

EXHIBIT T

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BUREAU OF AIR POLLUTION CONTROL

901 SOUTH STEWART STREET SUITE 4001

CARSON CITY, NEVADA 89701-5249

p: 775-687-9350 • www.ndep.nv.gov/bapc • f: 775-687-6396

06AP0318

Facility ID No. A0014

Permit No. AP4911-1062.01

CLASS I AIR QUALITY OPERATING PERMIT

GENERAL REQUIREMENTS

Issued to: NANTIWA ENERGY, LLC, hereafter called the Permittee

Mailing Address: 2000 WESTCHESTER AVENUE, PURCHASE, NEW YORK 10577

Physical Address: 225 AMSTERDAM COURT, MCCARRAN, NEVADA 89513

General Facility Location: 20 MILES EAST OF RENO, 1000 FEET SOUTH OF THE EXISTING TRACY FACILITY.

SEC 33, T 20N, R 22E, MDB&M (HA 84), STOREY COUNTY
NORTHING 4,381.79 KM, EASTING 283.70 KM, UTM ZONE (11)

Emission Unit List: (12 Emission Units)

A. System 01 - Combustion Turbines (Natural Gas)

- S2.001 Westinghouse Simple Cycle Combustion Turbine #1, 60 MWe (nominal)
- S2.002 Westinghouse Simple Cycle Combustion Turbine #2, 60 MWe (nominal)
- S2.003 Westinghouse Simple Cycle Combustion Turbine #3, 60 MWe (nominal)
- S2.004 Westinghouse Simple Cycle Combustion Turbine #4, 60 MWe (nominal)
- S2.005 Westinghouse Simple Cycle Combustion Turbine #5, 60 MWe (nominal)
- S2.006 Westinghouse Simple Cycle Combustion Turbine #6, 60 MWe (nominal)

B. System 02 - Distillate Storage Tanks

- S2.007 Liquid Storage Tank #1, kerosene or diesel, 1,386,000 gallons maximum capacity, 70 ft diameter, 48 ft height.
- S2.008 Liquid Storage Tank #2, kerosene or diesel, 1,386,000 gallons maximum capacity, 70 ft diameter, 48 ft height.
- S2.009 Liquid Storage Tank #3, kerosene or diesel, 1,386,000 gallons maximum capacity, 70 ft diameter, 48 ft height.
- S2.010 Liquid Storage Tank #4, kerosene or diesel, 1,386,000 gallons maximum capacity, 70 ft diameter, 48 ft height.
- S2.011 Liquid Storage Tank #5, kerosene or diesel, 1,386,000 gallons maximum capacity, 70 ft diameter, 48 ft height.
- S2.012 Liquid Storage Tank #6, kerosene or diesel, 1,386,000 gallons maximum capacity, 70 ft diameter, 48 ft height.



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Section I. General Conditions

- A. Nevada Administrative Code (NAC) 445B.315.3.c, Part 70 Program
Severability
Each of the conditions and requirements of this Operating Permit is severable and, if any are held invalid, the remaining conditions and requirements continue in effect.
- B. Nevada Revised Statute (NRS) 445B.470.1 (State Only Requirement)
Prohibited Acts
The Permittee shall not knowingly:
1. Violate any applicable provision, the terms or conditions of any permit or any provision for the filing of information;
 2. Fail to pay any fee;
 3. Falsify any material statement, representation or certification in any notice or report; or
 4. Render inaccurate any monitoring device or method, required pursuant to the provisions of NRS 445B.100 to 445B.450, inclusive, or NRS 445B.470 to 445B.640, inclusive, or any regulation adopted pursuant to those provisions.
- C. NAC 445B.22013 (State Only Requirement)
Prohibited Discharge
The Permittee shall not cause or permit the discharge into the atmosphere from any stationary source of any hazardous air pollutant or toxic regulated air pollutant that threatens the health and safety of the general public, as determined by the Director.
- D. NAC 445B.225 (State Only Requirement)
Prohibited Conduct: Concealment of Emissions
The Permittee shall not install, construct, or use any device which conceals any emission without reducing the total release of regulated air pollutants to the atmosphere.
- E. State Implementation Plan (SIP) 445.663 (Federally Enforceable State Implementation Plan (SIP) Requirement)
Concealment of Emissions Prohibited
Except for the sole purpose of reducing the odor of an emission, the Permittee may not install, construct, or use any device which conceals any emission without reducing the total release of air contaminants to the atmosphere.
- F. NAC 445B.315.3.d Part 70 Program
Compliance/Noncompliance
The Permittee shall comply with all conditions of this Operating Permit. Any noncompliance constitutes a violation and is grounds for:
1. An action for noncompliance;
 2. Modifying, revoking, reopening and revising, or terminating the Operating Permit; or
 3. Denial of an application for a renewal of the Operating Permit.
- G. SIP 445.695.1 (Federally Enforceable SIP Requirement)
Time for Compliance
The Permittee's new and existing sources shall comply with SIP 445.430 to 445.846, inclusive. Existing sources are in compliance with these regulations and may continue to operate under the provisions of their approved compliance schedules, which may be amended from time to time.
- H. NAC 445B.273.1 (State Only Requirement)
Schedules for Compliance
The Permittee shall comply with NAC 445B.001 through 445B.3689, inclusive. Existing stationary sources are in compliance with those sections and may continue to operate under the provisions of their approved compliance schedules, which may be amended from time to time.
- I. NAC 445B.326.1 Part 70 Program
Assertion of Emergency as Affirmative Defense to Action for Noncompliance
The Permittee may assert an affirmative defense to an action brought for noncompliance with a technology-based emission limitation contained in the Operating Permit if the holder of the Operating Permit demonstrates through signed, contemporaneous operating logs or other relevant evidence that:
1. An emergency occurred as defined in NAC 445B.056, and the holder of the Operating Permit can identify the cause of the emergency;
 2. The facility was being properly operated at the time of the emergency;
 3. During the emergency, the holder of the Operating Permit took all reasonable steps to minimize excess emissions; and
 4. The holder of the Operating Permit submitted notice of the emergency to the Director within 2 working days after the emergency. The notice must contain a description of the emergency, any steps taken to mitigate emissions, and any corrective actions taken to restore the normal operation of the facility.
- J. NAC 445B.315.3.e Part 70 Program
The need to halt or reduce activity to maintain compliance with the conditions of this Operating Permit is not a defense to noncompliance with any conditions of this Operating Permit.



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Section I. General Conditions (continued)

- K. NAC 445B.315.3.f Part 70 Program
The Director may revise, revoke and reissue, reopen and revise, or terminate the operating permit for cause.
- L. NAC 445B.325 Part 70 Program
Termination, reopening and revision, modification, and revocation and reissuance
1. A Class I operating permit must be reopened and revised to incorporate any additional applicable requirement adopted pursuant to the Act if, on the effective date of the applicable requirement, the operating permit has a remaining term of 3 or more years. The reopening must be completed no later than 18 months after the effective date of the applicable requirement.
2. An operating permit may be terminated, reopened and revised, modified, or revoked and reissued if:
a. The Director or the Administrator determines that the operating permit contains a material mistake or is based on inaccurate statements;
b. The Director or the Administrator determines that the operating permit, as written, does not ensure compliance with all applicable requirements; or
c. The Director determines that there has been a violation of any of the provisions of NAC 445B.001 to 445B.3689, inclusive, any applicable requirement, or any condition contained in the operating permit.
- M. NAC 445B.3265 (State Only Requirement)
Revocation and reissuance
1. NAC 445B.3265.1. The Permittee's operating permit may be revoked if the control equipment is not operating.
2. NAC 445B.3265.2. The Permittee's operating permit may be revoked by the Director upon determination that there has been a violation of NAC 445B.001 to 445B.3689, inclusive, or the provisions of 40 CFR Part 52.21, or 40 CFR Part 60 or 61, Prevention of Significant Deterioration, New Source Performance Standards, and National Emission Standards for Hazardous Air Pollutants adopted by reference in NAC 445B.221.
3. NAC 445B.3265.3. -The revocation is effective 10 days after the service of a written notice, unless a hearing is requested.
- N. SIP 445.715 (Federally Enforceable SIP Requirement)
Revocation
1. The Permittee's operating permit may be revoked if the control equipment is not operating.
2. The Permittee's operating permit can be revoked by the Director upon determination that there has been a violation of SIP 445.430 to 445.846, inclusive, or 40 CFR Parts 60 or 61, New Source Performance Standards and National Emissions Standards for Hazardous Air Pollutants.
3. The revocation is effective 10 days after the service of a written notice, and the revoked operating permit shall be surrendered immediately unless a hearing is requested.
- O. NAC 445B.315.3.g Part 70 Program
This Operating Permit does not convey any property rights or any exclusive privilege.
- P. NAC 445B.315.3.h Part 70 Program
The Permittee shall provide the Director, within a reasonable time, with any information that the Director requests in writing to determine whether cause exists for modifying, revoking and reissuing, reopening and revising or terminating this Operating Permit or to determine compliance with the conditions of this Operating Permit.
- Q. NAC 445B.315.3.i Part 70 Program
The Permittee shall pay fees to the Bureau of Air Pollution Control in accordance with the provisions set forth in NAC 445B.327 and 445B.331.
- R. NAC 445B.315.3.j Part 70 Program
Right to Entry
The Permittee shall allow the Bureau of Air Pollution Control staff, upon the presentation of credentials, to:
1. Enter upon the premises of the Permittee where:
a. The stationary source is located;
b. Activity related to emissions is conducted; or
c. Records are kept pursuant to the conditions of this Operating Permit.
2. Have access to and copy, during normal business hours, any records that are kept pursuant to the conditions of this Operating Permit;
3. Inspect, at reasonable times, any facilities, practices, operations, or equipment, including any equipment for monitoring or controlling air pollution, that are regulated or required pursuant to this Operating Permit; and
4. Sample or monitor, at reasonable times, substances or parameters to determine compliance with the conditions of this Operating Permit or applicable requirements.
- S. NAC 445B.315.3.k Part 70 Program
A responsible official of the Permittee shall certify that, based on information and belief formed after reasonable inquiry, the statements made in any document required to be submitted by any condition of this Operating Permit are true, accurate and complete.



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Facility ID No. A0014

Permit No. AP4911-1062.01

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Section I. General Conditions (continued)

T. 40 CFR 52.21(r)(4) (Federally Enforceable PSD Program)

At such time that the Permittee becomes a major stationary source or major modification solely by virtue of a relaxation in any enforceable limitation which was established after August 7, 1980, on the capacity of the source or modification otherwise to emit a pollutant, such as a restriction on hours of operation, then the requirements of 40 CFR Part 52.21 paragraphs (j) through (s) of this section shall apply to the source or modification as though construction had not yet commenced on the source or modification.

**U. NAC 445B.252 (State Only Requirement)
Testing and Sampling**

1. To determine compliance with NAC 445B.001 to 445B.3689, inclusive, before the approval or the continuance of an Operating Permit or similar class of permits, the Director may either conduct or order the owner of any stationary source to conduct or have conducted such testing and sampling as the Director determines necessary. Testing and/or sampling must be conducted and the results submitted to the Director within 60 days after achieving the maximum rate of production at which the affected facility will be operated, but not later than 180 days after initial startup of the facility and at such times as may be required by the Director.
2. Tests of performance must be conducted and data reduced in accordance with the methods and procedures of the test contained in each applicable subsection of this section unless the Director:
 - a. Specifies or approves, in specific cases, the use of a method of reference with minor changes in methodology;
 - b. Approves the use of an equivalent method;
 - c. Approves the use of an alternative method, the results of which he has determined to be adequate for indicating whether a specific stationary source is in compliance; or
 - d. Waives the requirement for tests of performance because the owner or operator of a stationary source has demonstrated by other means to the Director's satisfaction that the affected facility is in compliance with the standard.
3. Tests of performance must be conducted under such conditions as the Director specifies to the operator of the plant based on representative performance of the affected facility. The owner or operator shall make available to the Director such records as may be necessary to determine the conditions of the test of performance. Operations during periods of startup, shutdown, and malfunction must not constitute representative conditions of a test of performance unless otherwise specified in the applicable standard.
4. The owner or operator of an affected facility shall give notice to the Director 30 days before the test of performance to allow the Director to have an observer present. A written testing procedure for the test of performance must be submitted to the Director at least 30 days before the test of performance to allow the Director to review the proposed testing procedures.
5. Each test of performance must consist of at least three separate runs using the applicable method for that test. Each run must 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 means of results of the runs apply. In the event of forced shutdown, failure of an irreplaceable portion of the sampling train, extreme meteorological conditions, or other circumstances with less than three valid samples being obtained, compliance may be determined using the arithmetic mean of the results of the other two runs upon the Director's approval.
6. All testing and sampling will be performed in accordance with recognized methods as specified by the Director.
7. The cost of all testing and sampling and the cost of all sampling holes, scaffolding, electric power, and other pertinent allied facilities as may be required and specified in writing by the Director must be provided and paid for by the owner of the stationary source.
8. All information and analytical results of testing and sampling must be certified as to their truth and accuracy and as to their compliance with all provisions of these regulations, and copies of these results must be provided to the Director no later than 60 days after the testing or sampling, or both.



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Facility ID No. A0014

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Section I. General Conditions (continued)

V. SIP 445.682 (Federally Enforceable SIP Requirement)

Testing and Sampling

1. To determine compliance with SIP 445.430 to 445.846, inclusive, prior to approval of or prior to the continuance of an operating permit or similar class of permits, the Director may either conduct or order the owner of any source to conduct or have conducted such testing and sampling as the Director determines necessary. Testing and/or sampling must be conducted within 60 days after achieving the maximum production rate at which the affected facility will be operated, but not later than 180 days after initial startup of such facility and at such other times as may be required by the Director.
2. Performance tests must be conducted and data reduced in accordance with the test methods and procedures contained in each applicable subpart unless the Director:
 - a. Specifies or approves, in specific cases, the use of a reference method with minor changes in methodology;
 - b. Approves the use of an equivalent method;
 - c. Approves the use of an alternative method, the results of which he has determined to be adequate for indicating whether a specific source is in compliance; or
 - d. Waives the requirement for performance tests because the owner or operator of a source has demonstrated by other means to the Director's satisfaction that the affected facility is in compliance with the standard.
3. Performance tests shall be conducted under such conditions as the Director shall specify to the plant operator based on representative performance of the affected facility. The owner or operator shall make available to the Director such records as may be necessary to determine the conditions of the performance tests. Operations during periods of startup, shutdown and malfunction must not constitute representative conditions of performance tests unless otherwise specified in the applicable standard.
4. The owner or operator of an affected facility shall provide the Director 30 days' prior notice of the performance test to afford the Director the opportunity to have an observer present.
5. 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 means of results of the runs shall apply. In the event of forced shutdown, failure of an irreplaceable portion of the sampling train, extreme meteorological conditions, or other circumstances with less than two valid samples being obtained, an additional performance test must be conducted.
6. All testing and sampling will be performed in accordance with recognized methods as specified by the Director.
7. The cost of all testing and sampling and the cost of all sampling holes, scaffolding, electric power, and other pertinent allied facilities as may be required and specified in writing by the Director shall be provided and paid for by the owner of the source.
8. All information and analytical results of testing and sampling shall be certified as to their truth and accuracy and as to their compliance with all provisions of these (SIP) regulations and copies of these results must be provided to both the owner and Director.

W. NAC 445B.22067 (State Only Requirement)

Open Burning

The open burning of any combustible refuse, waste, garbage, oil, or for any salvage operations, except as specifically exempted, is prohibited. Specific exemptions from open burning are described in NAC 445B.22067.2.

X. SIP Article 5.1 (Federally Enforceable SIP Requirement)

Open Burning

The open burning of any combustible refuse, waste, garbage, oil, or for any salvage operations, except as specifically exempted, is prohibited. Specific exemptions from open burning are described in SIP Articles 5.2, 5.2.1, 5.2.2, 5.2.3, 5.2.4 and 5.2.5.

Y. NAC 445B.22017 (State Only Requirement)

Maximum Opacity of Emissions

1. Except as otherwise provided in this section and NAC 445B.2202 and 445B.2203, no owner or operator may cause or permit the discharge into the atmosphere from any emission unit which is of an opacity equal to or greater than 20 percent. Opacity must be determined by one of the following methods:
 - a. If opacity is determined by a visual measurement, it must be determined as set forth in Reference Method 9 in Appendix A of 40 C.F.R. Part 60.
 - b. If a source uses a continuous monitoring system for the measurement of opacity, the data must be reduced to 6-minute averages as set forth in 40 C.F.R. §§ 60.13(h).
2. The provisions of this section and NAC 445B.2202 and 445B.2203 do not apply to that part of the opacity that consists of uncombined water. The burden of proof to establish the application of this exemption is upon the person seeking to come within the exemption.



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Section I. General Conditions (continued)

Z. SIP 445.721 (Federally Enforceable SIP Requirement)

Maximum Opacity of Emissions

1. Unless otherwise provided in SIP 445.721 to 445.724, inclusive, the Permittee may not cause or permit the discharge into the atmosphere from any stationary source of any air contaminant for a period or periods aggregating more than 3 minutes in any one hour which is of an opacity equal to or greater than 20 percent.
2. SIP 445.721 to 445.724, inclusive does not apply if the presence of uncombined water is the only reason for the failure of an emission to comply with these regulations. The burden of proof to establish the application of this exemption shall be upon the person seeking to come within this exemption.
3. The continuous monitoring system for monitoring opacity at a facility must be operated and maintained by the owner or operator specified in the permit for the facility in accordance with SIP 445.683 to 445.693, inclusive.

AA. NAC 445B.22087 (State Only Requirement)

Odors

The Permittee may not discharge or cause to be discharged, from any stationary source, any material or regulated air pollutant which is or tends to be offensive to the senses, injurious or detrimental to health and safety, or which in any way interferes with or prevents comfortable enjoyment of life or property.

AB. SIP 445.844 (Federally Enforceable SIP Requirement)

Odors

The Permittee may not discharge or cause to be discharged, from any source, any material or air contaminant which is or tends to be offensive to the senses, injurious or detrimental to health and safety, or which in any way interferes with or prevents the comfortable enjoyment of life or property.

AC. NAC 445B.319, 445B.342, 445B.3425 and 445B.344 Part 70 Program

Any changes to this Operating Permit will comply with all provisions established under NAC 445B.319, 445B.342, 445B.3425 and 445B.344.

AD. NAC 445B.3443 Part 70 Program

Renewal of this Operating Permit will be in accordance with NAC 445B.3443.

AE. NAC 445B.22037 (State Only Requirement)

Fugitive Dust

1. The Permittee may not cause or permit the handling, transporting, or storing of any material in a manner which allows or may allow controllable particulate matter to become airborne.
2. Except as otherwise provided in subsection 4, the Permittee may not cause or permit the construction, repair, demolition, or use of unpaved or untreated areas without first putting into effect an ongoing program using the best practical methods to prevent particulate matter from becoming airborne. As used in this subsection, "best practical methods" includes, but is not limited to, paving, chemical stabilization, watering, phased construction, and revegetation.
3. Except as provided in subsection 4, the Permittee may not disturb or cover 5 acres or more of land or its topsoil until The Permittee has obtained an Operating Permit for surface area disturbance to clear, excavate, or level the land or to deposit any foreign material to fill or cover the land.
4. The provisions of subsections 2 and 3 do not apply to:
 - a. Agricultural activities occurring on agricultural land; or
 - b. Surface disturbances authorized by a permit issued pursuant to NRS 519A.180 which occur on land which is not less than 5 acres or more than 20 acres.

AF. SIP 445.734 (Federally Enforceable SIP Requirement)

Fugitive Dust

1. The Permittee may not cause or permit the handling, transporting or storing of any material in a manner which allows or may allow controllable particulate matter to become airborne.
2. In any area designated by the Director, The Permittee shall not cause or permit the construction, repair, demolition or use of unpaved or untreated areas without first applying all such measures required by the Director to prevent particulate matter from becoming airborne.
3. The Permittee may not disturb or cover 20 acres (8 hectares) or more of land or its topsoil, other than agricultural land, until he has obtained a registration certificate or operating permit for the purpose of clearing, excavating or leveling the land or any foreign material to fill or cover the land.

AG. NAC 445B.308 (State Only Requirement)

RESERVED

*****End of General Conditions*****



Nevada Department of Conservation and Natural Resources • Division of Environmental Protection

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Section II. General Construction Conditions

A. N/A

*******End of General Construction Conditions*******



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Facility ID No. A0014

Permit No. AP4911-1062.01

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Section III. General Operating Conditions

A. NAC 445B.227 Part 70 Program

Facilities Operation

The Permittee may not:

1. Operate a stationary source of air pollution unless the control equipment for air pollution which is required by applicable requirements or conditions of this Operating Permit is installed and operating.
2. Disconnect, alter, modify or remove any of the control equipment for air pollution or modify any procedure required by an applicable requirement or condition of this Operating Permit.

B. NAC 445B.232 (State Only Requirement)

Excess Emissions

1. Scheduled maintenance or testing or scheduled repairs which may result in excess emissions of regulated air pollutants prohibited by NAC 445B.001 to 445B.3689, inclusive, must be approved by the Director and performed during a time designated by the Director as being favorable for atmospheric ventilation.
2. The Director must be notified in writing of the time and expected duration at least 24 hours in advance of any scheduled maintenance which may result in excess emissions of regulated air pollutants prohibited by NAC 445B.001 to 445B.3689, inclusive.
3. The Director must be notified in writing or by telephone of the time and expected duration at least 24 hours in advance of any scheduled repairs which may result in excess emissions of regulated air pollutants prohibited by NAC 445B.001 to 445B.3689, inclusive.
4. The Director must be notified of any excess emissions within 24 hours after any malfunction or upset of the process equipment or equipment for controlling pollution or during startup or shutdown of such equipment. The telephone number for the notification is (775) 687-9350.
5. The Permittee, as the owner or operator of an affected facility, shall provide the Director, within 15 days after any malfunction, upset, startup, shutdown, or human error which results in excess emissions, sufficient information to enable the Director to determine the seriousness of the excess emissions. The information must include at least the following:
 - a. The identity of the stack or other point of emission, or both, where the excess emissions occurred.
 - b. The estimated magnitude of the excess emissions expressed in opacity or in units of the applicable limitation on emission and the operating data and methods used in estimating the magnitude of the excess emissions.
 - c. The time and duration of the excess emissions.
 - d. The identity of the equipment causing the excess emissions.
 - e. If the excess emissions were the result of a malfunction, the steps taken to remedy the malfunction and the steps taken or planned to prevent the recurrence of the malfunction.
 - f. The steps taken to limit the excess emissions.
 - g. Documentation that the equipment for controlling air pollution, process equipment, or processes were at all times maintained and operated, to a maximum extent practicable, in a manner consistent with good practice for minimizing emissions.

C. SIP 445.667 (Federally Enforceable SIP Requirement)

Excess Emissions; Scheduled Maintenance; Testing; Malfunction

1. Scheduled maintenance or testing approved by the Director or repairs which may result in excess emissions of air contaminants prohibited by SIP 445.430 to 445.846, inclusive, must be performed during a time designated by the Director as being favorable for atmospheric ventilation.
2. The Director shall be notified in writing on the time and expected duration at least 24 hours in advance of any scheduled maintenance or repairs which may result in excess emissions of air contaminants prohibited by SIP 445.430 to 445.846, inclusive.
3. The Director must be notified within 24 hours after any malfunction, breakdown or upset of process or pollution control equipment or during startup of such equipment. Phone (775) 687-9350.
4. The owner or operator of an affected facility shall provide the Director, within 15 days after any malfunction, breakdown, upset, startup or human error sufficient information to enable the Director to determine the seriousness of the excess emissions. The submission must include as a minimum:
 - a. The identity of the stack and/or other emission point where the excess emission occurred.
 - b. The estimated magnitude of the excess emissions expressed in opacity or in the units of the applicable emission limitation and the operating data and methods used in estimating the magnitude of the excess emissions.
 - c. The time and duration of the excess emissions.
 - d. The identity of the equipment causing the excess emissions.
 - e. If the excess emissions were the result of a malfunction, steps taken to remedy the malfunction and the steps taken or planned to prevent the recurrence of the malfunctions.
 - f. The steps taken to limit the excess emissions.
 - g. Documentation that the air pollution control equipment, process equipment or processes were at all times maintained and operated, to a maximum extent practicable, in a manner consistent with good practice for minimizing emissions.

D. SIP Article 2.5.4 (Federally Enforceable SIP Requirement)

1. Breakdown or upset, determined by the Director to be unavoidable and not the result of careless or marginal operations, shall not be considered a violation of these regulations.

*****End of General Operating Conditions*****



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Section IV. Federal Regulations and Applicable Requirements

- A. The following provisions are applicable requirements of this Operating Permit:
1. The Permittee will comply with all applicable provisions of:
 - a. 40 CFR Part 60.1 - 60.19 - Standards of Performance for New Stationary Sources - General Provisions;
 - b. 40 CFR Part 61.01 - 61.19 - National Emission Standards for Hazardous Air Pollutants - General Provisions;
 - c. 40 CFR Part 61.140 - 61.157 - National Emission Standard for Asbestos;
 - d. 40 CFR Part 63.1 - 63.15 - National Emission Standards for Hazardous Air Pollutants for Source Categories - General Provisions;
 - e. 40 CFR Part 70 - State Operating Permit Programs.
 2. This provision is applicable if the Permittee is subject to 40 CFR Part 68 - Chemical Accident Prevention Provisions. The Permittee shall submit a risk management plan (RMP) by June 21, 1999, or other dates specified in 40 CFR 68.10. The Permittee shall certify compliance with these requirements as part of the annual compliance certification as required by 40 CFR Part 70.
 3. This provision is applicable if the Permittee is subject to 40 CFR Part 82. The Permittee will comply with all provisions of 40 CFR Part 82. Persons opening appliances for maintenance, service, repair, or disposal must comply with the required practices pursuant to 40 CFR 82.156. Equipment used during maintenance, service, repair, or disposal of appliances must meet the standards for recycling and recovery equipment in accordance with 40 CFR 82.158. Persons performing maintenance, service, repair or disposal of appliances must be certified by a certified technician pursuant to 40 CFR 82.161.
- B. The Permittee will comply with the following Acid Rain provisions: [40 CFR Part 72.9]
1. **Monitoring Requirements.**
 - a. The owners and operators and, to the extent applicable, designated representative of each affected source and each affected unit at the source shall comply with the monitoring requirements as provided in 40 CFR Part 75.
 - b. The emissions measurements recorded and reported in accordance with 40 CFR Part 75 shall be used to determine compliance by the unit with the Acid Rain emissions limitations and emissions reduction requirements for sulfur dioxide and nitrogen oxides under the Acid Rain Program.
 - c. The requirements of 40 CFR Part 75 shall not affect the responsibility of the owners and operators to monitor emissions of other pollutants or other emissions characteristics at the unit under other applicable requirements of the Act and other provisions of the operating permit for the source.
 2. **Sulfur Dioxide Requirements.**
 - a. The owners and operators of each source and each affected unit at the source shall:
 - i. Hold allowances, as of the allowance transfer deadline, in the unit's compliance subaccount (after deductions under 40 CFR Part 73.34(c)) not less than the total annual emissions of sulfur dioxide for the previous calendar year from the unit; and
 - ii. Comply with the applicable Acid Rain emissions limitation for sulfur dioxide.
 - b. Each ton of sulfur dioxide emitted in excess of the Acid Rain emissions limitations for sulfur dioxide shall constitute a separate violation of the Act.
 - c. An affected unit shall be subject to the requirements under 40 CFR Part 72.9(c)(1) as follows:
 - i. Starting January 1, 1995, an affected unit under 40 CFR Part 72.6(a)(1);
 - ii. Starting on or after January 1, 1995 in accordance with 40 CFR Parts 72.41 and 72.43, an affected unit under 72.6(a) (2) or (3) that is a substitution or compensating unit;
 - iii. Starting January 1, 2000, an affected unit under 40 CFR Part 72.6(a)(2) that is not a substitution or compensating unit; or
 - iv. Starting on the later of January 1, 2000 or the deadline for monitor certification under Part 75, an affected unit under 40 CFR Part 72.6(a)(3) that is not a substitution or compensating unit.
 - d. Allowances shall be held in, deducted from, or transferred among Allowance Tracking System accounts in accordance with the Acid Rain Program.
 - e. An allowance shall not be deducted, in order to comply with the requirements under 40 CFR Part 72.9(c)(1)(i), prior to the calendar year for which the allowance was allocated.
 - f. An allowance allocated by the Administrator under the Acid Rain Program is a limited authorization to emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, the Acid Rain permit application, the Acid Rain permit, or an exemption under 40 CFR Parts 72.7, 72.8, or 72.14 and no provision of law shall be construed to limit the authority of the United States to terminate or limit such authorization.
 - g. An allowance allocated by the Administrator under the Acid Rain Program does not constitute a property right.
 3. **Nitrogen Oxides Requirements.**
 - a. The owners and operators of the source and each affected unit at the source shall comply with the applicable Acid Rain emissions limitation for nitrogen oxides.



BUREAU OF AIR POLLUTION CONTROL

Facility ID No. A0014

Permit No. AP4911-1062.01

**CLASS I AIR QUALITY OPERATING PERMIT
GENERAL REQUIREMENTS**

Issued to: NANIWA ENERGY, LLC, as Permittee

Section IV. Federal Regulations and Applicable Requirements (Cont.)

B. The Permittee will comply with the following Acid Rain provisions: [40 CFR Part 72.9] (continued)

4. **Excess Emissions Requirements.**

- a. The designated representative of an affected unit that has excess emissions in any calendar year shall submit a proposed offset plan, as required under 40 CFR Part 77.
- b. The owners and operators of an affected unit that has excess emissions in any calendar year shall:
 - i. Pay without demand the penalty required, and pay upon demand the interest on that penalty, as required by 40 CFR Part 77; and
 - ii. Comply with the terms of an approved offset plan, as required by 40 CFR Part 77.

5. **Recordkeeping and Reporting Requirements.**

- a. Unless otherwise provided, the owners and operators of the source and each affected unit at the source shall keep on site at the source each of the following documents for a period of 5 years from the date the document is created. This period may be extended for cause, at any time prior to the end of 5 years, in writing by the Administrator or permitting authority.
- b. The certificate of representation for the designated representative for the source and each affected unit at the source and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with 40 CFR Part 72.24; provided that the certificate and documents shall be retained on site at the source beyond such 5-year period until such documents are superseded because of the submission of a new certificate of representation changing the designated representative.
- c. All emissions monitoring information, in accordance with 40 CFR Part 75; provided that to the extent that 40 CFR Part 75 provides for a 3-year period for recordkeeping, the 3-year period shall apply.
- d. Copies of all reports, compliance certifications, and other submissions and all records made or required under the Acid Rain Program.
- e. Copies of all documents used to complete an Acid Rain permit application and any other submission under the Acid Rain Program or to demonstrate compliance with the requirements of the Acid Rain Program.
- f. The designated representative of an affected source and each affected unit at the source shall submit the reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR Part 72, Subpart I and 40 CFR Part 75.

6. **Liability.**

- a. Any person who knowingly violates any requirement or prohibition of the Acid Rain Program, a complete Acid Rain permit application, an Acid Rain permit, or an exemption under 40 CFR Parts 72.7, 72.8, or 72.14, including any requirement for the payment of any penalty owed to the United States, shall be subject to enforcement pursuant to section 113(c) of the Act.
- b. Any person who knowingly makes a false, material statement in any record, submission, or report under the Acid Rain Program shall be subject to criminal enforcement pursuant to section 113(c) of the Act and 18 U.S.C. 1001.
- c. No permit revision shall excuse any violation of the requirements of the Acid Rain Program that occurs prior to the date that the revision takes effect.
- d. Each affected source and each affected unit shall meet the requirements of the Acid Rain Program.
- e. Any provision of the Acid Rain Program that applies to an affected source (including a provision applicable to the designated representative of an affected source) shall also apply to the owners and operators of such source and of the affected units at the source.
- f. Any provision of the Acid Rain Program that applies to an affected unit (including a provision applicable to the designated representative of an affected unit) shall also apply to the owners and operators of such unit. Except as provided under 40 CFR Part 72.41 (substitution plans), 40 CFR Part 72.42 (Phase I extension plans), 40 CFR Part 72.43 (reduced utilization plans), 40 CFR Part 72.44 (Phase II repowering extension plans), 40 CFR Part 74.47 of this chapter (thermal energy plans), and 40 CFR Part 76.11 of this chapter; and (NOX averaging plans), and except with regard to the requirements applicable to units with a common stack under 40 CFR Part 75 of this chapter (including Parts 75.16, 75.17 and 75.18 of this chapter), the owners and operators and the designated representative of one affected unit shall not be liable for any violation by any other affected unit of which they are not owners or operators or the designated representative and that is located at a source of which they are not owners or operators or the designated representative.
- g. Each violation of a provision of 40 CFR Parts 72, 73, 74, 75, 76, 77, and 78 of this chapter, by an affected source or affected unit, or by an owner or operator or designated representative of such source or unit, shall be a separate violation of the Clean Air Act.

7. **Effect on Other Authorities.**

- a. No provision of the Acid Rain Program, an Acid Rain permit application, an Acid Rain permit, or an exemption under 40 CFR Parts 72.7, 72.8, or 72.14 shall be construed as:
 - i. Except as expressly provided in title IV of the Act, exempting or excluding the owners and operators and, to the extent applicable, the designated representative of an affected source or affected unit from compliance with any other provision of the Act, including the provisions of title I of the Act relating to applicable National Ambient Air Quality Standards or State Implementation Plans.
 - ii. Limiting the number of allowances a unit can hold; provided, that the number of allowances held by the unit shall not affect the source's obligation to comply with any other provisions of the Act.
 - iii. Requiring a change of any kind in any State law regulating electric utility rates and charges, affecting any State law regarding such State regulation, or limiting such State regulation, including any prudence review requirements under such State law.
 - iv. Modifying the Federal Power Act or affecting the authority of the Federal Energy Regulatory Commission under the Federal Power Act.
 - v. Interfering with or impairing any program for competitive bidding for power supply in a State in which such program is established.

*****End of Federal Regulations and Applicable Requirements*****



BUREAU OF AIR POLLUTION CONTROL

Facility ID No. A0014

Permit No. AP4911-1062.01

**CLASS I AIR QUALITY OPERATING PERMIT
GENERAL REQUIREMENTS**

Issued to: NANIWA ENERGY, LLC, as Permittee

Section V. General Monitoring, Recordkeeping, and Reporting Requirements

- A. NAC 445B.315.3.(b) Part 70 Program
The Permittee shall retain records of all required monitoring data and supporting information for 5 years from the date of the sample collection, measurement, report or analysis. Supporting information includes, but is not limited to, all records regarding calibration and maintenance of the monitoring equipment and all original strip-chart recordings for continuous monitoring instrumentation.
- B. NAC 445B.3405.1.(d) Part 70 Program
The Permittee will record:
1. Monitoring information required by the conditions of this permit including the date, the location and the time of the sampling or the measurements and the operating conditions at the time of the sampling or measurements; and
 2. The date on which the analyses were performed, the company that performed them, the analytical techniques that the company used, and the results of such analyses.
- C. NAC 445B.3405.1.(e) Part 70 Program
The Permittee will:
1. Promptly report to the Director all deviations from the requirements of this Operating Permit; and
 2. Report to the Director the probable cause of all deviations and any action taken to correct the deviations. For this Operating Permit, prompt is defined as submittal of a report within 15 days of the deviation. This definition does not alter any reporting requirements as established for reporting of excess emissions as required under NAC 445B.232 and under Section III.B of this permit, or for reporting of an emergency (as defined by NAC 445B.326) under Section I.I. of this permit; and
 3. Submit reports of any required monitoring every 6 months, within 8 weeks after June 30 and December 31 of each calendar year. The reports must contain a summary of the data collected as required by all monitoring, recordkeeping and compliance requirements and as specified in sections VI and VII of this operating permit.
- D. NAC 445B.315.3.(h) Part 70 Program
The Permittee will submit yearly reports including, but not limited to, throughput, production, fuel consumption, hours of operation, and emissions. These reports will be submitted on the form provided by the Bureau of Air Pollution Control for all emission units/systems specified on the form. The completed form must be submitted to the Bureau of Air Pollution Control no later than March 1 annually for the preceding calendar year, unless otherwise approved by the Bureau of Air Pollution Control.
- E. NAC 445B.3405.1.(j) Part 70 Program
1. The Permittee will submit a compliance certification for all applicable requirements, reflecting the terms and conditions of the permit, to the Administrator of the Division of Environmental Protection and the Administrator of USEPA annually, on or before March 1 for the preceding calendar year. The compliance certification must include:
 - a. An identification of each term or condition of the Operating Permit that is the basis of the certification;
 - b. The status of the stationary source's compliance with any applicable requirement;
 - c. A statement of whether compliance was continuous or intermittent;
 - d. The method used for determining compliance; and
 - e. Any other facts the Director determines to be necessary to determine compliance.
- F. SIP 445.692 (Federally Enforceable SIP Requirement)
Monitoring systems: Records: reports
The Permittee as the owner or operator subject to the provisions of NAC 445.683 to 445.693, inclusive, shall maintain records of the occurrence and duration of any startup, shutdown, or malfunction in the operation of an affected facility and any malfunction of the air pollution control equipment or any periods during which a continuous monitoring system or monitoring device is inoperative.
- G. NAC 445B.063 State-Only Requirement
The Department may use 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, to determine excess emissions.

*****End of General Monitoring and Recordkeeping Conditions*****



BUREAU OF AIR POLLUTION CONTROL

Facility ID No. A0014

Permit No. AP4911-1062.01

**CLASS I AIR QUALITY OPERATING PERMIT
SPECIFIC OPERATING REQUIREMENTS**

Issued to: NANIWA ENERGY, LLC, hereafter called the Permittee

Section VI. Specific Operating Conditions

A. Emission Units #S2.001 through S2.006 location North 4,381.435 km, East 283.974 km, UTM (Zone 11)

A. System 01 - Combustion Turbines (*Natural Gas*)

S2.001	Westinghouse Simple Cycle Combustion Turbine #1, 60 MWe (nominal)
S2.002	Westinghouse Simple Cycle Combustion Turbine #2, 60 MWe (nominal)
S2.003	Westinghouse Simple Cycle Combustion Turbine #3, 60 MWe (nominal)
S2.004	Westinghouse Simple Cycle Combustion Turbine #4, 60 MWe (nominal)
S2.005	Westinghouse Simple Cycle Combustion Turbine #5, 60 MWe (nominal)
S2.006	Westinghouse Simple Cycle Combustion Turbine #6, 60 MWe (nominal)

1. NAC 445B.3405 (NAC 445B.316) Part 70 Program
Air Pollution Equipment

a. Emissions from S2.001 through S2.006, each, shall be ducted to a control system with 100% capture and a maximum volume flow rate of 1,700,000 actual cubic feet per minute (acfm). The volumetric flow rate may be determined by utilizing Method 2 - *Determination of Stack Gas Velocity and Volumetric Flow Rate* as referenced in 40 CFR Part 60, Appendix A. The control system consists of the following:

- (1) A water injection system for the control of NO_x and CO emissions.
- (2) A CO catalyst system.
- (3) A selective catalytic reduction system for the control of NO_x.

b. Stack Parameters:

Stack Height: 90.0 ft
Stack Diameter: 14.0 ft
Exhaust Temperature: 830 °F
Velocity: 183.0 ft/sec
Volumetric Flowrate: 1,700,000 acfm



BUREAU OF AIR POLLUTION CONTROL

Facility ID No. A0014

Permit No. AP4911-1062.01

**CLASS I AIR QUALITY OPERATING PERMIT
SPECIFIC OPERATING REQUIREMENTS**

Issued to: NANIWA ENERGY, LLC, hereafter called the Permittee

Section VI. Specific Operating Conditions (continued)

A. Emission Units #S2.001 through S2.006

2. NAC 445B.3405 (NAC 445B.316) Part 70 Program

Emission Limits

On and after the date of startup of S2.001 through S2.006, each, Permittee will not discharge or cause the discharge into the atmosphere from the exhaust stack of S2.001 through S2.006, each, the following pollutants in excess of the following specified limits:

- a. NAC 445B.2203(1)(b) State-Only Requirement - The discharge of PM10 (particulate matter less than 10 microns in diameter) to the atmosphere will not exceed 0.21 pound per million Btu.
- b. SIP 445.731(1)(b) Federally Enforceable SIP - The discharge of PM (total particulate matter) to the atmosphere will not exceed 0.21 pound per million Btu.
- c. NAC 445B.305; NAC 445B.308 Part 70 Program - The discharge of PM10 (particulate matter less than 10 microns in diameter) to the atmosphere will not exceed 16.0 pounds per hour.
- d. NAC 445B.305; NAC 445B.308 Part 70 Program - The discharge of PM (particulate matter) to the atmosphere will not exceed 16.0 pounds per hour.
- e. NAC 445B.305; NAC 445B.308 Part 70 Program - The discharge of NOx (nitrogen oxides) to the atmosphere will not exceed 72 pounds per hour.
- f. NAC 445B.22047(3) State-Only Requirement - The discharge of sulfur to the atmosphere will not exceed 355.6 pounds per hour, when burning liquid fuel.
- g. SIP Article 8.2.1.2 Federally Enforceable SIP - The discharge of sulfur to the atmosphere will not exceed 355.6 pounds per hour, when burning liquid fuel.
- h. NAC 445B.305; NAC 445B.308 Part 70 Program - The discharge of SO2 (sulfur dioxide) to the atmosphere will not exceed 71.0 pounds per hour.
- i. NAC 445B.305; NAC 445B.308 Part 70 Program - The discharge of CO (carbon monoxide) to the atmosphere will not exceed 90 pounds per hour.
- j. NAC 445B.305; NAC 445B.308 Part 70 Program - The discharge of VOC (volatile organic compounds) to the atmosphere will not exceed 4.0 pounds per hour.
- k. NAC 445B.22017 State-Only Requirement - The opacity from S2.001 through S2.006, each, will not equal or exceed 20%. The opacity must be determined as set forth in 445B.22017.1(a) or (b). S2.001 through S2.006, each, is allowed one 6-minute period per hour of not more than 27 percent opacity as set forth in 40 CFR part 60.42(a)(2).
- l. SIP 445.721 Federally Enforceable SIP - The opacity from S2.001 through S2.006, each, will not equal or exceed 20% for a period or periods aggregating more than 3 minutes in any one hour.



BUREAU OF AIR POLLUTION CONTROL

Facility ID No. A0014

Permit No. AP4911-1062.01

**CLASS I AIR QUALITY OPERATING PERMIT
SPECIFIC OPERATING REQUIREMENTS**

Issued to: NANIWA ENERGY, LLC, hereafter called the Permittee

Section VI. Specific Operating Conditions (continued)

A. Emission Units #S2.001 through S2.006

3. Specific Acid Rain Requirements *Parts 72 - 78 Acid Rain Program*

- a. The Permittee will not exceed the SO₂ emission levels (acid rain allowances) for the indicated years as shown in the following table without holding the required acid rain allowances in accordance with Section IV.B.2 of the Acid Rain provisions and pursuant to 40 CFR 72.9:

Phase II - Acid Rain Allowances					
Unit	Calendar Year				
	2006	2007	2008	2009	2010
S2.001	0.0	0.0	0.0	0.0	0.0
S2.002	0.0	0.0	0.0	0.0	0.0
S2.003	0.0	0.0	0.0	0.0	0.0
S2.004	0.0	0.0	0.0	0.0	0.0
S2.005	0.0	0.0	0.0	0.0	0.0
S2.006	0.0	0.0	0.0	0.0	0.0

* Naniwa Energy, LLC holds approximately 24 tons of banked allowances.

- b. The Permittee will comply with the "Standard Requirements" provisions of the SO₂ acid rain permit application dated September 26, 2006 entitled "Acid Rain Permit application" and all references contained therein, which is hereby incorporated by reference into this operating document [NAC 445B.305].



BUREAU OF AIR POLLUTION CONTROL

Facility ID No. A0014

Permit No. AP4911-1062.01

**CLASS I AIR QUALITY OPERATING PERMIT
SPECIFIC OPERATING REQUIREMENTS**

Issued to: NANIWA ENERGY, LLC, hereafter called the Permittee

Section VI. Specific Operating Conditions (continued)

A. Emission Units #S2.001 through S2.006

4. NAC 445B.3405 (NAC 445B.316) *Part 70 Program*

Operating Parameters

- a. The maximum allowable heat input for S2.001 through S2.006, each, will not exceed 889.0 MMBtu per any one-hour period.
- b. The maximum allowable natural gas consumption rate for S2.001 through S2.006, each, will not exceed 867,000 standard cubic feet per hour (scf/hr).
- c. Permittee will combust only pipeline quality natural gas in S2.001 through S2.006.
- d. Hours
 - (1) S2.001 through S2.006, each, may operate 24 hours a day.
 - (2) S2.001 through S2.006, each, may operate 8,760 hours per calendar year.



BUREAU OF AIR POLLUTION CONTROL

Facility ID No. A0014

Permit No. AP4911-1062.01

**CLASS I AIR QUALITY OPERATING PERMIT
SPECIFIC OPERATING REQUIREMENTS**

Issued to: NANIWA ENERGY, LLC, hereafter called the Permittee

Section VI. Specific Operating Conditions (continued)

A. Emission Units #S2.001 through S2.006 (continued)

5. NAC 445B.3405 (NAC 445B.316) Part 70 Program
Monitoring, Record keeping and Compliance

a. Performance/Compliance Testing

Permittee, will conduct and record the annual compliance test within 90 days of the anniversary date of the initial compliance testing. As part of the annual compliance test the Permittee shall:

- (1) Conduct and record a Method 5 performance test for PM on the exhaust stack of S2.001 through S2.006, each, consisting of three valid runs. The Method 5 emissions test must be conducted in accordance with 40 CFR Part 60, Appendix A, Method 5, and include the back-half catch. Method 5 shall be used to determine the particulate matter concentration. The sampling time and sample volume for each run shall be at least 60 minutes and 1.70 dscm (60 dscf). The probe and filter holder heating system in the sampling train may be set to provide an average gas temperature of 160+/- 14°C (320+/-25°F). For each particulate run, the emission rate correction factor, integrated or grab sampling and analysis procedures of Method 3B shall be used to determine the O₂ concentration. The O₂ sample shall be obtained simultaneously with, and at the same traverse points as, the particulate run. If the particulate run has more than 12 traverse points, the O₂ traverse points may be reduced to 12 provided that Method 1 is used to locate the 12 O₂ traverse points.
- (2) Conduct and record a Method 201A and 202 performance test for PM10 on the exhaust stack of S2.001 through S2.006, each, consisting of three valid runs. The Method 201A and 202 emissions tests must be conducted in accordance with 40 CFR Part 51, Appendix M, Method 201A and 202. The Method 201A and 202 emissions tests may be replaced by the Method 5 performance test required in A.5.a.(1) above. All particulate captured in the Method 5 test will be considered PM10 for compliance demonstration purposes.
- (3) Conduct and record a Method 7 or 7E performance test for NO_x on the exhaust stack of S2.001 through S2.006, each, consisting of three valid runs. The Method 7 emissions test must be conducted in accordance with 40 CFR Part 60, Appendix A, Method 7 or 7E.
- (4) Conduct and record a Method 6 or 6C performance test for SO₂ on the exhaust stack of S2.001 through S2.006, each, consisting of three valid runs. The Method 6 emissions test must be conducted in accordance with 40 CFR Part 60, Appendix A, Method 6 or 6C.
- (5) Conduct and record a Method 10 performance test for CO on the exhaust stack of S2.001 through S2.006, each, consisting of three valid runs. The Method 10 emissions test must be conducted in accordance with 40 CFR Part 60, Appendix A, Method 10. In addition to these tests, emissions of CO must also be determined during at least two representative startups of each unit.
- (6) Conduct and record a Method 25 or 25A performance test for VOC on the exhaust stack of S2.001 through S2.006, each, consisting of three valid runs. The Method 25 emissions test must be conducted in accordance with 40 CFR Part 60, Appendix A, Method 25 or 25A.



BUREAU OF AIR POLLUTION CONTROL

Facility ID No. A0014

Permit No. AP4911-1062.01

**CLASS I AIR QUALITY OPERATING PERMIT
SPECIFIC OPERATING REQUIREMENTS**

Issued to: NANIWA ENERGY, LLC, hereafter called the Permittee

Section VI. Specific Operating Conditions (continued)

A. Emission Units #S2.001 through S2.006 (continued)

5. NAC 445B.3405 (NAC 445B.316) Part 70 Program
Monitoring, Record keeping and Compliance

a. Performance/Compliance Testing (continued)

- (7) During one of the three test runs required in A.5.a.(1) of this section, conduct and record a Method 9 visual opacity observation of the discharge from the exhaust stack of S2.001 through S2.006, each. The Method 9 opacity test must be conducted in accordance with the visible emissions evaluation procedures contained in 40 CFR Part 60, Appendix A, Method 9. A certified visible emissions reader must conduct the visible emissions evaluations for a period of at least 6 minutes. The opacity readings must be averaged such that compliance with both a 6-minute average and 2, 3-minute averages are determined.
- (8) The performance tests will be conducted at the maximum operating heat input rate limit established in A.4.a of this section for each pollutant required to be tested, unless otherwise approved pursuant to NAC 445B.252.2 & 3. The Permittee shall make available to the director such records as may be necessary to determine the conditions of the test of performance. Operations during periods of startup, shutdown and malfunction must not constitute representative conditions of a test of performance unless otherwise specified in the applicable standard (NAC 445B.252.3).
- (9) The Permittee shall give notice to the director 30 days before the test of performance to allow the director to have an observer present. A written testing procedure for the test of performance must be submitted to the director at least 30 days before the test of performance to allow the director to review the proposed testing procedures (NAC 445B.252.4).
- (10) During each performance test required in A.5.a.(1) through (6) of this section, record the quantity (in standard cubic feet) of pipeline quality natural gas combusted during each test run, the heat content value of the pipeline quality natural gas combusted during each test run (in Btu per scf) and include these data in the test results submitted.
- (11) As a result of the most recent performance test performed in A.5.a.(1) and (2) of this section, derive emission factors for each of the following:
 - (i) Pounds of PM per scf of pipeline quality natural gas (lbs-PM/scf)
Pounds of PM per MMBtu of pipeline quality natural gas (lbs-PM/MMBtu)
 - (ii) Pounds of PM₁₀ per scf of pipeline quality natural gas (lbs-PM₁₀/scf)
Pounds of PM₁₀ per MMBtu of pipeline quality natural gas (lbs-PM₁₀/MMBtu)These emissions factors will be based on the average of the 3 test runs.
- (12) The emissions results of the Method 6, Method 7, and Method 10 performance tests SO₂, NO_x and CO must be converted to emissions of SO₂ (in lb/hr), emissions of nitrogen oxides (in lb/hr), and emissions of CO (in lb/hr). The emissions results of the Method 5 or Method 201A and 202 performance test for PM₁₀ must be reported in both lb/hr and lb/MMBtu.



BUREAU OF AIR POLLUTION CONTROL

Facility ID No. A0014

Permit No. AP4911-1062.01

**CLASS I AIR QUALITY OPERATING PERMIT
SPECIFIC OPERATING REQUIREMENTS**

Issued to: NANIWA ENERGY, LLC, hereafter called the Permittee

Section VI. Specific Operating Conditions (continued)

A. Emission Units #S2.001 through S2.006 (continued)

5. NAC 445B.3405 (NAC 445B.316) Part 70 Program
Monitoring, Record keeping and Compliance

a. Performance/Compliance Testing (continued)

- (13) As a result of the most recent performance test performed in A.5.a.(4) of this section, derive emission factors for each of the following:

Pounds of SO₂ per scf of pipeline quality natural gas (lbs-SO₂/scf)
Pounds of SO₂ per MMBtu of pipeline quality natural gas (lbs- SO₂ /MMBtu)

These emissions factors will be based on the average of the 3 test runs.

- (14) As a result of the compliance tests required in A.5.a.(5) of this Section, establish a representative emission factor for CO in units of lb/scf of pipeline quality natural gas combusted. An emission factor (in lb/scf of fuel) which is representative of CO emissions during startup conditions must also be established. The emission factors must be established annually after each compliance test.
- (15) Within 60 days after completing the performance tests and opacity observations contained in A.5.a of this section, the Permittee shall furnish the director a written report of the results of the performance tests, the opacity observations and the resultant emissions factors. All information and analytical results of testing and sampling must be certified as to the truth and accuracy and as to their compliance with NAC 445B.001 to 445B.3689 (NAC 445B.252.8).



BUREAU OF AIR POLLUTION CONTROL

Facility ID No. A0014

Permit No. AP4911-1062.01

**CLASS I AIR QUALITY OPERATING PERMIT
SPECIFIC OPERATING REQUIREMENTS**

Issued to: NANIWA ENERGY, LLC, hereafter called the Permittee

Section VI. Specific Operating Conditions (continued)

A. Emission Units #S2.001 through S2.006 (continued)

5. NAC 445B.3405 (NAC 445B.316) Part 70 Program
Monitoring, Record keeping and Compliance

b. Monitoring

The Permittee, upon startup of S2.001 through S2.006, each, will:

- (1) Install, calibrate, operate and maintain a fuel flow meter to continuously measure the amount of pipeline quality natural gas (in scf) combusted in S2.001 through S2.006, each. The fuel flow meter will be installed at an appropriate location in the fuel delivery system to accurately and continuously measure the fuel combusted in S2.001 through S2.006, each, in accordance with the requirements prescribed in 40 CFR Part 75.
- (2) Install, calibrate, operate and maintain a Continuous Data Collection System (CDCS) to continuously record the quantity (in scf) of pipeline quality natural gas as measured by the fuel flow meter required in A.5.b.(1) of this section. The CDCS will be installed, calibrated, operated and maintained in accordance with the manufacturer's specifications and the requirements prescribed in 40 CFR Part 75.
- (3) Determine the gross calorific value of natural gas combusted by sampling at least once each calendar month the natural gas fuel is combusted, using ASTM D1826-88, ASTM D3588-91, ASTM D4891-89, Gas Processors Association (GPA) Standard 2172-86 "Calculation of Gross Heating Value, Relative Density and Compressibility Factor for Natural Gas Mixtures from Compositional Analysis," or GPA Standard 2261-90 "Analysis for Natural Gas and Similar Gaseous Mixtures by Gas Chromatography and the requirements prescribed in 40 CFR Part 75, Appendix F, Section 3.3.6.2." Alternatively, at least once each month the gaseous fuel is combusted, the gross calorific value may be verified by the contractual supplier or an estimated maximum gross calorific value for natural gas of 1,060 Btu per standard cubic foot may be used. Verification by the contractor will include documentation from the supplier and identification of the test methods utilized to determine the gross calorific value.
- (4) Substitute any missing fuel flow meter data in accordance with the requirements prescribed in 40 CFR Part 75, Appendix D, Section 2.4.2.
- (5) Install, calibrate, operate and maintain a NO_x continuous emissions monitor system (CEMS) (consisting of a NO_x pollutant concentration monitor and an O₂ or CO₂ diluent gas analyzer) to continuously measure the concentration of NO_x (in ppm) and O₂ or CO₂ concentrations (in percent O₂ or CO₂) from S2.001 through S2.006, each. The CEMS will be installed at an appropriate location in the exhaust stack of S2.001 through S2.006, each, to accurately and continuously measure the NO_x concentration in S2.001 through S2.006, each, in accordance with the requirements prescribed in 40 CFR Part 75, Part 75.12 and Appendix F, 40 CFR Part 60, Appendix B and Appendix F.
- (6) Install, calibrate, operate and maintain a Continuous Data Collection System (CDCS) to continuously record the NO_x concentration (in ppm) as measured by the CEMS required in A.5.b.(5) of this section. The CDCS will be installed, calibrated, operated and maintained in accordance with the manufacturer's specifications and the requirements prescribed in 40 CFR Part 75, Part 75.12 and Appendix F, 40 CFR Part 60, Appendix B and Appendix F.
- (7) Monitor the hours of operation of S2.001 through S2.006, each, on a daily basis.



BUREAU OF AIR POLLUTION CONTROL

Facility ID No. A0014

Permit No. AP4911-1062.01

**CLASS I AIR QUALITY OPERATING PERMIT
SPECIFIC OPERATING REQUIREMENTS**

Issued to: NANIWA ENERGY, LLC, hereafter called the Permittee

Section VI. Specific Operating Conditions (continued)

A. Emission Units #S2.001 through S2.006 (continued)

**5. NAC 445B.3405 (NAC 445B.316) Part 70 Program
Monitoring, Record keeping and Compliance**

c. Recordkeeping

The Permittee will maintain a CDCS or a contemporaneous log containing at a minimum, the following recordkeeping for each day, or part of a day that S2.001 through S2.006, each, is operating under this operating scenario:

- (1) The name of the operating scenario and fuel(s) combusted and the calendar date of any required monitoring.
- (2) The total hourly quantity of natural gas combusted, in standard cubic feet (scf) for each hour of operation based on the data recorded by the CDCS as required in A.5.b.(2) of this section.
- (3) The total daily hours of operation for the corresponding date.
- (4) The heat content of the fuel combusted for the corresponding date, in Btu per scf (Btu/scf) The heat content of the fuel will be based on the gross calorific value determined in A.5.b.(3) of this section.
- (5) The hourly heat input of the pipeline quality natural gas combusted, in MMBtu per hour. The hourly heat inputs will be calculated from the hourly fuel usage rates recorded in A.5.c.(2) of this section, and the heat content of the fuel as recorded in A.5.c.(4) of this section.

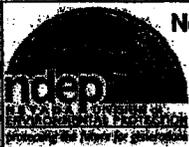
Sample Calculation:
$$\left(\frac{\text{scf} - \text{Natural} - \text{Gas}}{\text{hr}} \right) * \left(\frac{\text{Btu}}{\text{scf} - \text{Natural} - \text{Gas}} \right) = \frac{\text{Btu}}{\text{hr}}$$

- (6) The hourly emission rate of PM and PM₁₀ each, in pounds per hour (lbs/hr). The hourly emission rates will be calculated from the hourly quantity of natural gas combusted determined in A.5.c.(2) of this section, and the emission factor derived in A.5.a.(11) of this section.

Sample Calculation:
$$\left(\frac{\text{scf} - \text{Natural} - \text{Gas}}{\text{hr}} \right) * \left(\frac{\text{lbs} - \text{PM} / \text{PM}_{10}}{\text{scf} - \text{Natural} - \text{Gas}} \right) = \frac{\text{lbs} - \text{PM} / \text{PM}_{10}}{\text{hr}}$$

- (7) The hourly emission rate of PM and PM₁₀ each, in pounds per MMBtu (lbs/MMBtu). The hourly emission rates will be calculated from the heat content of the fuel determined in A.5.b.(3) of this section, and the emission factor derived in A.5.a.(11) of this section.

Sample Calculation:
$$\left[\left(\frac{\text{lbs} - \text{PM} / \text{PM}_{10}}{\text{scf} - \text{Natural} - \text{Gas}} \right) * \left(\frac{1,000,000 - \text{Btu}}{\text{MMBtu}} \right) \right] = \frac{\text{lbs} - \text{PM} / \text{PM}_{10}}{\text{MMBtu}}$$



BUREAU OF AIR POLLUTION CONTROL

Facility ID No. A0014

Permit No. AP4911-1062.01

**CLASS I AIR QUALITY OPERATING PERMIT
SPECIFIC OPERATING REQUIREMENTS**

Issued to: NANIWA ENERGY, LLC, hereafter called the Permittee

Section VI. Specific Operating Conditions (continued)

A. Emission Units #S2.001 through S2.006 (continued)

5. NAC 445B.3405 (NAC 445B.316) Part 70 Program
Monitoring, Record keeping and Compliance

c. Recordkeeping (continued)

- (8) The hourly emission rate of SO₂ in pounds per hour (lbs/hr). The hourly emission rate will be calculated from the emission factor derived in A.5.a.(13) and the amount of fuel combusted as determined in A.5.b.(2) of this section.

Sample Calculations:
$$\left(\frac{\text{lbs} - \text{SO}_2}{\text{scf} - \text{Natural} - \text{gas}} \right) * \left(\frac{\text{scf} - \text{Natural} - \text{gas}}{\text{hr}} \right) = \frac{\text{lbs} - \text{SO}_2}{\text{hr}}$$

- (9) The measured NOx emissions from the CEMS required in A.5.b.(5) of this section. The NOx emissions will be determined from reducing all data from the continuous readings and recorded for the NOx concentrations in parts per million by volume (ppmv) for each 24-hour period (40 CFR Part 75.12)

d. Reporting
Permittee will:

- (1) Report all excess emissions from S2.001 through S2.006, each, as required in Section III.B and III.C of this operating permit.
- (2) Report excess emissions and monitoring system performance (MSP) to the Director and to the Administrator of U.S. EPA each calendar quarter. The quarterly reports will be postmarked by the 30th day following the end of each calendar quarter. Each excess emission and MSP report will include the information required in 40 CFR Part 60.7(c). Periods of excess emissions and monitoring systems (MS) downtime to be reported will be in accordance with 40 CFR Part 60.45(g)(1) through (3). [40 CFR Part 60.45(g)]
- (3) Report all deviations as required in Sections V.C and V.F of the operating permit.
- (4) Submit semi-annual monitoring reports as required in Section V.C of this operating permit.
- (5) Certify compliance with all applicable requirements as required in Section V.E of this operating permit.

6. NAC 445B.3405 (NAC 445B.316) Part 70 Program
Shielded Requirements

No shielded provisions are established for this emission unit.



BUREAU OF AIR POLLUTION CONTROL

Facility ID No. A0014

Permit No. AP4911-1062.01

**CLASS I AIR QUALITY OPERATING PERMIT
SPECIFIC OPERATING REQUIREMENTS**

Issued to: NANIWA ENERGY, LLC, hereafter called the Permittee

Section VI. Specific Operating Conditions

1B. Emission Units #S2.001 through S2.006 location North 4,381.435 km, East 283.974 km, UTM (Zone 11)

1B. System 01B - Combustion Turbines (*Alternative Operating Scenario: No. 2 Fuel Oil and Kerosene*)

- S2.001 Westinghouse Simple Cycle Combustion Turbine #1, 60 MWe (nominal)
- S2.002 Westinghouse Simple Cycle Combustion Turbine #2, 60 MWe (nominal)
- S2.003 Westinghouse Simple Cycle Combustion Turbine #3, 60 MWe (nominal)
- S2.004 Westinghouse Simple Cycle Combustion Turbine #4, 60 MWe (nominal)
- S2.005 Westinghouse Simple Cycle Combustion Turbine #5, 60 MWe (nominal)
- S2.006 Westinghouse Simple Cycle Combustion Turbine #6, 60 MWe (nominal)

1. NAC 445B.3405 (NAC 445B.316) Part 70 Program
Air Pollution Equipment

a. Emissions from S2.001 through S2.006, each, shall be ducted to a control system with 100% capture and a maximum volume flow rate of 1,700,000 actual cubic feet per minute (acfm). The volumetric flow rate may be determined by utilizing Method 2 - *Determination of Stack Gas Velocity and Volumetric Flow Rate* as referenced in 40 CFR Part 60, Appendix A. The control system consists of the following:

- (1) A water injection system for the control of NO_x and CO emissions.
- (2) A CO catalyst system.
- (3) A selective catalytic reduction system for the control of NO_x.

b. Stack Parameters:

Stack Height: 90.0 ft
Stack Diameter: 14.0 ft
Exhaust Temperature: 830 °F
Velocity: 183.0 ft/sec
Volumetric Flowrate: 1,700,000 acfm



BUREAU OF AIR POLLUTION CONTROL

Facility ID No. A0014

Permit No. AP4911-1062.01

**CLASS I AIR QUALITY OPERATING PERMIT
SPECIFIC OPERATING REQUIREMENTS**

Issued to: NANIWA ENERGY, LLC, hereafter called the Permittee

Section VI. Specific Operating Conditions (continued)

1B. Emission Units #S2.001 through S2.006

2. NAC 445B.3405 (NAC 445B.316) Part 70 Program

Emission Limits

On and after the date of startup of S2.001 through S2.006, each, Permittee will not discharge or cause the discharge into the atmosphere from the exhaust stack of S2.001 through S2.006, each, the following pollutants in excess of the following specified limits:

- a. NAC 445B.2203(1)(b) State-Only Requirement - The discharge of PM10 (particulate matter less than 10 microns in diameter) to the atmosphere will not exceed 0.21 pound per million Btu.
- b. SIP 445.731(1)(b) Federally Enforceable SIP - The discharge of PM (total particulate matter) to the atmosphere will not exceed 0.21 pound per million Btu.
- c. NAC 445B.305; NAC 445B.308 Part 70 Program - The discharge of PM10 (particulate matter less than 10 microns in diameter) to the atmosphere will not exceed 16.0 pounds per hour.
- d. NAC 445B.305; NAC 445B.308 Part 70 Program - The discharge of PM (particulate matter) to the atmosphere will not exceed 16.0 pounds per hour.
- e. NAC 445B.305; NAC 445B.308 Part 70 Program - The discharge of NOx (nitrogen oxides) to the atmosphere will not exceed 72 pounds per hour.
- f. NAC 445B.22047(3) State-Only Requirement - The discharge of sulfur to the atmosphere will not exceed 355.6 pounds per hour, when burning liquid fuel.
- g. SIP Article 8.2.1.2 Federally Enforceable SIP - The discharge of sulfur to the atmosphere will not exceed 355.6 pounds per hour, when burning liquid fuel.
- h. NAC 445B.305; NAC 445B.308 Part 70 Program - The discharge of SO2 (sulfur dioxide) to the atmosphere will not exceed 71.0 pounds per hour.
- i. NAC 445B.305; NAC 445B.308 Part 70 Program - The discharge of CO (carbon monoxide) to the atmosphere will not exceed 90 pounds per hour.
- j. NAC 445B.305; NAC 445B.308 Part 70 Program - The discharge of VOC (volatile organic compounds) to the atmosphere will not exceed 4.0 pounds per hour.
- k. NAC 445B.22017 State-Only Requirement - The opacity from S2.001 through S2.006, each, will not equal or exceed 20%. The opacity must be determined as set forth in 445B.22017.1(a) or (b). S2.001 through S2.006, each, is allowed one 6-minute period per hour of not more than 27 percent opacity as set forth in 40 CFR part 60.42(a)(2).
- l. SIP 445.721 Federally Enforceable SIP - The opacity from S2.001 through S2.006, each, will not equal or exceed 20% for a period or periods aggregating more than 3 minutes in any one hour.



BUREAU OF AIR POLLUTION CONTROL

Facility ID No. A0014

Permit No. AP4911-1062.01

**CLASS I AIR QUALITY OPERATING PERMIT
SPECIFIC OPERATING REQUIREMENTS**

Issued to: NANIWA ENERGY, LLC, hereafter called the Permittee

Section VI. Specific Operating Conditions (continued)

1B. Emission Units #S2.001 through S2.006

3. Specific Acid Rain Requirements *Parts 72 - 78 Acid Rain Program*

- a. The Permittee will not exceed the SO₂ emission levels (acid rain allowances) for the indicated years as shown in the following table without holding the required acid rain allowances in accordance with Section IV.B.2 of the Acid Rain provisions and pursuant to 40 CFR 72.9:

Unit	Phase II - Acid Rain Allowances				
	Calendar Year				
	2006	2007	2008	2009	2010
S2.001	0.0	0.0	0.0	0.0	0.0
S2.002	0.0	0.0	0.0	0.0	0.0
S2.003	0.0	0.0	0.0	0.0	0.0
S2.004	0.0	0.0	0.0	0.0	0.0
S2.005	0.0	0.0	0.0	0.0	0.0
S2.006	0.0	0.0	0.0	0.0	0.0

* Naniwa Energy, LLC holds approximately 24 tons of banked allowances.

- b. The Permittee will comply with the "Standard Requirements" provisions of the SO₂ acid rain permit application dated September 26, 2006 entitled "Acid Rain Permit application" and all references contained therein, which is hereby incorporated by reference into this operating document [NAC 445B.305].



BUREAU OF AIR POLLUTION CONTROL

Facility ID No. A0014

Permit No. AP4911-1062.01

**CLASS I AIR QUALITY OPERATING PERMIT
SPECIFIC OPERATING REQUIREMENTS**

Issued to: NANIWA ENERGY, LLC, hereafter called the Permittee

Section VI. Specific Operating Conditions (continued)

1B. Emission Units #S2.001 through S2.006

4. NAC 445B.3405 (NAC 445B.316) *Part 70 Program*

Operating Parameters

- a. The maximum allowable heat input for S2.001 through S2.006, each, will not exceed 889.0 MMBtu per any one-hour period.
- b. The maximum allowable No. 2 fuel oil consumption rate for S2.001 through S2.006, each, will not exceed 6,302 gallons per hour (gal/hr).
- c. The maximum allowable kerosene consumption rate for S2.001 through S2.006, each, will not exceed 6,486 gallons per hour (gal/hr).
- d. Hours
 - (1) S2.001 through S2.006, each, may operate 24 hours a day.
 - (2) S2.001 through S2.006, each, may operate 8,760 hours per calendar year.



BUREAU OF AIR POLLUTION CONTROL

Facility ID No. A0014

Permit No. AP4911-1062.01

**CLASS I AIR QUALITY OPERATING PERMIT
SPECIFIC OPERATING REQUIREMENTS**

Issued to: NANIWA ENERGY, LLC, hereafter called the Permittee

Section VI. Specific Operating Conditions (continued)

1B. Emission Units #S2.001 through S2.006 (continued)

5. NAC 445B.3405 (NAC 445B.316) Part 70 Program
Monitoring, Record keeping and Compliance

a. Performance/Compliance Testing

Permittee will conduct and record the compliance test when initially combusting No. 2 fuel oil or kerosene in S2.001 through S2.006, each. If combusting No. 2 fuel oil or kerosene in S2.001 through S2.006, each, and a compliance test has not been conducted in the previous 12 months while combusting No. 2 fuel oil or kerosene, the Permittee will conduct and record the compliance test. As part of the compliance test the Permittee shall:

- (1) Conduct and record a Method 5 performance test for PM on the exhaust stack of S2.001 through S2.006, each, consisting of three valid runs. The Method 5 emissions test must be conducted in accordance with 40 CFR Part 60, Appendix A, Method 5, and include the back-half catch. Method 5 shall be used to determine the particulate matter concentration. The sampling time and sample volume for each run shall be at least 60 minutes and 1.70 dscm (60 dscf). The probe and filter holder heating system in the sampling train may be set to provide an average gas temperature of 160+/- 14°C (320+/-25°F). For each particulate run, the emission rate correction factor, integrated or grab sampling and analysis procedures of Method 3B shall be used to determine the O₂ concentration. The O₂ sample shall be obtained simultaneously with, and at the same traverse points as, the particulate run. If the particulate run has more than 12 traverse points, the O₂ traverse points may be reduced to 12 provided that Method 1 is used to locate the 12 O₂ traverse points.
- (2) Conduct and record a Method 201A and 202 performance test for PM10 on the exhaust stack of S2.001 through S2.006, each, consisting of three valid runs. The Method 201A and 202 emissions tests must be conducted in accordance with 40 CFR Part 51, Appendix M, Method 201A and 202. The Method 201A and 202 emissions tests may be replaced by the Method 5 performance test required in 1B.5.a.(1) above. All particulate captured in the Method 5 test will be considered PM10 for compliance demonstration purposes.
- (3) Conduct and record a Method 7 or 7E performance test for NO_x on the exhaust stack of S2.001 through S2.006, each, consisting of three valid runs. The Method 7 emissions test must be conducted in accordance with 40 CFR Part 60, Appendix A, Method 7 or 7E.
- (4) Conduct and record a Method 6 or 6C performance test for SO₂ on the exhaust stack of S2.001 through S2.006, each, consisting of three valid runs. The Method 6 emissions test must be conducted in accordance with 40 CFR Part 60, Appendix A, Method 6 or 6C.
- (5) Conduct and record a Method 10 performance test for CO on the exhaust stack of S2.001 through S2.006, each, consisting of three valid runs. The Method 10 emissions test must be conducted in accordance with 40 CFR Part 60, Appendix A, Method 10. In addition to these tests, emissions of CO must also be determined during at least two representative startups of each unit.
- (6) Conduct and record a Method 25 or 25A performance test for VOC on the exhaust stack of S2.001 through S2.006, each, consisting of three valid runs. The Method 25 emissions test must be conducted in accordance with 40 CFR Part 60, Appendix A, Method 25 or 25A.



BUREAU OF AIR POLLUTION CONTROL

Facility ID No. A0014

Permit No. AP4911-1062.01

**CLASS I AIR QUALITY OPERATING PERMIT
SPECIFIC OPERATING REQUIREMENTS**

Issued to: NANIWA ENERGY, LLC, hereafter called the Permittee

Section VI. Specific Operating Conditions (continued)

1B. Emission Units #S2.001 through S2.006 (continued)

5. NAC 445B.3405 (NAC 445B.316) Part 70 Program
Monitoring, Record keeping and Compliance

a. Performance/Compliance Testing (continued)

- (7) During one of the three test runs required in 1B.5.a.(1) of this section, conduct and record a Method 9 visual opacity observation of the discharge from the exhaust stack of S2.001 through S2.006, each. The Method 9 opacity test must be conducted in accordance with the visible emissions evaluation procedures contained in 40 CFR Part 60, Appendix A, Method 9. A certified visible emissions reader must conduct the visible emissions evaluations for a period of at least 6 minutes. The opacity readings must be averaged such that compliance with both a 6-minute average and 2, 3-minute averages are determined.
- (8) The performance tests will be conducted at the maximum operating heat input rate limit established in 1B.4.a of this section for each pollutant required to be tested, unless otherwise approved pursuant to NAC 445B.252.2 & 3. The Permittee shall make available to the director such records as may be necessary to determine the conditions of the test of performance. Operations during periods of startup, shutdown and malfunction must not constitute representative conditions of a test of performance unless otherwise specified in the applicable standard (NAC 445B.252.3).
- (9) The Permittee shall give notice to the director 30 days before the test of performance to allow the director to have an observer present. A written testing procedure for the test of performance must be submitted to the director at least 30 days before the test of performance to allow the director to review the proposed testing procedures (NAC 445B.252.4).
- (10) During each performance test required in 1B.5.a.(1) through (6) of this section, record the quantity (in pounds mass) and heat content value of the No. 2 distillate fuel oil/kerosene combusted (in Btu per pound), and include these data in the test results submitted.
- (11) As a result of the most recent performance test performed in 1B.5.a.(1) and (2) of this section, derive emission factors for each of the following:
 - (i) Pounds of PM per pound-mass of No. 2 fuel oil/kerosene (lbs-PM/lbm-No. 2 fuel oil/kerosene)
Pounds of PM per MMBtu of No. 2 fuel oil/kerosene (lbs-PM/MMBtu)
 - (ii) Pounds of PM₁₀ per pound-mass of No. 2 fuel oil/kerosene (lbs-PM₁₀/lbm- No. 2 fuel oil/kerosene)
Pounds of PM₁₀ per MMBtu of No. 2 fuel oil/kerosene (lbs-PM₁₀/MMBtu)

These emissions factors will be based on the average of the 3 test runs.

- (12) The emissions results of the Method 6, Method 7, and Method 10 performance tests for SO₂, NO_x and CO must be converted to emissions of SO₂ (in lb/hr), emissions of nitrogen oxides (in lb/hr), and emissions of CO (in lb/hr). The emissions results of the Method 5 or Method 201A and 202 performance test for PM₁₀ must be reported in both lb/hr and lb/MMBtu.



BUREAU OF AIR POLLUTION CONTROL

Facility ID No. A0014

Permit No. AP4911-1062.01

**CLASS I AIR QUALITY OPERATING PERMIT
SPECIFIC OPERATING REQUIREMENTS**

Issued to: NANIWA ENERGY, LLC, hereafter called the Permittee

Section VI. Specific Operating Conditions (continued)

1B. Emission Units #S2.001 through S2.006 (continued)

5. NAC 445B.3405 (NAC 445B.316) Part 70 Program
Monitoring, Record keeping and Compliance

a. Performance/Compliance Testing (continued)

(13) As a result of the compliance tests required in 1B.5.a. of this Section, establish a representative emission factor for CO in units of lb/lbm of No. fuel oil or kerosene combusted. An emission factor (in lb/lbm of fuel) which is representative of CO emissions during startup conditions must also be established. The emission factors must be established annually after each compliance test.

(14) Within 60 days after completing the performance tests and opacity observations contained in 1B.5.a of this section, the Permittee shall furnish the director a written report of the results of the performance tests, the opacity observations and the resultant emissions factors. All information and analytical results of testing and sampling must be certified as to the truth and accuracy and as to their compliance with NAC 445B.001 to 445B.3689 (NAC 445B.252.8).



BUREAU OF AIR POLLUTION CONTROL

Facility ID No. A0014

Permit No. AP4911-1062.01

**CLASS I AIR QUALITY OPERATING PERMIT
SPECIFIC OPERATING REQUIREMENTS**

Issued to: NANIWA ENERGY, LLC, hereafter called the Permittee

Section VI. Specific Operating Conditions (continued)

1B. Emission Units #S2.001 through S2.006 (continued)

5. NAC 445B.3405 (NAC 445B.316) Part 70 Program
Monitoring, Record keeping and Compliance

b. Monitoring

The Permittee, upon startup of S2.001 through S2.006, each, will:

- (1) Install, calibrate, operate and maintain a fuel flow meter to continuously measure the amount of No. 2 fuel oil or kerosene (in pound-mass) combusted in S2.001 through S2.006, each. The fuel flow meter will be installed at an appropriate location in the fuel delivery system to accurately and continuously measure the fuel combusted in S2.001 through S2.006, each, in accordance with the requirements prescribed in 40 CFR Part 75.
- (2) Install, calibrate, operate and maintain a Continuous Data Collection System (CDCS) to continuously record the quantity (in pound-mass) of No. 2 fuel oil or kerosene as measured by the fuel flow meter required in 1B.5.b.(1) of this section. The CDCS will be installed, calibrated, operated and maintained in accordance with the manufacturer's specifications and the requirements prescribed in 40 CFR Part 75.
- (3) Using either the Flow Proportional or Manual Method described in 40 CFR Part 75, Appendix D 2.2.1, 2.2.3, or 2.2.4 prepare a sample representative of the No. 2 fuel oil or kerosene combusted in S2.001 through S2.006, each, on a daily basis (or a composite sample representative of the entire tank upon delivery of No. 2 fuel oil or kerosene to the tank) while combusting that fuel. The sulfur content of the No. 2 fuel oil or kerosene sample shall be determined in accordance with the requirements prescribed in 40 CFR Part 75, Appendix D. The gross calorific value of this sample will be determined in accordance with ASTM D240-87 (Re-approved 1991), "Standard Test Method for Heat of Combustion of Liquid Hydrocarbon Fuels by Bomb Calorimeter" or ASTM D2382-88, "Standard Test Method for Heat of Combustion of Hydrocarbon Fuels by Bomb Calorimeter (High Precision Method) and the requirements prescribed in 40 CFR Part 75, Appendix F, Section 3.3.6.2."
- (4) Substitute any missing fuel flow meter data in accordance with the requirements prescribed in 40 CFR Part 75, Appendix D, Section 2.4.2.
- (5) Install, calibrate, operate and maintain a NOx continuous emissions monitor system (CEMS) (consisting of a NOx pollutant concentration monitor and an O₂ or CO₂ diluent gas analyzer) to continuously measure the concentration of NOx (in ppm) and O₂ or CO₂ concentrations (in percent O₂ or CO₂) from S2.001 through S2.006, each. The CEMS will be installed at an appropriate location in the exhaust stack of S2.001 through S2.006, each, to accurately and continuously measure the NOx concentration in S2.001 through S2.006, each, in accordance with the requirements prescribed in 40 CFR Part 75, Part 75.12 and Appendix F, 40 CFR Part 60, Appendix B and Appendix F.
- (6) Install, calibrate, operate and maintain a Continuous Data Collection System (CDCS) to continuously record the NOx concentration (in ppm) as measured by the CEMS required in 1B.5.b.(5) of this section. The CDCS will be installed, calibrated, operated and maintained in accordance with the manufacturer's specifications and the requirements prescribed in 40 CFR Part 75, Part 75.12 and Appendix F, 40 CFR Part 60, Appendix B and Appendix F.
- (7) Monitor the hours of operation of S2.001 through S2.006, each, on a daily basis.



BUREAU OF AIR POLLUTION CONTROL

Facility ID No. A0014

Permit No. AP4911-1062.01

**CLASS I AIR QUALITY OPERATING PERMIT
SPECIFIC OPERATING REQUIREMENTS**

Issued to: NANIWA ENERGY, LLC, hereafter called the Permittee

Section VI. Specific Operating Conditions (continued)

1B. Emission Units #S2.001 through S2.006 (continued)

5. NAC 445B.3405 (NAC 445B.316) Part 70 Program
Monitoring, Record keeping and Compliance

c. Recordkeeping

The Permittee will maintain a CDCS or a contemporaneous log containing at a minimum, the following recordkeeping for each day, or part of a day that S2.001 through S2.006, each, is operating under this operating scenario:

- (1) The name of the operating scenario and fuel(s) combusted and the calendar date of any required monitoring.
- (2) The total hourly quantity of No. 2 fuel oil or kerosene combusted, in pound-mass (lbm) for each hour of operation based on the data recorded by the CDCS as required in 1B.5.b.(2) of this section.
- (3) The total daily hours of operation for the corresponding date.
- (4) The heat content of No. 2 fuel oil or kerosene combusted for the corresponding date, in Btu per pound-mass (Btu/lbm) The heat content of the No. 2 fuel oil or kerosene will be based on the gross calorific value determined in 1B.5.b.(3) of this section.
- (5) The hourly heat input of the No. 2 fuel oil or kerosene combusted, in MMBtu per hour. The hourly heat inputs will be calculated from the hourly fuel usage rates recorded in 1B.5.c.(2) of this section, and the heat content of the fuel as recorded in 1B.5.c.(4) of this section.

Sample Calculation:
$$\left(\frac{\text{lb}_m - \text{No.2/ Kerosene}}{\text{hr}} \right) * \left(\frac{\text{Btu}}{\text{lb}_m - \text{No.2/ Kerosene}} \right) = \frac{\text{Btu}}{\text{hr}}$$

- (6) The hourly emission rate of PM and PM₁₀ each, in pounds per hour (lbs/hr). The hourly emission rates will be calculated from the hourly quantity of natural gas combusted determined in 1B.5.c.(2) of this section, and the emission factor derived in 1B.5.a.(11) of this section.

Sample Calculation:
$$\left(\frac{\text{lb}_m - \text{No.2/ Kerosene}}{\text{hr}} \right) * \left(\frac{\text{lbs} - \text{PM} / \text{PM}_{10}}{\text{lb}_m - \text{No.2/ Kerosene}} \right) = \frac{\text{lbs} - \text{PM} / \text{PM}_{10}}{\text{hr}}$$

- (7) The hourly emission rate of PM and PM₁₀ each, in pounds per MMBtu (lbs/MMBtu). The hourly emission rates will be calculated from the heat content of the fuel determined in 1B.5.b.(3) of this section, and the emission factor derived in 1B.5.a.(11) of this section.

Sample Calculation:
$$\left[\left(\frac{\text{lbs} - \text{PM} / \text{PM}_{10}}{\text{lb}_m - \text{No.2/ Kerosene}} \right) \right] * \left(\frac{1,000,000 - \text{Btu}}{\text{MMBtu}} \right) = \frac{\text{lbs} - \text{PM} / \text{PM}_{10}}{\text{MMBtu}}$$



BUREAU OF AIR POLLUTION CONTROL

Facility ID No. A0014

Permit No. AP4911-1062.01

**CLASS I AIR QUALITY OPERATING PERMIT
SPECIFIC OPERATING REQUIREMENTS**

Issued to: NANIWA ENERGY, LLC, hereafter called the Permittee

Section VI. Specific Operating Conditions (continued)

1B. Emission Units #S2.001 through S2.006 (continued)

5. NAC 445B.3405 (NAC 445B.316) Part 70 Program
Monitoring, Record keeping and Compliance

c. Recordkeeping (continued)

- (8) The hourly emission rate of SO₂ in pounds per hour (lbs/hr). The hourly emission rate will be calculated from the sulfur content of the fuel determined in 1B.5.b.(3) and the mass amount of fuel combusted as determined in 1B.5.b.(2) of this section.

Sample Calculations:
$$\left(\frac{\% \text{ Sulfur} - \text{No.2/ Kerosene}}{100} \right) * \left(\frac{\text{lb}_m - \text{No.2/ Kerosene}}{\text{hr}} \right) * 2 = \frac{\text{lb} - \text{SO}_2}{\text{hr}}$$

- (9) The measured NO_x emissions from the CEMS required in 1B.5.b.(5) of this section. The NO_x emissions will be determined from reducing all data from the continuous readings and recorded for the NO_x concentrations in parts per million by volume (ppmv) for each 24-hour period (40 CFR Part 75.12)

d. Reporting
Permittee will:

- (1) Report all excess emissions from S2.001 through S2.006, each, as required in Section III.B and III.C of this operating permit.
- (2) Report excess emissions and monitoring system performance (MSP) to the Director and to the Administrator of U.S. EPA each calendar quarter. The quarterly reports will be postmarked by the 30th day following the end of each calendar quarter. Each excess emission and MSP report will include the information required in 40 CFR Part 60.7(c).
- (3) Report all deviations as required in Sections V.C and V.F of the operating permit.
- (4) Submit semi-annual monitoring reports as required in Section V.C of this operating permit.
- (5) Certify compliance with all applicable requirements as required in Section V.E of this operating permit.

6. NAC 445B.3405 (NAC 445B.316) Part 70 Program
Shielded Requirements

No shielded provisions are established for this emission unit.



BUREAU OF AIR POLLUTION CONTROL

Facility ID No. A0014

Permit No. AP4911-1062.01

**CLASS I AIR QUALITY OPERATING PERMIT
SPECIFIC OPERATING REQUIREMENTS**

Issued to: NANIWA ENERGY, LLC, hereafter called the Permittee

Section VI. Specific Operating Conditions

C. Emission Units #S2.007 through S2.012 location North 4,381.435 km, East 283.974 km, UTM (Zone 11)

C. System 02 - Distillate Storage Tanks

- S2.007 Liquid Storage Tank #1, kerosene or No. 2 fuel oil, 1,386,000 gallons, 70 ft diameter, 48 ft height.
- S2.008 Liquid Storage Tank #2, kerosene or No. 2 fuel oil, 1,386,000 gallons, 70 ft diameter, 48 ft height.
- S2.009 Liquid Storage Tank #3, kerosene or No. 2 fuel oil, 1,386,000 gallons, 70 ft diameter, 48 ft height.
- S2.010 Liquid Storage Tank #4, kerosene or No. 2 fuel oil, 1,386,000 gallons, 70 ft diameter, 48 ft height.
- S2.011 Liquid Storage Tank #5, kerosene or No. 2 fuel oil, 1,386,000 gallons, 70 ft diameter, 48 ft height.
- S2.012 Liquid Storage Tank #6, kerosene or No. 2 fuel oil, 1,386,000 gallons, 70 ft diameter, 48 ft height.

1. NAC 445B.3405 (NAC 445B.316) Part 70 Program
Air Pollution Equipment

- a. Emissions from S2.007 through S2.012 have no add on controls.
- b. S2.007 through S2.012 parameters:

Shell Diameter:	70 ft
Shell Height:	48 ft
Maximum Capacity:	1,386,000 gal
Maximum throughput:	33,264,000 gal/yr
True Vapor Pressure:	0.0039 psia

2. NAC 445B.3405 (NAC 445B.316) Part 70 Program
Emission Limits

On and after the date of startup of S2.007 through S2.012, each, Permittee will not discharge or cause the discharge into the atmosphere from S2.007 through S2.012, each, the following pollutants in excess of the following specified limits:

- a. NAC 445B.305 Part 70 Program - The discharge of volatile organic compounds from S2.007 through S2.012, each, to the atmosphere will not exceed 0.39 tons per year.
- b. NAC 445B.22017 State-Only Requirement - The opacity will not equal or exceed 20 percent in accordance with NAC 445B.22017.



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Section VI. Specific Operating Conditions

C. Emission Units #S2.007 through S2.012

3. NAC 445B.3405 (NAC 445B.316) Part 70 Program
Operating Parameters

- a. The maximum allowable throughput of kerosene or No. 2 fuel oil, combined, shall not exceed 33,264,000 gallons per 12 month rolling period.
- b. S2.007 through S2.012, each, will only be used to store kerosene or No. 2 fuel oil with an average true vapor pressure of less than or equal to 0.0039 pounds per square inch absolute (psia).
- c. S2.007 through S2.012, each, may operate a total of 8,760 hours per calendar year.

4. NAC 445B.3405 (NAC 445B.316) Part 70 Program
Monitoring, Record keeping and Compliance

- a. Monitoring and Recordkeeping
Permittee, upon the issuance date of this permit will:
 - (1) Monitor the throughput rate of kerosene and No. 2 fuel oil on a monthly basis.
 - (2) The required monitoring established in (1) above will be maintained in a contemporaneous log containing, at a minimum, the following recordkeeping:
 - (a) The calendar date of any required monitoring.
 - (b) The total monthly throughput of kerosene and No. 2 fuel oil in gallons for the corresponding month.
 - (c) The annual throughput rate in gallons per 12-month rolling period. The annual throughput rate will be determined at the end of each calendar month as the sum of the monthly throughput rates for the 12 immediately preceding calendar months.

*******End of Specific Operating Conditions*******



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Section VII. Emission Caps

A. Cap for Emission Units S2.001 through S2.006

1. Emission Limits

When operating under the provisions of Part A of this Section, the emission limits specified in A.2, 1B.2 and C.2 of Section VI of this operating permit do not apply for those pollutants limited under this paragraph. On and after the date of startup of S2.001 through S2.006 and during periods specified by Permittee as operating under the provisions of Part A of this Section, Permittee will not discharge or cause the discharge into the atmosphere, the following pollutants in excess of the following specified limits:

- a. The combined discharge of PM (total particulate matter) to the atmosphere will not exceed 16.66 tons per calendar month, averaged over each 12-month rolling period.
- b. The combined discharge of PM₁₀ (particulate matter less than 10 microns in diameter) to the atmosphere will not exceed 16.66 tons per calendar month, averaged over each 12-month rolling period.
- c. The combined discharge of NO_x (oxides of nitrogen) to the atmosphere will not exceed 20.75 tons per calendar month, averaged over each 12-month rolling period.
- d. The combined discharge of SO₂ (sulfur dioxide) to the atmosphere will not exceed 16.66 tons per calendar month, averaged over each 12-month rolling period.
- e. The combined discharge of CO (carbon monoxide) to the atmosphere will not exceed 20.75 tons per calendar month, averaged over each 12-month rolling period.
- f. The combined discharge of VOC (volatile organic compounds) to the atmosphere will not exceed 16.66 tons per calendar month, averaged over each 12-month rolling period.
- g. The emission limits in this paragraph apply at all times, including startups, shutdowns, and normal operations.

2. Monitoring, Recordkeeping, Reporting and Compliance

- a. Permittee will perform monitoring, recordkeeping and reporting as specified in Section VI.A.4 of this operating permit.
- b. In addition to the monitoring and recordkeeping information required under A.2.a of the Section, Permittee will record in a contemporaneous log the total cumulative 12-month rolling average emissions for each pollutant recorded in A.1 of this Section.



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Section VIII. Surface Area Disturbance Conditions

Surface area disturbance less than 20 acres

A. Fugitive Dust (NAC 445B.22037)

1. Permittee may not cause or permit the handling, transporting, or storing of any material in a manner which allows or may allow controllable particulate matter to become airborne.
2. Except as otherwise provided in subsection 4, Permittee may not cause or permit the construction, repair, demolition, or use of unpaved or untreated areas without first putting into effect an ongoing program using the best practical methods to prevent particulate matter from becoming airborne. As used in this subsection, "best practical methods" includes, but is not limited to, paving, chemical stabilization, watering, phased construction, and revegetation.
3. Except as provided in subsection 4, Permittee may not disturb or cover 5 acres or more of land or its topsoil until Permittee has obtained an Operating Permit for surface area disturbance to clear, excavate, or level the land or to deposit any foreign material to fill or cover the land.
4. The provisions of subsections 2 and 3 do not apply to:
 - a. Agricultural activities occurring on agricultural land; or
 - b. Surface disturbances authorized by a permit issued pursuant to NRS 519A.180 which occur on land which is not less than 5 acres or more than 20 acres.



Nevada Department of Conservation and Natural Resources • Division of Environmental Protection

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Section IX. Schedules of Compliance

N/A

*******End of Schedules of Compliance*******



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Section X. Amendments

N/A

This permit:

1. Is non-transferable. (NAC 445B.287) Part 70 Program
2. Will be posted conspicuously at or near the stationary source. (NAC 445B.318)(State Only Requirement)
3. Will expire and be subject to renewal five (5) years from _____.
(NAC 445B.315) Part 70 Program
4. A complete application for renewal of an operating permit must be submitted to the director on the form provided by him with the appropriate fee at least 240 calendar days before the expiration date of this operating permit. (NAC 445B.323.2) Part 70 Program
5. Any party aggrieved by the Department's decision to issue this permit may appeal to the State Environmental Commission (SEC) within ten days after the date of notice of the Department's action. (NRS 445B.340)(State Only Requirement)

THIS PERMIT EXPIRES ON: _____ **Draft** _____

Signature _____

Issued by: Matthew A. DeBurle, P.E.
Supervisor, Class I Permitting Branch
Bureau of Air Pollution Control

Phone: (775) 687-9391 **Date:** _____

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01/07



BUREAU OF AIR POLLUTION CONTROL

CLASS I NON-PERMIT EQUIPMENT LIST

Appended to *Naniwa Energy, LLC Facility #A0014 Permit #AP4911-1062.01*

Emission Unit #	Emission Unit Description
IA1.001	Office Air Conditioning and Heating System
IA1.002	Process Cooling Tower

Note: *The equipments listed on this attachment are subject to all applicable requirements of the NAC and ASIP.*