

**NORTH CAROLINA DIVISION OF
AIR QUALITY**

Air Permit Review

Region: Winston-Salem Regional Office
County: Rockingham
NC Facility ID: 7900015
Inspector's Name: Eric Hudson
Date of Last Inspection: 04/16/2004
Compliance Code: 3/In Compliance - Inspection

Permit Issue Date:

Facility Data			Permit Applicability (this application only)
Applicant (Facility's Name): Duke Energy Corp - Dan River Steam Station Facility Address: Duke Energy Corp - Dan River Steam Station 900 South Edgewood Road Eden, NC 27288 SIC: 4911 / Electric Services NAICS: 221112 / Fossil Fuel Electric Power Generation Facility Classification: Before: Title V After: Title V Fee Classification: Before: Title V After: Title V			SIP: NSPS: NESHAP: PSD: PSD Avoidance: NC Toxics: 112(r): Other:
Contact Data			Application Data
Facility Contact	Authorized Contact	Technical Contact	Application Number: 7900015.05A Date Received: 02/19/2005 Application Type: Modification Application Schedule: TV-Reopen for Cause Existing Permit Data Existing Permit Number: 03455/T20 Existing Permit Issue Date: 04/26/2004 Existing Permit Expiration Date: 10/31/2008
Larry Evans Environmental Coordinator (336) 635-1321 900 South Edgewood Road Eden NC, 27288	Rick Roper Regional Manager (336) 635-1321 Dan River Steam Station Eden NC, 27288	William Horton Senior Scientist (980) 373-3226 P.O. Box 1006 Charlotte NC, 28201	
Review Engineer: Ed Martin Review Engineer's Signature: _____ Date: _____ <p style="text-align: center;">DRAFT FOR PUBLIC NOTICE</p>		Comments / Recommendations: Issue 03455/T21 Permit Issue Date: Permit Expiration Date:	

I. Purpose of Application:

DAQ is reopening this permit to remove the italicized language under 40 CFR 52 SUBPART II: NORTH CAROLINA STATE IMPLEMENTATION PLAN in Part I, Section 2.1 A.4, which stays the monitoring and reporting provisions for the federal opacity requirements for the three boilers (ID Nos. ES-1, ES-2 and ES-3). This stay is a result of the agreement reached with DAQ after Duke Energy petitioned the federal opacity requirement. EPA notified DAQ, in a letter to Dr. Donald R. van der Vaart from Gregg M. Worley dated November 24, 2004, that the state of North Carolina does not have the authority to stay an applicable federal requirement and that the Joint Stipulation entered into by DAQ and Duke is "meaningless with respect to federal enforcement authority." Therefore, the stay has been removed, making the federal opacity requirement fully applicable. In addition, EPA has stated that recertification of past compliance periods will be required showing all exceedances for the annual compliance certifications.

In addition, the permit is being reopened to revise General Condition I.A to assure compliance with the reporting requirements under rule 15A NCAC 2Q .0508(f)(2). This rule requires deviations from permit requirements not covered under rule 15A NCAC 2D .0535 (i.e.: for excess emissions lasting less than four hours) to be reported promptly. This change is a result of EPA's comments on several utility permits where they indicate the full reporting requirements of 2Q .0508(f)(2) were not addressed in the permit. EPA

defines deviations to include all excess emissions. Therefore, the condition has been revised to require prompt reporting of excess emissions lasting less than four hours to cover the full reporting requirements of 2Q .0508(f)(2).

Duke Energy was notified that these changes would be made in a letter to Mr. Rick R. Roper (Responsible Official) from Donald R. van der Vaart dated February 15, 2005. The permit will be reopened (issued) no earlier than 60 days after the date of receipt of this letter, pursuant to rule 15A NCAC 2Q .0517. The letter was delivered on February 19, 2005 by certified mail.

This reopening is a significant modification following the procedures in 2Q .0501(c)(1).

II. Permit Changes:

The following changes were made to the Duke Energy Dan River Steam Station Air Permit No. 03455T21:

Page(s)	Part, Section	Change
Cover	-	Amended permit numbers and dates.
8	Part I, Section 2.1 A.4	Removed italicized language staying the federal opacity monitoring and reporting requirements and the compliance certification requirements of General Condition P with respect to this requirement in accordance with letter to Mr. Rick R. Roper from Donald R. van der Vaart dated February 15, 2005. Also, removed statement stating that the permit shield described in General Condition R.1 does not apply to this requirement.
33	Part I, Section 3.I.A	Revised General Condition I.A in accordance with letter to Mr. Rick R. Roper from Donald R. van der Vaart dated February 15, 2005.

III. Facility Description

Duke Energy’s Dan River Steam Station is an electric utility plant that generates electrical power using boilers and combustion turbines. The Dan River facility has three coal/No. 2 fuel oil-fired electric utility boilers (ID Nos. ES-1 (U-1 Boiler), ES-2 (U-2 Boiler) and ES-3 (U-3 Boiler)), three No. 2 fuel oil/natural gas-fired simple-cycle combustion turbines (ID Nos. ES-4 (CT4C), ES-5 (CT5C) and ES-6 (CT6C)), two No. 2 fuel oil-fired starting diesel engines (ID Nos. ES-7 (4CStEng) and ES-8 (6CStEng)), one No. 2 fuel oil-fired auxiliary boiler (ID No. ES-9 (Aux)), and one rail-car unloading system (ID No. ES-10 (RCU)).

IV. Permit Shield (including non-applicable requirements)

In accordance with 2Q .0512 the permit will contain a provision stating that compliance with the terms, conditions, and limitations of the Title V permit shall be deemed in compliance with applicable requirements specifically identified in the permit, as of the date of permit issuance. If the permit does not expressly state that a permit shield exists then it shall be presumed not to provide such a shield.

V. Public Notice and EPA Review

This change is being processed as significant Title V permit modification pursuant to rule 15A NCAC 2D .0501(c)(1). The draft permit is required to go to public notice pursuant to 15A NCAC 2Q .0521 in a newspaper of general circulation in the area where the facility is located. The notice will provide for a 30 day comment period, with an opportunity for a public hearing. The draft permit will also be sent to EPA for review at the time of public notice (parallel review). Copies of the public notice will be sent to persons on the Title V mailing list and EPA. Pursuant to 2Q .0522, a copy of each permit application, each

proposed permit and each final permit will be provided to EPA. Also, pursuant to 2Q .0522, a notice of the draft Title V Permit shall be provided to each affected state at or before the time notice provided to the public under 2Q .0521. Affected states for this facility, as specified by 15A NCAC 2Q .0503(1) and 40 CFR 70.8(b), are South Carolina, Georgia, Tennessee and Virginia; North Carolina local air pollution control programs for Western North Carolina Regional Air Quality (Buncombe County), Mecklenburg County and Forsyth County; and the Catawba Indian Nation in York County South Carolina and the Eastern Band of Cherokee Indians in Swain, Jackson and Graham Counties North Carolina.

VI. Recommendations

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