

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

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**Chugach Electric Association, Inc.
Beluga River Power Plant**

**STATEMENT OF BASIS
for
Permit No. AQ0106TVP05**

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INTRODUCTION

This document sets forth the statement of basis for the terms and conditions of Operating Permit No. AQ0106TVP05.

STATIONARY SOURCE IDENTIFICATION

Section 1 of Operating Permit No. AQ0106TVP05 contains information on the stationary source as provided in the Title V permit application.

The stationary source, Beluga River Power Plant, is owned and operated by Chugach Electric Association, Inc. and Chugach Electric Association, Inc. is the Permittee for the stationary source's operating permit. The standard industrial classification (SIC) code for this stationary source is 4911 - Electric Services. The stationary source is a power generation plant.

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 at the stationary source 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. The operating permit application states EU ID 10 has been decommissioned. Therefore, the unit is not included in the operating permit.

EMISSIONS

A summary of the potential to emit (PTE)¹ and assessable PTE for the stationary source is shown in the table below.

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

Emissions	NO _x	CO	PM ₁₀	SO ₂	VOC	CO _{2e} ¹	HAPs	Total ²
PTE	5,827.61	1,483.99	147.88	65.98	44.07	2,312,497	15.8	7,569.53
Assessable PTE	5,827.61	1,483.99	147.88	65.98	44.07	0	0	7,569.53

Table Notes:

- ¹ CO_{2e} 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 CO_{2e} and HAPs.

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).

The assessable PTE listed under Condition 34.1 is the sum of the PTE of each individual air pollutant, other than greenhouse gases (GHGs) for the stationary source. Hazardous air pollutants (HAPs) are not included in the assessable PTE because all significant HAPs are either VOC or PM₁₀ emissions. The emissions listed in Table C are estimates that are for informational use only. The listing of the emissions does not create an enforceable limit for the stationary source.

For the diesel-fired engines, the Department calculated SO₂ PTE using mass balance and assuming a fuel sulfur content of 0.5 percent by weight. For all other criteria pollutants and GHGs, PTE is as provided in the operating permit application. The operating permit application states that EU IDs 6 and 7 have been mothballed and there are no plans to restart either unit in the short term, but the Permittee want to keep them in the operating permit. However, PTE for these units was not included in the application. Since the units are to be included in the operating permit, the Department included PTE for these units in Table C.

For HAP PTE, the Permittee calculated formaldehyde PTE for EU IDs 1 through 3 and 5 through 7 using an emission factor obtained from source tests conducted on EU IDs 6 and 7 in 2002. The Department calculated formaldehyde PTE for EU IDs 1 through 3 and 5 using the EPA, AP 42 emission factors since EU IDs 6 and 7 have a different rating and different manufacturer than EU IDs 1 through 3 and 5. For all other emissions units, HAP PTE is as provided in the operating permit application. The greatest single HAP PTE is 9.4 tpy (formaldehyde). The stationary source is not a major source of HAPs since no single HAP PTE equals or exceeds the major source threshold of 10 tpy and cumulative HAP PTE is less than the 25 tpy major source threshold.

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

The Permittee is required to obtain an operating permit for the stationary source as specified under 18 AAC 50.326(a) and 40 CFR 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 Clean Air Act, it directly emits, or has the potential to emit, 100 tpy or more of any air pollutant subject to regulation.

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)].

AIR QUALITY PERMITS

Permits to Operate

The last permit to operate issued for this stationary source is Permit to Operate No. 9423-AA013. This permit to operate included all construction authorizations issued through November 9, 1994, and was issued before January 18, 1997 (the effective date of the divided Title I/Title V permitting program). All stationary source-specific requirements established in this permit are included in this Title V operating permit, Permit No. AQ0106TVP05, as described in Table D.

Title I (Construction and Minor) Permits

The Department has not issued any construction permits for this stationary source after January 17, 1997 (the effective date of the divided operating and construction-permitting program). The Department has not issued any minor permits for this stationary source after September 30, 2004.

Title V Operating Permits

Operating Permit No. 106TVP01. The Department issued this permit on August 29, 2002.

Operating Permit No. AQ0106TVP02. The Department issued this permit on July 31, 2009.

- Revision No. 1. The Department issued an administrative permit amendment on January 21, 2010 to correct the permit renewal date.

Operating Permit No. AQ0106TVP03. The Department issued this permit on September 11, 2014.

Operating Permit No. AQ0106TVP04. The Department issued this permit on July 8, 2020.

The Department received the application for Operating Permit AQ0106TVP05 on January 2, 2025.

COMPLIANCE HISTORY

The stationary source has operated at its current location since 1968. Review of the permit files for this stationary source, which includes the past inspection reports and compliance evaluations, indicates 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 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 still in effect at the time of issuance of Operating Permit No. AQ0106TVP05. Table D below lists the requirements carried into Operating Permit No. AQ0106TVP05 to ensure compliance with preconstruction permit requirements.

Table D - Comparison of Permit to Operate No. 9423-AA0013 Conditions to Operating Permit No. AQ0106TVP05 Conditions

9423-AA0013 Condition No.	Description of Requirement	AQ0106TVP05 Condition No.	How Condition was Revised
4	Hour limit for EU ID 10	None	EU ID 10 was decommissioned.
5 & 6	Distillate fuel requirements for EU IDs 1 and 2	None	Not applicable because distillate fuel facilities were never installed. Turbines exclusively fire natural gas.
7	Alarms and interlock system requirements for EU ID 3	14	Not revised.

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. AQ0106TVP05. 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 1 through 3, 5 through 7, and 11 through 13 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.

Gas Fuel-Burning Equipment:

Monitoring – The monitoring of gas fuel-burning emissions units for visible emissions is waived, i.e., no Method 9 or Smoke/No Smoke 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 visible emissions from any smoking equipment.

Reporting – 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:

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 11 through 13 do not qualify as insignificant under 18 AAC 50.326(d)(1) because they are subject to standards in 40 CFR 60 Subpart IIII or 40 CFR 63 Subpart ZZZZ. Each of these engines is otherwise insignificant if it operates less than 400 hours per year, because actual emissions are then less than the significant emissions thresholds in 18 AAC 50.326(e). Therefore, the Department has waived visible emissions monitoring for EU IDs 11 through 13, in accordance with Department Policy and Procedure No. 04.02.103, Topic #3, if hours of operation remain below 400 hours per year.

Conditions 5 through 8, Particulate Matter (PM) Emissions 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 1 through 3, 5 through 7, and 11 through 13 are fuel-burning equipment or industrial processes.

This particulate matter emissions standard 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 emissions 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.

Gas Fuel-Burning Equipment:

Monitoring – The monitoring of gas fuel-burning emissions units for PM is waived, i.e., no source testing is 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.

Reporting – 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:

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 11 through 13 do not qualify as insignificant under 18 AAC 50.326(d)(1) because they are subject to standards in 40 CFR 60 Subpart IIII or 40 CFR 63 Subpart ZZZZ. Each of these engines is otherwise insignificant if it operates less than 400 hours per year, because actual emissions are then less than the significant emissions thresholds in 18 AAC 50.326(e). Therefore, the Department has waived PM emissions monitoring for EU IDs 11 through 13, in accordance with Department Policy and Procedure No. 04.02.103, Topic #3, if hours of operation remain below 400 hours per year.

Conditions 9 through 13, Sulfur Compound Emissions Standard and MR&R

Legal Basis: These conditions require 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 1 through 3, 5 through 7, and 11 through 13 are fuel-burning equipment or industrial processes.

This sulfur compound emissions 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: The Permittee may not cause or allow the affected equipment to violate the applicable sulfur compound emissions 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). Sulfur dioxide comes from the sulfur in the liquid, hydrocarbon fuel (e.g., diesel or No.2 fuel oil). Fuel sulfur testing must be conducted to determine compliance with the SO₂ emissions standard. Fuel containing no more than 0.75 percent sulfur by weight will always comply with the emission standard. For fuels with a sulfur content higher than 0.75 percent, the Permittee must use the equations in Section 12 of the operating permit, or Method 19 of 40 CFR 60, Appendix A-7, to calculate the sulfur dioxide concentration to show that the standard is not exceeded.

Gaseous Fuels:

Similar to the requirement of 40 CFR 60.334(h)(3)(i) for turbines subject to the requirements of NSPS Subpart GG, the Permittee must maintain records from the fuel supplier to show the maximum total sulfur content of the fuel is 20.0 grains/100 scf or less. Fuel burned with this sulfur content results in SO₂ emissions far below the state sulfur compound standard.

The Permittee is required to report whenever the sulfur content of the fuel is greater than 20.0 grains/100 scf. The Permittee is also required to include copies of the fuel supply records in the stationary source operating report.

Condition 14, 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 D above.

EU ID 3 had combustion section blade replacements in 1988 from the B-series to the E-series, which had the potential to increase maximum emissions from this unit in excess of PSD thresholds and the New Source Performance Standard Modification threshold (change in emission rates). The Permittee requested operational limits for EU ID 3 in a letter dated March 13, 1989 addressed to the EPA limiting EU ID 3 to the same rating and emissions as before the blade replacements in 1988 to assure that the unit is not subject to NSPS or PSD review. In an email dated November 26, 2001, the applicant asserted that EU ID 5 is subject to the same operational parameters as EU ID 3.

Condition 15, Insignificant Emissions Units

Legal Basis: The Permittee is required to meet the state emissions 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 is contained in the federally approved SIP.

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 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 units at this stationary source do not require specific monitoring, recordkeeping and reporting to ensure compliance under these conditions. The conditions require certification based on reasonable inquiry 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, adopted by reference under 18 AAC 50.346(b)(4), for the permit condition.

Condition 16, Regional Haze Visibility Protection Area Reporting

Legal Basis: This reporting condition is required in 18 AAC 50.265(4)(B). 18 AAC 50.265 is not currently included in the SIP approved by EPA, so it is not currently an applicable requirement as defined in 40 CFR 71.2. Therefore, under 40 CFR 70.6(b)(2), this condition is not currently federally enforceable under the Clean Air Act. However, the Department requested EPA approve 18 AAC 50.265 as part of the SIP by letter dated July 25, 2022. Once 18 AAC 50.265 is part of the SIP, it will be an applicable requirement as defined under 40 CFR 71.2.

Factual Basis: The condition requires reporting in accordance with 18 AAC 50.265(4)(B). 18 AAC 50.265(4)(B) contains requirements for stationary sources located in the Regional Haze Visibility Protection Area (RHVPA), as specified in 18 AAC 50.025(a)(4), which is shown in Figure III.K.13 H-1 of the July 5, 2022 Amendments to: State Air Quality Control Plan (Regional Haze SIP)³ and adopted by reference in 18 AAC 50.030. To assist the state's efforts in meeting the requirements in 40 CFR 51.308(f)(2), the RHVPA was established with the intent to track current and potential new sources that may affect visibility in the Class I areas.

Condition 17, Regional Haze Visibility Protection Area Recordkeeping

Legal Basis: This requirement is in 18 AAC 50.265(1). 18 AAC 50.265 is not currently included in the SIP approved by EPA, so it is not currently an applicable requirement as defined in 40 CFR 71.2. Therefore, under 40 CFR 70.6(b)(2), this condition is not currently federally enforceable under the Clean Air Act. However, the Department requested EPA approve 18 AAC 50.265 as part of the SIP by letter dated July 25, 2022. Once 18 AAC 50.265 is part of the SIP, it will be an applicable requirement as defined under 40 CFR 71.2.

Factual Basis: The condition requires recordkeeping in accordance with 18 AAC 50.265(1). 18 AAC 50.265(1) contains requirements for stationary sources located in the RHVPA. To assist the state's efforts in meeting the requirements in 40 CFR 51.308(f)(2),

³ The July 5, 2022 Amendments to: State Air Quality Control Plan for the Regional Haze SIP can be found at the following website: <https://dec.alaska.gov/media/25964/section-iii-k-13-second-implementation-period-combined-sip-section-adopted-07-05-22.pdf>.

the RHVPA was established with the intent to track current and potential new sources that may affect visibility in the Class I areas.

Conditions 18 and 19, 40 CFR 60 Subpart A Requirements

Legal Basis: NSPS⁴ 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). Additionally, the Department adopted 40 CFR 60 Subpart A as it applies to a Title V source under 18 AAC 50.040(a)(1).

The provisions of 40 CFR 60 apply to the owner or operator of any stationary source which contains an affected facility⁵, 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 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.

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.

Condition 18.1 - The requirement to notify the Administrator of any proposed replacement of components of an existing facility (40 CFR 60.15) applies if the fixed capital cost of new components exceeds 50 percent of the fixed capital cost that would be required to construct a comparable entirely new facility.

Condition 19 - Concealment of emissions prohibitions in 40 CFR 60.12 are applicable to all NSPS affected facilities unless specified otherwise in an applicable subpart.

Factual Basis: Subpart A contains general requirements applicable to affected facilities subject to an NSPS subpart, unless otherwise specified in the applicable subpart. In general, the intent of NSPS Subpart A is to eliminate the repetition of requirements for owners or operators affected by NSPS.

Condition 20, 40 CFR 60 Subpart III Requirements

Legal Basis: The Department has incorporated by reference the NSPS requirements in Subpart III, as listed in 18 AAC 50.040(a). NSPS Subpart III applies to stationary compression ignition internal combustion engines (CI ICE) that commence construction, modification, or reconstruction after July 11, 2005 where the stationary CI ICE are manufactured after April 1, 2006 for non-fire pump engines and after July 1, 2006 for

⁴ EPA has not delegated to the Department the authority to administer the NSPS program as of the issue date of this permit.

⁵ *Affected facility* means, with reference to a stationary source, any apparatus to which a standard applies, as defined in 40 CFR 60.2.

certified fire pump engines. EU ID 11 is subject to Subpart IIII under 40 CFR 60.4200 because it is a non-fire pump engine manufactured after April 1, 2006.

Factual Basis: The Beluga River Power Plant is not accessible by the Federal Aid Highway System (FAHS). EU ID 11 is a 2011 model year non-emergency CI ICE with a maximum engine power rating between 50 and 3,000 horsepower, a displacement of less than 10 liters per cylinder, and is not a fire pump engine.

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. In accordance with 40 CFR 60.4216(d), compliance with the fuel requirements in 40 CFR 60.4207 of the subpart is not required.

Condition 21, 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 40 CFR 61.145 and 40 CFR 61.154 of Subpart M (Asbestos), along with other sections and appendices which are referenced in 40 CFR 61.145, as 40 CFR 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.

Condition 22, 40 CFR 63 Subpart A Requirements

Legal Basis: 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 affected sources subject to NESHAP requirements.

Condition 23, 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. Beluga River Power Plant is an area source that contains RICE units.

Factual Basis: The Beluga River Power Plant is an area source of HAP emissions that is not accessible by the Federal Aid Highway System (FAHS).

EU ID 12 is an existing, black start compression ignition (CI) RICE. This engine must meet the work and management practices specified in Table 2d, Item 4 of Subpart ZZZZ. Also, the general requirement for good air pollution control practices in 40 CFR 63.6605(b) and 63.6625(e) applies to the engine.

EU ID 13 is existing CI RICE used to pump water in the case of fire. This engine meets the definition of emergency engine under Subpart ZZZZ and must meet the work and management practices specified in Table 2d, Item 4 of Subpart ZZZZ. Also, the general requirement for good air pollution control practices in 40 CFR 63.6605(b) and 63.6625(e) applies to the engines. For the emergency engines, the Permittee is required to install a non-resettable hour meter. Each emergency engine is allowed to operate up to 100 hours per calendar year for maintenance checks and readiness testing unless federal, state, or local standards require more than 100 hours per year for the same purpose. The Permittee is also allowed to operate the emergency RICE in non-emergency situations for up to 50 hours per calendar year under 40 CFR 63.6640(f). The 50 hours allowed for non-emergency situations are counted towards the 100 hours per year provided for maintenance and testing. There is no time limit on the use of emergency stationary RICE in emergency situations. The reporting requirements in 40 CFR 63.6650(h) are not applicable because the engine is used to pump water and is not used to generate power.

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. In addition, fuel requirements under 40 CFR 63.6604 do not apply, as specified in 40 CFR 63.6604(d).

EU ID 11 is a new CI RICE under Subpart ZZZZ. For this engine, the Permittee must comply with the requirements of 40 CFR 63 by complying with the requirements of 40 CFR 60 Subpart III. There are no further requirements for EU ID 11 under 40 CFR 63.

Conditions 24 through 26, 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. The stationary source uses halon and is therefore subject to the federal regulations for halon contained in 40 CFR 82.

Conditions 27 through 29, NESHAP Applicability Determination Requirements

Legal Basis: These conditions require the Permittee to determine NESHAP (40 CFR 63, for Source Categories) 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. These conditions require 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 63, comply with any NESHAP standard that becomes applicable to the source by the compliance date established in the applicable subpart, and to keep records of applicability determinations and make those records available to the Department. Notifications of construction are also required as applicable.

Conditions 30 through 32, 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 33, 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 34 and 35, 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 36, Good Air Pollution Control Practice

Legal Basis: Under 18 AAC 50.346(b) and pursuant to AS 46.14.010(e), the Department adopted SPC VI, which is used for this condition.

Factual Basis: The condition requires the Permittee to comply with good air pollution control practices and applies to all emissions units, except those subject to an emission standard in 40 CFR 60, 61, or 63, those subject to continuous emission or parametric monitoring requirements, and insignificant emissions units.

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. Records kept for units previously subject to this requirement need to be maintained for 5 years even if a unit is no longer subject to this condition.

Condition 37, Dilution

Legal Basis: 18 AAC 50.045 is included in the SIP approved by EPA. It is therefore an applicable requirement under 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 38, 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 39, 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 40, 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, adopted by reference under 18 AAC 50.346(a), 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 41, 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 42, 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 requirements in 18 AAC 50.065 when conducting open burning at the stationary source. The 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 43, Requested Source Tests

Legal Basis: The Permittee is required to conduct source tests as requested by the Department. This requirement is in 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 44 through 46, 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 47, 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 48 through 51, Test Deadline Extension, Test Plans, Notifications and Reports

Legal Basis: Conditions 49 through 51 require compliance with the applicable requirements in 18 AAC 50.345(m) through (o), which are included in the SIP approved by EPA. Condition 48 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 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 52, 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 53, 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 54, 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). 18 AAC 50.345(j) allows the excess emission 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 57 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 55, 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 56, 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 57, 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 58, Operating Reports

Legal Basis: This 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, 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 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 59, 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 59.2 provides clarification of transition periods between an expiring permit and a renewal permit to ensure that the Permittee certifies compliance with the permit terms and conditions of the permit that 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 60, 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 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. A myAlaska account and profile are needed to gain access to the Permittee Portal. Other options are to submit the emission inventory via mail or email. Detailed instructions on completing and submitting the emission inventory and the report form are available on 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_{2.5}.

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

Condition 61, Consistency of Reporting Methodologies

Legal Basis: This condition is from 18 AAC 50.275, which 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 for the purposes of reporting actual or assessable emissions, 18 AAC 50.275(b) requires consistent pollutant-specific emissions factors and calculation methods for all reporting requirements for the stationary source.

Condition 62, NSPS and NESHAP Reports and Waivers

Legal Basis: The Permittee is required to provide the Department a copy of each report submitted to EPA for units subject to NSPS or NESHAP federal regulations under 18 AAC 50.326(j)(4).

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

Condition 63, 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). The Department revised the SPC to include EPA's order of preference for receiving air permitting documents in accordance with the February 12, 2024 guidance memo from EPA Region 10.

Conditions 64 through 66, Permit Changes and Revisions Requirements

Legal Basis: 40 CFR 71.6(a)(8), (a)(12), and (a)(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 (a)(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 67, 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 submit an application 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 68 through 73, 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 74 and 75, 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 B of Operating Permit No. AQ0106TVP05 shows the permit shield 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, likelihood for the source to become subject during the life of the permit, Title I permits and inspection reports.

Table E - Permit Shields Denied

Shield Requested for:	Reason for Shield Request:	Reason for Denial
EU ID 11: 40 CFR 60.4212	No performance test is required.	Testing is required under 40 CFR 60.4211(g)(2) if the Permittee does not operate, and maintain the engine and control device according to the manufacturer's emission-related written instructions, or the Permittee changes emission-related settings in a way that is not permitted by the manufacturer.
EU ID 11: 40 CFR 60.4214	Emissions Unit 11 built after 2007, has a displacement less than 10 liters per cylinder, and is less than 2,237 kW.	The reason for shield request only addresses the criteria for 40 CFR 60.4214(a).