

STATE OF MISSISSIPPI AIR POLLUTION CONTROL PERMIT

AND PREVENTION OF SIGNIFICANT DETERIORATION AUTHORITY TO CONSTRUCT AIR EMISSIONS EQUIPMENT THIS CERTIFIES THAT

South Mississippi Electric Power Association, R D Morrow Plant
304 Old Okahola Schoolhouse Road
Purvis, Mississippi
Lamar County

has been granted permission to construct air emissions equipment to comply with emission limitations, monitoring requirements and other conditions set forth herein. This permit is issued in accordance with the provisions of the Mississippi Air and Water Pollution Control Law (Section 49-17-1 et. seq., Mississippi Code of 1972), and the regulations and standards adopted and promulgated thereunder and under authority granted by the Environmental Protection Agency under 40 CFR 52.01 and 52.21.

MISSISSIPPI ENVIRONMENTAL QUALITY PERMIT BOARD

AUTHORIZED SIGNATURE
MISSISSIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY

Issued: _____

Permit No.: 1440-00021

Part I

A. GENERAL CONDITIONS

1. This permit is for air pollution control purposes only. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.1.D.)
2. Any activities not identified in the application are not authorized by this permit. (Ref.: Miss. Code Ann. 49-17-29 1.b)
3. The knowing submittal of a permit application with false information may serve as the basis for the Permit Board to void the permit issued pursuant thereto or subject the applicant to penalties for operating without a valid permit pursuant to State Law. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(5).)
4. It is the responsibility of the applicant/permittee to obtain all other approvals, permits, clearances, easements, agreements, etc., which may be required including, but not limited to, all required local government zoning approvals or permits. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.1.D(6).)
5. The issuance of a permit does not release the permittee from liability for constructing or operating air emissions equipment in violation of any applicable statute, rule, or regulation of state or federal environmental authorities. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(7).)
6. It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of the permit, unless halting or reducing activity would create an imminent and substantial endangerment threatening the public health and safety of the lives and property of the people of this state. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(15)(a).)
7. The permit and/or any part thereof may be modified, revoked, reopened, and reissued, or terminated for cause. Sufficient cause for a permit to be reopened shall exist when an air emissions stationary source becomes subject to Title V. The filing of a request by the permittee for a permit modification, revocation and reissuance, or termination, or of a notification of planned changes or anticipated noncompliance does not stay any permit condition. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(15)(b).)
8. The permit does not convey any property rights of any sort, or any exclusive privilege. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(15)(c).)
9. The permittee shall furnish to the DEQ within a reasonable time any information the DEQ may request in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating the permit or to determine compliance with the permit. Upon request, the permittee shall also furnish to the DEQ copies of records required to be kept by the permit or, for information claimed to be confidential, the permittee shall furnish such records to the DEQ along with a claim of confidentiality. The permittee may furnish such

records directly to the Administrator along with a claim of confidentiality. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.B(15)(d).)

10. Design and Construction Requirements: The stationary source shall be designed and constructed so as to operate without causing a violation of an Applicable Rules and Regulations, without interfering with the attainment and maintenance of State and National Ambient Air Quality Standards, and such that the emission of air toxics does not result in an ambient concentration sufficient to adversely affect human health and well-being or unreasonably and adversely affect plant or animal life beyond the stationary source boundaries. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.A.)
11. Solids Removal: The necessary facilities shall be constructed so that solids removed in the course of control of air emissions may be disposed of in a manner such as to prevent the solids from becoming windborne and to prevent the materials from entering State waters without the proper environmental permits. (Ref.: Miss. Code Ann. 49-17-29)
12. Diversion and Bypass of Air Pollution Controls: The air pollution control facilities shall be constructed such that diversion from or bypass of collection and control facilities is not needed except as provided for in 11 Miss. Admin. Code Pt. 2, R. 1.1.10, "Air Emission Regulations for the Prevention, Abatement, and Control of Air Contaminants", Section 10. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 1.10.)
13. Fugitive Dust Emissions from Construction Activities: The construction of the stationary source shall be performed in such a manner so as to reduce fugitive dust emissions from construction activities to a minimum. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.A(4).)
14. Right of Entry: The permittee shall allow the Mississippi Department of Environmental Quality Office of Pollution Control and the Mississippi Environmental Quality Permit Board and/or their representatives upon presentation of credentials:
 - a) To enter upon the permittee's premises where an air emission source is located or in which any records are required to be kept under the terms and conditions of this permit; and
 - b) At reasonable times to have access to and copy any records required to be kept under the terms and conditions of this permit; to inspect any monitoring equipment or monitoring method required in this permit; and to sample any air emissions. (Ref.: Miss. Code Ann. 49-17-21)
15. Permit Modification or Revocation: After notice and opportunity for a hearing, the Permit Board may modify the permit or revoke it in whole or in part for good cause shown including, but not limited to:
 - a) Persistent violation of any of the terms or conditions of this permit;

- b) Obtaining this permit by misrepresentation or failure to disclose fully all relevant facts;
or
- c) A change in federal, state, or local laws or regulations that require either a temporary or permanent reduction or elimination of previously authorized air emission.

(Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.2.C.)

16. Public Record and Confidential Information: Except for data determined to be confidential under the Mississippi Air & Water Pollution Control Law, all reports prepared in accordance with the terms of this permit shall be available for public inspection at the offices of the Mississippi Department of Environmental Quality, Office of Pollution Control. (Ref.: Miss. Code Ann. 49-17-39)
17. Permit Transfer: This permit shall not be transferred except upon approval of the Permit Board. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.16.B.)
18. Severability: The provisions of this permit are severable. If any provision of the permit, or the application of any provision of the permit to any circumstances, is challenged or held invalid, the validity of the remaining permit provisions and/or portions thereof or their application to other persons or sets of circumstances, shall not be affected thereby. (Ref. 11 Miss. Admin. Code Pt. 2, R. 2.1.D(7).)
19. Permit Expiration: The permit to construct will expire if construction does not begin within eighteen (18) months from the date of issuance or if construction is suspended for eighteen (18) months or more. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.C(1).)
20. Certification of Construction: A new stationary source issued a Permit to Construct cannot begin operation until certification of construction by the permittee. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.D(3).)
21. Beginning Operation: Except as prohibited in Part I, Condition 24 of this permit, after certification of construction by the permittee, the Permit to Construct shall be deemed to satisfy the requirement for a permit to operate until the date the application for issuance or modification of the Title V Permit or the application for issuance or modification of the State Permit to Operate, whichever is applicable, is due. This provision is not applicable to a source excluded from the requirement for a permit to operate as provided by 11 Miss. Admin. Code Pt. 2, R. 2.13.G. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.D(4).)
22. Application for a Permit to Operate: Except as otherwise specified in Part I, Condition 24 of this permit, the application for issuance or modification of the State Permit to Operate or the Title V Permit, whichever is applicable, is due twelve (12) months after beginning operation or such earlier date or time as specified in the Permit to Construct. The Permit Board may specify an earlier date or time for submittal of the application. Beginning operation will be assumed to occur upon certification of construction, unless the permittee specifies differently in writing. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.D(5).)

23. Operating Under a Permit to Construct: Except as otherwise specified in Part I, Condition 24 of this permit, upon submittal of a timely and complete application for issuance or modification of a State Permit to Operate or a Title V Permit, whichever is applicable, the applicant may continue to operate under the terms and conditions of the Permit to Construct and in compliance with the submitted application until the Permit Board issues, modifies, or denies the Permit to Operate. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.D(6).)
24. Application Requirements for a Permit to Operate for Moderate Modifications: For moderate modifications that require contemporaneous enforceable emissions reductions from more than one emission point in order to “net” out of PSD/NSR, the applicable Title V Permit to Operate or State Permit to Operate must be modified prior to beginning operation of the modified facilities. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.D(7).)
25. Compliance Testing: Regarding compliance testing:
- a) The results of any emissions sampling and analysis shall be expressed both in units consistent with the standards set forth in any Applicable Rules and Regulations or this permit and in units of mass per time.
 - b) Compliance testing will be performed at the expense of the permittee.
 - c) Each emission sampling and analysis report shall include but not be limited to the following:
 - (1) detailed description of testing procedures;
 - (2) sample calculation(s);
 - (3) results; and
 - (4) comparison of results to all Applicable Rules and Regulations and to emission limitations in the permit.
- (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.6.B(3), (4), & (6).)

B. GENERAL NOTIFICATION REQUIREMENTS

- 1. Within fifteen (15) days of beginning actual construction, the permittee must notify DEQ in writing that construction has begun. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.C(2).)
- 2. The permittee must notify DEQ in writing when construction does not begin within eighteen (18) months of issuance or if construction is suspended for eighteen (18) months or more. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.C(3).)
- 3. Upon the completion of construction or installation of an approved stationary source or modification, the applicant shall notify the Permit Board that construction or installation was

performed in accordance with the approved plans and specifications on file with the Permit Board. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.D(1).)

4. The Permit Board shall be promptly notified in writing of any change in construction from the previously approved plans and specifications or permit. If the Permit Board determines the changes are substantial, it may require the submission of a new application to construct with “as built” plans and specifications. Notwithstanding any provision herein to the contrary, the acceptance of an “as built” application shall not constitute a waiver of the right to seek compliance penalties pursuant to State Law. (Ref.: 11 Miss. Admin. Code Pt. 2, R. 2.5.D(2).)

Part II.
EMISSION LIMITATIONS AND MONITORING REQUIREMENTS

Beginning Issuance Date, the permittee is authorized to construct air emissions equipment and emit air contaminants from Emission Point AA-001, the Coal/Natural Gas 2,675 MMBtu/hr Unit No. 1 Boiler equipped with a Flue Gas Desulfurization Scrubber and an Electrostatic Precipitator.

The air emissions equipment shall be constructed to comply with the emission limitations and monitoring requirements specified below.

EMISSIONS LIMITATIONS

Carbon Monoxide

Natural Gas burning	0.150 lb/MMBtu when burning natural gas, as determined by EPA Test Method 10, 40 CFR 60, Appendix A.
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The permittee shall comply with the follow emission limit when different fossil fuels are burned simultaneously in any combination, the applicable standard (in lb/MMBtu) is determined by proration using the following formula:

$$E_{CO} = \frac{(0.153 * H_a + 0.150 * H_b)}{(H_a + H_b)}$$

Where:

E_{CO} = Prorated standard for CO when burning different fuels simultaneously, in lb/MMBtu heat input derived from all natural gas and coal fired; and

H_a = Heat input from the combustion of coal, in MMBtu; and

H_b = Heat input from the combustion of natural gas in MMBtu.

All test methods specified above shall be those versions, or their approved equivalents, which are in effect Issuance Date.

OPERATIONAL RESTRICTION

The permittee shall utilize good combustion practices.

**Part III.
OTHER REQUIREMENTS**

- 1. For Emission Point AA-001, the permittee is subject to the New Source Performance Standards for Fossil Fuel Fired Steam Generators for Which Construction Commenced After August 17, 1971, 40 CFR 60, Subpart D and the General Provisions in Subpart A.**
- 2. For Emission Point AA-001, the permittee is subject to the National Emission Standards for Hazardous Air Pollutants for Coal and Oil Fired Electric Utility Steam Generating Units, 40 CFR 63, Subpart UUUUU and the General Provisions in Subpart A.**
- 3. For Emission Point AA-001, the permittee is subject to the Acid Rain Program Regulations, 40 CFR 72-78.**
- 4. Within 180 days of startup, the permittee shall conduct initial stack testing for Carbon Monoxide (CO) in accordance with EPA Test Method 10 or an approved equivalent in conjunction with commissioning of the dual fuels boiler across the range of fuel mix: 100% gas; 75% gas; 50% gas; and 25% gas. After the initial stack tests, the permittee shall test annually. The testing shall be performed to ensure that the CO emissions are in accordance with limitation set forth in the permit. The unit shall operate at maximum production during this test and boiler operating data shall be collected during the test. The stack test results, calculations indication CO emissions, and data collected during the test shall be submitted within 60 days of the stack test. After the initial stack tests, the permittee shall test annually from the date of the initial stack test using a fuel mix that is representative of boiler operation.**

The permittee shall submit a written test protocol at least thirty (30) days prior to the intended test date(s) to ensure that all test methods and procedures are acceptable to DEQ. The protocol should include the fuel mix to be used in the stack test that is representative of boiler operation. Also, the permittee shall notify the DEQ in writing at least ten (10) days prior to the intended test date(s) so that an observer may be afforded the opportunity to witness the tests.

- 5. The permittee shall report any deviations from the emission limitation. This report shall include the time, date, reason for the deviation, and corrective actions or preventive measures taken. The report shall be submitted with five (5) days of the time the deviation began.**
- 6. The permittee shall monitor and record fuels burned on a daily basis. These records shall consist of fuel type, quantity, duration, average daily fuel blend, and heating value and compiled monthly. These records shall be submitted to MDEQ semi-annually by July 31 and January 31 for the preceding six-month period.**

7. The permittee shall use 40 CFR Part 75 CEMs data for NO_x along with annual relative accuracy test (RATA) to insure compliance with emission factor and that the control device is working properly.

When a RATA is required, the permittee shall submit a written test protocol at least thirty (30) days prior to the proposed test date(s) to obtain approval for test methods and procedures. Also, the permittee shall notify MDEQ in writing at least ten (10) days prior to the intended test date(s) so that an observer may be afforded the opportunity to witness the test(s). After the first successful submittal of a written test protocol, the permittee may request that the re-submittal of the testing protocol be waived for subsequent testing by certifying in writing at least ten (10) days prior to subsequent testing that all conditions for testing remain unchanged such that the original protocol can and will be followed. The permittee shall submit test reports within sixty (60) days of completion of RATA.