

MEMORANDUM

TO: Angela D. Marconi, P.E., BCEE *ADM*
THROUGH: Joanna L. French, P.E. *JLF*
FROM: Jordan G. Matthews, P.E. *JGM*
SUBJECT: **City of Dover – McKee Run Generating Station
7 DE Admin. Code 1136 Permit
Draft/Proposed Permit: AQM-001/00002-IV (Renewal 4)**
DATE: May 6, 2020

BACKGROUND

The NAES Corporation, on behalf of the City of Dover, submitted an Acid Rain (7 **DE Admin. Code** 1136 and 40 CFR Part 72) Renewal Permit Application dated April 27, 2020, as an addition to the previously-submitted 7 **DE Admin. Code** 1130 permit renewal packages.

There are no proposed changes to the terms of the permit. The permit will expire five (5) years following the date of issuance.

The 7 **DE Admin. Code** 1136 Acid Rain Permit Renewal, **AQM-001/00002-IV (Renewal 4)**, is being processed in the form of a draft/proposed permit so that it can undergo the public advertising period and EPA review concurrently. In the case of an Acid Rain Permit, 40 CFR Part 72.60(c) allows that the final permit can be issued after completion of the thirty (30) day legal advertisement comment period.

RECOMMENDATION

I recommend that the attached draft/proposed permits be sent to EPA to commence the a 30 day review period.

ADM:JLF:JGM
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pc: Title V File

ENCLOSURE A

State of Delaware
Department of Natural Resources and Environmental Control
Division of Air Quality

State Street Commons
100 W. Water Street, Suite 6A
Dover, DE 19904

7 DE Admin. Code 1136 (Title IV) Acid Rain Permit
Facility I.D. Number: 1000100002
ORIS CODE: 0599

DRAFT/PROPOSED Permit Number: AQM-001/00002 IV (Renewal 4)

Effective Date:

Expiration Date:

Renewal Application Due Date:

Pursuant to 7 **DE Admin. Code** 1136 and 40 CFR Part 72 approval of the Department of Natural Resources and Environmental Control (Department) is hereby granted to operate the emission unit(s) listed in this permit; subject to the terms and conditions of this permit.

This approval is granted to:

Permittee/Owner (hereafter referred to as "Company/Owner")	Operator (hereafter referred to as "Operator")
City of Dover P.O. Box 475 Dover, Delaware 19903-0475 Responsible Official: Donna Mitchell Title: City Manager	NAES 880 Buttner Place Dover, Delaware 19904 Designated Rep: Stacy Johnson Title: Plant Manager
Plant Site Location (hereafter referred to as "Facility") McKee Run Generating Station	Plant Mailing Address McKee Run Generating Station
McKee Run Generating Station 880 Buttner Place Dover, Delaware 19904	McKee Run Generating Station 880 Buttner Place Dover, Delaware 19904

The nature of business of the Facility is Electrical Power Generation. The Standard Industrial Classification code is 4911 - Electric Services. The North American Industry Classification System Code (NAICS) is 221112.

All terms and conditions of this permit are enforceable by the Department and/or by the U.S. Environmental Protection Agency (EPA) as specifically designated in 40 CFR Part 72.

Jordan G. Matthews, P.E. / Date
Engineer
Engineering & Compliance Branch
(302) 739-9402

Angela D. Marconi, P.E., BCEE / Date
Program Manager
Engineering & Compliance Branch
(302) 323-4542

Permit: AQM-001/00002-IV (Renewal 4)

Draft/Proposed Renewal 7 **DE Admin Code** 1136 Acid Rain Permit

Effective Date: **DATE**

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Statement of Basis

In accordance with 7 Del. C Chapter 60 and Title IV of the Clean Air Act, the State of Delaware Department of Natural Resources and Environmental Control issues this permit pursuant to 7 **DE Admin. Code** 1136 and **40 CFR Part 72**.

Offices processing issuance of this Permit are as follows (ref. 40 CFR Part 72 '72.64 (b)(2)):

State of Delaware -DNREC Division of Air Quality State Street Commons 100 W. Water Street, Suite 6A Dover, Delaware 19904 Phone: (302) 739-9402 FAX: (302) 739-3106	U. S. Environmental Protection Agency Region III Enforcement and Compliance Assurance Division (3ED21) 1650 Arch Street Philadelphia, PA 19103-2029 Phone: (215) 841-2111 Fax: (215) 814-2101
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SO2 Allowance Allocation and NOx Requirements for each affected unit

Unit 3	Calendar-Year SO ₂ allowances under Table 2 of 40 CFR part 73	2020	2021	2022	2023	2024	2025
			1850*	1850*	1850*	1850*	1850*
	NOx limit	N/A					

* The number of allowances is in units of tons. The number of allowances actually held by an affected source in a unit account may differ from the number allocated by U.S. EPA. Neither of the aforementioned conditions necessitate a revision to the unit SO2 allowance allocations identified in this permit (Reference 40 CFR Part 72.84).

ADM:JLF:JGM

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pc: Dover Title IV file



Acid Rain Permit Application

For more information, see instructions and 40 CFR 72.30 and 72.31.

This submission is: new revised for Acid Rain permit renewal

STEP 1

Identify the facility name, State, and plant (ORIS) code.

McKee Run Generating Station Facility (Source) Name	DE State	0599 Plant Code
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STEP2

Enter the unit ID# for every affected unit at the affected source in column "a."

a	b
Unit ID#	Unit Will Hold Allowances in Accordance with 40 CFR 72.9(c)(1)
Emission Unit 3	Yes
	Yes
	Yes
	Yes
	Yes
	Yes
	Yes
	Yes
	Yes
	Yes
	Yes
	Yes
	Yes
	Yes
	Yes
	Yes

Permit Requirements

STEP 3

Read the standard requirements.

- (1) The designated representative of each affected source and each affected unit at the source shall:
 - (i) Submit a complete Acid Rain permit application (including a compliance plan) under 40 CFR part 72 in accordance with the deadlines specified in 40 CFR 72.30; and
 - (ii) Submit in a timely manner any supplemental information that the permitting authority determines is necessary in order to review an Acid Rain permit application and issue or deny an Acid Rain permit;
- (2) The owners and operators of each affected source and each affected unit at the source shall:
 - (i) Operate the unit in compliance with a complete Acid Rain permit application or a superseding Acid Rain permit issued by the permitting authority; and
 - (ii) Have an Acid Rain Permit.

Monitoring Requirements

- (1) The owners and operators and, to the extent applicable, designated representative of each affected source and each affected unit at the source shall comply with the monitoring requirements as provided in 40 CFR part 75.
- (2) The emissions measurements recorded and reported in accordance with 40 CFR part 75 shall be used to determine compliance by the source or unit, as appropriate, with the Acid Rain emissions limitations and emissions reduction requirements for sulfur dioxide and nitrogen oxides under the Acid Rain Program.
- (3) The requirements of 40 CFR part 75 shall not affect the responsibility of the owners and operators to monitor emissions of other pollutants or other emissions characteristics at the unit under other applicable requirements of the Act and other provisions of the operating permit for the source.

Sulfur Dioxide Requirements

- (1) The owners and operators of each source and each affected unit at the source shall:
 - (i) Hold allowances, as of the allowance transfer deadline, in the source's compliance account (after deductions under 40 CFR 73.34(c)), not less than the total annual emissions of sulfur dioxide for the previous calendar year from the affected units at the source; and
 - (ii) Comply with the applicable Acid Rain emissions limitations for sulfur dioxide.
- (2) Each ton of sulfur dioxide emitted in excess of the Acid Rain emissions limitations for sulfur dioxide shall constitute a separate violation of the Act.
- (3) An affected unit shall be subject to the requirements under paragraph (1) of the sulfur dioxide requirements as follows:
 - (i) Starting January 1, 2000, an affected unit under 40 CFR 72.6(a)(2); or
 - (ii) Starting on the later of January 1, 2000 or the deadline for monitor certification under 40 CFR part 75, an affected unit under 40 CFR 72.6(a)(3).

Sulfur Dioxide Requirements. Cont'd.

STEP 3, Cont'd.

- (4) Allowances shall be held in, deducted from, or transferred among Allowance Tracking System accounts in accordance with the Acid Rain Program.
- (5) An allowance shall not be deducted in order to comply with the requirements under paragraph (1) of the sulfur dioxide requirements prior to the calendar year for which the allowance was allocated.
- (6) An allowance allocated by the Administrator under the Acid Rain Program is a limited authorization to emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, the Acid Rain permit application, the Acid Rain permit, or an exemption under 40 CFR 72.7 or 72.8 and no provision of law shall be construed to limit the authority of the United States to terminate or limit such authorization.
- (7) An allowance allocated by the Administrator under the Acid Rain Program does not constitute a property right.

Nitrogen Oxides Requirements

The owners and operators of the source and each affected unit at the source shall comply with the applicable Acid Rain emissions limitation for nitrogen oxides.

Excess Emissions Requirements

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

Recordkeeping and Reporting Requirements

- (1) Unless otherwise provided, the owners and operators of the source and each affected unit at the source shall keep on site at the source each of the following documents for a period of 5 years from the date the document is created. This period may be extended for cause, at any time prior to the end of 5 years, in writing by the Administrator or permitting authority:
 - (i) The certificate of representation for the designated representative for the source and each affected unit at the source and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with 40 CFR 72.24; provided that the certificate and documents shall be retained on site at the source beyond such 5-year period until such documents are superseded because of the submission of a new certificate of representation changing the designated representative;

Recordkeeping and Reporting Requirements, Cont'd.

STEP 3, Cont'd.

- (ii) All emissions monitoring information, in accordance with 40 CFR part 75, provided that to the extent that 40 CFR part 75 provides for a 3-year period for recordkeeping, the 3-year period shall apply.
 - (iii) Copies of all reports, compliance certifications, and other submissions and all records made or required under the Acid Rain Program; and,
 - (iv) Copies of all documents used to complete an Acid Rain permit application and any other submission under the Acid Rain Program or to demonstrate compliance with the requirements of the Acid Rain Program.
- (2) The designated representative of an affected source and each affected unit at the source shall submit the reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR part 72 subpart I and 40 CFR part 75.

Liability

- (1) Any person who knowingly violates any requirement or prohibition of the Acid Rain Program, a complete Acid Rain permit application, an Acid Rain permit, or an exemption under 40 CFR 72.7 or 72.8, including any requirement for the payment of any penalty owed to the United States, shall be subject to enforcement pursuant to section 113(c) of the Act.
- (2) Any person who knowingly makes a false, material statement in any record, submission, or report under the Acid Rain Program shall be subject to criminal enforcement pursuant to section 113(c) of the Act and 18 U.S.C. 1001.
- (3) No permit revision shall excuse any violation of the requirements of the Acid Rain Program that occurs prior to the date that the revision takes effect.
- (4) Each affected source and each affected unit shall meet the requirements of the Acid Rain Program.
- (5) Any provision of the Acid Rain Program that applies to an affected source (including a provision applicable to the designated representative of an affected source) shall also apply to the owners and operators of such source and of the affected units at the source.
- (6) Any provision of the Acid Rain Program that applies to an affected unit (including a provision applicable to the designated representative of an affected unit) shall also apply to the owners and operators of such unit.
- (7) Each violation of a provision of 40 CFR parts 72, 73, 74, 75, 76, 77, and 78 by an affected source or affected unit, or by an owner or operator or designated representative of such source or unit, shall be a separate violation of the Act.

Effect on Other Authorities

No provision of the Acid Rain Program, an Acid Rain permit application, an Acid Rain permit, or an exemption under 40 CFR 72.7 or 72.8 shall be construed as:

- (1) Except as expressly provided in title IV of the Act, exempting or excluding the owners and operators and, to the extent applicable, the designated representative of an affected source or affected unit from compliance with any other provision of the Act, including the provisions of title I of the Act relating to applicable National Ambient Air Quality Standards or State Implementation Plans;

Effect on Other Authorities, Cont'd.

- (2) Limiting the number of allowances a source can hold; *provided*, that the number of allowances held by the source shall not affect the source's obligation to comply with any other provisions of the Act;
- (3) Requiring a change of any kind in any State law regulating electric utility rates and charges, affecting any State law regarding such State regulation, or limiting such State regulation, including any prudence review requirements under such State law;
- (4) Modifying the Federal Power Act or affecting the authority of the Federal Energy Regulatory Commission under the Federal Power Act; or,
- (5) Interfering with or impairing any program for competitive bidding for power supply in a State in which such program is established.

**STEP 4
Certification**

Read the Certification statement, sign, & date

I am authorized to make this submission on behalf of the owners and operators of the affected source or affected units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment.

Name Donna S. Mitchell, City Manager	
Signature <i>Donna S. Mitchell</i>	Date <i>4/27/2020</i>



STATE OF DELAWARE
**DEPARTMENT OF NATURAL RESOURCES AND
ENVIRONMENTAL CONTROL**

DIVISION OF AIR QUALITY
STATE STREET COMMONS
100 W. WATER STREET, SUITE 6A
DOVER, DELAWARE 19904

**ENGINEERING &
COMPLIANCE**

PHONE
(302) 739-9402

June 18, 2020

City of Dover
P.O. Box 475
Dover, Delaware 19903-0475

Attention: Donna S. Mitchell, City Manager

Subject: **City of Dover McKee Run Generating Station
Permit: AQM-001/00002-IV (Renewal 4)**

Dear Ms. Mitchell:

The Department has completed processing the City of Dover McKee Run Generating Station's April 27, 2020 Renewal Permit Application that was submitted to the Department pursuant to 7 **DE Admin. Code** 1136. The application indicated that the City of Dover McKee Run Generating Station Unit 3 is an affected source subject to 7 **DE Admin. Code** 1136 and 40 CFR Part 72. Enclosed is a draft/proposed Title IV Operating Permit with DNREC's Technical Memorandum.

The attached draft/proposed renewal permit specifies the terms and conditions under which the City of Dover McKee Run Generating Station will be permitted to operate Emission Unit 3. The attached draft/proposed renewal permit covers only the operating permit requirements of 7 **DE Admin. Code** 1136.

Please note, EPA has up to forty-five (45) days to comment on the draft/proposed permit. If the Department receives no additional comments from the EPA a final operating permit for your facility will be issued.

If you have any questions, please contact me or Jordan Matthews at (302)739-9402.

Sincerely,

A handwritten signature in cursive script that reads "Joanna L. French".

Joanna L. French, P.E.
Managing Engineer
Engineering & Compliance Branch

ADM:JLF:JGM
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pc: Dover Title IV File
Angela Marconi
Jordan Matthews
Stacy Johnson, Plant Manager – NAES, 880 Buttner Place, Dover, Delaware 19904