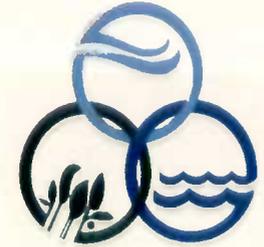




State of Mississippi



AIR POLLUTION CONTROL PERMIT

Permit To Construct Air Emissions Equipment

THIS CERTIFIES

**Choctaw Generation Limited Partnership, Red Hills Generation Facility
2391 Pensacola Road
Highway 15 South
Ackerman, MS
Choctaw County**

has been granted permission to construct air emissions equipment to comply with the 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.

Mississippi Environmental Quality Permit Board

Mississippi Department of Environmental Quality

Issued/Modified: **MAY 14 2014**

Expires:

Permit No. 0400-00011

Agency Interest # 677

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Permit To Construct Air Emissions Equipment

Choctaw Generation Limited Partnership, Red Hills Generation Facility

Subject Item Inventory

Permit Number:0400-00011

Activity ID No.: PER20130006

Subject Item Inventory:

ID	Designation	Description
AI677	677	Power Generation
EQPT28	AA-023	Activated Carbon Storage Silo Equipped with a Bin Vent Filter
EQPT29	AA-024	Activated Carbon Storage Silo Equipped with a Bin Vent Filter

KEY

ACT = Activity

AREA = Area

CONT = Control Device

IA = Insignificant Activity

MAFO = Animal Feeding Operation

RPNT = Release Point

WDPT = Withdrawal Point

AI = Agency Interest

CAFO = Concentrated Animal Feeding Operation

EQPT = Equipment

IMPD = Impoundment

PCS = PCS

TRMT = Treatment

Permit To Construct Air Emissions Equipment

Choctaw Generation Limited Partnership, Red Hills Generation Facility

Facility Requirements

Permit Number:0400-00011

Activity ID No.: PER20130006

Page 1 of 7

AI0000000677 (677) Power Generation:

Submittal/Action Requirements:

Condition No.	Condition
S-1	General Condition: The permittee shall submit certification of construction: Due within thirty (30) days of completion of construction or installation of an approved stationary source or prior to startup, whichever is earlier. The notification shall certify that construction or installation was performed in accordance with the approved plans and specifications. In the event there is any change in construction from the previously approved plans and specifications or permit, the permittee shall promptly notify MDEQ in writing. If MDEQ determines the changes are substantial, MDEQ 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. [11 Miss. Admin. Code Pt. 2, R. 2.5.D.]
S-2	Within fifteen (15) days of beginning actual construction, the permittee must notify DEQ in writing that construction has begun. [11 Miss. Admin.Code Pt. 2, R.2.5.C(2).]
S-3	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. [11 Miss. Admin. Code Pt. 2, R. 2.5.C(3).]

Narrative Requirements:

General Condition:

Condition No.	Condition
T-1	General Condition: The stationary source shall be designed and constructed so as to operate without causing a violation of any Applicable Rules and Regulations or this permit, 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. [11 Miss. Admin.Code Pt. 2, R.2.5.A.]
T-2	General Condition: Any activities not identified in the application are not authorized by this permit. [Miss. Code Ann. 49_17_29 1.b]
T-3	General Condition: 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. [Miss. Code Ann. 49_17_29]

Permit To Construct Air Emissions Equipment
 Choctaw Generation Limited Partnership, Red Hills Generation Facility
 Facility Requirements
 Permit Number:0400-00011
 Activity ID No.: PER20130006

AI0000000677 (continued):

Narrative Requirements:

General Condition:

Condition No.	Condition
T-4	General Condition: 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 Regulation 11 Miss. Admin. Code Pt.2, R. 1.10 "Air Emission Regulations for the Prevention, Abatement, and Control of Air Contaminants", Section 10. [11 Miss. Admin. Code Pt. 2, R. 1.10]
T-5	General Condition: The permittee shall allow the Mississippi Environmental Quality Commission, the Mississippi Environmental Quality Permit Board, MDEQ staff and/or their authorized representatives, upon the 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 emission. [Miss. Code Ann. 49_17_21]
T-6	General Condition: After notice and opportunity for a hearing, this permit may be modified, suspended, or revoked in whole or in part during its term for good cause shown including, but not limited to, the following: a. Persistent violation of any 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 any condition that requires either a temporary or permanent reduction or elimination of previously authorized air emissions. [11 Miss. Admin.Code Pt. 2, R.2.2.C.]
T-7	General Condition: 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. [Miss. Code Ann. 49_17_39]

Condition No.	Condition
T-8	General Condition:This permit is for air pollution control purposes only. [11 Miss. Admin.Code Pt. 2, R.2.1.D.]
T-9	General Condition: 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. [11 Miss. Admin.Code Pt. 2, R.2.2.B(5).]

Permit To Construct Air Emissions Equipment
 Choctaw Generation Limited Partnership, Red Hills Generation Facility
 Facility Requirements
 Permit Number:0400-00011
 Activity ID No.: PER20130006

AI0000000677 (continued):

Narrative Requirements:

Condition No.	Condition
T-10	General Condition: 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. [11 Miss. Admin.Code Pt. 2, R.2.1.D(6).]
T-11	General Condition: 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. [11 Miss. Admin. Code Pt. 2, R. 2.2.B(7).]
T-12	General Condition: 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. [11 Miss. Admin.Code Pt. 2, R.2.2.B(15)(a).]
T-13	General Condition: 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. [11 Miss. Admin.Code Pt. 2, R.2.2.B(15)(b).]
T-14	General Condition: The permit does not convey any property rights of any sort, or any exclusive privilege. [11 Miss. Admin.Code Pt. 2, R.2.2.B(15)(c).]
T-15	General Condition: 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. [11 Miss. Admin.Code Pt. 2, R.2.2.B(15)(d).]
T-16	General Condition: This permit shall not be transferred except upon approval of the Permit Board. [11 Miss. Admin.Code Pt. 2, R.2.16.B.]
T-17	General Condition: 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. [11 Miss. Admin.Code Pt. 2, R.1.1.D(7).]
T-18	General Condition: 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. [11 Miss. Admin.Code Pt. 2, R.2.5.C(1).]

Permit To Construct Air Emissions Equipment
Choctaw Generation Limited Partnership, Red Hills Generation Facility
Facility Requirements
Permit Number:0400-00011
Activity ID No.: PER20130006

AI0000000677 (continued):

Narrative Requirements:

Condition No.	Condition
T-19	General Condition: A new stationary source issued a Permit to Construct cannot begin operation until certification of construction by the permittee. [11 Miss. Admin.Code Pt. 2, R.2.5.D(3).]
T-20	General Condition: Except as prohibited in 11 Miss. Admin. Code Pt. 2,R. 2.5.D(7) 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 APC-S-2, Section XIII.G. [11 Miss. Admin. Code Pt. 2, R. 2.5.D(4).]
T-21	General Condition: Except as otherwise specified in 11 Miss. Admin. Code Pt. 2, R. 2.5.D(7), 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. [11 Miss. Admin. Code Pt. 2, R. 2.5.D(5).]
T-22	General Condition: Except as otherwise specified in 11 Miss. Admin. Code Pt. 2, R. 2.5.D(7), 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. [11 Miss. Admin. Code Pt. 2, R. 2.5.D(6).]
T-23	General Condition: 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. [11 Miss. Admin.Code Pt. 2, R.2.5.D(7).]

Permit To Construct Air Emissions Equipment
Choctaw Generation Limited Partnership, Red Hills Generation Facility
Facility Requirements
Permit Number:0400-00011
Activity ID No.: PER20130006

AI0000000677 (continued):

Narrative Requirements:

Condition No.	Condition
T-24	<p>General Condition: Regarding compliance testing:</p> <ul style="list-style-type: none">(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:<ul style="list-style-type: none">1. detailed description of testing procedures;2. sample calculation(s);3. results; and4. comparison of results to all Applicable Rules and Regulations and to emission limitations in the permit. [11 Miss. Admin.Code Pt. 2, R.2.6.B(3),(4)&(6).]
T-25	<p>General Condition: 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. [11 Miss. Admin.Code Pt. 2, R.2.5.A(4).]</p>

Permit To Construct Air Emissions Equipment
 Choctaw Generation Limited Partnership, Red Hills Generation Facility
 Facility Requirements
 Permit Number:0400-00011
 Activity ID No.: PER20130006

EQPT0000000028 (AA-023) Activated Carbon Storage Silo Equipped with a Bin Vent Filter:

Limitation Requirements:

Condition No.	Parameter	Condition
L-1		Emission Point AA-023, the ACI Silo Bin Vent shall only be operated with emissions routed to a bin vent filter. [11 Miss. Admin. Code Pt. 2, R. 2.2.B(10)]

Monitoring Requirements:

Condition No.	Parameter	Condition
M-1		For the ACI Silo Bin Vent equipped with bin vent filters, the permittee shall conduct visual observations for visible emissions from the bin vent filter at least once every calendar month while activated carbon is being unloaded. If no activated carbon is received during the calendar month, the permittee shall record such in the visible emission observation log. Visible observations shall be conducted for at least one minute for each bin vent while activated carbon is being unloaded. If any visible emissions are noted, the permittee shall immediately inspect the filter and determine the cause of the visible emissions and any corrective measures needed to eliminate the visible emissions. [11 Miss. Admin. Code Pt. 2, R. 2.2.B(11)]

Record-Keeping Requirements:

Condition No.	Condition
R-1	The emission point ID, date, time, and any visible emissions noted shall be recorded for each visible observation, and any corrective measures taken to eliminate any visible emissions shall be recorded. The permittee shall note when there is no activated carbon received during a calendar month. [11 Miss. Admin. Code Pt. 2, R. 2.2.B(11)]

Permit To Construct Air Emissions Equipment
 Choctaw Generation Limited Partnership, Red Hills Generation Facility
 Facility Requirements
 Permit Number:0400-00011
 Activity ID No.: PER20130006

EQPT0000000029 (AA-024) Activated Carbon Storage Silo Equipped with a Bin Vent Filter:

Limitation Requirements:

Condition No.	Parameter	Condition
L-1		Emission Point AA-024, the ACI Silo Bin Vent shall only be operated with emission routed to a bin vent filter. [11 Miss. Admin. Code Pt. 2, R. 2.2.B(10)]

Monitoring Requirements:

Condition No.	Parameter	Condition
M-1		For the ACI Silo Bin Vent equipped with bin vent filters, the permittee shall conduct visual observations for visible emissions from the bin vent filter at least once every calendar month while activated carbon is being unloaded. If no activated carbon is received during the calendar month, the permittee shall record such in the visible emission observation log. Visible observations shall be conducted for at least one minute for each bin vent while activated carbon is being unloaded. If any visible emissions are noted, the permittee shall immediately inspect the filter and determine the cause of the visible emissions and any corrective measures needed to eliminate the visible emissions. [11 Miss. Admin. Code Pt. 2, R. 2.2.B(11)]

Record-Keeping Requirements:

Condition No.	Condition
R-1	The emission point ID, date, time, and any visible emissions noted shall be recorded for each visible observation, and any corrective measures taken to eliminate any visible emissions shall be recorded. The permittee shall note when there is no activated carbon received during a calendar month. [11 Miss. Admin. Code Pt. 2, R. 2.2.B(11)]

GENERAL INFORMATION

Choctaw Generation Limited Partnership, Red Hills Generation Facility
 2391 Pensacola Road
 Highway 15 South
 Ackerman, MS
 Choctaw County

Alternate/Historic Identifiers

ID	Alternate/Historic Name	User Group	Start Date	End Date
677	Choctaw Generation Limited Partnership	Official Site Name	2/13/1998	
2801900011	Choctaw Generation, Red Hills Gen	Air-AIRS AFS	10/12/2000	
MSR000005058	Choctaw Generation LLP, Red Hills Generation Facility	Hazardous Waste-EPA ID	11/13/1998	
040000011	Choctaw Generation LLP, Red Hills Generation Facility	Air-Construction	6/18/1999	6/18/1999
040000011	Choctaw Generation LLP, Red Hills Generation Facility	Air-Construction	8/25/1998	2/28/2013
040000011	Choctaw Generation LLP, Red Hills Generation Facility	Air-State Operating	8/25/1998	8/25/1998
040000011	Choctaw Generation LLP, Red Hills Generation Facility	Air-State Operating	7/27/1999	
040000011	Choctaw Generation LLP, Red Hills Generation Facility	Air-Construction	7/27/1999	2/28/2013
MSR101039	Choctaw Generation LLP, Red Hills Generation Facility	GP-Construction	2/13/1998	12/1/2001
MSR101155	Choctaw Generation LLP, Red Hills Generation Facility	GP-Construction	8/25/1998	5/2/2000
MSR101155	Choctaw Generation LLP, Red Hills Generation Facility	GP-Construction	5/11/2000	11/25/2003
MS0054496	Choctaw Generation LLP, Red Hills Generation Facility	Water - NPDES	4/6/1998	2/10/2003
MSR102027	Choctaw Generation LLP, Red Hills Generation Facility	GP-Construction	11/19/2001	10/21/2002
SW0100040462	Choctaw Generation Limited Partnership, Red Hills Generation Facility Ash Ma	SolidWaste - NonMSW Landfill	8/25/1998	8/25/2008
MS0053881	Choctaw Generation Limited Partnership, Red Hills Generation Facility Ash Ma	Water - NPDES	8/25/1998	7/31/2003
MS0054496	Choctaw Generation LLP, Red Hills Generation Facility	Water - NPDES	2/11/2003	1/31/2008
040000011	Choctaw Generation LLP, Red Hills Generation Facility	Air-Acid Rain	12/30/2003	12/31/2008
MSR102960	Choctaw Generation Limited Partnership, Red Hills Generation Facility	GP-Construction	2/10/2004	3/27/2005
MS0053881	Choctaw Generation Limited Partnership, Red Hills Generation Facility Ash Ma	Water - NPDES	8/20/2004	7/31/2009
MSR001656	Choctaw Generation LLP, Red Hills Generation Facility	GP-Baseline	12/22/2004	12/19/2005
MSR001656	Choctaw Generation Limited Partnership, Red Hills Generation Facility	GP-Baseline	12/19/2005	3/15/2011
040000011	Choctaw Generation Limited Partnership, Red Hills Generation Facility	Air-Title V Fee Customer	7/27/1999	
WQC1997127	Choctaw Generation LLP, Red Hills Generation Facility	WQC Number	12/3/1997	

GENERAL INFORMATION

ID	Alternate/Historic Name	User Group	Start Date	End Date
KAD970013410	Choctaw Generation LLP, Red Hills Generation Facility	COE Public Notice/ Permit Number	12/3/1997	12/23/1997
SW0100040462	Choctaw Generation Limited Partnership, Red Hills Generation Facility, Ash M	SolidWaste - NonMSW Landfill	4/9/2010	2/28/2013
55076	Choctaw Generation LLP, Red Hills Generation Facility	Air: ORIS ID	10/23/2010	
MSR001656	Choctaw Generation Limited Partnership, Red Hills Generation Facility	GP-Baseline	3/15/2011	2/28/2013
MS0053881	Choctaw Generation LLP, Red Hills Generation Facility	Water - NPDES	1/10/2012	2/28/2013
040000011	Choctaw Generation Limited Partnership, Red Hills Generation Facility	Air-Construction	2/28/2013	
040000011	Red Hills Generation Facility, Choctaw Generation Limited Partnership	Air-Acid Rain	2/28/2013	
MS0053881	Choctaw Generation Limited Partnership, Red Hills Generation Facility	Water - NPDES	2/28/2013	12/31/2016
040000011_	Choctaw Generation Limited Partnership, Red Hills Generation Facility	Air-Construction	2/28/2013	
MSR001656	Choctaw Generation Limited Partnership, Red Hills Generation Facility	GP-Baseline	2/28/2013	9/28/2015
SW0100040462	Choctaw Generation Limited Partnership, Red Hills Generation Facility	SolidWaste - NonMSW Landfill	2/28/2013	3/31/2020
040000011	Choctaw Generation Limited Partnership, Red Hills Generation Facility	Air-Construction	5/14/2014	

Basin: Pearl River Basin

Location Description: SP - Lagoon or Settling Pond. Data Collected by Clift Jeta on August 29, 2002. PG- Plant Entrance (General). Data collected by David Hall on 11/18/2005. Latitude 33 22' 36.3" Longitude 89 12' 56.5".