| State Registration Number | Michigan Department of Environmental Quality Air Quality Division RENEWABLE OPERATING PERMIT | ROP Number |
|---------------------------|---|-------------------|
| B2132 | October 3, 2017 STAFF REPORT ADDENDUM | MI-ROP-B2132-2017 |

<u>Purpose</u>

A Staff Report dated July 10, 2017, was developed in order to set forth the applicable requirements and factual basis for the draft Renewable Operating Permit (ROP) terms and conditions as required by R 336.1214(1). The purpose of this Staff Report Addendum is to summarize any significant comments received on the draft ROP during the 30-day public comment period as described in R 336.1214(3). In addition, this addendum describes any changes to the draft ROP resulting from these pertinent comments.

General Information

| Responsible Official: | Charlene Hudson, Director, Power Supply & Distribution 734-324-7158 |
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| AQD Contact: | Stephen Weis, Senior Environmental Engineer 313-456-4688 |

Summary of Pertinent Comments

No comments were received from the public. Comments were received from both USEPA and WMS as follows:

USEPA:

USEPA Comment 1. Staff Report, page 6: The Staff Report states that EUUNIT7BLR is exempt from CAM requirements for SO2. However, the permit does not list an SO2 emission limit for EUUNIT7BLR. Please clarify the CAM applicability for EUUNIT7BLR with regards to SO2 and include any additional applicable requirements in the permit, as appropriate.

USEPA Comment 2. Page 21: EUUNIT7BLR SC I.1., a NOx limit, lists SC VI.1. as the monitoring/testing method. SC VI.1. lists only the consent decree as its underlying requirement, meaning that the condition will become null and void upon the effective date of termination of the consent decree according to SC IX.1 of Source-Wide Conditions. Please list appropriate monitoring and recordkeeping that is permanent so as to ensure compliance with the emission limit in accordance with 40 C.F.R. 70.6(a)(3) and (c)(1).

USEPA Comment 3. Page 21: EUUNIT7BLR S.C. II.1. requires that only natural gas be burnt for this emission unit. Based on the Staff Report, this condition originated in PTI 2-16. Please verify whether this is a Title I condition pursuant to Rule 201(1)(a) and include footnote 2 as appropriate. See Michigan Rule 214a(3).

USEPA Comment 4. Page 25, FGWMENGINES: SC I.2. lists a test protocol as the time period/operating scenario. Based on our ongoing discussions with MDEQ, we understand that MDEQ will be incorporating the appropriate test period averaging times in permits. We recommend that this condition be updated to reflect an appropriate averaging time.

USEPA Comment 5. Page 26, FGWMENGINES: SC VI.3. required the facility to keep calculation records for NOx emissions, which is relevant for compliance with the NOx emission limit in SC I.1. However, the permit does not specify the calculation methods. Please include emission calculation requirements in the permit and/or provide further explanation in the Staff Report as appropriate to ensure that the permit includes monitoring and recordkeeping, including calculations, sufficient to assure compliance with the emission limits, in accordance with 40 C.F.R. 70.6(c)(1).

WMS:

WMS requests the following changes for the proposed ROP for EUUNIT7BLR, Special Conditions IV.1 and 2 located on page 21 and SC VI.1 on page 22 of the draft permit:

WMS Comment 1. SC.VI.1 The permittee shall operate a continuous emission monitoring system (CEMS) for NO_X emissions from EUUNIT7BLR on a continuous basis. (Amended Consent Decree number 11-cv-12181 paragraph 29.)

WMS Comment 2. SC IV.2. The permittee shall install, calibrate, maintain and operate in a satisfactory manner, devices to monitor and record NO_x emissions and oxygen or carbon dioxide emissions from EUUNIT7BLR on a continuous basis or utilize any alternative monitoring as allowed under 40 CFR Part 75. (40 CFR 60.45(a), 40 CFR Part 75)

Other changes proposed by WMS included minor revisions for clarification within the ROP, updated emissions data to reflect 2016 rather than 2015 calculations, along with grammatical errors to the Staff Report and a correction to the Responsible Officials Title.

Changes to the July 10, 2017 Draft ROP

USEPA Comment 1 resulted in the removal of EUUNIT7BLR CAM reference of SO2 in the Draft Staff Report. Inclusion of SO2 was made in error.

USEPA Comment 2 and WMS Comment 3 resulted in the entire removal of the Draft ROP EUUNIT7BLR SC VI.1. This resulted in SC VI. 2. of the Draft ROP becoming SC VI. 1 and satisfying the need for a sustainable underlying applicable regulation for the condition to monitor emissions as 40 CFR 60.45(a) and 40 CFR Part 75.

USEPA Comment 3 resulted in the addition of a footnote identifying the special condition as a federally enforceable condition for EUUNIT7BLR SC II. 1.

USEPA Comment 4 resulted in the change of the FGWMSENGINES SC I. 2. Time Period / Operating Scenario from "Test Protocol" to "Average of three 1-hour test runs".

USEPA Comment 5 resulted in a change to the FGWMSENGINES SC I. 1. to include both SC V.2. and SC VI. 3. SC V. 2., 3., and 4. were also updated to reflect the most currently agreed upon language between the USEPA and MDEQ regarding Testing/Sampling criteria.

WMS Comment 1 was accepted as requested to more closely mirror the language of the Amended Consent Decree number 11-cv-12181.

WMS Comment 2 was accepted as is due to the lack of ability for alternate monitoring within Amended Consent Decree number 11-cv-12181.

An update to the CSAPR regulatory references was made for Appendix 9 and applicable underlying applicable regulations throughout the ROP due to updates to the regulation earlier this year.

Other changes to the staff report include:

1. The removal of the paragraph addressing GHG BACT under the "Regulatory Analysis" section. This paragraph was removed due to the applicable PTI (202-14) being voided before the installation of any equipment and therefore no longer applies.

2. The removal of the paragraph addressing "The Michigan Air Pollution Control Rules Part 19, New Source Review for Major Sources Impacting Nonattainment Areas" in the "Regulatory Analysis" section. This paragraph was removed due to the applicable PTI (202-14) being voided before the installation of any equipment and therefore no longer applies.