



State of Idaho
Department of Environmental Quality
Air Quality Division

**AIR QUALITY PERMIT
STATEMENT OF BASIS**

Tier I Operating Permit No. T1-2010.0100

Project No. 60554

EC

FINAL

TransCanada GTN System

Compressor Station No. 4

Samuels, Idaho

Facility ID No. 017-00037

March 7, 2011

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Permit Writer

The purpose of this Statement of Basis is to set forth the legal and factual basis for the Tier I operating permit terms and conditions including references to the applicable statutory or regulatory provisions for the terms and conditions as required by IDAPA 58.01.01.362

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APPENDIX A – AIRS INFORMATION

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Acronyms, Units and Chemical Nomenclature

acfm	actual cubic feet per minute
AFS	AIRS Facility Subsystem
AIRS	Aerometric Information Retrieval System
AQCR	Air Quality Control Region
ASTM	American Society for Testing and Materials
BACT	Best Available Control Technology
Btu	British thermal unit
CAA	Clean Air Act
CFR	Code of Federal Regulations
CO	carbon monoxide
DEQ	Department of Environmental Quality
gr	grain (1 lb = 7,000 grains)
dscf	dry standard cubic feet
EPA	U.S. Environmental Protection Agency
gpm	gallons per minute
HAP	hazardous air pollutants
hp	horsepower
IDAPA	a numbering designation for all administrative rules in Idaho promulgated in accordance with the Idaho Administrative Procedures Act
km	kilometer
lb/hr	pounds per hour
m	meter(s)
MACT	Maximum Achievable Control Technology
$\mu\text{g}/\text{m}^3$	micrograms per cubic meter
MMBtu	million British thermal units
MRRR	Monitoring, Recordkeeping and Reporting Requirements
NAICS	North American Industry Classification System
NESHAP	National Emission Standards for Hazardous Air Pollutants
NO ₂	nitrogen dioxide
NO _x	nitrogen oxides
NSPS	New Source Performance Standards
PC	permit condition
PM	particulate matter
PM ₁₀	particulate matter with an aerodynamic diameter less than or equal to a nominal 10 micrometers
ppm	parts per million
ppmvd	parts per million by volume, dry
PSD	Prevention of Significant Deterioration
PTC	permit to construct
PTE	potential to emit
Rules	Rules for the Control of Air Pollution in Idaho
scf	standard cubic feet
SIC	Standard Industrial Classification
SIP	State Implementation Plan
SM	Synthetic Minor
SO ₂	sulfur dioxide
SO _x	sulfur oxides
TAP	toxic air pollutant

Tier I	Tier I operating permit
T/yr	tons per year
UTM	Universal Transverse Mercator
VOC	volatile organic compound

1. INTRODUCTION AND APPLICABILITY

TransCanada GTN System Compressor Station No. 4 is a facility consisting of three turbines used to maintain flow of natural gas through the GTN pipeline system, and is located at 237 Samuels Road, Samuels, Idaho 83864. The facility is classified as a major facility, as defined by IDAPA 58.01.01.008.10.c, because it emits or has the potential to emit oxides of nitrogen (NO_x) and carbon monoxide (CO) above the major source threshold of 100 tons-per-year. At the time of this permitting action, the facility is not a major source of HAP emissions. As a major facility, TransCanada GTN System Compressor Station No. 4 is required to apply for a Tier I operating permit pursuant to IDAPA 58.01.01.301. The application for a Tier I operating permit must contain a certification from TransCanada GTN System Compressor Station No. 4 as to its compliance status with all applicable requirements (IDAPA 58.01.01.314.09).

IDAPA 58.01.01.362 requires that as part of its review of the Tier I application, DEQ shall prepare a technical memorandum (i.e. statement of basis) that sets forth the legal and factual basis for the draft Tier I operating permit terms and conditions including reference to the applicable statutory provisions or the draft denial. This document provides the basis for the draft Tier I operating permit for TransCanada GTN System Compressor Station No. 4.

The format of this Statement of Basis follows that of the permit with the exception of the facility's information discussed first followed by the scope, the applicable requirements and permit shield, and finally the general provisions.

TransCanada GTN System Compressor Station No. 4 Tier I operating permit is organized into sections. They are as follows:

Section 1 – Tier I Operating Permit Scope

The scope describes this permitting action. An emergency spark ignition engine was previously considered an Insignificant Activity. However, IDAPA 58.01.01.317.01 states that “no emission unit or activity subject to an applicable requirement shall qualify as an insignificant emission unit or activity”. The emergency spark ignition engine is subject to NESHAP, subpart ZZZZ. Also two obsolete PTC conditions were removed from this operating permit and replaced with updated requirements.

Section 2 – Facility-Wide Conditions

The Facility-wide Conditions section contains the applicable requirements (permit conditions) that apply facility-wide. Where required, monitoring, recordkeeping and reporting requirements sufficient to assure compliance with each permit condition follows the permit condition.

Sections 3 through 5 – Three Natural Gas-Fired Turbines

The emissions unit-specific sections of the permit contain the applicable requirements that specially apply to each regulated emissions unit. Some requirements that apply to an emissions unit (e.g. opacity limits) may be contained in the facility-wide conditions. As with the facility-wide conditions, monitoring, recordkeeping and reporting requirements sufficient to assure compliance with each applicable requirement immediately follows the applicable requirement.

Section 6 – NESHAP, Subpart ZZZZ Requirements

A compliance schedule will be in the permit to address any sources not in compliance with an applicable requirement at the time of permit issuance.

Section 7 – Non-applicable Requirements and Insignificant Activities

This section lists those requirements that the applicant has requested as non-applicable, and DEQ proposes to grant a permit shield in accordance with IDAPA 58.01.01.325.

If requested by the applicant, this section also lists emissions units and activities determined to be insignificant activities based on size or production as allowed by IDAPA 58.01.01.317.01.b.

Section 8 – General Provisions

The final section of the permit contains standard terms and conditions that apply to all major facilities subject to IDAPA 58.01.01.300. This section is the same for all Tier I sources. These conditions have been reviewed by EPA and contain all terms required by IDAPA 58.01.01 et al as well as requirements from other air quality laws and regulations. Each general provision has been paraphrased so it is more easily understood by the general public; however, there is no intent to alter the effect of the requirement. Should there be a discrepancy between a paraphrased general provision in this statement of basis and the rule or permit, the rule or permit shall govern.

2. FACILITY INFORMATION

2.1 Facility Description

TransCanada GTN System (TransCanada) operates a network of compressor stations that transmit natural gas from Canada to California along an underground pipeline. The pipeline enters the United States in northern Idaho, continues through southeastern Washington and central Oregon and enters California at its northern border. The network consists of 12 compressor stations located along the pipeline, all of which are designed for remote unattended operation from TransCanada's Gas Dispatch Center in Portland, Oregon. Each compressor station consists of one or more turbine-driven compressors that move natural gas through the pipeline. The turbines use the natural gas in the pipeline as fuel and provide energy for the compressors.

Compressor Station #4 in Samuels, Idaho uses three turbines to power the compressors. The turbines are referenced as Units 4A, 4B and 4C. Unit 4A is a Solar Titan 130S SoLoNO_x turbine with a rated output capacity of 19,500 hp. Unit 4B is a Solar Mars 100S Low NO_x turbine with a maximum rated output capacity of 15,000 hp. Finally, Unit 4C is a Solar Mars T14000 standard turbine with a maximum rated output capacity of 14,100 hp. All three turbines have their own stack.

2.2 Facility Permitting History

2.2.1 Tier I Operating Permit History – Previous 5-year permit term May 22, 2006 to May 22, 2011

The following information is the permitting history of this Tier I facility during the previous five-year permit term which was from May 22, 2006 to May 22, 2011. This information was derived from a review of the permit files available to DEQ. Permit status is noted as active and in effect (A) or superseded (S).

May 22, 2006	T1-050103, Renewal of initial Tier I permit, Permit status (S)
July 24, 2007	T1-2007.0046, Modification to Tier I, Permit Status (S)
August 15, 2007	T1-2007.0153, Amended typographical errors and added rationale as to why visible emission requirements were removed for Unit 4A and the underlying PTC, Permit Status (S)
April 7, 2009	T1-2009.0035, Amendment to update the responsible official, Permit Status (S)
April 28, 2009	T1-2009.0048, Amendment to modify language stating what permits were superseded. T1-2009.0035 superseded T1-2007.0153 rather than T1-050103 as stated in the original Statement of Basis and corresponding letter.
September 15, 2010	T1-2009.0048 project 60539, Correct Table 4.2 to identify the throughput restriction of Permit Condition 4.4 as 963.6 MMscf/year as specified in underlying PTC #017-00037, issued October 22, 1999 instead of 2,657 MMscf/year. Correct Table 4.2 to identify the NO _x emission limit of Permit Condition 4.7 as 352 tons per year as specified in underlying PTC #017-00037, issued October 22, 1999 instead of 197 tons per year. Correct Permit Condition 4.6 to identify the NO _x emission limit as 220 ppmvd as specified in underlying PTC #017-00037, issued October 22, 1999 instead of 42 ppmvd., Permit Status (A, until T1-2010.0100 is issued, then superseded).

2.2.2 Underlying Permit History – Includes every underlying permit issued to this facility

The following information is the comprehensive permitting history of all underlying applicable permits issued to this Tier I facility. This information was derived from a review of the permit files available to DEQ. Permit status is noted as active and in effect (A) or superseded (S).

October 1, 1986	PTC # 0280-0007, Then known as Pacific Gas Transmission Company, was issued an initial PTC, Permit status (S)
December 22, 1989	PTC # 0280-0007, Permit modification, Permit status (S)
February 20, 1990	PTC # 0280-0007, Permit modification, Permit Status (S)
May 29, 1990	PTC # 0280-0007, Permit amended, Permit Status (S)
March 22, 1996	PTC # 017-00037, Permit modification to replace GE Frame 3 turbine and number changed, Permit Status (S)
November 21, 1996	PTC # 017-00037, Permit modification to increase emission rates to account for winter temperatures effects, Permit Status (S)
March 20, 1998	PTC # 017-00037, Permit modification to replace two gas-fired turbines with Unit 4B and 4C. There was an increase of 72 T/yr NO _x . However, the increase was offset and PSD was not triggered. They also banked 73 T/yr NO _x ERCs. The facility name was also changed to PG&E Gas Transmission Northwest, Permit Status (S).
October 22, 1999	PTC # 017-00037, Permit modification to increase facility-wide by 65 T/yr NO _x . Because of the banked credits for the 1998 action PSD was not triggered. Permit Status (A).
August 1, 2001	Tier I operating Permit # 017-00037, Initial Title V permit for facility, Permit Status (S).
April 4, 2002	PTC # 017-00037, Initial permit for Unit 4A. PSD was triggered and a review occurred, Permit Status (S).
March 24, 2003	PTC # P-030100, Modification to Unit 4A. The emissions guarantee for NO _x changed from a percent of rated load to an air inlet temperature range while operating in SoLoNO _x mode, Permit Status (S)
March 10, 2005	PTC # P-040117, Permit Revision to Unit 4A. Incorporate 40 CFR 60, Subpart GG and to update the responsible official. The facility name was changed to Gas Transmission Northwest Corp., Permit Status (S).
July 13, 2007	PTC # P-2007.0051, Permit modification to Unit 4A. Removal of visible emissions requirement to be present during a performance test for the SoLoNO _x turbine, Permit Status (A).

3. APPLICATION SCOPE AND APPLICATION CHRONOLOGY

3.1 Application Scope

This permit is the renewal of the facility's currently effective Tier I operating permit. 40 CFR 63 Subpart ZZZZ applies to the emergency engine and 40 CFR 60 Subpart GG has been updated and is incorporated.

3.2 Application Chronology

August 11, 2010	DEQ received an application from TransCanada to renew the facility's effective Tier I operating permit.
September 10, 2010	DEQ determined the application complete
December 29, 2010	DEQ provided the draft permit to the facility for review
January 25, 2011	DEQ provided the Tier I operating permit for public comment and affected states review. Public comment and affected states review ended on February 24, 2011.

March 1, 2011 DEQ provided the proposed permit to EPA Region 10 for review.
 March 7, 2011 DEQ issued the final permit to the facility

4. EMISSIONS UNITS, PROCESS DESCRIPTION(S), AND EMISSIONS INVENTORY

This section lists the emissions units, describes the production or manufacturing processes, and provides the emissions inventory for this facility. The information presented was provided by the applicant in its permit application. Also listed in this section are the insignificant activities based on size or production rate.

4.1 Process No. 1 – Solar Mars 100S Low NO_x Turbine

Table 4.1 lists the emissions units and control devices associated with the Solar Mars 100S Low NO_x Turbine.

Table 4.1 EMISSION UNITS, CONTROL DEVICE, AND DISCHARGE POINT INFORMATION

Emission Unit ID No.	Emissions Unit Description	Control Device Description (if applicable)
Unit 4B	Solar Mars 100S Low NO _x Turbine	None

The compressor station consists of three turbine-driven compressors that move the natural gas through the pipeline. The turbines use the natural gas in the pipeline as fuel and provide energy for the compressors to induce the flow of the gas.

4.2 Process No. 2 – Solar Mars T1400 Standard Turbine

Table 4.2 lists the emissions units and control devices associated with the Solar Mars T1400 Standard turbine.

Table 4.2 EMISSION UNITS, CONTROL DEVICE, AND DISCHARGE POINT INFORMATION

Emission Unit ID No.	Emissions Unit Description	Control Device Description (if applicable)
Unit 4C	Solar Mars T1400 Standard turbine	None

The compressor station consists of three turbine-driven compressors that move the natural gas through the pipeline. The turbines use the natural gas in the pipeline as fuel and provide energy for the compressors to induce the flow of the gas.

4.3 Process No. 3 – Solar Titan 130S SoLoNO_x Turbine

Table 4.3 lists the emissions units and control devices associated with the Solar Titan 130S SoLoNO_x Turbine.

Table 4.3 EMISSION UNITS, CONTROL DEVICE, AND DISCHARGE POINT INFORMATION

Emission Unit ID No.	Emissions Unit Description	Control Device Description (if applicable)
Unit 4A	Solar Titan 130S SoLoNO _x Turbine.	None

The compressor station consists of three turbine-driven compressors that move the natural gas through the pipeline. The turbines use the natural gas in the pipeline as fuel and provide energy for the compressors to induce the flow of the gas.

4.4 Process No. 4 – Emergency Spark Ignition Engine

Table 4.4 lists the emissions units and control devices associated with the emergency engine.

Table 4.4 EMISSION UNITS, CONTROL DEVICE, AND DISCHARGE POINT INFORMATION

Emissions Unit Description	Control Device Description (if applicable)
Emergency Spark Ignition Engine >500 bhp Installed before 12/19/2002	None

The emergency engine is used to provide backup electrical power in the event that power from the local utility company is interrupted. The engines uses natural gas from the pipeline as fuel.

4.5 Insignificant Emissions Units Based on Size or Production Rate

No emissions unit or activity subject to an applicable requirement may qualify as an insignificant emissions unit or activity. As required by IDAPA 58.01.01.317.01.b, insignificant emissions units (IEU's) based on size or production rate must be listed in the permit application. Table 4.2 lists the IEU's identified in the permit application. Also summarized is the regulatory authority or justification for each IEU.

Table 4.5 INSIGNIFICANT EMISSION UNITS AND REGULATORY AUTHORITY/JUSTIFICATION

Emissions Unit/Activity	Regulatory Authority/Justification
Space Heating Boilers	58.01.01.317.01.b.i.(5)
Lubricating Oil System	58.01.01.317.07.a.i.(4)
Natural Gas Pipeline and Fuel System	58.01.01.317.01.b.i.(30)
Fugitive Emissions	58.01.01.317.01.b.i.(30)

Non-applicable Requirements for Which a Permit Shield is Requested

This section of the permit lists the regulations for which the facility has requested, and DEQ proposes to grant, a permit shield pursuant to IDAPA 58.01.01.325. The facility has not requested a permit shield.

4.6 Emissions Inventory

Table 4.6 summarizes the emissions inventory for this major facility. All values are expressed in units of tons-per-year and represent the facility's potential to emit. Potential to emit is defined as the maximum capacity of a facility or stationary source to emit an air pollutant under its physical and operational design. Any physical or operational limitation on the capacity of the facility or source to emit an air pollutant, including air pollution control equipment and restrictions on hour of operation or on the type or amount of material combusted, stored or processed shall be treated as part of its design if the limitation or the effect it would have on emission is state or federally enforceable.

Table 4.6 EMISSIONS INVENTORY – POTENTIAL TO EMIT (T/yr)

Emissions Unit Description	PM ₁₀	NO _x	SO ₂	CO	VOC	HAPs
Unit 4A	4.21	85.4	1.79	74.8	1.34	
Unit 4B	4.1	73	1.6	51	1.8	1.13
Unit 4C	3.6	352	1.4	59.4	1.1	0.98
TOTAL EMISSIONS	11.91	510.4	4.79	185.2	4.24	2.11

The emissions associated with Unit 4A were established in the April 4, 2002 PTC issued to Pacific Gas and Electric Gas Transmission Northwest Corporation, later renamed to TransCanada. Although the current active PTC for Unit 4A was issued July, 13, 2007 no emissions changes have been made since

2002. Therefore, Appendix A of the Technical Memorandum from 2002 contains all the information in establishing the emissions. The appendix and the body of the memorandum contain PSD review when Unit 4A was added.

Information pertaining to emissions from Units 4B and 4C may be found in the October 22, 1999 Technical Memorandum. Also, the initial Tier I permit, issued April 1, 2001 provides further details.

Emissions have never been estimated for the emergency engine because it did not require a permit to construct.

The emissions of NO_x and SO₂ exceed the Title V major source threshold, so a Tier I operating permit is required. For Title V purposes, if any emissions exceed the Title V major threshold, then a permit is required, and it is unnecessary to assess other sources for PTE for Title V permitting purposes because a Title V permit is already required.

There is no change in emissions since the previous Tier I operating permit.

5. EMISSIONS LIMITS AND MRRR

This section contains the applicable requirements for this major facility. Where applicable, monitoring, recordkeeping and reporting requirements (MRRR) follow the applicable requirement and state how compliance with the applicable requirement is to be demonstrated.

This section is divided into several subsections. The first subsection lists the requirements that apply facility wide. The next subsection lists the emissions units- and emissions activities-specific applicable requirements. The final subsection contains the general provisions that apply to all major facilities subject to Idaho DEQ's Tier I operating permit requirements.

This section contains the following subsections:

- Facility-Wide Conditions;
- Solar Mars 100S Low NO_x Turbine Emissions Limits;
- Solar Mars T1400 Standard Turbine Emissions Limits;
- Solar Titan 130S SoLoNo_x Turbine Emissions Limits;
- Emergency Spark Ignition Engine Emissions Limits and
- Tier I Operating Permit General Provisions.

MRRR

Immediately following each applicable requirement (permit condition) is the periodic monitoring regime upon which compliance with the underlying applicable requirement is demonstrated. A periodic monitoring regime consists of monitoring, recordkeeping and reporting requirements for each applicable requirement. If an applicable requirement does not include sufficient monitoring, recordkeeping and reporting to satisfy IDAPA 58.01.01.322.06, 07, and 08, then the permit must establish adequate monitoring, recordkeeping and reporting sufficient to yield reliable data from the relevant time period that are representative of the source's compliance with the permit. This is known as gap filling.

The discussion of each permit condition includes the legal and factual basis for the permit condition. If a permit condition was changed due to facility draft or public comments, describe why and how the condition was changed. See instructions on the cover page for Appendix D for other options.

State Enforceability

An applicable requirement that is not required by the federal CAA and has not been approved by EPA as a SIP-approved requirement is identified as a “State-only” requirement and is enforceable only under state law. State-only requirements are not enforceable by the EPA or citizens under the CAA. State-only requirements are identified in the permit within the citation of the legal authority for the permit condition.

Federal Enforceability

Unless identified as “State-only”, all applicable requirements, including MRRR, are state and federally enforceable. It should be noted that while a violation of a MRRR is a violation of the permit, it is not necessarily a violation of the underlying applicable requirement (e.g. emissions limit).

To minimize the length of this document, the MRRR for the facility-wide permit conditions has been paraphrased. Refer to the permit for the complete requirement.

5.1 Facility-wide Conditions

Permit Condition 2.1 – Fugitive Dust

All reasonable precautions shall be taken to prevent PM from becoming airborne in accordance with IDAPA 58.01.01.650-651.

[IDAPA 58.01.01.650-651, 3/30/07]

MRRR (Permit Conditions 2.2 through 2.4)

- Monitor and maintain records of the frequency and the methods used to control fugitive dust emissions;
- Maintain records of all fugitive dust complaints received and the corrective action taken in response to the complaint;
- Conduct a quarterly facility-wide inspection of all sources of fugitive emissions. If any of the sources of fugitive dust are not being reasonably controlled, corrective action is required.
- Records of each fugitive dust inspection and corrective action taken are to be maintained at the permitted facility.

[IDAPA 58.01.01.322.06, 07, 08, 4/5/2000]

Permit Condition 2.5 – Odors

The permittee shall not allow, suffer, cause, or permit the emission of odorous gases, liquids, or solids to the atmosphere in such quantities as to cause air pollution.

[IDAPA 58.01.01.775-776 (State-only), 5/1/94]

MRRR (Permit Condition 2.6)

- Maintain records of all odor complaints received and the corrective action taken in response to the complaint;
- Take appropriate corrective action if the complaint has merit, and log the date and corrective action taken.

[IDAPA 58.01.01.322.06, 07 (State-only), 5/1/94]

Permit Condition 2.7 – Visible Emissions

The permittee shall not discharge any air pollutant to the atmosphere from any point of emission for a period or periods aggregating more than three minutes in any 60-minute period which is greater than 20% opacity as determined by procedures contained in IDAPA 58.01.01.625. These provisions shall not apply when the presence of uncombined water, nitrogen oxides, and/or chlorine gas is the only reason for the failure of the emission to comply with the requirements of this section.

[IDAPA 58.01.01.625, 4/2/08T]

MRRR (Permit Condition 2.8)

- Conduct a quarterly facility-wide inspection during daylight hours and under normal operating conditions for the purposes of observing points of visible emissions from all emissions units subject to the visible emissions standards.
- Sources that are monitored using a continuous opacity monitoring system (COMS) are not required to comply with this permit condition.
 - Each inspection shall be conducted as follows:
 - Initial see/no see evaluation for each potential source of visible emissions. If any visible emissions are present from any point of emission, the permittee shall either:
 - Take appropriate corrective action as expeditiously as practicable to eliminate the visible emissions, and conduct another see/no see evaluation within 24 hours. If the visible emissions are not eliminated, the permittee shall comply with b).

OR

- Perform a Method 9 opacity test in accordance with the procedures outlined in IDAPA 58.01.01.625. If the measured opacity is greater than 20% for the time period specified in Section 625, the permittee shall take corrective action and report the exceedance in its annual compliance certification and in accordance with IDAPA 58.01.01.130-136.
- Records of each visible emission inspection and each opacity test and corrective action taken are to be maintained at the permitted facility.

[IDAPA 58.01.01.322.06, 07, 5/1/94; IDAPA 58.01.01.322.08, 4/5/00]

Permit Condition 2.9 – Excess Emissions

The permittee shall comply with the procedures and requirements of IDAPA 58.01.01.130-136 for excess emissions. The provisions of IDAPA 58.01.01.130-136 shall govern in the event of conflicts between Permit Condition 2.9 and the regulations of IDAPA 58.01.01.130-136.

MRRR

Monitoring, recordkeeping and reporting requirements for excess emissions are provided in Sections 131 through 136.

Permit Condition 2.10 – Performance Testing

If performance testing is required, the permittee shall provide notice of intent to test to DEQ at least 15 days prior to the scheduled test or shorter time period as provided in a permit, order, consent decree, or by DEQ approval. DEQ may, at its option, have an observer present at any emissions tests conducted on a source. DEQ requests such testing not be performed on weekends or state holidays.

All testing shall be conducted in accordance with the procedures in IDAPA 58.01.01.157. Without prior DEQ approval, any alternative testing is conducted solely at the permittee's risk. If the permittee fails to obtain prior written approval by DEQ for any testing deviations, DEQ may determine that the testing does not satisfy the testing requirements. Therefore, prior to conducting any performance test, the permittee is encouraged to submit in writing to DEQ, at least 30 days in advance, the following for approval:

- The type of method to be used
- Any extenuating or unusual circumstances regarding the proposed test
- The proposed schedule for conducting and reporting the test

The permittee shall submit a compliance test report for the respective test to DEQ within 30 days following the date in which a compliance test required by this permit is concluded. The compliance test report shall include all process operating data collected during the test period as well as the test results, raw test data, and associated documentation, including any approved test protocol.

The proposed test date(s), test date rescheduling notice(s), compliance test report, and all other correspondence shall be sent to the following address:

Air Quality Permit Compliance
Department of Environmental Quality
Coeur d'Alene Regional Office
2110 Ironwood Pkwy
Coeur d'Alene, ID 83814
Phone: (208) 769-1422

Fax: (208) 769-1404

[IDAPA 58.01.01.157, 4/5/00; IDAPA 58.01.01.322.06, 08.a, 09, 5/1/94]

MRRR

No monitoring is required for this facility-wide condition. As with all permit conditions, TransCanada must certify compliance with this condition annually, which includes making a reasonable inquiry to determine if this requirement was met during the reporting period.

However, if performance testing is required, it is to be conducted in accordance with IDAPA 58.01.01.157, including any and all monitoring, recordkeeping and reporting requirements. Emissions-unit specific MRRR will be listed within the permit condition requiring performance testing permit condition.

Permit Condition 2.11 – Monitoring and Recordkeeping

The permittee shall maintain sufficient records to assure compliance with all of the terms and conditions of this operating permit. Records of monitoring information shall include, but not be limited to, the following: (a) the date, place, and times of sampling or measurements; (b) the date analyses were performed; (c) the company or entity that performed the analyses; (d) the analytical techniques or methods used; (e) the results of such analyses; and (f) the operating conditions existing at the time of sampling or measurement. All monitoring records and support information shall be retained for a period of at least five years from the date of the monitoring sample, measurement, report, or application. Supporting information includes, but is not limited to, all calibration and maintenance records, all original strip-chart recordings for continuous monitoring instrumentation, and copies of all reports required by this permit. All records required to be maintained by this permit shall be made available in either hard copy or electronic format to DEQ representatives upon request.

[IDAPA 58.01.01.322.07, 5/1/94]

MRRR

No monitoring is required for this facility-wide condition. As with all permit conditions, TransCanada must certify compliance with this condition annually, which includes making a reasonable inquiry to determine if this requirement was met during the reporting period.

Permit Condition 2.12 – Reports and Certifications

All periodic reports and certifications required by this permit shall be submitted to DEQ within 30 days of the end of each specified reporting period. Excess emissions reports and notifications shall be submitted in accordance with IDAPA 58.01.01.130-136. Reports, certifications, and notifications shall be submitted to:

Air Quality Permit Compliance
Department of Environmental Quality
Coeur d'Alene Regional Office
2110 Ironwood Pkwy
Coeur d'Alene, ID 83814
Phone: (208) 769-1422 Fax: (208) 769-1404

The periodic compliance certification required by General Provision 21 shall also be submitted within 30 days of the end of the specified reporting period to:

EPA Region 10
Air Operating Permits, OAQ-107
1200 Sixth Ave.
Seattle, WA 98101

[IDAPA 58.01.01.322.08, 11, 5/1/94]

MRRR

No monitoring is required for this facility-wide condition. As with all permit conditions, TransCanada must certify compliance with this condition annually, which includes making a reasonable inquiry to determine if this requirement was met during the reporting period.

Permit Condition 2.13 – Fuel Burning Equipment PM Standards

The permittee shall not discharge PM to the atmosphere from any fuel-burning equipment in excess of 0.015 gr/dscf of effluent gas corrected to 3% oxygen by volume for gas, 0.050 gr/dscf of effluent gas corrected to 3% oxygen by volume for liquid, 0.050 gr/dscf of effluent gas corrected to 8% oxygen by volume for coal, and 0.080 gr/dscf of effluent gas corrected to 8% oxygen by volume for wood products.

[IDAPA 58.01.01.676-677, 5/1/94]

MRRR

No monitoring is required for this facility-wide condition. As with all permit conditions, TransCanada must certify compliance with this condition annually, which includes making a reasonable inquiry to determine if this requirement was met during the reporting period.

Permit Condition 2.14 – Open Burning

The permittee shall comply with the *Rules for Control of Open Burning*, IDAPA 58.01.01.600-623.
[IDAPA 58.01.01.600-623, 4/2/08T]

MRRR

No monitoring is required for this facility-wide condition. As with all permit conditions, TransCanada must certify compliance with this condition annually, which includes making a reasonable inquiry to determine if this requirement was met during the reporting period.

Permit Condition 2.15 – Renovation/Demolition

The permittee shall comply with all applicable portions of 40 CFR 61, Subpart M when conducting any renovation or demolition activities at the facility.

[40 CFR 61, Subpart M]

MRRR

No monitoring is required for this facility-wide condition. As with all permit conditions, TransCanada must certify compliance with this condition annually, which includes making a reasonable inquiry to determine if this requirement was met during the reporting period.

Permit Condition 2.16 – Regulated Substances for Accidental Release Prevention

(a)

An owner or operator of a stationary source that has more than a threshold quantity of a regulated substance in a process, as determined under 40 CFR 68.115, shall comply with the requirements of the Chemical Accident Prevention Provisions at 40 CFR 68 no later than the latest of the following dates:

- Three years after the date on which a regulated substance present above a threshold quantity is first listed under 40 CFR 68.130.
- The date on which a regulated substance is first present above a threshold quantity in a process.

[40 CFR 68.10 (a)]

(b)

This facility is subject to 40 CFR Part 68 and shall certify compliance with all requirements of 40 CFR Part 68, including the registration and submission of the RMP, as part of the annual compliance certification required by 40 CFR 70.6(c)(5).

[40 CFR 68.215(a)(2); IDAPA 58.01.01.322.11, 4/6/05; 40 CFR 68.215(a)(ii)]

MRRR

No monitoring is required for this facility-wide condition. As with all permit conditions, TransCanada must certify compliance with this condition annually, which includes making a reasonable inquiry to determine if this requirement was met during the reporting period.

Permit Condition 2.17 – Recycling and Emissions Reductions

The permittee shall comply with applicable standards for recycling and emissions reduction pursuant to 40 CFR 82, Subpart F, Recycling and Emissions Reduction.

[40 CFR 82, Subpart F]

MRRR

No monitoring is required for this facility-wide condition. As with all permit conditions, TransCanada must certify compliance with this condition annually, which includes making a reasonable inquiry to determine if this requirement was met during the reporting period.

Permit Conditions 2.18 and 2.19 – Federal Requirement General Provisions

These permit conditions replace the general provisions that we listed individually in the previous permit.

Permit Conditions 2.20 – Incorporation of Federal Requirements by Reference

This permit condition was added specify that all federal requirements govern should there be a conflict between the content of the permit and the federal requirements.

5.2 Emissions Unit-specific Emissions Limits and MRRR

Emissions Unit No. 1

MRRR – (permit Condition 3.10)

In accordance with 40 CFR 60.334(h)(3)(i), the permittee shall use the gas quality characteristics in a current, valid purchase contract, tariff sheet or transportation contract for the gaseous fuel, specifying that the maximum total sulfur content of the fuel is 20.0 grains/100 scf or less).

This permit condition was added as discussed in Section 6 of this SOB. This replaces the previous permit condition, as follows:

The permittee shall monitor and record the sulfur content of the fuel being fired in the gas turbines in accordance with the approved custom fuel monitoring schedule granted to the permittee by the Environmental Protection Agency (EPA). A copy of the semi-annual report required by EPA shall also be sent to DEQ to demonstrate compliance with 40 CFR 60.333(b).

This PTC condition, from PTC No. 017-00037, issued October 22, 1999, was based on a previous version of 40 CFR 60 Subpart GG, and has been replaced by the option the facility requested from the revised regulation.

The PTC condition is outdated, so it has not been carried over into the Tier I operating permit in accordance with guidance provided by the EPA in the July 10, 1995 memo, White Paper for Streamlined Development of Part 70 Permit Applications, Page 14, as follows:

New source review permits are also likely to contain other terms that are not patently obsolete or irrelevant, but that the source and permitting authority agree are nevertheless extraneous, out-dated, or otherwise environmentally insignificant and inappropriate for inclusion in a federally-enforceable permit. ... The propriety of excluding other types of NSR permit terms will need to be evaluated on a case-by-case basis.

Emissions Unit No. 2

MRRR – (Permit Condition 4.8)

The permittee shall monitor and record the average NO_x pound-per-hour (lb/hr) emissions rate at full-load operating conditions measured for each test required by Permit Condition 4.15. Compliance with the annual NO_x emissions rate limit shall be demonstrated as shown below.

$$(X_a \text{ lb/hr})(8,760 \text{ hr/yr})(1 \text{ T}/2000 \text{ lb}) = X \text{ T/yr}$$

Where: X_a = average pound-per-hour NO_x emissions rate at full-load operating conditions measured during testing.

This permit condition was added as discussed below. This replaces the previous permit condition, as follows:

The permittee shall develop a NO_x emission factor to use along with the monitored fuel throughput required by Permit Condition 4.5 to estimate annual NO_x emissions to demonstrate compliance with Permit Condition 4.7. The emission factor shall be developed using the results of performance tests required by Permit Condition 4.15 and shall be submitted to DEQ for approval. The permittee shall calculate the NO_x emissions at least once per any consecutive 12-month period.

The previous condition allowed for the development of an emission factor that required DEQ approval. Rather than require submittal and written approval, the updated condition spells out the necessary calculation to clarify what should be done. Also, it avoids the validation of emission factors used by the permittee. Rather test data is used in place of any emission factor. The updated condition has the identical intent of the previous condition. This is also consistent with the Eastport Station renewal.

MRRR – (Permit Condition 4.10)

In accordance with 40 CFR 60.334(h)(3)(i), the permittee shall use the gas quality characteristics in a current, valid purchase contract, tariff sheet or transportation contract for the gaseous fuel, specifying that the maximum total sulfur content of the fuel is 20.0 grains/100 scf or less).

This permit condition was added as discussed in Section 6 of this SOB. This replaces the previous permit condition, as follows:

The permittee shall monitor and record the sulfur content of the fuel being fired in the gas turbines in accordance with the approved custom fuel monitoring schedule granted to the permittee by the Environmental Protection Agency (EPA). A copy of the semi-annual report required by EPA shall also be sent to DEQ to demonstrate compliance with 40 CFR 60.333(b).

This PTC condition, from PTC No. 017-00037, issued October 22, 1999, was based on a previous version of 40 CFR 60 Subpart GG, and has been replaced by the option the facility requested from the revised regulation.

The PTC condition is outdated, so it has not been carried over into the Tier I operating permit in accordance with guidance provided by the EPA in the July 10, 1995 memo, White Paper for Streamlined Development of Part 70 Permit Applications, Page 14, as follows:

New source review permits are also likely to contain other terms that are not patently obsolete or irrelevant, but that the source and permitting authority agree are nevertheless extraneous, out-dated, or otherwise environmentally insignificant and inappropriate for inclusion in a federally-enforceable permit. ... The propriety of excluding other types of NSR permit terms will need to be evaluated on a case-by-case basis

Emissions Unit No. 3

No permit conditions have been added or changed for the Unit 4A turbine.

Emissions Unit No. 4

The generator was moved from the Insignificant Source list because 40 CFR 63 Subpart ZZZZ applies to it, and permit conditions have been written to incorporate the applicable provisions. Only the emission limits and monitoring, recordkeeping, and reporting permit conditions are listed in this section.

Permit Condition 6.2

In accordance with 40 CFR 63.6603(a), on and after October 19, 2013, the following emission limits or operating restrictions are required for the 500 bhp engine. The permittee must meet the following requirements, except during periods of startup.

- *Change oil and filter every 500 hours of operation or annually, whichever comes first.*
- *Inspect spark plugs every 1,000 hours of operation or annually, whichever comes first.*
- *Inspect all hoses and belts every 500 hours of operation or annually, whichever comes first, and replace as necessary*

MRRR – (Permit Condition 6.4)

In accordance with 63.6625(e)(3), on and after October 19, 2013, the permittee must operate and maintain the stationary RICE and after-treatment control device (if any) according to the manufacturer's emission-related written instructions or develop your own maintenance plan which must provide to the extent practicable for the maintenance and operation of the engine in a manner consistent with good air pollution control practice for minimizing emissions.

MRRR – (Permit Condition 6.5)

In accordance with 63.6625(f), on and after October 19, 2013, an existing emergency stationary RICE located at an area source of HAP emissions must install a non-resettable hour meter if one is not already installed.

MRRR – (Permit Condition 6.6)

On and after October 19, 2013, the engine's time spent at idle during startup shall be minimized to a period needed for appropriate and safe loading of the engine, but not to exceed 30 minutes, after which time the emission standards associated with this permit apply in accordance with 40 CFR 63.6625(h).

MRRR – (Permit Condition 6.7)

In accordance with 40 CFR 63.6625(j), on and after October 19, 2013, the permittee the option of utilizing an oil analysis program in order to extend the specified oil change requirement in Emissions and Operating Limitations permit condition. The oil analysis must be performed at the same frequency specified for changing the oil. The analysis program must at a minimum analyze the following three parameters: Total Acid Number, viscosity, and percent water content. The condemning limits for these parameters are as follows: Total Acid Number increases by more than 3.0 milligrams of potassium hydroxide (KOH) per gram from Total Acid Number of the oil when new; viscosity of the oil has changed by more than 20 percent from the viscosity of the oil when new; or percent water content (by volume) is greater than 0.5. If all of these condemning limits are not exceeded, the engine owner or operator is not required to change the oil. If any of the limits are exceeded, the engine owner or operator must change the oil within 2 days of receiving the results of the analysis; if the engine is not in operation when the results of the analysis are received, the engine owner or operator must change the oil within 2 days or before commencing operation, whichever is later. The owner or operator must keep records of the parameters that are analyzed as part of the program, the results of the analysis, and the

oil changes for the engine. The analysis program must be part of the maintenance plan for the engine.

MRRR – (Permit Condition 6.8)

In accordance with 40 CFR 63.6640(f), the permittee must operate the emergency stationary RICE according to the requirements in paragraphs (f)(1)(i) through (iii). The paragraphs are as follows:

- (i) There is no time limit on the use of emergency stationary RICE in emergency situations.*
- (ii) The permittee may operate the emergency RICE for the purposes of maintenance checks and readiness testing, provided the tests are recommended by Federal, State or local government, the manufacturer, the vendor or the insurance company associated with the engine. Maintenance checks and readiness testing of such units is limited to 100 hours per year.*

The permittee may operate the emergency stationary RICE up to 50 hours per year in non-emergency situations, but those 50 hours are counted towards the 100 hour per year provided for maintenance and testing.

MRRR – (Permit Condition 6.9)

In accordance with 40 CFR 63.6655(e), the permittee must keep records of the maintenance conducted on the stationary RICE in order to demonstrate that you operated and maintained the stationary RICE and after-treatment control device (if any) according to your own maintenance plan if you own or operate any of the following Rice; (1) an existing stationary emergency RICE, (2) an existing stationary RICE located at an area source of HAP emissions subject to management practices as shown in Table 2d to this subpart.

In accordance with 40 CFR 63.6655(f), an existing emergency stationary RICE located at an area source of HAP emissions that does not meet the standards applicable to non-emergency engines, you must keep records of the hours of operation of the engine that is recorded through the non-resettable hour meter. The permittee must document how many hours are spent for emergency operation; including what classified the operation as emergency and how many hours are spent for non-emergency operation. If engines are used for demand response, the permittee must keep records of the notification of the emergency situation, and the time the engine was operated as part of demand response.

All records shall be readily accessible in hard copy or electronic form for a minimum of five (5) years after the date of each occurrence, measurement, maintenance procedure, corrective action or report in accordance with 40 CFR 63.6660.

MRRR – (Permit Condition 6.10)

Any notifications or reporting required by the National Emission Standards for Hazardous Air Pollutants: Stationary Reciprocating Internal Combustion Engines, 40 CFR 63, Subpart ZZZZ or Subpart A – General Provisions shall be submitted to the following address in accordance with 40 CFR 63.13:

*Air Quality Permit Compliance
Coeur d'Alene Regional Office
Department of Environmental Quality
2110 Ironwood Parkway
Coeur d'Alene, ID 83814
Phone: (208) 769-1422
Fax: (208) 769-1404*

and

*EPA Region 10
Air Operating Permits, OAQ-107
1200 Sixth Ave.
Seattle, WA 98101*

5.3 General Provisions

Unless expressly stated, there are no MRRR for the general provisions.

General Provision 1 – General Compliance, Duty to Comply

The permittee must comply with the terms and conditions of the permit.

[IDAPA 58.01.01.322.15.a, 5/1/94; 40 CFR 70.6(a)(6)(i)]

General Provision 2 – General Compliance, Need to Halt or Reduce Activity Not a Defense

The permittee cannot use the fact that it would have been necessary to halt or reduce an activity as a defense in an enforcement action.

[IDAPA 58.01.01.322.15.b, 5/1/94; 40 CFR 70.6(a)(6)(ii)]

General Provision 3 – General Compliance, Duty to Supplement or Correct Application

The permittee must promptly submit such supplementary facts or corrected information upon becoming aware that any relevant facts were omitted or incorrect information was submitted in the permit application. The permittee must also provide information as necessary to address any new requirements that become applicable after the date a complete application has been filed but prior to the release of a draft permit.

[IDAPA 58.01.01.315.01, 5/1/94; 40 CFR 70.5(b)]

General Provision 4 – Reopening, Additional Requirements, Material Mistakes, Etc.

This term lists the instances when the permit must be reopened and revised, including times when additional requirements become applicable, when the permit contains mistakes, or when revision or revocation is necessary to assure compliance with applicable requirements.

[IDAPA 58.01.01.322.15.c, 5/1/94; IDAPA 58.01.01.386, 3/19/99;
40 CFR 70.7(f)(1), (2); 40 CFR 70.6(a)(6)(iii)]

General Provision 5 – Reopening, Permitting Actions

This term discusses modification, revocation, reopening, and/or reissuance of the permit for cause. If TransCanada files a request to modify, revoke, reissue, or terminate the permit, the request does not stay any permit condition, nor does notification of planned changes or anticipated noncompliance.

[IDAPA 58.01.01.322.15.d, 5/1/94; 40 CFR 70.6(a)(6)(iii)]

General Provision 6 – Property Rights

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

[IDAPA 58.01.01.322.15.e, 5/1/94; 40 CFR 70.6(a)(6)(iv)]

General Provision 7 – Information Requests

The permittee must furnish, within a reasonable time to DEQ, any information, including records required by the permit, that is requested in writing to determine whether cause exists for modifying, revoking and reissuing, or terminating the permit or to determine compliance with the permit.

[Idaho Code §39-108; IDAPA 58.01.01.122, 4/5/00; IDAPA 58.01.01.322.15.f, 4/5/00;
40 CFR 70.6(a)(6)(v)]

General Provision 8 – Information Requests, Confidential Business Information

Upon request, the permittee must furnish to DEQ copies of records required to be kept by this permit.

For information claimed to be confidential, the permittee may furnish such records along with a claim of confidentiality in accordance with Idaho Code §9-342A and applicable implementing regulations including IDAPA 58.01.01.128.

[IDAPA 58.01.01.322.15.g, 5/1/94; IDAPA 58.01.01.128, 4/5/00; 40 CFR 70.6(a)(6)(v)]

General Provision 9 - Severability

If any provision of the permit is held to be invalid, all unaffected provisions of the permit will remain in effect and enforceable.

[IDAPA 58.01.01.322.15.h, 5/1/94; 40 CFR 70.6(a)(5)]

General Provision 10 – Changes Requiring Permit Revision or Notice

The permittee may not commence construction or modification of any stationary source, facility, major facility, or major modification without first obtaining all necessary permits to construct or an approval under IDAPA 58.01.01.213, or complying with IDAPA 58.01.01.220 through 223. The permittee must comply with IDAPA 58.01.01.380 through 386 as applicable.

[IDAPA 58.01.01.200-223, 4/2/08; IDAPA 58.01.01.322.15.i, 3/19/99; IDAPA 58.01.01.380-386, 7/1/02; 40 CFR 70.4(b)(12), (14), (15), and 70.7(d), (e)]

General Provision 11 – Changes Requiring Permit Revision or Notice.

Changes that are not addressed or prohibited by the Tier I operating permit require a Tier I operating permit revision if such changes are subject to any requirement under Title IV of the CAA, 42 U.S.C. Section 7651 through 7651c, or are modifications under Title I of the CAA, 42 U.S.C. Section 7401 through 7515. Administrative amendments (IDAPA 58.01.01.381), minor permit modifications (IDAPA 58.01.01.383), and significant permit modifications (IDAPA 58.01.01.382) require a revision to the Tier I operating permit. IDAPA 58.01.01.502(b)(10) changes are authorized in accordance with IDAPA 58.01.01.384. Off-permit changes and required notice are authorized in accordance with IDAPA 58.01.01.385.

[IDAPA 58.01.01.381-385, 7/1/02; IDAPA 58.01.01.209.05, 4/11/06; 40 CFR 70.4(b)(14) and (15)]

General Provisions 12 and 13 – Federal and State Enforceability

All permit conditions are federally enforceable unless specified in the permit as a state or local only requirement. State and local only requirements are not required under the CAA and are not enforceable by EPA or by citizens.

[IDAPA 58.01.01.322.15.j, 5/1/94; IDAPA 58.01.01.322.15.k, 3/23/98; Idaho Code §39-108; 40 CFR 70.6(b)(1) and (2)]

General Provision 14 – Inspection and Entry

Upon presentation of credentials, TransCanada shall allow DEQ or an authorized representative of DEQ to do the following:

- a. Enter upon the permittee's premises where a Tier I source is located or emissions related activity is conducted, or where records are kept under conditions of this permit;
- b. Have access to and copy, at reasonable times, any records that are kept under the conditions of this permit;
- c. Inspect at reasonable times any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under this permit; and

- d. As authorized by the Idaho Environmental Protection and Health Act, sample or monitor, at reasonable times, substances or parameters for the purpose of determining or ensuring compliance with this permit or applicable requirements.

[Idaho Code §39-108; IDAPA 58.01.01.322.15.l, 5/1/94; 40 CFR 70.6(c)(2)]

General Provision 15 – New Requirements During Permit Term

The permittee must continue to comply with all applicable requirements and must comply with new requirements on a timely basis.

[IDAPA 58.01.01.322.10, 4/5/00; IDAPA 58.01.01.314.10.a.ii, 5/1/94; 40 CFR 70.6(c)(3) citing 70.5(c)(8)]

General Provision 16 - Fees

The owner or operator of a Tier I source shall pay annual registration fees to DEQ in accordance with IDAPA 58.01.01.387 through IDAPA 58.01.01.397.

[IDAPA 58.01.01.387, 4/2/03; 40 CFR 70.6(a)(7)]

General Provision 17 – Certification

All documents submitted to DEQ shall be certified in accordance with IDAPA 58.01.01.123 and comply with IDAPA 58.01.01.124.

[IDAPA 58.01.01.322.15.o, 5/1/94; 40 CFR 70.6(a)(3)(iii)(A); 40 CFR 70.5(d)]

General Provision 18 – Renewal

a. TransCanada shall submit an application to DEQ for a renewal of this permit at least six months before, but no earlier than 18 months before, the expiration date of this operating permit. To ensure that the term of the operating permit does not expire before the permit is renewed, the owner or operator is encouraged to submit a renewal application nine months prior to the date of expiration.

[IDAPA 58.01.01.313.03, 4/5/00; 40 CFR 70.5(a)(1)(iii)]

b. If a timely and complete application for a Tier I operating permit renewal is submitted, but DEQ fails to issue or deny the renewal permit before the end of the term of this permit, then all the terms and conditions of this permit including any permit shield that may have been granted pursuant to IDAPA 58.01.01.325 shall remain in effect until the renewal permit has been issued or denied.

[IDAPA 58.01.01.322.15.p, 5/1/94; 40 CFR 70.7(b)]

General Provision 19 – Permit Shield

Compliance with the terms and conditions of the Tier I operating permit, including those applicable to all alternative operating scenarios and trading scenarios, shall be deemed compliance with any applicable requirements as of the date of permit issuance, provided that:

- a. Such applicable requirements are included and are specifically identified in the Tier I operating permit; or
 - i. DEQ has determined that other requirements specifically identified are not applicable and all of the criteria set forth in IDAPA 58.01.01.325.01(b) have been met.
- b. The permit shield shall apply to permit revisions made in accordance with IDAPA 58.01.01.381.04 (administrative amendments incorporating the terms of a permit to construct), IDAPA 58.01.01.382.04 (significant modifications), and IDAPA 58.01.01.384.03 (trading under an emissions cap).

- c. Nothing in this permit shall alter or affect the following:
 - i. Any administrative authority or judicial remedy available to prevent or terminate emergencies or imminent and substantial dangers;
 - ii. The liability of an owner or operator of a source for any violation of applicable requirements prior to or at the time of permit issuance;
 - iii. The applicable requirements of the acid rain program, consistent with 42 U.S.C. Section 7651(g)(a); and
 - iv. The ability of EPA to obtain information from a source pursuant to Section 114 of the CAA; or the ability of DEQ to obtain information from a source pursuant to Idaho Code §39-108 and IDAPA 58.01.01.122.

**[Idaho Code §39-108 and 112; IDAPA 58.01.01.122, 4/5/00;
 IDAPA 58.01.01.322.15.m, 325.01, 5/1/94; IDAPA 58.01.01.325.02, 3/19/99;
 IDAPA 58.01.01.381.04, 382.04, 383.05, 384.03, 385.03, 3/19/99; 40 CFR 70.6(f)]**

General Provision 20 – Compliance Schedule and Progress Reports.

- a. For each applicable requirement for which the source is not in compliance, the permittee shall comply with the compliance schedule incorporated in this permit.
- b. For each applicable requirement that will become effective during the term of this permit and that provides a detailed compliance schedule, the permittee shall comply with such requirements in accordance with the detailed schedule.
- c. For each applicable requirement that will become effective during the term of this permit that does not contain a more detailed schedule, the permittee shall meet such requirements on a timely basis.
- d. For each applicable requirement with which the permittee is in compliance, the permittee shall continue to comply with such requirements.

**[IDAPA 58.01.01.322.10, 4/5/00; IDAPA 58.01.01.314.9, 5/1/94; IDAPA 58.01.01.314.10, 4/5/00;
 40 CFR 70.6(c)(3) and (4)]**

General Provision 21 – Periodic Compliance Certification

TransCanada shall submit compliance certifications during the term of the permit for each emissions unit to DEQ and the EPA as follows:

- a. The compliance certifications for all emissions units shall be submitted annually from January 1 to December 31 or more frequently if specified by the underlying applicable requirement or elsewhere in this permit.
- b. The initial compliance certification for each emissions unit shall address all of the terms and conditions contained in the Tier I operating permit that are applicable to such emissions unit including emissions limitations, standards, and work practices;
- c. The compliance certification shall be in an itemized form providing the following information (provided that the identification of applicable information may cross-reference the permit or previous reports as applicable):
 - i. The identification of each term or condition of the Tier I operating permit that is the basis of the certification;
 - ii. The identification of the method(s) or other means used by the owner or operator for determining the compliance status with each term and condition during the certification period. Such methods and other means shall include, at a minimum, the methods and means required under Subsections 322.06, 322.07, and 322.08;

- iii. The status of compliance with the terms and conditions of the Tier I operating permit for the period covered by the certification, including whether compliance during the period was continuous or intermittent. The certification shall be based on the method or means designated in Subsection 322.11.c.ii. above. The certification shall identify each deviation and take it into account in the compliance certification. The certification shall also identify as possible exceptions to compliance any periods during which compliance is required and in which an excursion or exceedance as defined under 40 CFR Part 64 occurred; and
- iv. Such information as the Department may require to determine the compliance status of the emissions unit.
- d. All original compliance certifications shall be submitted to DEQ and a copy of all compliance certifications shall be submitted to the EPA.

[IDAPA 58.01.01.322.11, 4/6/05; 40 CFR 70.6(c)(5)(iii) as amended, 62 Fed. Reg. 54900, 54946 (10/22/97); 40 CFR 70.6(c)(5)(iv)]

General Provision 22 – False Statements

TransCanada may not make any false statement, representation, or certification in any form, notice, or report required under this permit, or any applicable rule or order in force pursuant thereto.

[IDAPA 58.01.01.125, 3/23/98]

General Provision 23 – No Tampering

TransCanada may not render inaccurate any monitoring device or method required under this permit or any applicable rule or order in force pursuant thereto.

[IDAPA 58.01.01.126, 3/23/98]

General Provision 24 – Semiannual Monitoring Reports.

In addition to all applicable reporting requirements identified in this permit, TransCanada shall submit reports of any required monitoring at least every six months. TransCanada's semiannual reporting periods shall be from January 1 to June 30 and from July 1 to December 31. All instances of deviations from this operating permit's requirements must be clearly identified in the report. The semiannual reports shall be submitted to DEQ within 30 days of the end of the specified reporting period.

[IDAPA 58.01.01.322.15.q, 3/23/98; IDAPA 58.01.01.322.08.c, 4/5/00; 40 CFR 70.6(a)(3)(iii)]

General Provision 25 – Reporting Deviations and Excess Emissions

Each and every applicable requirement, including MRRR, is subject to prompt deviation reporting. Deviations due to excess emissions must be reported in accordance Sections 130-136. All instances of deviation from Tier I operating permit requirements must be included in the deviation reports. The reports must describe the probable cause of the deviation and any corrective action or preventative measures taken. Deviation reports must be submitted at least every six months unless the permit specifies a different time period as required by IDAPA 58.01.01.322.08.c. Examples of deviations include, but are not limited to, the following:

- Any situation in which an emissions unit fails to meet a permit term or condition
- Emission control device does not meet a required operating condition
- Observations or collected data that demonstrate noncompliance with an emissions standard

- Failure to comply with a permit term that requires a report
[IDAPA 58.01.01.322.15.q, 3/23/98; IDAPA 58.01.01.135, 4/11/06; 40 CFR 70.6(a)(3)(iii)]

General Provision 26 – Permit Revision Not Required, Emissions Trading

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

[IDAPA 58.01.01.322.05.b, 4/5/00; 40 CFR 70.6(a)(8)]

General Provision 27 - Emergency

In accordance with IDAPA 58.01.01.332, an “emergency” as defined in IDAPA 58.01.01.008, constitutes an affirmative defense to an action brought for noncompliance with such technology-based emissions limitation if the conditions of IDAPA 58.01.01.332.02 are met.

[IDAPA 58.01.01.332.01, 4/5/00; 40 CFR 70.6(g)]

6. REGULATORY REVIEW

6.1 Attainment Designation (40 CFR 81.313)

The facility is located in Bonner which is designated as attainment or unclassifiable for PM₁₀, PM_{2.5}, CO, NO₂, SO_x, and Ozone. Reference 40 CFR 81.313.

6.2 Title V Classification (IDAPA 58.01.01.300, 40 CFR Part 70)

This facility is major for NO_x and CO. Therefore, a Title V operating permit is required.

6.3 PSD Classification (40 CFR 52.21)

PSD is not applicable to this facility. When Unit 4A was added, the facility went through a PSD review. Details of this review can be found in the Statement of Basis of PTC 017-00037, issued April 4, 2002.

6.4 NSPS Applicability (40 CFR 60)

The facility has two natural-gas-fired turbines, one of which has been determined to be subject to this subpart.

40 CFR 60 Subpart GG

This subpart has been updated since the previous permit was issued.

(a) The provisions of this subpart are applicable to the following affected facilities: All stationary gas turbines with a heat input at peak load equal to or greater than 10.7 gigajoules (10 million Btu) per hour, based on the lower heating value of the fuel fired.

This subpart is applicable to the facility because the facility has stationary gas turbines with a heat input at peak load greater than 10 MMBtu/hr.

(b) Any facility under paragraph (a) of this section which commences construction, modification, or reconstruction after October 3, 1977, is subject to the requirements of this part except as provided in paragraphs (e) and (j) of §60.332.

Unit 3a was constructed in 1969, prior to 1977. Unit 3b was constructed in 1993, post 1977, so this subpart is applicable to Unit 3b.

(e) Stationary gas turbines with a heat input at peak load equal to or greater than 10.7 gigajoules per hour (10 million Btu/hour) but less than or equal to 107.2 gigajoules per hour (100 million Btu/hour) based on the lower heating value of the fuel fired and that have commenced construction prior to October 3, 1982 are exempt from paragraph (a) of this section.

The Unit 3B turbine was issued a PTC on June 14, 2000, for a turbine manufactured in 1993. The other turbine was manufactured in 1969. The 1969 turbine is exempt in accordance with (e).

§ 60.332 *Standard for nitrogen oxides.*

(a) On and after the date on which the performance test required by §60.8 is completed, every owner or operator subject to the provisions of this subpart as specified in paragraphs (b), (c), and (d) of this section shall comply with one of the following, except as provided in paragraphs (e), (f), (g), (h), (i), (j), (k), and (l) of this section.

(b) Electric utility stationary gas turbines with a heat input at peak load greater than 107.2 gigajoules per hour (100 million Btu/hour) based on the lower heating value of the fuel fired shall comply with the provisions of paragraph (a)(1) of this section.

(c) Stationary gas turbines with a heat input at peak load equal to or greater than 10.7 gigajoules per hour (10 million Btu/hour) but less than or equal to 107.2 gigajoules per hour (100 million Btu/hour) based on the lower heating value of the fuel fired, shall comply with the provisions of paragraph (a)(2) of this section.

(d) Stationary gas turbines with a manufacturer's rated base load at ISO conditions of 30 megawatts or less except as provided in §60.332(b) shall comply with paragraph (a)(2) of this section.

60.332(c) applies because the turbine has a heat input between 10 and 100 MMBtu/hr.

The facility must comply with (a)(2):

(2) No owner or operator subject to the provisions of this subpart shall cause to be discharged into the atmosphere from any stationary gas turbine, any gases which contain nitrogen oxides in excess of:

$$STD = 0.0150 \frac{(14.4)}{Y} + F$$

where:

STD = allowable ISO corrected (if required as given in §60.335(b)(1)) NO_x emission concentration (percent by volume at 15 percent oxygen and on a dry basis),

Y = manufacturer's rated heat rate at manufacturer's rated peak load (kilojoules per watt hour), or actual measured heat rate based on lower heating value of fuel as measured at actual peak load for the facility. The value of Y shall not exceed 14.4 kilojoules per watt hour, and

F = NO_x emission allowance for fuel-bound nitrogen as defined in paragraph (a)(4) of this section.

(3) The use of F in paragraphs (a)(1) and (2) of this section is optional. That is, the owner or operator may choose to apply a NO_x allowance for fuel-bound nitrogen and determine the appropriate F-value in accordance with paragraph (a)(4) of this section or may accept an F-value of zero.

(4) If the owner or operator elects to apply a NO_x emission allowance for fuel-bound nitrogen, F shall be defined according to the nitrogen content of the fuel during the most recent performance test required under §60.8 as follows:

<i>Fuel-bound nitrogen (percent by weight)</i>	<i>F (NO_x percent by volume)</i>
$N \leq .015$	0
$0.015 < N \leq 0.1$	0.04 (N)
$0.1 < N \leq 0.25$	$0.004 + 0.0067(N - 0.1)$
$N > 0.25$	0.005

Where:

N = the nitrogen content of the fuel (percent by weight).

or:

Manufacturers may develop and submit to EPA custom fuel-bound nitrogen allowances for each gas turbine model they manufacture. These fuel-bound nitrogen allowances shall be substantiated with data and must be approved for use by the Administrator before the initial performance test required by §60.8. Notices of approval of custom fuel-bound nitrogen allowances will be published in the Federal Register.

A previous permit analysis determined this limit to be 42 ppm, and a permit condition was written for this limit.

60.332 (e) Stationary gas turbines with a heat input at peak load equal to or greater than 10.7 gigajoules per hour (10 million Btu/hour) but less than or equal to 107.2 gigajoules per hour (100 million Btu/hour) based on the lower heating value of the fuel fired and that have commenced construction prior to October 3, 1982 are exempt from paragraph (a) of this section.

Because Unit 3a was constructed in 1969, it is exempt from this section.

§ 60.333 Standard for sulfur dioxide.

On and after the date on which the performance test required to be conducted by §60.8 is completed, every owner or operator subject to the provision of this subpart shall comply with one or the other of the following conditions:

(a) No owner or operator subject to the provisions of this subpart shall cause to be discharged into the atmosphere from any stationary gas turbine any gases which contain sulfur dioxide in excess of 0.015 percent by volume at 15 percent oxygen and on a dry basis.

(b) No owner or operator subject to the provisions of this subpart shall burn in any stationary gas turbine any fuel which contains total sulfur in excess of 0.8 percent by weight (8000 ppmw).

The facility may choose either option and has chosen 60.333(b). This requirement was written into a permit condition.

§ 60.334(h) The owner or operator of any stationary gas turbine subject to the provisions of this subpart:

(1) Shall monitor the total sulfur content of the fuel being fired in the turbine, except as provided in paragraph (h)(3) of this section.

(3) Notwithstanding the provisions of paragraph (h)(1) of this section, the owner or operator may elect not to monitor the total sulfur content of the gaseous fuel combusted in the turbine, if the gaseous fuel is demonstrated to contract, tariff sheet or transportation contract for the gaseous fuel, specifying that the maximum total sulfur content of the fuel is 20.0 grains/100 scf or less, regardless of whether an existing custom schedule approved by the administrator for subpart GG requires such monitoring. The owner or operator shall use one of the following sources of information to make the required demonstration:

(i) The gas quality characteristics in a current, valid purchase contract, tariff sheet or transportation contract for the gaseous fuel, specifying that the maximum total sulfur content of the fuel is 20.0 grains/100 scf or less;

The facility has requested option (h)(3)(i) for sulfur monitoring. This is a new option from the most recent rule revision.

The following permit condition has been written:

In accordance with 40 CFR 60.334(h)(3)(i), the permittee shall use the gas quality characteristics in a current, valid purchase contract, tariff sheet or transportation contract for the gaseous fuel, specifying that the maximum total sulfur content of the fuel is 20.0 grains/100 scf or less).

This demonstrates that the fuel meets the definition of natural gas in §60.331(u), which is defined as follows:

(u) Natural gas means a naturally occurring fluid mixture of hydrocarbons (e.g. , methane, ethane, or propane) produced in geological formations beneath the Earth's surface that maintains a gaseous state at standard atmospheric temperature and pressure under ordinary conditions. Natural gas contains 20.0 grains or less of total sulfur per 100 standard cubic feet. Equivalentents of this in other units are as follows: 0.068 weight percent total sulfur, 680 parts per million by weight (ppmw) total sulfur, and 338 parts per million by volume (ppmv) at 20 degrees Celsius total sulfur. Additionally, natural gas must either be composed of at least 70 percent methane by volume or have a gross calorific value between 950 and 1100 British thermal units (Btu) per standard cubic foot. Natural gas does not include the following gaseous fuels: landfill gas, digester gas, refinery gas, sour gas, blast furnace gas, coal-derived gas, producer gas, coke oven gas, or any gaseous fuel produced in a process which might result in highly variable sulfur content or heating value.

Based on this definition, if the tariff sheet shows that the maximum sulfur content of the fuel is 20.0 gr/100 scf, then the weight percent of sulfur is 0.068 percent (or less), which is less than the limit of 0.8% by weight as specified in the rule and in the permit. Therefore, if the gas quality characteristics show a maximum total sulfur content of 20.0 gr/100 scf or less, compliance with the limit of 0.8% by weight has been demonstrated.

The test methods and procedures have been incorporated in a previous permit analysis.

6.5 NESHAP Applicability (40 CFR 61)

The NESHAP provisions do not apply to this facility.

6.6 MACT Applicability (40 CFR 63)

40 CFR 63 Subpart ZZZZ NESHAPS for Stationary Reciprocating Internal Combustion Engines

§ 63.6585 *Am I subject to this subpart?*

You are subject to this Subpart if you own or operate a stationary RICE at a major or area source of HAP emissions, except if the stationary RICE is being tested at a stationary RICE test cell/stand.

(a) A stationary RICE is any internal combustion engine which uses reciprocating motion to convert heat energy into mechanical work and which is not mobile. Stationary RICE differ from mobile RICE in that a stationary RICE is not a non-road engine as defined at 40 CFR 1068.30, and is not used to propel a motor vehicle or a vehicle used solely for competition.

(c) An area source of HAP emissions is a source that is not a major source.

TransCanada does operate an emergency engine periodically throughout the year and it is used in emergency situations only. In addition, the facility is an area source for HAPs as they are below the major source thresholds of 10 T/yr for any one federally regulated HAP and 25 T/yr for all HAPs combined. This is assured by Permit Condition 2.1 within the associated permit.

§ 63.6590 *What parts of my plant does this subpart cover?*

This subpart applies to each affected source.

(a) Affected source. An affected source is any existing, new, or reconstructed stationary RICE located at a major or area source of HAP emissions, excluding stationary RICE being tested at a stationary RICE test cell/stand.

(1) Existing stationary RICE.

(iii) For stationary RICE located at an area source of HAP emissions, a stationary RICE is existing if you commenced construction or reconstruction of the stationary RICE before June 12, 2006.

The engine located at TransCanada is considered existing as it was constructed prior to December 19, 2002.

§ 63.6595 *When do I have to comply with the subpart?*

(a)(1) If you have an existing stationary RICE, excluding existing non-emergency CI stationary RICE, with a site rating of more than 500 brake HP located at a major source of HAP emissions, you must comply with the applicable emission limitations and operating limitations no later than June 15, 2007. If you have an existing non-emergency CI stationary RICE with a site rating of more than 500 brake HP located at a major source of HAP emissions, an existing stationary CI RICE with a site rating of less than or equal to 500 brake HP located at a major source of HAP emissions, or an existing stationary CI RICE located at an area source of HAP emissions, you must comply with the applicable emission limitations and operating limitations no later than May 3, 2013. If you have an existing stationary SI RICE with a site rating of less than or equal to 500 brake HP located at a major source of HAP emissions, or an existing stationary SI RICE located at an area source of HAP emissions, you must comply with the applicable emission limitations and operating limitations no later than October 19, 2013.

The applicable IC engine must be in compliance with the Subpart no later than October 19, 2013.

§ 63.6600 *What emission limitations and operating limitations must I meet if I own or operate a stationary RICE with a site rating of more than 500 brake HP located at a major source of HAP emissions?*

The applicable IC engine is not operating at a major source for HAP emissions. Therefore there are no applicable emission and operating limitations under this section.

§ 63.6601 *What emission limitations must I meet if I own or operate a 4SLB stationary RICE with a site rating of greater than or equal to 250 brake HP and less than 500 brake HP located at a major source of HAP emissions?*

The applicable IC engine is not operating at a major source for HAP emissions and the engine is not a 4-stroke lean burn spark ignition between 250 and 500 bhp. Therefore there are no applicable emission and operating limitations under this section.

§ 63.6602 *What emission limitations must I meet if I own or operate an existing stationary RICE with a site rating of equal to or less than 500 brake HP located at a major source of HAP emissions?*

The applicable IC engine is not operating at a major source for HAP emissions. Therefore there are no applicable emission and operating limitations under this section.

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

Compliance with the numerical emission limitations established in this Subpart is based on the results of testing the average of three 1-hour runs using the testing requirements and procedures in §63.6620 and Table 4 to this Subpart.

(a) If you own or operate an existing stationary RICE located at an area source of HAP emissions, you must comply with the requirements in Table 2d to this Subpart and the operating limitations in Table 2b to this Subpart which apply to you.

Table 2b does not apply as it refers only to CI non-emergency engines greater than 500 bhp at area source facilities. Table 2d, however, identifies those limitations required by area sources to comply with the Subpart. The specifics of Table 2d require that the permittee perform regular maintenance on the applicable engine such as changing oil and filters every 500 operating hours, inspect spark plugs every 1,000 hours of operation and inspect all hoses and belts every 500 hours of operation. Each of the maintenance procedures shall occur at the indicated interval or annually, whichever occurs first.

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

If you own or operate an existing non-emergency, non-black start CI stationary RICE with a site rating of more than 300 brake HP with a displacement of less than 30 liters per cylinder that uses diesel fuel, you must use diesel fuel that meets the requirements in 40 CFR 80.510(b) for nonroad diesel fuel. Existing non-emergency CI stationary RICE located in Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, or at area sources in areas of Alaska not accessible by the FAHS are exempt from the requirements of this section.

TransCanada operates an emergency engine and it is not CI; therefore this section does not apply to the facility.

§ 63.6605 *What are my general requirements for complying with this Subpart?*

(a) You must be in compliance with the emission limitations and operating limitations in this Subpart that apply to you at all times.

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

When operating the applicable IC engine, they be operated in a manner that is consistent with reducing emissions and compliance with appropriate limitations applies at all times.

§ 63.6610 *By what date must I conduct the initial performance tests or other initial compliance demonstrations if I own or operate a stationary RICE with a site rating of more than 500 brake HP located at a major source of HAP emissions?*

The engine located at TransCanada is not required to perform any performance tests and the applicable IC engine is not operating at a major source for HAP emissions. No testing is required in accordance with Table 2d of the subpart.

§ 63.6611 By what date must I conduct the initial performance tests or other initial compliance demonstrations if I own or operate a new or reconstructed 4SLB SI stationary RICE with a site rating of greater than or equal to 250 and less than or equal to 500 brake HP located at a major source of HAP emissions?

The engine located at TransCanada is not required to perform any performance tests and the applicable IC engine is not operating at a major source for HAP emissions. No testing is required in accordance with Table 2d of the subpart.

§ 63.6612 By what date must I conduct the initial performance tests or other initial compliance demonstrations if I own or operate an existing stationary RICE with a site rating of less than or equal to 500 brake HP located at a major source of HAP emissions or an existing stationary RICE located at an area source of HAP emissions?

The engine located at TransCanada is not required to perform any performance tests. No testing is required in accordance with Table 2d of the subpart.

§ 63.6615 When must I conduct subsequent performance tests?

The engine located at TransCanada is not required to perform any performance tests. No testing is required in accordance with Table 2d of the subpart.

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

The engine located at TransCanada is not required to perform any performance tests. No testing is required in accordance with Table 2d of the subpart.

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

(e) If you own or operate any of the following stationary RICE, you must operate and maintain the stationary RICE and after-treatment control device (if any) according to the manufacturer's emission-related written instructions or develop your own maintenance plan which must provide to the extent practicable for the maintenance and operation of the engine in a manner consistent with good air pollution control practice for minimizing emissions:

(3) An existing emergency or black start stationary RICE located at an area source of HAP emissions;

The applicable IC engine needs to be operated in accordance with manufacturer's specifications or a maintenance plan may be developed that is consistent with good air pollution control practices.

(f) If you own or operate an existing emergency stationary RICE with a site rating of less than or equal to 500 brake HP located at a major source of HAP emissions or an existing emergency stationary RICE located at an area source of HAP emissions, you must install a non-resettable hour meter if one is not already installed.

A non-resettable meter shall be installed if not previously installed.

(h) If you operate a new, reconstructed, or existing stationary engine, you must minimize the engine's time spent at idle during startup and minimize the engine's startup time to a period needed for appropriate and safe loading of the engine, not to exceed 30 minutes, after which time the emission standards applicable to all times other than startup in Tables 1a, 2a, 2c, and 2d to this subpart apply.

Idle startup time may not exceed 30 minutes. Applicable emissions standards must be met following the allowable 30 minutes.

(j) If you own or operate a stationary SI engine that is subject to the work, operation or management practices in items 6, 7, or 8 of Table 2c to this subpart or in items 5, 6, 7, 9, or 11 of Table 2d to this subpart, you have the option of utilizing an oil analysis program in order to extend the specified oil change requirement in Tables 2c and 2d to this subpart. The oil analysis must be performed at the same frequency specified for changing the oil in Table 2c or 2d to this subpart. The analysis program must at a minimum analyze the following three parameters: Total Acid Number, viscosity, and percent water

content. The condemning limits for these parameters are as follows: Total Acid Number increases by more than 3.0 milligrams of potassium hydroxide (KOH) per gram from Total Acid Number of the oil when new; viscosity of the oil has changed by more than 20 percent from the viscosity of the oil when new; or percent water content (by volume) is greater than 0.5. If all of these condemning limits are not exceeded, the engine owner or operator is not required to change the oil. If any of the limits are exceeded, the engine owner or operator must change the oil within 2 days of receiving the results of the analysis; if the engine is not in operation when the results of the analysis are received, the engine owner or operator must change the oil within 2 days or before commencing operation, whichever is later. The owner or operator must keep records of the parameters that are analyzed as part of the program, the results of the analysis, and the oil changes for the engine. The analysis program must be part of the maintenance plan for the engine.

This section allows TransCanada to develop their own oil analysis program to modify the oil changing frequency if the program meets all criteria set forth in subsection j of the subpart. Permit Condition 6.7 accounts for these.

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

The applicable IC engine is designated as emergency, and it does not have any emission or operating limitations. Rather, maintenance requirements are specified in Table 2d of this subpart. Therefore, this section is not applicable.

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

The applicable IC engine is designated as emergency, and it does not have any emission or operating limitations. Rather, maintenance requirements are specified in Table 2d of this subpart. As a result data capture is not necessary. Therefore, this section is not applicable.

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

(a) You must demonstrate continuous compliance with each emission limitation and operating limitation in Tables 1a and 1b, Tables 2a and 2b, Table 2c, and Table 2d to this subpart that apply to you according to methods specified in Table 6 to this subpart.

Section 9 of Table 6 of the subpart pertains to the emergency IC engine at TransCanada. Requirement work practices are accounted for within Permit Condition 6.4 of the associated permit.

(f) Requirements for emergency stationary RICE. (1) If you own or operate an existing emergency stationary RICE with a site rating of less than or equal to 500 brake HP located at a major source of HAP emissions, a new or reconstructed emergency stationary RICE with a site rating of more than 500 brake HP located at a major source of HAP emissions that was installed on or after June 12, 2006, or an existing emergency stationary RICE located at an area source of HAP emissions, you must operate the emergency stationary RICE according to the requirements in paragraphs (f)(1)(i) through (iii) of this section. Any operation other than emergency operation, maintenance and testing, and operation in non-emergency situations for 50 hours per year, as described in paragraphs (f)(1)(i) through (iii) of this section, is prohibited. If you do not operate the engine according to the requirements in paragraphs (f)(1)(i) through (iii) of this section, the engine will not be considered an emergency engine under this subpart and will need to meet all requirements for non-emergency engines.

(i) There is no time limit on the use of emergency stationary RICE in emergency situations.

(ii) You may operate your emergency stationary RICE for the purpose of maintenance checks and readiness testing, provided that the tests are recommended by Federal, State or local government, the manufacturer, the vendor, or the insurance company associated with the engine. Maintenance checks and readiness testing of such units is limited to 100 hours per year. The owner or operator may petition the Administrator for approval of additional hours to be used for maintenance checks and readiness

testing, but a petition is not required if the owner or operator maintains records indicating that Federal, State, or local standards require maintenance and testing of emergency RICE beyond 100 hours per year.

(iii) You may operate your emergency stationary RICE up to 50 hours per year in non-emergency situations, but those 50 hours are counted towards the 100 hours per year provided for maintenance and testing. The 50 hours per year for non-emergency situations cannot be used for peak shaving or to generate income for a facility to supply power to an electric grid or otherwise supply power as part of a financial arrangement with another entity; except that owners and operators may operate the emergency engine for a maximum of 15 hours per year as part of a demand response program if the regional transmission organization or equivalent balancing authority and transmission operator has determined there are emergency conditions that could lead to a potential electrical blackout, such as unusually low frequency, equipment overload, capacity or energy deficiency, or unacceptable voltage level. The engine may not be operated for more than 30 minutes prior to the time when the emergency condition is expected to occur, and the engine operation must be terminated immediately after the facility is notified that the emergency condition is no longer imminent. The 15 hours per year of demand response operation are counted as part of the 50 hours of operation per year provided for non-emergency situations. The supply of emergency power to another entity or entities pursuant to financial arrangement is not limited by this paragraph (f)(1)(iii), as long as the power provided by the financial arrangement is limited to emergency power.

The above requirements pertain specifically to emergency engines. Permit Condition 6.8 accounts for these.

§ 63.6645 *What notifications must I submit and when?*

(a) You must submit all of the notifications in §§63.7(b) and (c), 63.8(e), (f)(4) and (f)(6), 63.9(b) through (e), and (g) and (h) that apply to you by the dates specified if you own or operate any of the following;

(5) This requirement does not apply if you own or operate an existing stationary RICE less than 100 HP, an existing stationary emergency RICE, or an existing stationary RICE that is not subject to any numerical emission standards.

This section of the subpart is not applicable to the engine at TransCanada because it is designated as emergency. 63.6645(a)(5) explicitly exempts emergency engines from this requirement.

§ 63.6650 *What reports must I submit and when?*

(a) You must submit each report in Table 7 of this subpart that applies to you.

All required reporting is specified in Table 7. However, Table 7 does not include any requirements for emergency engines. Therefore, this section of the subpart is not applicable to TransCanada Lumber.

§ 63.6655 *What records must I keep?*

(e) You must keep records of the maintenance conducted on the stationary RICE in order to demonstrate that you operated and maintained the stationary RICE and after-treatment control device (if any) according to your own maintenance plan if you own or operate any of the following stationary RICE;

(2) An existing stationary emergency RICE.

(f) If you own or operate any of the stationary RICE in paragraphs (f)(1) or (2) of this section, you must keep records of the hours of operation of the engine that is recorded through the non-resettable hour meter. The owner or operator must document how many hours are spent for emergency operation, including what classified the operation as emergency and how many hours are spent for non-emergency operation. If the engines are used for demand response operation, the owner or operator must keep records of the notification of the emergency situation, and the time the engine was operated as part of demand response.

(2) An existing emergency stationary RICE located at an area source of HAP emissions that does not meet the standards applicable to non-emergency engines.

TransCanada needs to maintain records demonstrating that the engine is being operated in accordance with an appropriate maintenance plan. Records of operational hours from the non-resettable meter must also be kept. How many hours were spent in emergency situations and demand response. These requirements are established in condition 6.9.

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

(a) Your records must be in a form suitable and readily available for expeditious review according to §63.10(b)(1).

(b) As specified in §63.10(b)(1), you must keep each record for 5 years following the date of each occurrence, measurement, maintenance, corrective action, report, or record.

(c) You must keep each record readily accessible in hard copy or electronic form for at least 5 years after the date of each occurrence, measurement, maintenance, corrective action, report, or record, according to §63.10(b)(1)

These requirements are established in condition 6.9.

6.7 CAM Applicability (40 CFR 64)

There is no pollution control equipment to make this rule applicable to this facility. Emissions are controlled by dry low-NOx combustion, achieved by reducing peak flame temperature and employing lean pre-mixed combustion. However, "control device" in the rule refers to literal control equipment, so compliance assurance monitoring does not apply to this facility.

6.8 Acid Rain Permit (40 CFR 72-75)

The acid rain provisions do not apply to this facility.

7. PUBLIC COMMENT

As required by IDAPA 58.01.01.364, a public comment period was made available to the public from January 25 to February 24, 2011. During this time, comments were not submitted in response to DEQ's proposed action.

8. EPA REVIEW OF PROPOSED PERMIT

As required by IDAPA 58.01.01.366, DEQ provided the proposed permit to EPA Region 10 for its review and comment on March 1, 2011 via e-mail. On March 1, 2011, EPA Region 10 responded to DEQ via e-mail indicating that there would be no review and that the permit could be issued.

Appendix A – AIRS Information

AIRS/AFS Facility-wide Classification Form

Facility Name: TransCanada GTN System Station No. 4 (Samuels, ID)
Facility Location: 237 Samuels Road, Samuels, Idaho 83864
Facility ID: 017-00037 **Date:** March 2, 2011
Project/Permit No.: 60554/T1-2010.0100 **Completed By:** Eric Clark

Check if there are no changes to the facilitywide classification resulting from this action. (compare to form with last permit)

Yes, this facility is an SM80 source.

Identify the facility's area classification as A (attainment), N (nonattainment), or U (unclassified) for the following pollutants:

	SO ₂	PM ₁₀	VOC
Area Classification:	A	A	A

DO NOT LEAVE ANY BLANK

Check one of the following:

SIP [0] - Yes, this facility is subject to SIP requirements. (do not use if facility is Title V)

OR

Title V [V] - Yes, this facility is subject to Title V requirements. (If yes, do not also use SIP listed above.)

For SIP or TV, identify the classification (A, SM, B, C, or ND) for the pollutants listed below. Leave box blank if pollutant is not applicable to facility.

	SO ₂	NO _x	CO	PM ₁₀	PT (PM)	VOC	THAP
Classification:	B	A	A	B	B	B	B

PSD [6] - Yes, this facility has a PSD permit.

If yes, identify the pollutant(s) listed below that apply to PSD. Leave box blank if pollutant does not apply to PSD.

	SO ₂	NO _x	CO	PM ₁₀	PT (PM)	VOC	THAP
Classification:	<input type="checkbox"/>						

NSR - NAA [7] - Yes, this facility is subject to NSR nonattainment area (IDAPA 58.01.01.204) requirements.

Note: As of 9/12/08, Idaho has no facility in this category.

If yes, identify the pollutant(s) listed below that apply to NSR-NAA. Leave box blank if pollutant does not apply to NSR - NAA.

	SO ₂	NO _x	CO	PM ₁₀	PT (PM)	VOC	THAP
Classification:	<input type="checkbox"/>						

NESHAP [8] - Yes, this facility is subject to NESHAP (Part 61) requirements. (THAP only)

If yes, what CFR Subpart(s) is applicable?

NSPS [9] - Yes, this facility is subject to NSPS (Part 60) requirements.

If yes, what CFR Subpart(s) is applicable?

GG

If yes, identify the pollutant(s) regulated by the subpart(s) listed above. Leave box blank if pollutant does not apply to the NSPS.

	SO ₂	NO _x	CO	PM ₁₀	PT (PM)	VOC	THAP
Classification:	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>				

MACT [M] - Yes, this facility is subject to MACT (Part 63) requirements. (THAP only)

If yes, what CFR Subpart(s) is applicable?

ZZZZ

Appendix B – Facility Comments for Draft Permit

The following comments were received from the facility on January 12, 2011:

Facility Comment #1: Table 3.2, Permit Condition 3.3: The Operating, monitoring and record keeping requirements refer to Permit Condition 3.5. I noticed that you moved the language for 3.5 (regarding recording monthly fuel usage) to permit condition 3.9. I believe 3.9 is the more appropriate permit condition for the MRRR.

DEQ Response #1: The requested change was made and incorporated into the permit.

Facility Comment #2: Permit Condition 3.7: This permit condition also refers to PC 3.5 regarding measurement of fuel throughput. With the modification you made (noted above), this should probably be Permit Condition 3.9.

DEQ Response #2: The requested change was made and incorporated into the permit.