONS

A summary of the potential to emit (PTE)<sup>1</sup> and assessable PTE for Fort Greely Real Estate - Doyon Utilities is shown in the table below. The PTE for Fort Greely Real Estate - Garrison is found in the statement of basis for the operating permit for Fort Greely Real Estate - Garrison (AQ0238TVP04).

**Table E - Emissions Summary, in Tons Per Year (tpy)**

Emissions	NO <sub>x</sub>	CO	PM <sub>10</sub>	SO <sub>2</sub>	VOC	CO <sub>2</sub> e <sup>1</sup>	HAPs	Total <sup>2</sup>
PTE	204.86	44.54	7.29	29.20	7.41	53,810	0.2	293.30
Assessable PTE	204.86	44.54	7.29	29.20	7.41	0	0	293.30

Table Notes:

<sup>1</sup> CO<sub>2</sub>e emissions are defined as the sum of the mass emissions of each individual GHG adjusted for its global warming potential.

<sup>2</sup> Total PTE and total assessable PTE shown in the table do not include CO<sub>2</sub>e and HAPs.

The assessable PTE listed under Condition 59.1 is the sum of the PTE of each individual air pollutant, other than greenhouse gases (GHGs), for which the stationary source has the potential to emit. The emissions listed in Table E are estimates that are for informational use only. The listing of the emissions does not create an enforceable limit for the stationary source. Emissions are as provided in the operating permit application.

## BASIS FOR REQUIRING AN OPERATING PERMIT

In accordance with AS 46.14.130(b), an owner or operator of a Title V source<sup>2</sup> must obtain a Title V permit consistent with 40 CFR 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 Clean Air Act;

<sup>1</sup> *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).

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

- Another stationary source designated by the Federal Administrator by regulation.

The Permittee is required to obtain an operating permit for Fort Greely Real Estate - Doyon Utilities, as specified under 18 AAC 50.326(a) and 40 CFR 71.3(a), because it is part of a stationary source that is a major source. The stationary source is a major source because, as defined in Section 302 of the Clean Air Act, 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**

The Department did not issue any air quality control permits to operate for Fort Greely Real Estate - Doyon Utilities.

### **Title I (Construction and Minor) Permits**

The Department has not issued any construction permits for Fort Greely Real Estate - Doyon Utilities.

Minor Permit No. AQ1183MSS01. The Department issued this permit on August 15, 2008. Minor Permit AQ0238MSS01 was split into two minor permits. Minor Permit AQ0238MSS02 was issued for the non-privatized emission units at Fort Greely Real Estate and Minor Permit AQ1183MSS01 was issued for the privatized units.

Minor Permit No. AQ1183MSS02. The Department issued this permit on January 20, 2010 for the replacement of backup diesel generators.

Minor Permit No. AQ1183MSS03. The Department issued this permit on February 6, 2013 to replace EU FGBF16 with new EU FGBF26 and to remove EUs FGIC10, FGIC13, FGIC20, and FGIC21. The permit also rescinded Minor Permits AQ1183MSS01 and AQ1183MSS02.

Minor Permit No. AQ1183MSS04. The Department issued this permit on October 16, 2013 to revise owner requested limits. The permit also rescinded Minor Permit AQ1183MSS03.

Minor Permit No. AQ1183MSS05. The Department issued this permit on July 24, 2014 to replace EU ID 16 with EU IDs 27 and 28 and to remove EU ID 26. The permit also rescinded Minor Permit AQ1183MSS04. All stationary source-specific requirements established in this permit are included in Operating Permit No. AQ1183TVP04 as described in

Table F.

### **Title V Operating Permits**

Operating Permit No. AQ1183TVP01. The Department issued this permit on October 29, 2008.

- Revision No. 1. The Department issued Revision 1 on January 29, 2010 to add the requirements of Minor Permit AQ1183MSS02 by administrative amendment.

Operating Permit No. AQ1183TVP02. The Department issued this permit on February 20, 2014.

- Revision No. 1. The Department issued Revision 1 on September 11, 2014 to add the requirements of Minor Permit AQ1183MSS05 by permit modification.

Operating Permit No. AQ1183TVP03. The Department issued this permit on July 18, 2019.

The Department received the application for Operating Permit AQ1183TVP04 on October 4, 2023.

### **COMPLIANCE HISTORY**

The stationary source has operated at its current location since 1955. Review of the permit files for this stationary source, which includes past inspection reports and compliance evaluations, indicate operation in compliance with the operating permit.

### **APPLICABLE REQUIREMENTS FROM PRECONSTRUCTION PERMITS**

Incorporated by reference at 18 AAC 50.326(j), 40 CFR 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:

- Permits 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 in effect at the time of issuance of Operating Permit No. AQ1183TVP04.

Table F below lists the requirements carried into Operating Permit No. AQ1183TVP04 to ensure compliance with the preconstruction permit requirements.

**Table F - Comparison of Minor Permit No. AQ1183MSS05 Conditions to Operating Permit No. AQ1183TVP04 Conditions**

AQ1183MSS05 Condition No.	Description of Requirement	AQ1183TVP04 Condition No.	How Condition was Revised
6	PSD Avoidance	15	Not revised.
7	Boiler fuel limit	16	Did not include EU ID 16 because that unit has been removed.
8 & 9	Diesel engine hour limits	17 & 18	Not revised.
10	MR&R for fuel limit	19	Did not include EU ID 16 because that unit has been removed.
11	MR&R for hour limit	0	Not revised.
12	Performance test requirements	21	Did not include EU ID 16 because that unit has been removed.
13 through 18	Emission calculations	22 through 27	Did not include EU ID 16 because that unit has been removed. Added a footnote to Condition 15.4 from Minor Permit AQ1183MSS05 to note that a significant permit modification is required to establish a Department approved emission factor.
19 & 20	Ambient air quality protection operational scenarios	28 & 29	Did not include the requirement to notify the Department of the selected operating scenario within 30 days of issuance of the minor permit because it is a one-time requirement that the Permittee has already complied with. Did not include EU ID 16 because that unit has been removed.
21	Ambient protection requirements for Scenario A	30	Did not include the requirement to provide as-built drawing of EU IDs 27 and 28 because it is a one-time requirement that the Permittee has already complied with. Did not include EU ID 16 because that unit has been removed.
22	Ambient protection requirements for Scenario B	31	Not revised.
23	Ambient protection requirements for Scenarios A & B	32	Did not include EU ID 16 because that unit has been removed. Revised “40 CFR 80.510(b)” to “40 CFR 1090.305” in Condition 23.3 from Minor Permit AQ1183MSS05 in accordance with the changes made to the CFR. Added a footnote to Condition 23.1a(i) from Minor Permit AQ1183MSS05 to note that a significant permit modification is required to establish an alternate method for determining fuel sulfur content.

Table Note: This table does not include all standard and general conditions.

### **NON-APPLICABLE REQUIREMENTS**

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

- **40 CFR 64 Compliance Assurance Monitoring (CAM):** None of the emissions units at the stationary source use a control device to achieve compliance with emission limits or standards. Therefore, CAM requirements are not applicable.

## STATEMENT OF BASIS FOR THE PERMIT CONDITIONS

The Department adopted regulations from 40 CFR 71, as specified in 18 AAC 50.040(j), in addition to creating state regulations, to establish an operating permit program. The EPA fully approved the Alaska Operating Permit Program on November 30, 2001, as noted in Appendix A to 40 CFR 70. This Statement of Basis, required under 40 CFR 71.11(b), provides the legal and factual basis for each condition of Operating Permit No. AQ1183TVP04. Additionally, and as required by 40 CFR 71.6(a)(1)(i), the state and federal regulations for each permit condition are cited in the permit.

### Conditions 1 through 4, 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 8, 9, 11, 12, 14, 15, 18, 19, 22, 27, and 28 are fuel-burning equipment or industrial processes.

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

**Factual Basis:** These conditions prohibit 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 also specified. These conditions 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.

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 standards for visible emissions. These conditions detail a stepwise monitoring program to determine compliance with the state visible emissions standards. Equipment types covered by these conditions are 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 through maintenance programs and/or more rigorous tests that will quantify whether a specific emission standard has been exceeded.

### Liquid Fuel-Burning Equipment:

Monitoring – The emissions unit exhaust must be observed by either the Method 9 or the Smoke/No Smoke Plan. Corrective actions such as maintenance procedures or more frequent observations may be required depending on the results of the observations.



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

**Reporting** – 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.

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

EU IDs 8 and 9 do not qualify as insignificant in accordance with 18 AAC 50.326(d)(1) because they are subject to operational limits established in a Title I permit and standards established under 40 CFR 63 Subpart ZZZZ. The Title I operational limit for each of EU IDs 8 and 9 results in NO<sub>x</sub> potential emissions of 2.1 tons per year (tpy) for each unit, which is roughly equivalent to the 2.0 tpy significant emissions threshold in 18 AAC 50.326(e). Therefore, the Department has waived visible emissions monitoring as long as the Title I limit is met, but these units are subject to compliance certification requirements, in accordance with Department Policy and Procedure No. 04.02.103, Topic #3. The Department revised the SPC to require MR&R in accordance with the Method 9 or Smoke/No Smoke Plan if the Title I limit is exceeded since the NO<sub>x</sub> potential emissions are at the significant emissions threshold in 18 AAC 50.326(e).

EU IDs 11, 12, and 22 do not qualify as insignificant in accordance with 18 AAC 50.326(d)(1) because they are subject to operational limits established in a Title I permit and standards under 40 CFR 60 and/or 40 CFR 63. However, potential emissions from these emissions units are far below the thresholds in 18 AAC 50.326(e) due to the Title I limits on hours of operation. Therefore, no visible emissions monitoring is required in accordance with Department Policy and Procedure No. 04.02.103, Topic # 3, but the Permittee must annually certify compliance with the opacity standard based on reasonable inquiry.

**Conditions 5 through 11, Particulate Matter (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 8, 9, 11, 12, 14, 15, 18, 19, 22, 27, and 28 are fuel-burning equipment or industrial processes.

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

**Factual Basis:** These conditions prohibit emissions in excess of the applicable state particulate matter standard. MR&R requirements are also specified. These conditions have been adopted into regulation as SPC IX.

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 particulate matter.

**Liquid Fuel-Burning Equipment:**

Monitoring – 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
- 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.

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

Reporting – The Permittee is required to report incidents when emissions in excess of the opacity threshold are observed and 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.

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

EU IDs 8 and 9 do not qualify as insignificant in accordance with 18 AAC 50.326(d)(1) because they are subject to operational limits established in a Title I permit and standards established under 40 CFR 63 Subpart ZZZZ. The Title I operational limit for each of EU IDs 8 and 9 results in NO<sub>x</sub> potential emissions of 2.1 tons per year (tpy) for each unit, which is roughly equivalent to the 2.0 tpy significant emissions threshold in 18 AAC 50.326(e). Therefore, no monitoring is required in accordance with Department Policy and Procedure No. 04.02.103, Topic #3. The Permittee must annually certify compliance with the PM emissions standard based on reasonable inquiry. The Department revised the SPC to require MR&R in accordance with the SPC if the Title I limit is exceeded since the NO<sub>x</sub> potential emissions are at the significant emissions threshold in 18 AAC 50.326(e).

EU IDs 11, 12, and 22 do not qualify as insignificant in accordance with 18 AAC 50.326(d)(1) because they are subject to operational limits established in a Title I permit and standards under 40 CFR 60 and/or 40 CFR 63. However, potential emissions from these emissions units are far below the thresholds in 18 AAC 50.326(e) due to the Title I limits on hours of operation. Therefore, no visible emissions monitoring is required in accordance with Department Policy and Procedure No. 04.02.103, Topic # 3, but the Permittee must annually certify compliance with the PM emissions standard based on reasonable inquiry.

### **Conditions 12 through 14, Sulfur Compound Emissions Standard and MR&R**

**Legal Basis:** This condition requires compliance with the sulfur compound emission standards under 18 AAC 50.055(c).

- 18 AAC 50.055(c) applies to the operation of fuel-burning equipment and industrial processes. EU IDs 8, 9, 11, 12, 14, 15, 18, 19, 22, 27, and 28 are fuel-burning equipment or industrial processes.

These sulfur compound standards apply because they are contained in the federally-approved SIP. The Department included permit conditions for MR&R as required by 40 CFR 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 (e.g. coal, natural gas, fuel oils).

### **Liquid Fuels:**

For liquid fuel-burning equipment, the MR&R conditions are SPCs XI and XII, adopted into regulation pursuant to AS 46.14.010(e). The Department modified SPC XI to require compliance with the MR&R requirements for the ambient air quality protection requirements for Operating Scenarios A & B because the requirements are as or more stringent than the standard conditions they replaced. If any of the sulfur content limits for ambient air quality are exceeded, the Permittee may still be in compliance with the state sulfur compound emissions standard. To determine compliance with the state standard in this scenario, the Department retained the portion of SPC XI that requires calculating SO<sub>2</sub>

emissions if a shipment of fuel contains greater than 0.75 percent sulfur by weight. The Department also retained the portions of SPC XI that require reporting if the state standard is exceeded.

### Conditions 15 through 32, 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 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 established under 18 AAC 50.225. These requirements include Best Available Control Technology (BACT) limits, 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:** The requirements from Title I permit conditions are included in the operating permit as described in

Table F above. The operating permit has both PSD avoidance and ambient air quality protection requirements from preconstruction permits. The facility has a NO<sub>x</sub> PSD avoidance limit of 205 tons per year. When combined with the NO<sub>x</sub> limit in Minor Permit AQ0238MSS02 for Fort Greely Real Estate – Garrison, the NO<sub>x</sub> limit for the entire stationary source is less than 250 tons per year.

### Condition 33, 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. As previously noted, 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 CFR 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. However, the Permittee may not cause or allow insignificant emission 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 units at this stationary source do not require specific monitoring, recordkeeping and reporting to ensure compliance under these conditions. The conditions require certification that the units did not exceed state emission standards during the previous year and did not emit any prohibited air pollution. The Department used the language in SPC V for the permit condition.

## Conditions 34 through 41, 40 CFR 60 Subpart A Requirements

**Legal Basis:** New Source Performance Standard<sup>3</sup> (NSPS) requirements in 40 CFR 60 are included in the applicable requirement definition under 40 CFR 71.2, which has been adopted by the Department under 18 AAC 50.040(j)(1). The provisions of 40 CFR 60 apply to the owner or operator of any stationary source which contains an affected facility<sup>4</sup>, the construction or modification of which is commenced after the date of publication in 40 CFR 60 of any standard (or, if earlier, the date of publication of any proposed standard) applicable to that facility.

The Department is unable to change the wording of relevant NSPS to substitute “the Department” for “the Administrator”. The Department requires access to any permit-related information provided by the Permittee to the EPA to act on its responsibility as the permitting authority to determine compliance with the NSPS. Therefore, the Department has defined “the Administrator” to mean the “EPA and the Department” for conditions implementing the federal emission standards under Section 4 of the operating permit.

The Permittee must comply with 40 CFR 60 Subpart A if the stationary source is subject to the requirements of another subpart under 40 CFR 60.

Conditions 34.1 through 34.2 - The Permittee is subject to these requirements in the event of a new NSPS affected facility or in the event of a modification or reconstruction of an existing facility<sup>5</sup> into an affected facility.

Condition 34.4 - The requirements to notify the Administrator of any proposed replacement of components of an existing facility (40 CFR 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 35 - The requirements in 40 CFR 60.7(b) to maintain start-up, shutdown, or malfunction records are applicable to most NSPS affected facilities.

Condition 36 - Recordkeeping requirements in 40 CFR 60.7(f) are applicable to all NSPS affected facilities. Records are required to be kept for five years in accordance with 40 CFR 71.6(a)(3)(ii)(B) rather than the two years specified in 40 CFR 60.7(f).

Condition 37 - The Permittee has already complied with the initial performance test requirements in 40 CFR 60.8. 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.

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<sup>3</sup> EPA has not delegated to the Department the authority to administer the NSPS program as of the issue date of this permit.

<sup>4</sup> *Affected facility* means, with reference to a stationary source, any apparatus to which a standard applies, as defined in 40 CFR 60.2.

<sup>5</sup> *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 CFR 60.2.

Condition 38 - Good air pollution control practices in 40 CFR 60.11 are applicable to most NSPS affected facilities.

Condition 40 - states that any credible evidence may be used to demonstrate compliance or to establish violations of relevant NSPS standards.

Condition 41 - Concealment of emissions prohibitions in 40 CFR 60.12 are applicable to most NSPS affected facilities.

**Factual Basis:** Subpart A contains general requirements applicable to all 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.

### **Condition 42, 40 CFR 60 Subpart Dc Requirements**

**Legal Basis:** The Department has incorporated by reference the NSPS requirements for specific industrial activities, as listed in 18 AAC 50.040(a). NSPS Subpart Dc applies to steam generating units for which construction, modification, or reconstruction is commenced after June 9, 1989 and that have a maximum design heat input capacity of 29 megawatts (MW) (100 million British thermal units per hour (MMBtu/h)) or less, but greater than or equal to 2.9 MW (10 MMBtu/h). EU IDs 14, 15, 27, and 28 are subject to the requirements of NSPS Subpart Dc.

**Factual Basis:** These conditions incorporate the Subpart Dc emissions standards applicable to EU IDs 14, 15, 27, and 28. All four units must meet the standards for SO<sub>2</sub> and EU IDs 14 and 15 must meet an opacity standard because they have a heat input capacity greater than 30 MMBtu/hr. These conditions also include the MR&R requirements in the subpart.

### **Condition 43, 40 CFR 60 Subpart IIII Requirements**

**Legal Basis:** The Department has incorporated by reference the NSPS requirements in Subpart IIII, as listed in 18 AAC 50.040(a). 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 ICE are manufactured after April 1, 2006 for non-fire pump engines and after July 1, 2006 for certified fire pump engines. EU IDs 18, 19, and 22 are subject to the requirements of Subpart IIII.

**Factual Basis:** EU IDs 18 and 19 are non-emergency engines and the Permittee complies with the non-emergency engine requirements for EU ID 22. These conditions incorporate the applicable Subpart IIII emissions standards. These conditions also specify the MR&R requirements contained in 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.

### **Condition 44, 40 CFR 61 Subpart A & M Requirements**

**Legal Basis:** The requirements of 40 CFR 61 are applicable requirements for Title V permitting purposes, as stated in item 4 of the “applicable requirement” definition under 40 CFR 71.2. The condition requires the Permittee to comply with asbestos demolition or renovation requirements in 40 CFR 61 Subpart M and associated general provisions under Subpart A, as adopted by reference under 18 AAC 50.040(b)(2)(F) and 50.040(b)(1). The Department 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 the Department's regulations. The Department has not received delegation for Subpart M for sources not required to obtain an operating permit under the Department's regulations.

**Factual Basis:** The asbestos demolition and renovation requirements apply if the Permittee engages in asbestos demolition or renovation. 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.

### **Conditions 45 and 46, 40 CFR 63 Subpart A Requirements**

**Legal Basis:** National Emission Standards for Hazardous Air Pollutants (NESHAP) requirements are included in the “applicable requirement” definition in item 4 under 40 CFR 71.2, which has been adopted by the Department under 18 AAC 50.040(j)(1). The Permittee must comply with 40 CFR 63 Subpart A if the stationary source is subject to the requirements of another subpart under 40 CFR 63.

**Factual Basis:** Subpart A contains general requirements applicable to all facilities and emissions units subject to NESHAP requirements.

### **Condition 47, 40 CFR 63 Subpart ZZZZ Requirements**

**Legal Basis:** The Department has incorporated by reference the NESHAP requirements in Subpart ZZZZ, as listed in 18 AAC 50.040(c). NESHAP Subpart ZZZZ applies to owners and operators of any existing, new, or reconstructed stationary reciprocating internal combustion engines (RICE) located at major and area sources of HAP emissions. Fort Greely Real Estate - Doyon Utilities is at an area source that contains RICE units.

**Factual Basis:** EU IDs 8, 9, 11, and 12 are existing, emergency compression ignition (CI) RICE. Emergency stationary CI RICE located at area sources of HAP are not subject to the numerical CO emission limitations, but are subject to the work and management practice standards specified in Table 2d, Item 4 of Subpart ZZZZ. The Permittee is required to install a non-resettable hour meter in each unit for accurate recording and monitoring to demonstrate compliance with the management practice requirements and operational hour limitations. The Permittee must operate the emergency RICE in accordance with the requirements in 40 CFR 63.6640(f). If any emergency engine no longer meets the criteria for an emergency engine, as defined in 40 CFR 63.6675, the emissions unit must meet all applicable requirements for non-emergency engines.

The Permittee must comply with the recordkeeping requirements of 40 CFR 63.6655(e) and 40 CFR 63.6660. The Permittee is also required to include reports of deviations from NESHAP Subpart ZZZZ requirements with the facility operating reports, in accordance with 40 CFR 63.6650(f). Under 40 CFR 63.6645(a)(5), initial notification is not required for existing stationary CI RICE that are not subject to any numerical emission standards.

EU IDs 18, 19 and 22 are new CI RICE under Subpart ZZZZ. In accordance with 40 CFR 63.6590(c), a new RICE located at an area source must meet the requirements of Subpart ZZZZ by meeting the requirements of 40 CFR 60 Subpart IIII and no further requirements apply for such engines under 40 CFR 63.

#### **Condition 48, 40 CFR 63 Subpart JJJJJJ Requirements**

**Legal Basis:** The Department has incorporated by reference the NESHAP requirements in Subpart JJJJJJ, as listed in 18 AAC 50.040(c). NESHAP Subpart JJJJJJ applies to owners and operators of industrial, commercial, or institutional boilers, as defined in 40 CFR 63.11237, that are located at, or are part of, an area source of HAP emissions. Fort Greely Real Estate - Doyon Utilities is an area source with boilers subject to NESHAP Subpart JJJJJJ.

**Factual Basis:** These conditions incorporate the Subpart JJJJJJ requirements applicable to EU IDs 14, 15, 27, and 28. These conditions also include MR&R specified in the subpart. Stack testing is not specifically required for EU IDs 27 and 28 but it is possible. Therefore, the Department included the operating load requirement in Table 3 of the subpart in accordance with 40 CFR 63.11201(c). Under 40 CFR 63.11210(f), EU IDs 27 and 28 are subject to the PM emission limit in the subpart if fuel other than ultra-low-sulfur liquid fuel is used or if the required monthly monitoring for ultra-low-sulfur liquid fuel is not conducted. Therefore, 40 CFR 63.11214 could become applicable and the Department added a condition for this requirement. The Permittee is required to operate and maintain the boilers in a manner consistent with safety and good air pollution control practices for minimizing emissions. EU IDs 14 and 15 are existing, oil-fired boilers with a heat input capacity greater than 5 MMBtu/hr with oxygen trim systems. EU IDs 27 and 28 are new, oil-fired boilers with a heat input capacity greater than 5 MMBtu/hr with oxygen trim systems. The Permittee is required to comply with the 5-year tune-up requirements in Table 2 to Subpart JJJJJJ.

#### **Conditions 49 through 51, 40 CFR 82 Subpart F, G, & H Requirements**

**Legal Basis:** The requirements of 40 CFR 82 are applicable requirements for Title V permitting purposes, as stated in item 12 of the “applicable requirement” definition under 40 CFR 71.2. These conditions require compliance with the applicable requirements in 40 CFR 82, as adopted by reference under 18 AAC 50.040(d).

**Factual Basis:** The conditions require the Permittee to comply with the standards for recycling and emission reduction of refrigerants, substitutes for ozone-depleting compounds, and halon emissions reduction. Because these regulations include adequate monitoring and reporting requirements and because the Permittee is not currently engaged in such activity,



simply citing the regulatory requirements is sufficient to ensure compliance with this federal regulation.

### **Conditions 52 through 54, NESHAP Applicability Determination Requirements**

**Legal Basis:** These conditions require the Permittee to determine NESHAP rule applicability and require recordkeeping for those determinations and notifications as applicable.

**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 Administrator if the stationary source becomes an affected source subject to a standard promulgated by EPA under 40 CFR part 63 and to keep records of applicability determinations and make those records available to the Department. Notifications of construction are also required as applicable.

### **Conditions 55 through 57, Standard Terms and Conditions**

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

**Factual Basis:** These are standard conditions that are included in all operating permits.

### **Condition 58, Administration Fees**

**Legal Basis:** This condition requires compliance with the applicable fee requirements in 18 AAC 50.400 through 403. As stated in 18 AAC 50.326(j)(1), the provisions of 18 AAC 50.400 through 50.430 are applicable and 40 CFR 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 through 403 specify the amount, payment period, and the frequency of fees applicable to a permit action.

### **Conditions 59 and 60, Emission Fees**

**Legal Basis:** These conditions require compliance with the applicable fee requirements in 18 AAC 50.410 through 50.420. As stated in 18 AAC 50.326(j)(1), the provisions of 18 AAC 50.400 through 50.430 are applicable and 40 CFR 71.9 is not applicable.

**Factual Basis:** The Department used the language in SPC I, adopted by reference under 18 AAC 50.346(b), for the permit. These conditions require the Permittee to pay fees in accordance with the Department's billing regulations. The billing regulations set the due dates for payment of fees based on the billing date.

The assessable emissions are the lesser of the stationary source's potential or projected emissions of each air pollutant. The conditions allow the Permittee to calculate 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 based on actual emissions must be 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 actual emissions do not match.

The Department has modified SPC I 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.

### **Condition 61, Dilution**

**Legal Basis:** 18 AAC 50.045 is included in the SIP approved by EPA. It is therefore an applicable requirement, per 40 CFR 71.2.

**Factual Basis:** This condition reiterates 18 AAC 50.045(a), which prohibits the Permittee from diluting emissions as a means of compliance with any standard in 18 AAC 50.

### **Condition 62, Reasonable Precautions to Prevent Fugitive Dust**

**Legal Basis:** 18 AAC 50.045 is included in the SIP approved by EPA. 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.

**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). SPC X applies to stationary sources containing any of the following emissions units or activities listed in Table 7 under 18 AAC 50.346: coal-fired boilers; coal handling facilities; construction of gravel pads or roads that are part of a permitted stationary source or other construction that has the potential to generate fugitive dust that reaches ambient air; commercial/industrial/municipal solid waste, air curtain, and medical waste incinerators; sewage sludge incinerators not using wet methods to handle that ash; mines; urea manufacturing; soil remediation units; or dirt roads under the control of the operator with frequent vehicle traffic; and other emission units the Department finds are likely to generate fugitive dust.

### **Condition 63, Stack Injection**

**Legal Basis:** 18 AAC 50.055 is included in the SIP approved by EPA. It is therefore an applicable requirement per 40 CFR 71.2.

**Factual 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).

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

#### **Condition 64, Air Pollution Prohibited**

**Legal Basis:** 18 AAC 50.110 is included in the SIP approved by EPA. It is therefore an applicable requirement per 40 CFR 71.2.

This condition requires compliance with 18 AAC 50.110. The condition prohibits the Permittee from causing any emission which is injurious to human health or welfare, animal or plant life, or property, or which would unreasonably interfere with the enjoyment of life or property. The Department also included permit conditions for MR&R as required by 40 CFR 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 summary of the investigation and corrective actions undertaken for these complaints and must submit copies of these records upon request of the Department.

#### **Condition 65, Technology-Based Emission Standard**

**Legal Basis:** The Permittee is required to take reasonable steps to minimize emissions if certain 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 emissions reporting for each standard. Excess emissions reporting requires information on the steps taken to minimize emissions.

### Condition 66, Open Burning

**Legal Basis:** 18 AAC 50.065 is included in the SIP approved by EPA. It is therefore an applicable requirement per 40 CFR 71.2. The condition requires the Permittee to comply with the regulatory requirements in 18 AAC 50.065 when conducting open burning at the stationary source. 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 <http://dec.alaska.gov/air/air-permit/open-burn-application/>. The condition 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.

### Condition 67, 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 is a standard condition to be included in all operating permits, as specified in 18 AAC 50.345(a).

### Conditions 68 through 70, Operating Conditions, Reference Test Methods, Excess Air Requirements

**Legal Basis:** Some of these conditions require compliance with the applicable requirements in 18 AAC 50.220(b) and (c)(3), which are included in the SIP approved by EPA. Another of these conditions specifies source test methods, as required by 40 CFR 71.6(a)(3)(i) and 71.6(c)(1).

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

### Condition 71, 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 72 through 75, Test Deadline Extension, Test Plans, Notifications and Reports**

**Legal Basis:** These conditions require compliance with the applicable requirements in 18 AAC 50.345(m) through (o), which are included in the SIP approved by EPA. Condition 72 contains the requirement in 18 AAC 50.345(l). 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 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 76, 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. This condition supplements specific monitoring requirements stated elsewhere in this permit.

### **Condition 77, Recordkeeping Requirements**

**Legal Basis:** This condition requires the Permittee to keep records in accordance with 40 CFR 71.6(a)(3)(ii), which the Department adopted by reference under 18 AAC 50.040(j)(4).

**Factual Basis:** The condition restates the regulatory requirements for recordkeeping, and supplements the recordkeeping defined for specific conditions in the permit. 40 CFR 71.6(a)(3)(ii) requires at least five years of records retention.

### **Condition 78, Certification**

**Legal Basis:** All operating permits must contain a requirement to certify any permit application, report, affirmation, or compliance certification, per 18 AAC 50.345(j) and 18 AAC 50.205. Both requirements are 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). This condition requires the Permittee to certify any permit application, report, affirmation, or compliance certification submitted to the Department. To

ease the certification burden on the Permittee, the condition allows the excess emission reports to be certified with the operating report, even though it must still be submitted more frequently than the stationary source operating report. This condition supplements the reporting requirements of this permit. 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 79, Submittals**

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

**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. The Permittee is required to submit reports, compliance certifications, and other submittals required by this permit, either electronically or by hard copy. This condition supplements the standard reporting and notification requirements of this permit. 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 80, 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 50.345(a). This condition requires the Permittee to submit information requested by the Department.

### **Condition 81, Excess Emission and Permit Deviation Reports**

**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). The condition specifies reporting requirements as required by 40 CFR 71.6(a)(3)(iii) and 71.6(c)(1). Also, the Permittee is required to notify the Department when emissions or operations deviate from the requirements of the permit.

**Factual Basis:** This condition satisfies two state regulations related to excess emissions - the technology-based emission standard regulation and the excess emission regulation. Although there are some differences between the regulations, the condition satisfies the requirements of each regulation.

The Department used the language in SPC III for the permit condition. The Department used the notification form in SPC IV for the notification requirements.

The Department has modified this condition and the Notification Form to reflect the electronic submittal requirements in 18 AAC 50.270.

### **Condition 82, Operating Reports**

**Legal Basis:** This condition requires compliance with the requirement in 18 AAC 50.346(b)(6). The condition specifies reporting requirements as required by 40 CFR 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 for the permit condition. The condition restates the requirements for reports listed in regulation. The condition supplements the specific reporting requirements 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 83, Annual Compliance Certification**

**Legal Basis:** This condition requires compliance with the requirements in 40 CFR 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 83.2 provides clarification of transition periods between an expiring permit and a renewal permit to ensure that the Permittee certifies compliance with the permit terms and conditions of the permit that 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 renewal 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 84, 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 CFR 51.15 and 51.321. The emission inventory requirement applies to sources defined as point sources in 40 CFR 51.50. The state must report emissions data as described in 40 CFR 51.15 and the data elements in Tables 2a and 2b to Appendix A of 40 CFR 51 Subpart A to EPA.

**Factual Basis:** 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 CFR 51.30(a)(1) and (b)(1)). Permittees have until April 30<sup>th</sup> 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. 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 webpage 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, Title V stationary sources are required to submit with each report emissions data described in 40 CFR 51.15 and the data elements in Tables 2a and 2b to Appendix A of 40 CFR 51 Subpart A, as applicable. Title V stationary sources with potential annual emissions greater than or equal to any of the emission thresholds for Type A (large) sources, as listed in Table 1 to Appendix A of 40 CFR 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.

Title V stationary sources with potential annual emissions greater than or equal to any of the emission thresholds for Type B (small) sources, as listed in Table 1 to Appendix A of 40 CFR 51 Subpart A, are required to report emission inventory data every third year (i.e., triennially) for the previous inventory year. The emission thresholds for nonattainment areas vary depending on the nonattainment status of the area. As of June 9, 2017, Fairbanks and North Pole urban area have been designated by the federal administrator as "serious nonattainment" for PM<sub>2.5</sub>.

As of the issue date of this permit, the stationary source is a Type B stationary source.

## Condition 85, Consistency of Reporting Methodologies

**Legal Basis:** These conditions are from 18 AAC 50.275 and 18 AAC 50.275 is included in the SIP approved by EPA. It is therefore an applicable requirement under 40 CFR 71.2.



**Factual Basis:** 18 AAC 50.275(a) requires all stationary sources to report actual emissions for the purpose of the federal emissions inventory and 18 AAC 50.275(b) requires consistent emission factors and calculation methods for all reporting requirements for the stationary source.

### **Condition 86, NSPS and NESHAP Reports and Waivers**

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

**Factual Basis:** The condition supplements the specific reporting requirements in 40 CFR 60, 40 CFR 61, and 40 CFR 63.

### **Condition 87, Permit Applications and Submittals**

**Legal Basis:** 40 CFR 71.10(d)(1), adopted 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 for the permit condition. The condition directs the applicant to send copies of all application materials required to be submitted to the Department directly to the EPA, in electronic format, if practicable. This condition shifts the burden of compliance with 40 CFR 71.10(d)(1) from the Department to the Permittee as allowed under 40 CFR 71.10(d)(1).

### **Conditions 88 through 90, Permit Changes and Revisions Requirements**

**Legal Basis:** 40 CFR 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 CFR 71.6(a)(12) and (13) specify changes that may be made without a permit revision, and 40 CFR 71.6(a)(8) 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 CFR 71.6(a)(13)(iii).

### **Condition 91, 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 CFR 71.5(a) through (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 apply for permit renewal by the specific dates applicable to the stationary source as listed in this condition. As stated in 40 CFR 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 CFR 71.5(a)(2), a complete renewal application is one that provides all information required pursuant to 40 CFR 71.5(c) and remits payment of fees owed under the fee schedule established pursuant to 18 AAC 50.400. 40 CFR 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 CFR 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, after 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 92 through 97, 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 CFR 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 98 and 99, Permit Shield**

**Legal Basis:** These conditions require compliance with the requirements in 40 CFR 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 D of Operating Permit No. AQ1183TVP04 shows the permit shield that the Department granted to the Permittee. The Department based the determinations on the permit application, past operating permit, likelihood for the source to become subject during the life of the permit, Title I permits and inspection reports.