Colorado Department of Public Health and Environment

OPERATING PERMIT

Black Hills/Colorado Electric Utility Company, LP – Pueblo AIP Station

First Issued: August 1, 2003

Renewed: May 1, 2012

AIR POLLUTION CONTROL DIVISION
COLORADO OPERATING PERMIT

FACILITY NAME:	Black Hills/Colorado Electric Utility Company, LP. – Pueblo AIP Station	OPERATING PERMIT NUMBER
FACILITY ID:	1010396	**02OPPB249**
ISSUE DATE:	August 1, 2003	
RENEWED:	May 1, 2012	
EXPIRATION DATE:	May 1, 2017	
MODIFICATIONS:	See Appendix F of Permit	

Issued in accordance with the provisions of Colorado Air Pollution Prevention and Control Act, 25-7-101 et seq. and applicable rules and regulations.

ISSUED TO:

Black Hills/Colorado Electric Utility Company, LP.
105 S. Victoria
Pueblo, CO 81003-3432

PLANT SITE LOCATION:

Pueblo Airport Industrial Park Station
475 William M. White Blvd.
Pueblo, CO 81001
Pueblo County

INFORMATION RELIED UPON

Operating Permit Renewal Application Received: August 1, 2007

Nature of Business: Electricity Generation
Primary SIC: 4911

RESPONSIBLE OFFICIAL

Name: Mark Lux
Title: Vice President and General Manager, Power Delivery
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FACILITY CONTACT PERSON

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SUBMITTAL DEADLINES

Semi-Annual Monitoring Period: August 1 – January 31, February 1 – July 31
Semi-Annual Monitoring Report: Due on September 1, 2012 & March 1, 2013 and subsequent years
Annual Compliance Period: August 1 to July 31
Annual Compliance Certification: Due on September 1, 2012 and subsequent years

Note that the Semi-Annual Monitoring Reports and Annual Compliance Certifications must be received at the Division office by 5:00 p.m. on the due date. Postmarked dates will not be accepted for the purposes of determining the timely receipt of those reports.

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SECTION I - General Activities and Summary

1. Permitted Activities

1.1 This source is classified as an electric services facility under Standard Industrial Classification 4911. This facility consists of four identical diesel-powered internal combustion engines. Each engine produces 2.5 megawatts (MW) of power. Also located at the facility is a 200,000 gallon diesel fuel storage tank, which is considered an insignificant activity and is included in the insignificant activity list in Appendix A.

This facility is located at 475 William M. White Blvd, in Pueblo, CO. The site is about 1 and ½ miles west of Pueblo Airport. This facility is located in an area that is designated as attainment for all criteria pollutants. There are no affected states within 50 miles of this facility. The Great Sand Dunes National Wilderness Area, a federal class I designated area, is within 100 km of this facility. The Great Sand Dunes National Monument, those portions not included as National Wilderness Areas, is federal land within 100 kilometers of the facility. This area has been designated by the State to have the same sulfur dioxide increment as federal Class I designated areas.

1.2 Until such time as this permit expires or is modified or revoked, the permittee is allowed to discharge air pollutants from this facility in accordance with the requirements, limitations, and conditions of this permit.

1.3 The Operating Permit incorporates the applicable requirements contained in the underlying construction permits, and does not affect those applicable requirements, except as modified during review of the application or as modified subsequent to permit issuance using the modification procedures found in Regulation No. 3, Part C. These Part C procedures meet all applicable substantive New Source Review requirements of Part B. Any revisions made using the provisions of Regulation No. 3, Part C shall become new applicable requirements for purposes of this Operating Permit and shall survive reissuance. This permit incorporates the applicable requirements (except as noted in Section II) from the following construction permit (formerly issued to Aquila, Inc.): 01PB0247.

1.4 All conditions in this permit are enforceable by US Environmental Protection Agency, Colorado Air Pollution Control Division (hereinafter Division) and its agents, and citizens unless otherwise specified. **State-only enforceable conditions are:** Permit Condition Number(s): Section IV - Conditions 3.d, 3.g (last paragraph), 14 and 18 (as noted).

1.5 All information gathered pursuant to the requirements of this permit is subject to the Recordkeeping and Reporting requirements listed under Condition 22 of the General Conditions in Section IV of this permit. Either electronic or hard copy records are acceptable.

2. Alternative Operating Scenarios

2.1 The permittee shall be allowed to make the following changes to its method of operation without applying for a revision of this permit.

2.1.1 No separate operating scenarios have been specified.

3. Prevention of Significant Deterioration (PSD)

Based on the information provided by the applicant, this source is categorized as a minor stationary source for PSD as of the issue date of this permit. Any future modification which is major by itself (Potential to Emit of ≥250 TPY) for any pollutant listed in Regulation No. 3, Part D, Section II.A.42 for which the area is in attainment or attainment/maintenance may result in the application of the PSD review requirements.

3.1 There are no other Operating Permits associated with this facility for purposes of determining applicability of Prevention of Significant Deterioration regulations.

4. Accidental Release Prevention Program (112(r))

4.1 Based upon the information provided by the applicant, this facility is not subject to the provisions of the Accidental Release Prevention Program (Section 112(r) of the Federal Clean Air Act).

5. Compliance Assurance Monitoring (CAM)

5.1 The following emission points at this facility use a control device to achieve compliance with an emission limitation or standard to which they are subject and have pre-control emissions that exceed or are equivalent to the major source threshold. They are therefore subject to the provisions of the CAM program as set forth in 40 CFR Part 64, as adopted by reference in Colorado Regulation No. 3, Part C, Section XIV:

None.

6. Summary of Emission Units

6.1 The emissions units regulated by this permit are the following:

Emission Unit Number	AIRS Stack Number	Facility Identifier	Description	Pollution Control Device
S001	001	E01	General Motors, Model No. MP-45, Serial No. 63573, Internal Combustion Engine Rated, at 29.52 MMBtu/hr and 3500 hp (Site Rated). This Unit is Diesel Fuel Fired. This Unit Can Generate 2.5 MW of Power.	Uncontrolled
S002	001	E02	General Motors, Model No. MP-45, Serial No. 63575, Internal Combustion Engine Rated, at 29.52 MMBtu/hr and 3500 hp (Site Rated). This Unit is Diesel Fuel Fired. This Unit Can Generate 2.5 MW of Power.	Uncontrolled
S003	001	E03	General Motors, Model No. MP-45, Serial No. 63572, Internal Combustion Engine Rated, at 29.52 MMBtu/hr and 3500 hp (Site Rated). This Unit is Diesel Fuel Fired. This Unit Can Generate 2.5 MW of Power.	Uncontrolled
S004	001	E04	General Motors, Model No. MP-45, Serial No. 63574, Internal Combustion Engine Rated, at 29.52 MMBtu/hr and 3500 hp (Site Rated). This Unit is Diesel Fuel Fired. This Unit Can Generate 2.5 MW of Power.	Uncontrolled

SECTION II - Specific Permit Terms

1. Units E01 thru E04: Internal Combustion Engines, Diesel Fuel Fired

Parameter	Permit Condition Number	Limitations Short Term	Limitations Long Term	Compliance Emission Factor[1] (lbs/MMBtu)	Monitoring Method	Monitoring Interval
Total Emissions for All Units Together	1.1					
PM		N/A	4.9 tons/yr	0.0697	Recordkeeping and Calculation, Portable Monitoring (See Condition 1.7)	Monthly, At 1,000 hrs/yr of Operation or Annually, Whichever Comes First
PM_{10}		N/A	4.0 tons/yr	0.0573		
NO_X		N/A	230 tons/yr	3.3		
CO		N/A	97.6 tons/yr	1.4		
VOC		N/A	8.8 tons/yr	0.126		
SO_2 **- Applies to Each Unit**	1.2	0.8 lbs/MMBtu		1.01S	Fuel Restriction	Only Diesel/Biodiesel Fuel is Used
Diesel/Biodiesel Consumption **- Total for All Units Together**	1.3	N/A	1,020,000 gal/yr	N/A	Fuel Meters	Monthly
Heat Content of Diesel/Biodiesel	1.4	N/A		N/A	ASTM Methods	Annually
Sulfur Content of Diesel/Biodiesel	1.5	Sulfur Content Shall Not Exceed 0.028% by Weight		N/A	ASTM Methods	Annually
Each Unit - Hours of Operation	1.6	N/A	**Each Unit –** 1,181 hours/yr	N/A	Recordkeeping	Monthly
Portable Monitoring for NO_X and CO	1.7	N/A	NO_X – 230 tons/yr CO – 97.6 tons/yr	NO_X – 3.3 CO – 1.4	Portable Flue Gas Analyzer	At 1,000 hrs/yr of Operation or Annually, Whichever Comes First
Acid Rain New Unit Exemption	1.8	N/A	N/A	N/A	See Condition 1.8.	
Opacity – **Applies to Each Unit**	1.9	Not to Exceed 20%		N/A	EPA Method 9	Annually
MACT Subpart ZZZZ	1.10	Reduce CO by 70% Fuel Restrictions			See Condition 1.10	MACT Subpart ZZZZ

[1]S = weight percent sulfur in fuel

1.1 **Total** PM, PM_{10}, NO_X, CO and VOC emissions **from all engines combined** shall not exceed the above limitations (Colorado Construction Permit 01PB0247, as modified under the provisions of Section I, Condition 1.3 and Colorado Regulation No. 3, Part B, Section II.A.6 and Part C, Section X, based on the requested emissions identified in the APEN submitted on July 24, 2008). Compliance with the annual emissions limits shall be monitored as follows:

1.1.1 Monthly emissions of PM, PM_{10}, and VOC **from all engines combined** shall be calculated using the listed emission factors (PM and PM_{10} from AP-42, October 1996, Section 3.4, Table 3.4-2 and VOC from manufacturer), the total monthly diesel/biodiesel consumption from all engines (determined by Condition 1.3), and the heat content of the fuel (as determined by Condition 1.4) in the following equation:

$$\text{tons/month} = \frac{\text{emission factor (lbs/MMBtu) x fuel use (gas/month) x heat content of fuel (MMBtu/gal)}}{\text{2000 lbs/ton}}$$

Emissions shall be calculated by the end of the subsequent month. A twelve-month rolling total shall be maintained to monitor compliance with the annual limitations. Each month a new twelve month total shall be calculated using the previous twelve months' data.

1.1.2 Portable Monitoring shall be conducted for each engine when total hours of operation reach 1,000 hr or annually, whichever comes first, to monitor compliance with the annual NO_X and CO emission limits and to verify the NO_X and CO emission factors. Portable monitoring shall be conducted in accordance with the requirements in Condition 1.7

1.1.3 Except as provided below, the emission factors listed above (from performance tests with a "safety factor" of 10-20%) have been approved by the Division and shall be used to calculate NO_X and CO emissions **from all engines combined**, as follows:

Monthly emissions shall be calculated by the end of the subsequent month using the above emission factor, the monthly fuel consumption and the heating value of the fuel in the equation below:

$$\text{tons/month} = \frac{\text{[EF (lbs/MMBtu) x fuel usage (gal/month) x heat content of fuel (MMBtu/gal)]}}{\text{2000 lbs/ton}}$$

A twelve month rolling total of emissions will be maintained to monitor compliance with the annual emission limitations. Each month a new twelve month total shall be calculated using the previous twelve months data.

If the results of the portable analyzer testing conducted under the provisions of condition 1.7 show that either the NO_X or CO emission rates/factors are greater than those listed above, and in the absence of subsequent testing results to the contrary (as approved by the Division), the permittee shall apply for a modification to this permit to reflect, at a minimum, the higher emission rates/factors within 60 days of the completion of the test.

1.2 Sulfur Dioxide (SO_2) emissions **from each engine** shall not exceed 0.8 lbs/MMBtu (Colorado Regulation No. 1, Section VI.B.4.b.(i)). In the absence of credible evidence to the contrary, compliance with the sulfur dioxide limitation is presumed since only diesel/biodiesel fuel is permitted to be used as fuel in the engines.

Note that this presumption is based on the AP-42 emission factor from Section 3.4, Table 3.4-1 (dated October 1996) and diesel/biodiesel fuel having a sulfur content no greater than 0.79 weight percent.

1.3 **Total** Diesel/Biodiesel Fuel Usage **for all engines together** shall not exceed the above limitations (Colorado Construction Permit 01PB0247, as modified under the provisions of Section I, Condition 1.3 and Colorado Regulation No. 3, Part B, Section II.A.6 and Part C, Section X, based on the requested fuel consumption indicated on the APEN submitted on July 24, 2008). Monthly fuel use for all engines combined shall be monitored and recorded monthly using the facility wide fuel meter. Monthly fuel use shall be used in a rolling twelve month total to monitor compliance with the annual fuel consumption limitation. Each month a new twelve month total shall be calculated using the previous twelve months data.

1.4 Diesel/Biodiesel shall be sampled and analyzed for heat content, annually, using the appropriate ASTM methods, or equivalent as approved by the Division in advance. Calculate emissions, required by Condition 1.1, using the heat content obtained from annual fuel sampling.

In lieu of annual sampling, the heat content of the diesel/biodiesel shall be monitored by maintaining a file of readable copies of vendor invoices or certificates of quality reporting the heat value of the fuel. The file information shall be made available to the Division for review upon request. Under this scenario, the average heat content of diesel/biodiesel received over each month shall be used in the emission calculations required by Condition 1.1.

1.5 Diesel/Biodiesel shall not exceed a sulfur content of 0.028 percent by weight (as provided for under the provisions of Section I, Condition 1.3 and Colorado Regulation No. 3, Part C, Sections I.A.7 and III.B.7 to keep SO_2 emissions below APEN de minimis levels at allowable fuel use rates) Compliance with this requirement shall be monitored by sampling and analyzing the diesel/biodiesel for sulfur content, annually, using the appropriate ASTM methods, or equivalent as approved by the Division in advance.

In lieu of annual sampling, the sulfur content of the diesel/biodiesel shall be monitored by maintaining a file of readable copies of vendor invoices or certificates of quality reporting the sulfur content of the fuel. The file information shall be made available to the Division for review upon request.

1.6 Hours of operation **for each engine** shall be monitored and recorded monthly (Colorado Construction Permit 01PB0247, as modified under the provisions of Section 1, Condition 1.3 and Colorado Regulation No. 3, Part B, Section II.A.6 and Part C, Section X, to modify hours of operation as indicated in the March 21, 2005 application). Monthly hours of operation for each engine shall be used in a twelve month rolling total to monitor compliance with the annual

limitation. Each month a new twelve total shall be calculated using the previous twelve months data.

1.7 **Portable Monitoring (ver 6/1/06).** Emission measurements of nitrogen oxides (NO_X) and carbon monoxide (CO) shall be conducted for each engine when the annual hours of operation of that engine reach 1,000 or annually, whichever comes first, using a portable flue gas analyzer. At least four (4) calendar months shall separate subsequent annual tests**.**

All portable analyzer testing required by this permit shall be conducted using the Division's Portable Analyzer Monitoring Protocol (ver March 2006 or newer) as found on the Division's website at: http://www.cdphe.state.co.us/ap/down/portanalyzeproto.pdf

Results of the portable analyzer tests shall be used to monitor the compliance status of this unit. For comparison with an annual or short term emission limit, the results of the tests shall be converted to a lb/hr basis and multiplied by the allowable operating hours in the month or year (whichever applies) in order to monitor compliance. If a source is not limited in its hours of operation the test results will be multiplied by the maximum number of hours in the month or year (8760), whichever applies.

If the portable analyzer results indicate compliance with both the NO_X and CO emission limitations, in the absence of credible evidence to the contrary, the source may certify that the engine is in compliance with both the NO_X and CO emission limitations for the relevant time period.

Subject to the provisions of C.R.S. 25-7-123.1 and in the absence of credible evidence to the contrary, if the portable analyzer results fail to demonstrate compliance with either the NO_X or CO emission limitations, the engine will be considered to be out of compliance from the date of the portable analyzer test until a portable analyzer test indicates compliance with both the NO_X and CO emission limitations or until the engine is taken offline.

For comparison with the emission rates/factors, the emission rates/factors determined by the portable analyzer tests and approved by the Division shall be converted to the same units as the emission rates/factors in the permit. If the portable analyzer tests shows that either the NO_X or CO emission rates/factors are greater than the relevant ones set forth in the permit, and in the absence of subsequent testing results to the contrary (as approved by the Division), the permittee shall apply for a modification to this permit to reflect, at a minimum, the higher emission rate/factor within 60 days of the completion of the test.

Results of all tests conducted shall be kept on site and made available to the Division upon request.

1.8 The engines at this facility qualify for **new unit exemptions** under the Acid Rain Program pursuant to 40 CFR Part 72 § 72.7 as follows:

1.8.1 This new unit exemption applies to any new utility unit that has not previously lost an exemption under the provisions of Condition 1.8.4.4 and that, in each year starting with

the first year for which the unit is to be exempt under this Condition (40 CFR Part 72 § 72.7(a), as adopted by reference in Colorado Regulation No. 18):

1.8.1.1 Serves during the entire year (except for any period before the unit commenced commercial operation) one or more generators with total name-plate capacity of 25MWe or less;

1.8.1.2 Burns fuel that does not include any coal or coal-derived fuel (except coal-derived gaseous fuel with a total sulfur content no greater than natural gas); and

1.8.1.3 Burns gaseous fuel with an annual average sulfur content of 0.05 percent or less by weight (as determined under Condition 1.8.3), and non-gaseous fuel with an annual average sulfur content of 0.05 percent or less by weight (as determined under Condition 1.8.3).

1.8.2 Any new utility that meets the requirements of Condition 1.8.1 and that is not allocated any allowances under Subpart B of 40 CFR Part 73 shall be exempt from the Acid Rain Program except for the provisions of 40 CFR Part 72 §§ 72.2 through 72.6 and 72.10 through 72.13 (40 CFR Part 72 § 72.7(b)(1), as adopted by reference in Colorado Regulation No. 18).

1.8.3 Compliance with the requirement that fuel burned during the year have an annual average sulfur content of 0.05 percent by weight or less shall be determined using a method of determining sulfur content that provides information with reasonable precision, reliability, accessibility, and timeliness (40 CFR Part 72 § 72.7(d), as adopted by reference in Colorado Regulation No. 18).

1.8.4 For nongaseous fuel burned during the year, the requirement is met if the annual average sulfur content is equal to or less than 0.05 percent by weight. The annual average sulfur content, as a percentage by weight, shall be calculated using the equation below. In lieu of the factor, volume times density ($V_n d_n$), in the equation, the factor, mass (M_n)may be used, where M_n is: mass of the nongaseous fuel in a delivery during the year to the unit of which the nth sample is taken, in lb; or, for fuel delivered during the year to the unit continuously by pipeline, mass of the nongaseous fuel delivered starting from when the nth sample of such fuel is taken until the next sample of such fuel is taken, in lb.

$$\%S_{annual} = \frac{\sum \%S_n V_n d_n}{\sum V_n d_n}$$

Where:

$\%S_{annual}$ = annual average sulfur content of the fuel burned during the year by the unit, as a percentage by weight;

$\%S_n$ = sulfur content of the nth sample of the fuel delivered during the year to the unit, as a percentage by weight;

V_n = volume of the fuel in a delivery during the year to the unit of which the nth

sample is taken, in standard cubic feet; or, for fuel delivered during the year to the unit continuously by pipeline, volume of the fuel delivered starting from when the nth sample of such fuel is taken until the next sample of such fuel is taken, in standard cubic feet;

d_n = density of the nth sample of the fuel delivered during the year to the unit, in lb per standard cubic foot; and

n = each sample taken of the fuel delivered during the year to the unit, taken at least once for each delivery; or, for fuel that is delivered during the year to the unit continuously by pipeline, at least once each quarter during which the fuel is delivered.

1.8.5 Special Provisions for New Unit Exemptions

1.8.5.1 The owners or operators of a unit exempt under the provisions of Condition 1.8 shall (40 CFR Part 72 § 72.7(f)(1), as adopted by reference in Colorado Regulation No. 18):

a. Comply with the requirements of Condition 1.8.1 for all periods for which the unit is exempt under this section; and

b. Comply with the requirements of the Acid Rain Program concerning all periods for which the exemption is not in effect, even if such requirements arise, or must be complied with, after the exemption takes effect.

1.8.5.2 For any period for which a unit is exempt under Condition 1.8, the unit is not an affected unit under the Acid Rain Program and 40 CFR Parts 70 and 71 and is not eligible to be an opt-in source under 40 CFR Part 74. As an unaffected unit, the unit shall continue to be subject to any other applicable requirements under 40 CFR Parts 70 and 71 (40 CFR Part 72 § 72.7(f)(2), as adopted by reference in Colorado Regulation No. 18).

1.8.5.3 For a period of 5 years from the date the records are created, the owners and operators of a unit exempt under this section shall retain at the source that includes the unit records demonstrating that the requirements of Condition 1.8.1 are met. The 5-year period for keeping records may be extended for cause, at any time prior to the end of the period, in writing by the Administrator or the permitting authority

Such records shall include, for each delivery of fuel to the unit or for fuel delivered to the unit continuously by pipeline, the type of fuel, the sulfur content, and the sulfur content of each sample taken.

The owners and operators bear the burden of proof that the requirements of Condition 1.8.1 are met (40 CFR Part 72 § 72.7(f)(3), as adopted by reference in Colorado Regulation No. 18).

1.8.5.4 **Loss of Exemption.** On the earliest of the following dates, a unit exempt under 40 CFR Part 72 §§ 72.7 (b), (c), or (e) shall lose its exemption and for

purposes of applying 40 CFR Parts 70 and 71, shall be treated as an affected unit under the Acid Rain Program:

a. The date on which the unit first serves one or more generators with total nameplate capacity in excess of 25 MWe;

b. The date on which the unit burns any coal or coal-derived fuel except for coal-derived gaseous fuel with a total sulfur content no greater than natural gas; or

c. January 1 of the year following the year in which the annual average sulfur content for gaseous fuel burned at the unit exceeds 0.05 percent by weight (as determined under 40 CFR Part 72 § 72.7(d)) or for nongaseous fuel burned at the unit exceeds 0.05 percent by weight (as determined under 40 CFR Part 72 § 72.7(d)).

Notwithstanding 40 CFR Part 72 §§ 72.30(b) and (c), the designated representative for a unit that loses its exemption under this section shall submit a complete Acid Rain permit application on the later of January 1, 1998 or 60 days after the first date on which the unit is no longer exempt.

For the purpose of applying monitoring requirements under 40 CFR Part 75, a unit that loses its exemption under Condition 1.8 shall be treated as a new unit that commenced commercial operation on the first date on which the unit is no longer exempt (40 CFR Part 72 § 72.7(f)(4), as adopted by reference in Colorado Regulation No. 18).

1.9 No owner or operator of a source shall allow or cause the emission into the atmosphere of any air pollutant which is in excess of 20% opacity (Colorado Regulation No. 1, Section II.A.1). This opacity standard applies to **each engine.** Compliance with these limitations shall be monitored as follows:

1.9.1 Compliance with the opacity standard shall be monitored by conducting a visual emission observation **from each engine** while operating under load, annually, in accordance with the provisions in EPA Reference Method 9.

Note that if an engine has not been operated under load during the annual period, the permittee is not required to operate the engine for the sole purpose of obtaining an annual opacity observation.

1.9.2 Compliance with the opacity standard shall be monitored by conducting a visual emission observation in accordance with the provisions in EPA Reference Method 9 within 4 hours of engine startup following completion of a major maintenance activity.

A major maintenance activity is defined as removal of the engine head for piston and ring replacement or replacement of cylinder liners as specified in the compliance plan submitted on August 30, 2002.

1.9.3 Subject to the provisions of C.R.S. 25-7-123.1 and in the absence of credible evidence to the contrary, exceedance of the opacity limit shall be considered to exist from the time a Method 9 reading is taken that shows an exceedance of the opacity limit until a Method 9 reading is taken that shows the opacity is less than the opacity limit.

1.9.4 All opacity observations shall be performed by an observer with current and valid Method 9 certification. Results of Method 9 readings and a copy of the certified Method 9 reader's certificate shall be kept on site and made available to the Division upon request.

1.10 **[Federal-Only]** These engines are subject to the requirements in 40 CFR Part 63 Subpart ZZZZ, "National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines", as follows:

Note that as of the issuance date of this permit [May 1, 2012], the provisions in 40 CFR Part 63 Subpart ZZZZ (published in the March 3, 2010 Federal Register) have not been adopted into Colorado Regulation No. 8, Part E and are therefore not state enforceable.

When do I have to comply with this subpart? (§ 60.6595)

1.10.1 If you have an existing stationary CI RICE located at an area source of HAP emissions, you must comply with the applicable emission limitations and operating limitations no later than May 3, 2013. (§63.6595(a)(1))

What emission limitations and operating limitations must I meet if I own or operate an existing CI RICE located at an area source of HAP emissions? (§ 63.6603)

1.10.2 If you own or operate an existing stationary CI RICE located at an area source of HAP emissions, you must comply with the requirements in Table 2d in Subpart ZZZZ and the operating limitations in Table 2b in Subpart ZZZZ which apply to you. (§63.6603(a)) The requirements in Table 2d and 2b that apply to these CI RICE are as follows:

1.10.2.1 Reduce CO emissions by 70 percent or more, except during periods of startup. During periods of startup you must minimize the engine's time spent at idle and minimize the engine's startup time at startup to a period needed for appropriate and safe loading of the engine, not to exceed 30 minutes, after which time the non-startup emission limitations apply. (Table 2d in Subpart ZZZZ, item 3.b)

1.10.2.2 Maintain your catalyst so that the pressure drop across the catalyst does not change by more than 2 inches of water at 100 percent load plus or minus 10 percent from the pressure drop across the catalyst that was measured during the initial performance test; and (Table 2b in Subpart ZZZZ, item 1.a)

1.10.2.3 Maintain the temperature of your stationary RICE exhaust so that the catalyst inlet temperature is greater than or equal to 450 °F and less than or

equal to 1350 °F. (Table 2b in Subpart ZZZZ, item 1.b)

1.10.2.4 Notwithstanding the above requirements, the following applies:

1.10.2.5 Sources can petition the Administrator pursuant to the requirements of 40 CFR 63.8(g) for a different exhaust temperature range. (Table 2b in Subpart ZZZZ, footnote 1)

What fuel requirements must I meet if I own or operate an existing stationary CI RICE? (§ 63.6604)

1.10.3 If you own or operate an existing non-emergency, non-black start CI stationary RICE with a site rating of more than 300 brake HP with a displacement of less than 30 liters per cylinder that uses diesel fuel, you must use diesel fuel that meets the requirements in 40 CFR 80.510(b) for non-road diesel fuel.

The fuel limitations in 80.510(b) are: sulfur content of 15 ppm maximum for NR diesel fuel and a minimum cetane index of 40 or a maximum aromatic content of 35 volume percent.

The diesel fuel in the tank shall be sampled and analyzed within 60 days of the compliance date specified in Condition 1.10.1 to determine the sulfur and cetane and/or aromatic content using appropriate ASTM methods, or equivalent if approved in advance by the Division. If the tank is empty prior to 40 CFR Part 63 Subpart ZZZZ issuance, sampling of the tank is not required, compliance shall be monitored by sampling each shipment of diesel fuel as specified below.

Thereafter compliance with the fuel limitations shall be monitored by sampling and analyzing each shipment of diesel fuel to determine the sulfur and cetane and/or aromatic content using appropriate ASTM methods, or equivalent if approved in advance by the Division. In lieu of sampling, vendor data may be used to determine the sulfur and cetane and/or aromatic content, provided that the sampling and analysis was performed using the appropriate ASTM methods

What are my general requirements for complying with this subpart? (§ 63.6605)

1.10.4 You must be in compliance with the emission limitations and operating limitations in subpart ZZZZ that apply to you at all times. (§ 63.6605(a))

1.10.5 At all times you must operate and maintain any affected source, including associated air pollution control equipment and monitoring equipment, in a manner consistent with safety and good air pollution control practices for minimizing emissions. The general duty to minimize emissions does not require you to make any further efforts to reduce emissions if levels required by this standard have been achieved. Determination of whether such operation and maintenance procedures are being used will be based on information available to the Administrator which may include, but is not limited to, monitoring results, review of operation and maintenance procedures, review of operation and maintenance records, and inspection of the source. (§ 63.6605(b))

By what date must I conduct the initial performance tests or other initial compliance demonstrations if I own or operate an existing stationary RICE located at an area source of HAP emissions? (§ 63.6612)

1.10.6 An initial performance test is not required on a unit which a performance test has previously been conducted, provided the test meets the conditions described in §63.6612(b)(1) through (4). (§63.6612(b))

1.10.7 You must conduct any initial performance test or other initial compliance demonstration according to Tables 4 and 5 in Subpart ZZZZ that apply to you within 180 days after the compliance date that is specified for your stationary RICE in Condition 1.10.1 and according to the provisions in §63.7(a)(2). (§63.6612(a)) The requirements in Tables 4 and 5 that apply to these CI RICE are as follows:

1.10.7.1 Measure O_2 at the inlet and outlet of the control device using a portable CO and O_2 analyzer. (Table 4 in Subpart ZZZZ, item 1.a.i)

1.10.7.2 Measure CO at the inlet and the outlet of the control device using a portable CO and O2 analyzer. (Table 4 in Subpart ZZZZ, item 1.a.ii)

1.10.7.3 Performance tests must be conducted using the appropriate ASTM methods or equivalent, if approved in advance by the EPA, as described in Table 4 to Subpart ZZZZ, according to the following protocol:

a. Measurements to determine O2 concentration must be made at the same time as the measurements for CO concentration. (Table 4 in Subpart ZZZZ, item 1.a.i.(1)(a))

b. CO concentration must be at 15 percent O_2, dry basis. (Table 4 in Subpart ZZZZ, item 1.a.ii.(1)(a))

1.10.7.4 You have demonstrated initial compliance if:

a. The average reduction of emissions of CO determined from the initial performance test achieves the required CO percent reduction (Table 5 in Subpart ZZZZ, item 1.a.i); and

b. You have installed a CPMS to continuously monitor catalyst inlet temperature according to the requirements in §63.6625(b) (Table 5 in Subpart ZZZZ, item 1.a.ii); and

c. You have recorded the catalyst pressure drop and catalyst inlet temperature during the initial performance test. (Table 5 in Subpart ZZZZ, item 1.a.iii)

When must I conduct subsequent performance tests? (§ 63.6615)

1.10.8 If you must comply with the emission limitations and operating limitations, you must conduct subsequent performance tests as specified in Table 3 of subpart ZZZZ. The requirements in Table 3 that apply to these CI RICE are as follows:

1.10.8.1 Conduct subsequent performance tests every 8,760 hrs. or 3 years, whichever comes first. (Table 3 in Subpart ZZZZ, item 4)

What performance tests and other procedures must I use? (§ 63.6620)

1.10.9 You must comply with provisions §63.6620 (a), (b), (d), (e), and (i) in Subpart ZZZZ.

What are my monitoring, installation, collection, operation, and maintenance requirements? (§ 63.6625)

1.10.10 You must comply with provisions §63.6625 (b), (e), (g), (h), and (k) in Subpart ZZZZ.

How do I demonstrate initial compliance with the emission limitations and operating limitations? (§ 63.6630)

1.10.11 You must demonstrate initial compliance with each emission and operating limitation that applies to you according to Condition 1.10.7.4. (§63.6630(a))

1.10.12 During the initial performance test, you must establish each operating limitation in Condition 1.10.2. (§63.6630(b))

1.10.13 You must submit the Notification of Compliance Status containing the results of the initial compliance demonstration according to the requirements in Condition 1.10.19. (§63.6630(c))

How do I monitor and collect data to demonstrate continuous compliance? (§ 63.6635)

1.10.14 Except for monitor malfunctions, associated repairs, required performance evaluations, and required quality assurance or control activities, you must monitor continuously at all times that the stationary RICE is operating. A monitoring malfunction is any sudden, infrequent, not reasonably preventable failure of the monitoring to provide valid data. Monitoring failures that are caused in part by poor maintenance or careless operation are not malfunctions. (§63.6635(b))

1.10.15 You may not use data recorded during monitoring malfunctions, associated repairs, and required quality assurance or control activities in data averages and calculations used to report emission or operating levels. You must, however, use all the valid data collected during all other periods. (§63.6635(c))

How do I demonstrate continuous compliance with the emission limitations and operating limitations? (§ 63.6640)

1.10.16 You must demonstrate continuous compliance with each emission limitation and operating limitation in Condition 1.10.2 using the following methods described in Table 6 of Subpart ZZZZ. (§63.6640(a)):

1.10.16.1 Conduct performance tests every 8,760 hours or 3 years, whichever comes

first, to demonstrate that the required CO percent reduction, in Condition 1.10.2.1, is achieved; (Table 6 of Subpart ZZZZ, Item 10.a.i) and

1.10.16.2 Collect the catalyst inlet temperature data according to §63.6625(b); (Table 6 of Subpart ZZZZ, Item 10.a.ii) and

1.10.16.3 Reduce these data to 4-hour rolling averages; (Table 6 of Subpart ZZZZ, Item 10.a.iii) and

1.10.16.4 Maintain the 4-hour rolling averages within the operating limitations for the catalyst inlet temperature; (Table 6 of Subpart ZZZZ, Item 10.a.iv) and

1.10.16.1 Measure the pressure drop across the catalyst once per month and demonstrating that the pressure drop across the catalyst is within the operating limitation established during the performance test. (Table 6 of Subpart ZZZZ, Item 10.a.v)

1.10.17 You must report each instance in which you did not meet each emission limitation or operating limitation in Condition 1.10.2. These instances are deviations from the emission and operating limitations in subpart ZZZZ. These deviations must be reported according to the requirements in §63.6650. If you change your catalyst, you must reestablish the values of the operating parameters measured during the initial performance test. When you reestablish the values of your operating parameters, you must also conduct a performance test to demonstrate that you are meeting the required emission limitation applicable to your stationary RICE. (§63.6640(b))

1.10.18 You must also report each instance in which you did not meet the requirements in Table 8 of subpart ZZZZ that apply to you. (§63.6640(c))

What notifications must I submit and when? (§ 63.6645)

1.10.19 You must submit all of the notifications in §§63.7(b) and (c), 63.8(e), (f)(4) and (f)(6), 63.9(b) through (e), and (g) and (h) that apply to you by the dates specified. (§63.6645(a))

1.10.20 If you are required to conduct a performance test, you must submit a Notification of Intent to conduct a performance test at least 60 days before the performance test is scheduled to begin as required in §63.7(b)(1). (§63.6645(g))

1.10.21 If you are required to conduct a performance test or other initial compliance demonstration as specified in Condition 1.10.7, you must submit a Notification of Compliance Status according to §63.9(h)(2)(ii). (§63.6645(h))

1.10.21.1 For each initial compliance demonstration required in Table 5 to subpart ZZZZ that does not include a performance test, you must submit the Notification of Compliance Status before the close of business on the 30th day following the completion of the initial compliance demonstration. (§63.6645(h)(1))

1.10.21.2 For each initial compliance demonstration required in Table 5 to subpart ZZZZ that includes a performance test conducted according to the requirements in Table 3 to subpart ZZZZ, you must submit the Notification of Compliance Status, including the performance test results, before the close of business on the 60th day following the completion of the performance test according to §63.10(d)(2). (§63.6645(h)(2))

What reports must I submit and when? (§ 63.6650)

1.10.22 Submit compliance reports semiannually according to the requirements in §63.6650(b), (c), (d), (e), and (f).

What records must I keep? (§ 63.6655)

1.10.23 You must keep records described in §63.6655(a), (b), (d), (e), and (f).

In what form and how long must I keep my records? (§ 63.6660)

1.10.24 You must keep records according to the requirements in §63.6660(a), (b), and (c).

What parts of the General Provisions apply to me? (§ 63.6665)

1.10.25 Table 8 of subpart ZZZZ shows which parts of the General Provisions in §§63.1 through 63.15 apply to you.

SECTION III - Permit Shield

Regulation No. 3, 5 CCR 1001-5, Part C, §§ I.A.4, V.D. & XIII.B; § 25-7-114.4(3)(a), C.R.S.

1. Specific Non-Applicable Requirements

Based on the information available to the Division and supplied by the applicant, the following parameters and requirements have been specifically identified as non-applicable to the facility to which this permit has been issued. This shield does not protect the source from any violations that occurred prior to or at the time of permit issuance. In addition, this shield does not protect the source from any violations that occur as a result of any modifications or reconstruction on which construction commenced prior to permit issuance.

No requirements have been specifically identified as non-applicable for this facility.

2. General Conditions

Compliance with this Operating Permit shall be deemed compliance with all applicable requirements specifically identified in the permit and other requirements specifically identified in the permit as not applicable to the source. This permit shield shall not alter or affect the following:

2.1 The provisions of §§ 25-7-112 and 25-7-113, C.R.S., or § 303 of the federal act, concerning enforcement in cases of emergency;

2.2 The liability of an owner or operator of a source for any violation of applicable requirements prior to or at the time of permit issuance;

2.3 The applicable requirements of the federal Acid Rain Program, consistent with § 408(a) of the federal act;

2.4 The ability of the Air Pollution Control Division to obtain information from a source pursuant to § 25-7-111(2)(I), C.R.S., or the ability of the Administrator to obtain information pursuant to ' 114 of the federal act;

2.5 The ability of the Air Pollution Control Division to reopen the Operating Permit for cause pursuant to Regulation No. 3, Part C, § XIII.

2.6 Sources are not shielded from terms and conditions that become applicable to the source subsequent to permit issuance.

3. Stream-lined Conditions

The following applicable requirements have been subsumed within this operating permit using the pertinent streamlining procedures approved by the U.S. EPA. For purposes of the permit shield, compliance with the listed permit conditions will also serve as a compliance demonstration for purposes of the associated subsumed requirements.

No applicable requirements were streamlined out of this permit.

SECTION IV - General Permit Conditions ver 11/16/10

1. Administrative Changes

Regulation No. 3, 5 CCR 1001-5, Part A, § III.

The permittee shall submit an application for an administrative permit amendment to the Division for those permit changes that are described in Regulation No. 3, Part A, § I.B.1. The permittee may immediately make the change upon submission of the application to the Division.

2. Certification Requirements

Regulation No. 3, 5 CCR 1001-5, Part C, §§ III.B.9., V.C.16.a.& e. and V.C.17.

a. Any application, report, document and compliance certification submitted to the Air Pollution Control Division pursuant to Regulation No. 3 or the Operating Permit shall contain a certification by a responsible official of the truth, accuracy and completeness of such form, report or certification stating that, based on information and belief formed after reasonable inquiry, the statements and information in the document are true, accurate and complete.

b. All compliance certifications for terms and conditions in the Operating Permit shall be submitted to the Air Pollution Control Division at least annually unless a more frequent period is specified in the applicable requirement or by the Division in the Operating Permit.

c. Compliance certifications shall contain:

(i) the identification of each permit term and condition that is the basis of the certification;

(ii) the compliance status of the source;

(iii) whether compliance was continuous or intermittent;

(iv) method(s) used for determining the compliance status of the source, currently and over the reporting period; and

(v) such other facts as the Air Pollution Control Division may require to determine the compliance status of the source.

d. All compliance certifications shall be submitted to the Air Pollution Control Division and to the Environmental Protection Agency at the addresses listed in Appendix D of this Permit.

e. If the permittee is required to develop and register a risk management plan pursuant to § 112(r) of the federal act, the permittee shall certify its compliance with that requirement; the Operating Permit shall not incorporate the contents of the risk management plan as a permit term or condition.

3. Common Provisions

Common Provisions Regulation, 5 CCR 1001-2 §§ II.A., II.B., II.C., II.E., II.F., II.I, and II.J

a. To Control Emissions Leaving Colorado

When emissions generated from sources in Colorado cross the State boundary line, such emissions shall not cause the air quality standards of the receiving State to be exceeded, provided reciprocal action is taken by the receiving State.

b. Emission Monitoring Requirements

The Division may require owners or operators of stationary air pollution sources to install, maintain, and use instrumentation to monitor and record emission data as a basis for periodic reports to the Division.

c. Performance Testing

The owner or operator of any air pollution source shall, upon request of the Division, conduct performance test(s) and furnish the Division a written report of the results of such test(s) in order to determine compliance with applicable emission control regulations.

Performance test(s) shall be conducted and the data reduced in accordance with the applicable reference test methods unless the Division:

(i) specifies or approves, in specific cases, the use of a test method with minor changes in methodology;

(ii) approves the use of an equivalent method;

(iii) approves the use of an alternative method the results of which the Division has determined to be adequate for indicating where a specific source is in compliance; or

(iv) waives the requirement for performance test(s) because the owner or operator of a source has demonstrated by other means to the Division's satisfaction that the affected facility is in compliance with the standard. Nothing in this paragraph shall be construed to abrogate the Commission's or Division's authority to require testing under the Colorado Revised Statutes, Title 25, Article 7, and pursuant to regulations promulgated by the Commission.

Compliance test(s) shall be conducted under such conditions as the Division shall specify to the plant operator based on representative performance of the affected facility. The owner or operator shall make available to the Division such records as may be necessary to determine the conditions of the performance test(s). Operations during period of startup, shutdown, and malfunction shall not constitute representative conditions of performance test(s) unless otherwise specified in the applicable standard.

The owner or operator of an affected facility shall provide the Division thirty days prior notice of the performance test to afford the Division the opportunity to have an observer present. The Division may waive the thirty day notice requirement provided that arrangements satisfactory to the Division are made for earlier testing.

The owner or operator of an affected facility shall provide, or cause to be provided, performance testing facilities as follows:

(i) Sampling ports adequate for test methods applicable to such facility;

(ii) Safe sampling platform(s);

(iii) Safe access to sampling platform(s); and

(iv) Utilities for sampling and testing equipment.

Each performance test shall consist of at least three separate runs using the applicable test method. Each run shall be conducted for the time and under the conditions specified in the applicable standard. For the purpose of determining compliance with an applicable standard, the arithmetic mean of results of at least three runs shall apply. In the event that a sample is accidentally lost or conditions occur in which one of the runs must be discontinued because of forced shutdown, failure of an irreplaceable portion of the sample train, extreme meteorological conditions, or other circumstances beyond the owner or operator's control, compliance may, upon the Division's approval, be determined using the arithmetic mean of the results of the two other runs.

Nothing in this section shall abrogate the Division's authority to conduct its own performance test(s) if so warranted.

d. Affirmative Defense Provision for Excess Emissions during Malfunctions

Note that until such time as the U.S. EPA approves this provision into the Colorado State Implementation Plan (SIP), it shall be enforceable only by the State.

An affirmative defense to a claim of violation under these regulations is provided to owners and operators for civil penalty actions for excess emissions during periods of malfunction. To establish the affirmative defense and to be relieved of a civil penalty in any action to enforce an applicable requirement, the owner or operator of the facility must meet the notification requirements below in a timely manner and prove by a preponderance of evidence that:

(i) The excess emissions were caused by a sudden, unavoidable breakdown of equipment, or a sudden, unavoidable failure of a process to operate in the normal or usual manner, beyond the reasonable control of the owner or operator;

(ii) The excess emissions did not stem from any activity or event that could have reasonably been foreseen and avoided, or planned for, and could not have been avoided by better operation and maintenance practices;

(iii) Repairs were made as expeditiously as possible when the applicable emission limitations were being exceeded;

(iv) The amount and duration of the excess emissions (including any bypass) were minimized to the maximum extent practicable during periods of such emissions;

(v) All reasonably possible steps were taken to minimize the impact of the excess emissions on ambient air quality;

(vi) All emissions monitoring systems were kept in operation (if at all possible);

(vii) The owner or operator's actions during the period of excess emissions were documented by properly signed, contemporaneous operating logs or other relevant evidence;

(viii) The excess emissions were not part of a recurring pattern indicative of inadequate design, operation, or maintenance;

(ix) At all times, the facility was operated in a manner consistent with good practices for minimizing emissions. This section is intended solely to be a factor in determining whether an affirmative defense is available to an owner or operator, and shall not constitute an additional applicable requirement; and

(x) During the period of excess emissions, there were no exceedances of the relevant ambient air quality standards established in the Commissions' Regulations that could be attributed to the emitting source.

The owner or operator of the facility experiencing excess emissions during a malfunction shall notify the division verbally as soon as possible, but no later than noon of the Division's next working day, and shall submit written notification following the initial occurrence of the excess emissions by the end of the source's next reporting period. The notification shall address the criteria set forth above.

The Affirmative Defense Provision contained in this section shall not be available to claims for injunctive relief.

The Affirmative Defense Provision does not apply to failures to meet federally promulgated performance standards or emission limits, including, but not limited to, new source performance standards and national emission standards for hazardous air pollutants. The affirmative defense provision does not apply to state implementation plan (sip) limits or permit limits that have been set taking into account potential emissions during malfunctions, including, but not necessarily limited to, certain limits with 30-day or longer averaging times, limits that indicate they apply during malfunctions, and limits that indicate they apply at all times or without exception.

e. Circumvention Clause

A person shall not build, erect, install, or use any article, machine, equipment, condition, or any contrivance, the use of which, without resulting in a reduction in the total release of air pollutants to the atmosphere, reduces or conceals an emission which would otherwise constitute a violation of this regulation. No person shall circumvent this regulation by using more openings than is considered normal practice by the industry or activity in question.

f. Compliance Certifications

For the purpose of submitting compliance certifications or establishing whether or not a person has violated or is in violation of any standard in the Colorado State Implementation Plan, nothing in the Colorado State Implementation Plan shall preclude the use, including the exclusive use, of any credible evidence or information, relevant to whether a source would have been in compliance with applicable requirements if the appropriate performance or compliance test or procedure had been performed. Evidence that has the effect of making any relevant standard or permit term more stringent shall not be credible for proving a violation of the standard or permit term.

When compliance or non-compliance is demonstrated by a test or procedure provided by permit or other applicable requirement, the owner or operator shall be presumed to be in compliance or non-compliance unless other relevant credible evidence overcomes that presumption.

g. Affirmative Defense Provision for Excess Emissions During Startup and Shutdown

An affirmative defense is provided to owners and operators for civil penalty actions for excess emissions during periods of startup and shutdown. To establish the affirmative defense and to be relieved of a civil penalty in any action to enforce an applicable requirement, the owner or operator of the facility must meet the notification requirements below in a timely manner and prove by a preponderance of the evidence that:

(i) The periods of excess emissions that occurred during startup and shutdown were short and infrequent and could not have been prevented through careful planning and design;

(ii) The excess emissions were not part of a recurring pattern indicative of inadequate design, operation or maintenance;

(iii) If the excess emissions were caused by a bypass (an intentional diversion of control equipment), then the bypass was unavoidable to prevent loss of life, personal injury, or severe property damage;

(iv) The frequency and duration of operation in startup and shutdown periods were minimized to the maximum extent practicable;

(v) All possible steps were taken to minimize the impact of excess emissions on ambient air quality;

(vi) All emissions monitoring systems were kept in operation (if at all possible);

(vii) The owner or operator’s actions during the period of excess emissions were documented by properly signed, contemporaneous operating logs or other relevant evidence; and,

(viii) At all times, the facility was operated in a manner consistent with good practices for minimizing emissions. This subparagraph is intended solely to be a factor in determining whether an affirmative defense is available to an owner or operator, and shall not constitute an additional applicable requirement.

The owner or operator of the facility experiencing excess emissions during startup and shutdown shall notify the division verbally as soon as possible, but no later than two (2) hours after the start of the next working day, and shall submit written quarterly notification following the initial occurrence of the excess emissions. The notification shall address the criteria set forth above.

The Affirmative Defense Provision contained in this section shall not be available to claims for injunctive relief.

The Affirmative Defense Provision does not apply to State Implementation Plan provisions or other requirements that derive from new source performance standards or national emissions standards for hazardous air pollutants, or any other federally enforceable performance standard or emission limit with an averaging time greater than twenty-four hours. In addition, an affirmative defense cannot be used by a single source or small group of sources where the excess emissions have the potential to cause an exceedance of the ambient air quality standards or Prevention of Significant Deterioration (PSD) increments.

In making any determination whether a source established an affirmative defense, the division shall consider the information within the notification required above and any other information the Division deems necessary, which may include, but is not limited to, physical inspection of the facility and review of documentation pertaining to the maintenance and operation of process and air pollution control equipment.

4. Compliance Requirements

Regulation No. 3, 5 CCR 1001-5, Part C, §§ III.C.9., V.C.11. & 16.d. and § 25-7-122.1(2), C.R.S.

a. The permittee must comply with all conditions of the Operating Permit. Any permit noncompliance relating to federally-enforceable terms or conditions constitutes a violation of the federal act, as well as the state act and Regulation No. 3. Any permit noncompliance relating to state-only terms or conditions constitutes a violation of the state act and Regulation No. 3, shall be enforceable pursuant to state law, and shall not be enforceable by citizens under § 304 of the federal act. Any such violation of the federal act, the state act or regulations implementing either statute is grounds for enforcement action, for permit termination, revocation and reissuance or modification or for denial of a permit renewal application.

b. It shall not be a defense for a permittee in an enforcement action or a consideration in favor of a permittee in a permit termination, revocation or modification action or action denying a permit renewal application that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of the permit.

c. The permit may be modified, revoked, reopened, and reissued, or terminated for cause. The filing of any request by the permittee for a permit modification, revocation and reissuance, or termination, or any notification of planned changes or anticipated noncompliance does not stay any permit condition, except as provided in §§ X. and XI. of Regulation No. 3, Part C.

d. The permittee shall furnish to the Air Pollution Control Division, within a reasonable time as specified by the Division, any information that the Division may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating the permit or to determine compliance with the permit. Upon request, the permittee shall also furnish to the Division copies of records required to be kept by the permittee, including information claimed to be confidential. Any information subject to a claim of confidentiality shall be specifically identified and submitted separately from information not subject to the claim.

e. Any schedule for compliance for applicable requirements with which the source is not in compliance at the time of permit issuance shall be supplemental, and shall not sanction noncompliance with, the applicable requirements on which it is based.

f. For any compliance schedule for applicable requirements with which the source is not in compliance at the time of permit issuance, the permittee shall submit, at least every 6 months unless a more frequent period is specified in the applicable requirement or by the Air Pollution Control Division, progress reports which contain the following:

(i) dates for achieving the activities, milestones, or compliance required in the schedule for compliance, and dates when such activities, milestones, or compliance were achieved; and

(ii) an explanation of why any dates in the schedule of compliance were not or will not be met, and any preventive or corrective measures adopted.

g. The permittee shall not knowingly falsify, tamper with, or render inaccurate any monitoring device or method required to be maintained or followed under the terms and conditions of the Operating Permit.

5. Emergency Provisions

Regulation No. 3, 5 CCR 1001-5, Part C, § VII.E

An emergency means any situation arising from sudden and reasonably unforeseeable events beyond the control of the source, including acts of God, which situation requires immediate corrective action to restore normal operation, and that causes the source to exceed the technology-based emission limitation under the permit due to unavoidable increases in emissions attributable to the emergency. "Emergency" does not include noncompliance to the extent caused by improperly designed equipment, lack of preventative maintenance, careless or improper operation, or operator error. An emergency constitutes an affirmative defense to an enforcement action brought for noncompliance with a technology-based emission limitation if the permittee demonstrates, through properly signed, contemporaneous operating logs, or other relevant evidence that:

a. an emergency occurred and that the permittee can identify the cause(s) of the emergency;

b. the permitted facility was at the time being properly operated;

c. during the period of the emergency the permittee took all reasonable steps to minimize levels of emissions that exceeded the emission standards, or other requirements in the permit; and

d. the permittee submitted oral notice of the emergency to the Air Pollution Control Division no later than noon of the next working day following the emergency, and followed by written notice within one month of the time when emissions limitations were exceeded due to the emergency. This notice must contain a description of the emergency, any steps taken to mitigate emissions, and corrective actions taken.

This emergency provision is in addition to any emergency or malfunction provision contained in any applicable requirement.

6. Emission Controls for Asbestos

Regulation No. 8, 5 CCR 1001-10, Part B

The permittee shall not conduct any asbestos abatement activities except in accordance with the provisions of Regulation No. 8, Part B, “asbestos control.”

7. Emissions Trading, Marketable Permits, Economic Incentives

Regulation No. 3, 5 CCR 1001-5, Part C, § V.C.13.

No permit revision shall be required under any approved economic incentives, marketable permits, emissions trading and other similar programs or processes for changes that are specifically provided for in the permit.

8. Fee Payment

C.R.S §§ 25-7-114.1(6) and 25-7-114.7

a. The permittee shall pay an annual emissions fee in accordance with the provisions of C.R.S. § 25-7-114.7. A 1% per month late payment fee shall be assessed against any invoice amounts not paid in full on the 91st day after the date of invoice, unless a permittee has filed a timely protest to the invoice amount.

b. The permittee shall pay a permit processing fee in accordance with the provisions of C.R.S. § 25-7-114.7. If the Division estimates that processing of the permit will take more than 30 hours, it will notify the permittee of its estimate of what the actual charges may be prior to commencing any work exceeding the 30 hour limit.

c. The permittee shall pay an APEN fee in accordance with the provisions of C.R.S. § 25-7-114.1(6) for each APEN or revised APEN filed.

9. Fugitive Particulate Emissions

Regulation No. 1, 5 CCR 1001-3, § III.D.1.

The permittee shall employ such control measures and operating procedures as are necessary to minimize fugitive particulate emissions into the atmosphere, in accordance with the provisions of Regulation No. 1, § III.D.1.

10. Inspection and Entry

Regulation No. 3, 5 CCR 1001-5, Part C, § V.C.16.b.

Upon presentation of credentials and other documents as may be required by law, the permittee shall allow the Air Pollution Control Division, or any authorized representative, to perform the following:

a. enter upon the permittee's premises where an Operating Permit source is located, or emissions-related activity is conducted, or where records must be kept under the terms of the permit;

b. have access to, and copy, at reasonable times, any records that must be kept under the conditions of the permit;

c. inspect at reasonable times any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under the Operating Permit;

d. sample or monitor at reasonable times, for the purposes of assuring compliance with the Operating Permit or applicable requirements, any substances or parameters.

11. Minor Permit Modifications

Regulation No. 3, 5 CCR 1001-5, Part C, §§ X. & XI.

The permittee shall submit an application for a minor permit modification before making the change requested in the application. The permit shield shall not extend to minor permit modifications.

12. New Source Review

Regulation No. 3, 5 CCR 1001-5, Part B

The permittee shall not commence construction or modification of a source required to be reviewed under the New Source Review provisions of Regulation No. 3, Part B, without first receiving a construction permit.

13. No Property Rights Conveyed

Regulation No. 3, 5 CCR 1001-5, Part C, § V.C.11.d.

This permit does not convey any property rights of any sort, or any exclusive privilege.

14. Odor

Regulation No. 2, 5 CCR 1001-4, Part A

As a matter of state law only, the permittee shall comply with the provisions of Regulation No. 2 concerning odorous emissions.

15. Off-Permit Changes to the Source

Regulation No. 3, 5 CCR 1001-5, Part C, § XII.B.

The permittee shall record any off-permit change to the source that causes the emissions of a regulated pollutant subject to an applicable requirement, but not otherwise regulated under the permit, and the emissions resulting from the change, including any other data necessary to show compliance with applicable ambient air quality standards. The permittee shall provide contemporaneous notification to the Air Pollution Control Division and to the Environmental Protection Agency at the addresses listed in Appendix D of this Permit. The permit shield shall not apply to any off-permit change.

16. Opacity

Regulation No. 1, 5 CCR 1001-3, §§ I., II.

The permittee shall comply with the opacity emissions limitation set forth in Regulation No. 1, §§ I.- II.

17. Open Burning

Regulation No. 9, 5 CCR 1001-11

The permittee shall obtain a permit from the Division for any regulated open burning activities in accordance with provisions of Regulation No. 9.

18. Ozone Depleting Compounds

Regulation No. 15, 5 CCR 1001-17

The permittee shall comply with the provisions of Regulation No. 15 concerning emissions of ozone depleting compounds. Sections I., II.C., II.D., III. IV., and V. of Regulation No. 15 shall be enforced as a matter of state law only.

19. Permit Expiration and Renewal

Regulation No. 3, 5 CCR 1001-5, Part C, §§ III.B.6., IV.C., V.C.2.

a. The permit term shall be five (5) years. The permit shall expire at the end of its term. Permit expiration terminates the permittee's right to operate unless a timely and complete renewal application is submitted.

b. Applications for renewal shall be submitted at least twelve months, but not more than 18 months, prior to the expiration of the Operating Permit. An application for permit renewal may address only those portions of the permit that require revision, supplementing, or deletion, incorporating the remaining permit terms by reference from the previous permit. A copy of any materials incorporated by reference must be included with the application.

20. Portable Sources

Regulation No. 3, 5 CCR 1001-5, Part C, § II.D.

Portable Source permittees shall notify the Air Pollution Control Division at least 10 days in advance of each change in location.

21. Prompt Deviation Reporting

Regulation No. 3, 5 CCR 1001-5, Part C, § V.C.7.b.

The permittee shall promptly report any deviation from permit requirements, including those attributable to malfunction conditions as defined in the permit, the probable cause of such deviations, and any corrective actions or preventive measures taken.

"Prompt" is defined as follows:

a. Any definition of "prompt" or a specific timeframe for reporting deviations provided in an underlying applicable requirement as identified in this permit; or

b. Where the underlying applicable requirement fails to address the time frame for reporting deviations, reports of deviations will be submitted based on the following schedule:

(i) For emissions of a hazardous air pollutant or a toxic air pollutant (as identified in the applicable regulation) that continue for more than an hour in excess of permit requirements, the report shall be made within 24 hours of the occurrence;

(ii) For emissions of any regulated air pollutant, excluding a hazardous air pollutant or a toxic air pollutant that continue for more than two hours in excess of permit requirements, the report shall be made within 48 hours; and

(iii) For all other deviations from permit requirements, the report shall be submitted every six (6) months, except as otherwise specified by the Division in the permit in accordance with paragraph 22.d. below.

c. If any of the conditions in paragraphs b.i or b.ii above are met, the source shall notify the Division by telephone (303-692-3155) or facsimile (303-782-0278) based on the timetables listed above. *[Explanatory note: Notification by telephone or facsimile must specify that this notification is a deviation report for an Operating Permit.]* A written notice, certified consistent with General Condition 2.a. above (Certification Requirements), shall be submitted within 10 working days of the occurrence. All deviations reported under this section shall also be identified in the 6-month report required above.

"Prompt reporting" does not constitute an exception to the requirements of "Emergency Provisions" for the purpose of avoiding enforcement actions.

22. Record Keeping and Reporting Requirements

Regulation No. 3, 5 CCR 1001-5, Part A, § II.; Part C, §§ V.C.6., V.C.7.

a. Unless otherwise provided in the source specific conditions of this Operating Permit, the permittee shall maintain compliance monitoring records that include the following information:

(i) date, place as defined in the Operating Permit, and time of sampling or measurements;

(ii) date(s) on which analyses were performed;

(iii) the company or entity that performed the analysis;

(iv) the analytical techniques or methods used;

(v) the results of such analysis; and

(vi) the operating conditions at the time of sampling or measurement.

b. The permittee shall retain records of all required monitoring data and support information for a period of at least five (5) years from the date of the monitoring sample, measurement, report or application. Support information, for this purpose, includes all calibration and maintenance records and all original strip-chart recordings for continuous monitoring instrumentation, and copies of all reports required by the Operating Permit. With prior approval of the Air Pollution Control Division, the permittee may maintain any of the above records in a computerized form.

c. Permittees must retain records of all required monitoring data and support information for the most recent twelve (12) month period, as well as compliance certifications for the past five (5) years on-site at all times. A permittee

shall make available for the Air Pollution Control Division's review all other records of required monitoring data and support information required to be retained by the permittee upon 48 hours advance notice by the Division.

d. The permittee shall submit to the Air Pollution Control Division all reports of any required monitoring at least every six (6) months, unless an applicable requirement, the compliance assurance monitoring rule, or the Division requires submission on a more frequent basis. All instances of deviations from any permit requirements must be clearly identified in such reports.

e. The permittee shall file an Air Pollutant Emissions Notice ("APEN") prior to constructing, modifying, or altering any facility, process, activity which constitutes a stationary source from which air pollutants are or are to be emitted, unless such source is exempt from the APEN filing requirements of Regulation No. 3, Part A, § II.D. A revised APEN shall be filed annually whenever a significant change in emissions, as defined in Regulation No. 3, Part A, § II.C.2., occurs; whenever there is a change in owner or operator of any facility, process, or activity; whenever new control equipment is installed; whenever a different type of control equipment replaces an existing type of control equipment; whenever a permit limitation must be modified; or before the APEN expires. An APEN is valid for a period of five years. The five-year period recommences when a revised APEN is received by the Air Pollution Control Division. Revised APENs shall be submitted no later than 30 days before the five-year term expires. Permittees submitting revised APENs to inform the Division of a change in actual emission rates must do so by April 30 of the following year. Where a permit revision is required, the revised APEN must be filed along with a request for permit revision. APENs for changes in control equipment must be submitted before the change occurs. Annual fees are based on the most recent APEN on file with the Division.

23. Reopenings for Cause

Regulation No. 3, 5 CCR 1001-5, Part C, § XIII.

a. The Air Pollution Control Division shall reopen, revise, and reissue Operating Permits; permit reopenings and reissuance shall be processed using the procedures set forth in Regulation No. 3, Part C, § III., except that proceedings to reopen and reissue permits affect only those parts of the permit for which cause to reopen exists.

b. The Division shall reopen a permit whenever additional applicable requirements become applicable to a major source with a remaining permit term of three or more years, unless the effective date of the requirements is later than the date on which the permit expires, or unless a general permit is obtained to address the new requirements; whenever additional requirements (including excess emissions requirements) become applicable to an affected source under the acid rain program; whenever the Division determines the permit contains a material mistake or that inaccurate statements were made in establishing the emissions standards or other terms or conditions of the permit; or whenever the Division determines that the permit must be revised or revoked to assure compliance with an applicable requirement.

c. The Division shall provide 30 days' advance notice to the permittee of its intent to reopen the permit, except that a shorter notice may be provided in the case of an emergency.

d. The permit shield shall extend to those parts of the permit that have been changed pursuant to the reopening and reissuance procedure.

24. Section 502(b)(10) Changes

Regulation No. 3, 5 CCR 1001-5, Part C, § XII.A.

The permittee shall provide a minimum 7-day advance notification to the Air Pollution Control Division and to the Environmental Protection Agency at the addresses listed in Appendix D of this Permit. The permittee shall attach a copy of each such notice given to its Operating Permit.

25. Severability Clause

Regulation No. 3, 5 CCR 1001-5, Part C, § V.C.10.

In the event of a challenge to any portion of the permit, all emissions limits, specific and general conditions, monitoring, record keeping and reporting requirements of the permit, except those being challenged, remain valid and enforceable.

26. Significant Permit Modifications

Regulation No. 3, 5 CCR 1001-5, Part C, § III.B.2.

The permittee shall not make a significant modification required to be reviewed under Regulation No. 3, Part B ("Construction Permit" requirements) without first receiving a construction permit. The permittee shall submit a complete Operating Permit application or application for an Operating Permit revision for any new or modified source within twelve months of commencing operation, to the address listed in Item 1 in Appendix D of this permit. If the permittee chooses to use the "Combined Construction/Operating Permit" application procedures of Regulation No. 3, Part C, then the Operating Permit must be received prior to commencing construction of the new or modified source.

27. Special Provisions Concerning the Acid Rain Program

Regulation No. 3, 5 CCR 1001-5, Part C, §§ V.C.1.b. & 8

a. Where an applicable requirement of the federal act is more stringent than an applicable requirement of regulations promulgated under Title IV of the federal act, 40 Code of Federal Regulations (CFR) Part 72, both provisions shall be incorporated into the permit and shall be federally enforceable.

b. Emissions exceeding any allowances that the source lawfully holds under Title IV of the federal act or the regulations promulgated thereunder, 40 CFR Part 72, are expressly prohibited.

28. Transfer or Assignment of Ownership

Regulation No. 3, 5 CCR 1001-5, Part C, § II.C.

No transfer or assignment of ownership of the Operating Permit source will be effective unless the prospective owner or operator applies to the Air Pollution Control Division on Division-supplied Administrative Permit Amendment forms, for reissuance of the existing Operating Permit. No administrative permit shall be complete until a written agreement containing a specific date for transfer of permit, responsibility, coverage, and liability between the permittee and the prospective owner or operator has been submitted to the Division.

29. Volatile Organic Compounds

Regulation No. 7, 5 CCR 1001-9, §§ III & V.

The requirements in paragraphs a, b and e apply to sources located in an ozone non-attainment area or the Denver 1-hour ozone attainment/maintenance area. The requirements in paragraphs c and d apply statewide.

a. All storage tank gauging devices, anti-rotation devices, accesses, seals, hatches, roof drainage systems, support structures, and pressure relief valves shall be maintained and operated to prevent detectable vapor loss except when opened, actuated, or used for necessary and proper activities (e.g. maintenance). Such opening, actuation, or use shall be limited so as to minimize vapor loss.

   Detectable vapor loss shall be determined visually, by touch, by presence of odor, or using a portable hydrocarbon analyzer. When an analyzer is used, detectable vapor loss means a VOC concentration exceeding 10,000 ppm. Testing shall be conducted as in Regulation No. 7, Section VIII.C.3.

b. Except when otherwise provided by Regulation No. 7, all volatile organic compounds, excluding petroleum liquids, transferred to any tank, container, or vehicle compartment with a capacity exceeding 212 liters (56 gallons), shall be

transferred using submerged or bottom filling equipment. For top loading, the fill tube shall reach within six inches of the bottom of the tank compartment. For bottom-fill operations, the inlet shall be flush with the tank bottom.

c. The permittee shall not dispose of volatile organic compounds by evaporation or spillage unless Reasonably Available Control Technology (RACT) is utilized.

d. No owner or operator of a bulk gasoline terminal, bulk gasoline plant, or gasoline dispensing facility as defined in Colorado Regulation No. 7, Section VI, shall permit gasoline to be intentionally spilled, discarded in sewers, stored in open containers, or disposed of in any other manner that would result in evaporation.

e. Beer production and associated beer container storage and transfer operations involving volatile organic compounds with a true vapor pressure of less than 1.5 PSIA actual conditions are exempt from the provisions of paragraph b, above.

30. Wood Stoves and Wood burning Appliances

Regulation No. 4, 5 CCR 1001-6

The permittee shall comply with the provisions of Regulation No. 4 concerning the advertisement, sale, installation, and use of wood stoves and wood burning appliances.

OPERATING PERMIT APPENDICES

A - INSPECTION INFORMATION
B - MONITORING AND PERMIT DEVIATION REPORT
C - COMPLIANCE CERTIFICATION REPORT
D - NOTIFICATION ADDRESSES
E - PERMIT ACRONYMS
F - PERMIT MODIFICATIONS

*DISCLAIMER:

None of the information found in these Appendices shall be considered to be State or Federally enforceable, except as otherwise provided in the permit, and is presented to assist the source, permitting authority, inspectors, and citizens.

APPENDIX A - Inspection Information

Directions to Plant:

This facility is located at 475 William M. White Blvd. in Pueblo just east of the intersection of Pete Jimenez Pkwy., 27th Lane and William White Blvd. The site is about 1 mile east of State Highway 47 on Pete Jimenez Parkway and 1-½ miles west of Pueblo Airport.

Safety Equipment Required:

Hard Hat
Hearing Protection (for work inside engine enclosures only)

Facility Plot Plan:

Figure 1 (following page) shows the plot plan as submitted on November 2, 2002 with the source's Title V Operating Permit Application.

List of Insignificant Activities:

The following list of insignificant activities was provided by the source to assist in the understanding of the facility layout. Since there is no requirement to update such a list, activities may have changed since the last filing.

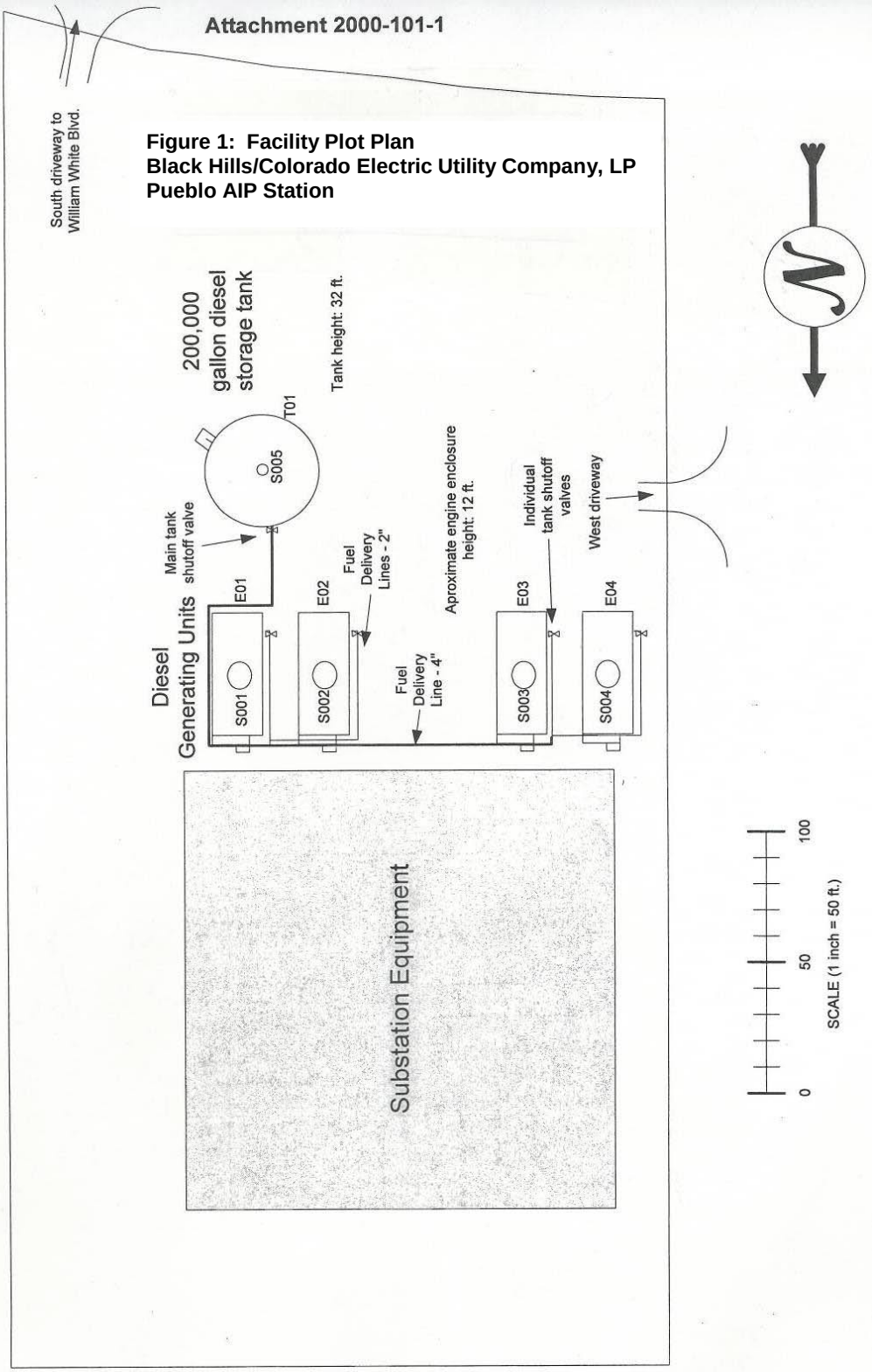
<u>Chemical storage areas < 5,000 gal capacity (Reg 3 Part C.II.E.3.mm)</u>

chemical storage building used for storage of transformer and engine oils and other chemicals used for maintenance of equipment.

<u>Storage tanks with emissions below APEN de minimis levels and no longer subject to 40 CFR Part 60 Subpart Kb</u>

One (1) diesel fuel storage tank (200,000 gallon, above ground)

Black Hills/Colorado Electric Utility Company, LP
Pueblo AIP Station



Appendix B:

Reporting Requirements and Definitions

with codes ver 2/20/07

Please note that, pursuant to 113(c)(2) of the federal Clean Air Act, any person who knowingly:

(A) makes any false material statement, representation, or certification in, or omits material information from, or knowingly alters, conceals, or fails to file or maintain any notice, application, record, report, plan, or other document required pursuant to the Act to be either filed or maintained (whether with respect to the requirements imposed by the Administrator or by a State);

(B) fails to notify or report as required under the Act; or

(C) falsifies, tampers with, renders inaccurate, or fails to install any monitoring device or method required to be maintained or followed under the Act shall, upon conviction, be punished by a fine pursuant to title 18 of the United States Code, or by imprisonment for not more than 2 years, or both. If a conviction of any person under this paragraph is for a violation committed after a first conviction of such person under this paragraph, the maximum punishment shall be doubled with respect to both the fine and imprisonment.

The permittee must comply with all conditions of this operating permit. Any permit noncompliance constitutes a violation of the Act and is grounds for enforcement action; for permit termination, revocation and reissuance, or modification; or for denial of a permit renewal application.

The Part 70 Operating Permit program requires three types of reports to be filed for all permits.
All required reports must be certified by a responsible official.

Report #1: Monitoring Deviation Report (due at least every six months)

For purposes of this operating permit, the Division is requiring that the monitoring reports are due every six months unless otherwise noted in the permit. All instances of deviations from permit monitoring requirements must be clearly identified in such reports.

For purposes of this operating permit, monitoring means any condition determined by observation, by data from any monitoring protocol, or by any other monitoring which is required by the permit as well as the recordkeeping associated with that monitoring. This would include, for example, fuel use or process rate monitoring, fuel analyses, and operational or control device parameter monitoring.

Report #2: Permit Deviation Report (must be reported "promptly")

In addition to the monitoring requirements set forth in the permits as discussed above, each and every requirement of the permit is subject to deviation reporting. The reports must address deviations from permit requirements, including those attributable to malfunctions as defined in this Appendix, the probable cause of

such deviations, and any corrective actions or preventive measures taken. All deviations from any term or condition of the permit are required to be summarized or referenced in the annual compliance certification.

For purposes of this operating permit, "malfunction" shall refer to both emergency conditions and malfunctions. Additional discussion on these conditions is provided later in this Appendix.

For purposes of this operating permit, the Division is requiring that the permit deviation reports are due as set forth in General Condition 21. Where the underlying applicable requirement contains a definition of prompt or otherwise specifies a time frame for reporting deviations, that definition or time frame shall govern. For example, quarterly Excess Emission Reports required by an NSPS or Regulation No. 1, Section IV.

In addition to the monitoring deviations discussed above, included in the meaning of deviation for the purposes of this operating permit are any of the following:

(1) A situation where emissions exceed an emission limitation or standard contained in the permit;

(2) A situation where process or control device parameter values demonstrate that an emission limitation or standard contained in the permit has not been met;

(3) A situation in which observations or data collected demonstrates noncompliance with an emission limitation or standard or any work practice or operating condition required by the permit; or,

(4) A situation in which an excursion or exceedance as defined in 40CFR Part 64 (the Compliance Assurance Monitoring (CAM) Rule) has occurred. (only if the emission point is subject to CAM)

For reporting purposes, the Division has combined the Monitoring Deviation Report with the Permit Deviation Report. All deviations shall be reported using the following codes:

1 = Standard:	When the requirement is an emission limit or standard
2 = Process:	When the requirement is a production/process limit
3 = Monitor:	When the requirement is monitoring
4 = Test:	When the requirement is testing
5 = Maintenance:	When required maintenance is not performed
6 = Record:	When the requirement is recordkeeping
7 = Report:	When the requirement is reporting
8 = CAM:	A situation in which an excursion or exceedance as defined in 40CFR Part 64 (the Compliance Assurance Monitoring (CAM) Rule) has occurred.
9 = Other:	When the deviation is not covered by any of the above categories

Report #3: Compliance Certification (annually, as defined in the permit)

Submission of compliance certifications with terms and conditions in the permit, including emission limitations, standards, or work practices, is required not less than annually.

Compliance Certifications are intended to state the compliance status of each requirement of the permit over the certification period. They must be based, at a minimum, on the testing and monitoring methods specified in the permit that were conducted during the relevant time period. In addition, if the owner or operator knows of other material information (i.e. information beyond required monitoring that has been specifically assessed in relation to how the information potentially affects compliance status), that information must be identified and addressed in the compliance certification. The compliance certification must include the following:

- The identification of each term or condition of the permit that is the basis of the certification;
- Whether or not the method(s) used by the owner or operator for determining the compliance status with each permit term and condition during the certification period was the method(s) specified in the permit. Such methods and other means shall include, at a minimum, the methods and means required in the permit. If necessary, the owner or operator also shall identify any other material information that must be included in the certification to comply with section 113(c)(2) of the Federal Clean Air Act, which prohibits knowingly making a false certification or omitting material information;
- The status of compliance with the terms and conditions of the permit, and whether compliance was continuous or intermittent. The certification shall identify each deviation and take it into account in the compliance certification. Note that not all deviations are considered violations.[1]
- Such other facts as the Division may require, consistent with the applicable requirements to which the source is subject, to determine the compliance status of the source.

The Certification shall also identify as possible exceptions to compliance any periods during which compliance is required and in which an excursion or exceedance as defined under 40 CFR Part 64 (the Compliance Assurance Monitoring (CAM) Rule) has occurred. (only for emission points subject to CAM)

Note the requirement that the certification shall identify each deviation and take it into account in the compliance certification. Previously submitted deviation reports, including the deviation report submitted at the time of the annual certification, may be referenced in the compliance certification.

[1] For example, given the various emissions limitations and monitoring requirements to which a source may be subject, a deviation from one requirement may not be a deviation under another requirement which recognizes an exception and/or special circumstances relating to that same event.

Startup, Shutdown, Malfunctions and Emergencies

Understanding the application of Startup, Shutdown, Malfunctions and Emergency Provisions, is very important in both the deviation reports and the annual compliance certifications.

Startup, Shutdown, and Malfunctions

Please note that exceedances of some New Source Performance Standards (NSPS) and Maximum Achievable Control Technology (MACT) standards that occur during Startup, Shutdown or Malfunctions may not be considered to be non-compliance since emission limits or standards often do not apply unless specifically stated in the NSPS. Such exceedances must, however, be reported as excess emissions per the NSPS/MACT rules and would still be noted in the deviation report. In regard to compliance certifications, the permittee should be confident of the information related to those deviations when making compliance determinations since they are subject to Division review. The concepts of Startup, Shutdown and Malfunctions also exist for Best Available Control Technology (BACT) sources, but are not applied in the same fashion as for NSPS and MACT sources.

Emergency Provisions

Under the Emergency provisions of Part 70 certain operational conditions may act as an affirmative defense against enforcement action if they are properly reported.

DEFINITIONS

Malfunction (NSPS) means any sudden, infrequent, and not reasonably preventable failure of air pollution control equipment, process equipment, or a process to operate in a normal or usual manner. Failures that are caused in part by poor maintenance or careless operation are not malfunctions.

Malfunction (SIP) means any sudden and unavoidable failure of air pollution control equipment or process equipment or unintended failure of a process to operate in a normal or usual manner. Failures that are primarily caused by poor maintenance, careless operation, or any other preventable upset condition or preventable equipment breakdown shall not be considered malfunctions.

Emergency means any situation arising from sudden and reasonably unforeseeable events beyond the control of the source, including acts of God, which situation requires immediate corrective action to restore normal operation, and that causes the source to exceed a technology-based emission limitation under the permit, due to unavoidable increases in emissions attributable to the emergency. An emergency shall not include noncompliance to the extent caused by improperly designed equipment, lack of preventative maintenance, careless or improper operation, or operator error.

Monitoring and Permit Deviation Report - Part I

1. Following is the **required** format for the Monitoring and Permit Deviation report to be submitted to the Division as set forth in General Condition 21. The Table below must be completed for all equipment or processes for which specific Operating Permit terms exist.

2. Part II of this Appendix B shows the format and information the Division will require for describing periods of monitoring and permit deviations, or malfunction or emergency conditions as indicated in the Table below. One Part II Form must be completed for each Deviation. Previously submitted reports (e.g. EER's or malfunctions) may be referenced and the form need not be filled out in its entirety.

FACILITY NAME: Black Hills/Colorado Electric Utility Company, LP. – Pueblo AIP Station
OPERATING PERMIT NO: 02OPPB249
REPORTING PERIOD:_____ (see first page of the permit for specific reporting period and dates)

Operating Permit Unit ID	Unit Description	Deviations Noted During Period?[1]		Deviation Code[2]	Malfunction/Emergency Condition Reported During Period?	
		YES	NO		YES	NO
E01	General Motors, Model No. MP-45, Serial No. 63573, Internal Combustion Engine Rated, at 29.52 MMBtu/hr and 3500 hp (Site Rated). This Unit is Diesel Fuel Fired. This Unit Can Generate 2.5 MW of Power.					
E02	General Motors, Model No. MP-45, Serial No. 63575, Internal Combustion Engine Rated, at 29.52 MMBtu/hr and 3500 hp (Site Rated). This Unit is Diesel Fuel Fired. This Unit Can Generate 2.5 MW of Power.					
E03	General Motors, Model No. MP-45, Serial No. 63572, Internal Combustion Engine Rated, at 29.52 MMBtu/hr and 3500 hp (Site Rated). This Unit is Diesel Fuel Fired. This Unit Can Generate 2.5 MW of Power.					
E04	General Motors, Model No. MP-45, Serial No. 63574, Internal Combustion Engine Rated, at 29.52 MMBtu/hr and 3500 hp (Site Rated). This Unit is Diesel Fuel Fired. This Unit Can Generate 2.5 MW of Power.					
	General Conditions					
	Insignificant Activities					

[1] See previous discussion regarding what is considered to be a deviation. Determination of whether or not a deviation has occurred shall be based on a reasonable inquiry using readily available information.

[2] Use the following entries, as appropriate

1 = Standard:	When the requirement is an emission limit or standard
2 = Process:	When the requirement is a production/process limit
3 = Monitor:	When the requirement is monitoring
4 = Test:	When the requirement is testing
5 = Maintenance:	When required maintenance is not performed
6 = Record:	When the requirement is recordkeeping
7 = Report:	When the requirement is reporting
8 = CAM:	A situation in which an excursion or exceedance as defined in 40CFR Part 64 (the Compliance Assurance Monitoring (CAM) Rule) has occurred.
9 = Other:	When the deviation is not covered by any of the above categories

Monitoring and Permit Deviation Report - Part II

FACILITY NAME: Black Hills/Colorado Electric Utility Company, LP. – Pueblo AIP Station
OPERATING PERMIT NO: 02OPPB249
REPORTING PERIOD:

Is the deviation being claimed as an: Emergency _____ Malfunction_____ N/A

(For NSPS/MACT) Did the deviation occur during: Startup _____ Shutdown _____ Malfunction _____
Normal Operation _____

OPERATING PERMIT UNIT IDENTIFICATION:

Operating Permit Condition Number Citation

Explanation of Period of Deviation

Duration (start/stop date & time)

Action Taken to Correct the Problem

Measures Taken to Prevent a Reoccurrence of the Problem

Dates of Malfunctions/Emergencies Reported (if applicable)

Deviation Code _____ Division Code QA: _____

SEE EXAMPLE ON THE NEXT PAGE

EXAMPLE

FACILITY NAME: Acme Corp.
OPERATING PERMIT NO: 96OPZZXXX
REPORTING PERIOD: 1/1/04 - 6/30/06

Is the deviation being claimed as an: Emergency _____ Malfunction __XX____ N/A

(For NSPS/MACT) Did the deviation occur during: Startup _____ Shutdown _____ Malfunction
Normal Operation _____

OPERATING PERMIT UNIT IDENTIFICATION:

Asphalt Plant with a Scrubber for Particulate Control - Unit XXX

Operating Permit Condition Number Citation

Section II, Condition 3.1 - Opacity Limitation

Explanation of Period of Deviation

Slurry Line Feed Plugged

Duration

START- 1730 4/10/06
END- 1800 4/10/06

Action Taken to Correct the Problem

Line Blown Out

Measures Taken to Prevent Reoccurrence of the Problem

Replaced Line Filter

Dates of Malfunction/Emergencies Reported (if applicable)

5/30/06 to A. Einstein, APCD

Deviation Code _____ Division Code QA: _____

Monitoring and Permit Deviation Report - Part III

REPORT CERTIFICATION

SOURCE NAME: Black Hills/Colorado Electric Utility Company, LP. – Pueblo AIP Station

FACILITY IDENTIFICATION NUMBER: 101-0396

PERMIT NUMBER: 02OPPB249

REPORTING PERIOD:_____ (see first page of the permit for specific reporting period and dates)

All information for the Title V Semi-Annual Deviation Reports must be certified by a responsible official as defined in Colorado Regulation No. 3, Part A, Section I.B.38. This signed certification document must be packaged with the documents being submitted.

STATEMENT OF COMPLETENESS

I have reviewed the information being submitted in its entirety and, based on information and belief formed after reasonable inquiry, I certify that the statements and information contained in this submittal are true, accurate and complete.

Please note that the Colorado Statutes state that any person who knowingly, as defined in Sub-Section 18-1-501(6), C.R.S., makes any false material statement, representation, or certification in this document is guilty of a misdemeanor and may be punished in accordance with the provisions of Sub-Section 25-7 122.1, C.R.S.

Printed or Typed Name | Title

Signature of Responsible Official | Date Signed

Note: Deviation reports shall be submitted to the Division at the address given in Appendix D of this permit. No copies need be sent to the U.S. EPA.

APPENDIX C
Required Format for Annual Compliance Certification Reports

Following is the format for the Compliance Certification report to be submitted to the Division and the U.S. EPA annually based on the effective date of the permit. The Table below must be completed for all equipment or processes for which specific Operating Permit terms exist.

FACILITY NAME: Black Hills/Colorado Electric Utility Company, LP. – Pueblo AIP Station

OPERATING PERMIT NO: 02OPPB249
REPORTING PERIOD:

I. Facility Status

___ During the entire reporting period, this source was in compliance with **ALL** terms and conditions contained in the Permit, each term and condition of which is identified and included by this reference. The method(s) used to determine compliance is/are the method(s) specified in the Permit.

___ With the possible exception of the deviations identified in the table below, this source was in compliance with all terms and conditions contained in the Permit, each term and condition of which is identified and included by this reference, during the entire reporting period. The method used to determine compliance for each term and condition is the method specified in the Permit, unless otherwise indicated and described in the deviation report(s). Note that not all deviations are considered violations.

Operating Permit Unit ID	Unit Description	Deviations Reported [1]		Monitoring Method per Permit?[2]		Was compliance continuous or intermittent?[3]	
		Previous	Current	YES	NO	Continuous	Intermittent
E01	General Motors, Model No. MP-45, Serial No. 63573, Internal Combustion Engine Rated, at 29.52 MMBtu/hr and 3500 hp (Site Rated). This Unit is Diesel Fuel Fired. This Unit Can Generate 2.5 MW of Power.						
E02	General Motors, Model No. MP-45, Serial No. 63575, Internal Combustion Engine Rated, at 29.52 MMBtu/hr and 3500 hp (Site Rated). This Unit is Diesel Fuel Fired. This Unit Can Generate 2.5 MW of Power.						

Operating Permit Unit ID	Unit Description	Deviations Reported [1]		Monitoring Method per Permit?[2]		Was compliance continuous or intermittent?[3]	
		Previous	Current	YES	NO	Continuous	Intermittent
E03	General Motors, Model No. MP-45, Serial No. 63572, Internal Combustion Engine Rated, at 29.52 MMBtu/hr and 3500 hp (Site Rated). This Unit is Diesel Fuel Fired. This Unit Can Generate 2.5 MW of Power.						
E04	General Motors, Model No. MP-45, Serial No. 63574, Internal Combustion Engine Rated, at 29.52 MMBtu/hr and 3500 hp (Site Rated). This Unit is Diesel Fuel Fired. This Unit Can Generate 2.5 MW of Power.						
	General Conditions						
	Insignificant Activities [4]						

[1] If deviations were noted in a previous deviation report , put an "X" under "previous". If deviations were noted in the current deviation report (i.e. for the last six months of the annual reporting period), put an "X" under "current". Mark both columns if both apply.

[2] Note whether the method(s) used to determine the compliance status with each term and condition was the method(s) specified in the permit. If it was not, mark "no" and attach additional information/explanation.

[3] Note whether the compliance status with of each term and condition provided was continuous or intermittent. "Intermittent Compliance" can mean either that noncompliance has occurred or that the owner or operator has data sufficient to certify compliance only on an intermittent basis. Certification of intermittent compliance therefore does not necessarily mean that any noncompliance has occurred.

NOTE:

The Periodic Monitoring requirements of the Operating Permit program rule are intended to provide assurance that even in the absence of a continuous system of monitoring the Title V source can demonstrate whether it has operated in continuous compliance for the duration of the reporting period. Therefore, if a source 1) conducts all of the monitoring and recordkeeping required in its permit, even if such activities are done periodically and not continuously, and if 2) such monitoring and recordkeeping does not indicate non-compliance, and if 3) the Responsible Official is not aware of any credible evidence that indicates non-compliance, then the Responsible Official can certify that the emission point(s) in question were in continuous compliance during the applicable time period.

[4] Compliance status for these sources shall be based on a reasonable inquiry using readily available information.

II. Status for Accidental Release Prevention Program:

A. This facility _____ is subject _____ is not subject to the provisions of the Accidental Release Prevention Program (Section 112(r) of the Federal Clean Air Act)

B. If subject: The facility _____ is _____ is not in compliance with all the requirements of section 112(r).

1. A Risk Management Plan _____ will be _____ has been submitted to the appropriate authority and/or the designated central location by the required date.

III. Certification

All information for the Annual Compliance Certification must be certified by a responsible official as defined in Colorado Regulation No. 3, Part A, Section I.B.38. This signed certification document must be packaged with the documents being submitted.

I have reviewed this certification in its entirety and, based on information and belief formed after reasonable inquiry, I certify that the statements and information contained in this certification are true, accurate and complete.

Please note that the Colorado Statutes state that any person who knowingly, as defined in § 18-1-501(6), C.R.S., makes any false material statement, representation, or certification in this document is guilty of a misdemeanor and may be punished in accordance with the provisions of § 25-7 122.1, C.R.S.

_____

Printed or Typed Name | Title

_____

Signature | Date Signed

NOTE: All compliance certifications shall be submitted to the Air Pollution Control Division and to the Environmental Protection Agency at the addresses listed in Appendix D of this Permit.

APPENDIX D

Notification Addresses

1. **Air Pollution Control Division**

Colorado Department of Public Health and Environment
Air Pollution Control Division
Operating Permits Unit
APCD-SS-B1
4300 Cherry Creek Drive S.
Denver, CO 80246-1530

ATTN: Matt Burgett

2. **United States Environmental Protection Agency**

Compliance Notifications:

Office of Enforcement, Compliance and Environmental Justice
Mail Code 8ENF-T
U.S. Environmental Protection Agency, Region VIII
1595 Wynkoop Street
Denver, CO 80202-1129

Permit Modifications, Off Permit Changes:

Office of Partnerships and Regulatory Assistance
Air and Radiation Programs, 8P-AR
U.S. Environmental Protection Agency, Region VIII
1595 Wynkoop Street
Denver, CO 80202-1129

APPENDIX E

Permit Acronyms

Listed Alphabetically:

AIRS -	Aerometric Information Retrieval System
AP-42 -	EPA Document Compiling Air Pollutant Emission Factors
APEN -	Air Pollution Emission Notice (State of Colorado)
APCD -	Air Pollution Control Division (State of Colorado)
ASTM -	American Society for Testing and Materials
BACT -	Best Available Control Technology
BTU -	British Thermal Unit
CAA -	Clean Air Act (CAAA = Clean Air Act Amendments)
CCR -	Colorado Code of Regulations
CEM -	Continuous Emissions Monitor
CF -	Cubic Feet (SCF = Standard Cubic Feet)
CFR -	Code of Federal Regulations
CO -	Carbon Monoxide
COM -	Continuous Opacity Monitor
CRS -	Colorado Revised Statute
EF -	Emission Factor
EPA -	Environmental Protection Agency
FI -	Fuel Input Rate in Lbs/mmBtu
FR -	Federal Register
G -	Grams
Gal -	Gallon
GPM -	Gallons per Minute
HAPs -	Hazardous Air Pollutants
HP -	Horsepower
HP-HR -	Horsepower Hour (G/HP-HR = Grams per Horsepower Hour)
LAER -	Lowest Achievable Emission Rate
LBS -	Pounds
M -	Thousand
MM -	Million
MMscf -	Million Standard Cubic Feet
MMscfd -	Million Standard Cubic Feet per Day
N/A or NA -	Not Applicable
NOx -	Nitrogen Oxides
NESHAP -	National Emission Standards for Hazardous Air Pollutants
NSPS -	New Source Performance Standards
P -	Process Weight Rate in Tons/Hr
PE -	Particulate Emissions
PM -	Particulate Matter
PM_{10} -	Particulate Matter Under 10 Microns

PSD -	Prevention of Significant Deterioration
PTE -	Potential To Emit
RACT -	Reasonably Available Control Technology
SCC -	Source Classification Code
SCF -	Standard Cubic Feet
SIC -	Standard Industrial Classification
SO_2 -	Sulfur Dioxide
TPY -	Tons Per Year
TSP -	Total Suspended Particulate
VOC -	Volatile Organic Compounds

APPENDIX F

Permit Modifications

DATE OF REVISION	TYPE OF REVISION	SECTION NUMBER, CONDITION NUMBER	DESCRIPTION OF REVISION