# MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY AIR QUALITY DIVISION

May 4, 2022

PERMIT TO INSTALL

55-22

**ISSUED TO** 

Michigan South Central

**LOCATED AT** 

609 Jonesville Road Coldwater, Michigan 49036

IN THE COUNTY OF

Branch

STATE REGISTRATION NUMBER P1248

The Air Quality Division has approved this Permit to Install, pursuant to the delegation of authority from the Michigan Department of Environment, Great Lakes, and Energy. This permit is hereby issued in accordance with and subject to Section 5505(1) of Article II, Chapter I, Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended. Pursuant to Air Pollution Control Rule 336.1201(1), this permit constitutes the permittee's authority to install the identified emission unit(s) in accordance with all administrative rules of the Department and the attached conditions. Operation of the emission unit(s) identified in this Permit to Install is allowed pursuant to Rule 336.1201(6).

DATE OF RECEIPT OF ALL INFORMATION REQUIRED BY RULE 203:			
February 24, 2022			
-			
DATE PERMIT TO INSTALL APPROVED:	SIGNATURE:		
May 4, 2022			
DATE PERMIT VOIDED:	SIGNATURE:		
DATE PERMIT REVOKED:	SIGNATURE:		

# **PERMIT TO INSTALL**

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#### **COMMON ACRONYMS**

AQD Air Quality Division

BACT Best Available Control Technology

CAA Clean Air Act

CAM Compliance Assurance Monitoring
CEMS Continuous Emission Monitoring System

CFR Code of Federal Regulations

COMS Continuous Opacity Monitoring System

Department/department/EGLE Michigan Department of Environment, Great Lakes, and Energy

EU Emission Unit FG Flexible Group

GACS Gallons of Applied Coating Solids

GC General Condition
GHGs Greenhouse Gases

HVLP High Volume Low Pressure\*

ID Identification

IRSLInitial Risk Screening LevelITSLInitial Threshold Screening LevelLAERLowest Achievable Emission RateMACTMaximum Achievable Control TechnologyMAERSMichigan Air Emissions Reporting System

MAP Malfunction Abatement Plan MSDS Material Safety Data Sheet

NA Not Applicable

NAAQS National Ambient Air Quality Standards

NESHAP National Emission Standard for Hazardous Air Pollutants

NSPS New Source Performance Standards

NSR New Source Review
PS Performance Specification

PSD Prevention of Significant Deterioration

PTE Permanent Total Enclosure

PTI Permit to Install

RACT Reasonable Available Control Technology

ROP Renewable Operating Permit

SC Special Condition

SCR Selective Catalytic Reduction
SNCR Selective Non-Catalytic Reduction
SRN State Registration Number

TBD To Be Determined

TEQ Toxicity Equivalence Quotient

USEPA/EPA United States Environmental Protection Agency

VE Visible Emissions

<sup>\*</sup>For HVLP applicators, the pressure measured at the gun air cap shall not exceed 10 psig.

#### **POLLUTANT / MEASUREMENT ABBREVIATIONS**

acfm Actual cubic feet per minute

BTU British Thermal Unit °C Degrees Celsius CO Carbon Monoxide

CO2e Carbon Dioxide Equivalent dscf Dry standard cubic foot dscm Dry standard cubic meter Degrees Fahrenheit

gr Grains

HAP Hazardous Air Pollutant

Hg Mercury hr Hour

HP Horsepower Hydrogen Sulfide

kW Kilowatt
lb Pound
m Meter
mg Milligram
mm Millimeter
MM Million
MW Megawatts

NMOC Non-Methane Organic Compounds

NO<sub>x</sub> Oxides of Nitrogen

ng Nanogram

PM Particulate Matter

PM10 Particulate Matter equal to or less than 10 microns in diameter PM2.5 Particulate Matter equal to or less than 2.5 microns in diameter

pph Pounds per hour ppm Parts per million

ppmv Parts per million by volume
ppmw Parts per million by weight
psia Pounds per square inch absolute
psig Pounds per square inch gauge

psig Pounds per square i scf Standard cubic feet

sec Seconds SO<sub>2</sub> Sulfur Dioxide

TAC Toxic Air Contaminant

Temp Temperature

THC Total Hydrocarbons tpy Tons per year Microgram

μm Micrometer or Micron
VOC Volatile Organic Compounds

Volatilo Organio Comp

yr Year

#### **GENERAL CONDITIONS**

- 1. The process or process equipment covered by this permit shall not be reconstructed, relocated, or modified, unless a Permit to Install authorizing such action is issued by the Department, except to the extent such action is exempt from the Permit to Install requirements by any applicable rule. (R 336.1201(1))
- 2. If the installation, construction, reconstruction, relocation, or modification of the equipment for which this permit has been approved has not commenced within 18 months, or has been interrupted for 18 months, this permit shall become void unless otherwise authorized by the Department. Furthermore, the permittee or the designated authorized agent shall notify the Department via the Supervisor, Permit Section, Air Quality Division, Michigan Department of Environment, Great Lakes, and Energy, P.O. Box 30260, Lansing, Michigan 48909-7760, if it is decided not to pursue the installation, construction, reconstruction, relocation, or modification of the equipment allowed by this Permit to Install. (R 336.1201(4))
- 3. If this Permit to Install is issued for a process or process equipment located at a stationary source that is not subject to the Renewable Operating Permit program requirements pursuant to Rule 210 (R 336.1210), operation of the process or process equipment is allowed by this permit if the equipment performs in accordance with the terms and conditions of this Permit to Install. (R 336.1201(6)(b))
- 4. The Department may, after notice and opportunity for a hearing, revoke this Permit to Install if evidence indicates the process or process equipment is not performing in accordance with the terms and conditions of this permit or is violating the Department's rules or the Clean Air Act. (R 336.1201(8), Section 5510 of Act 451, PA 1994)
- 5. The terms and conditions of this Permit to Install shall apply to any person or legal entity that now or hereafter owns or operates the process or process equipment at the location authorized by this Permit to Install. If the new owner or operator submits a written request to the Department pursuant to Rule 219 and the Department approves the request, this permit will be amended to reflect the change of ownership or operational control. The request must include all of the information required by subrules (1)(a), (b), and (c) of Rule 219 and shall be sent to the District Supervisor, Air Quality Division, Michigan Department of Environment, Great Lakes, and Energy. (R 336.1219)
- 6. Operation of this equipment shall not result in the emission of an air contaminant which causes injurious effects to human health or safety, animal life, plant life of significant economic value, or property, or which causes unreasonable interference with the comfortable enjoyment of life and property. (R 336.1901)
- 7. The permittee shall provide notice of an abnormal condition, start-up, shutdown, or malfunction that results in emissions of a hazardous or toxic air pollutant which continue for more than one hour in excess of any applicable standard or limitation, or emissions of any air contaminant continuing for more than two hours in excess of an applicable standard or limitation, as required in Rule 912, to the Department. The notice shall be provided not later than two business days after start-up, shutdown, or discovery of the abnormal condition or malfunction. Written reports, if required, must be filed with the Department within 10 days after the start-up or shutdown occurred, within 10 days after the abnormal condition or malfunction has been corrected, or within 30 days of discovery of the abnormal condition or malfunction, whichever is first. The written reports shall include all of the information required in Rule 912(5). (R 336.1912)
- 8. Approval of this permit does not exempt the permittee from complying with any future applicable requirements which may be promulgated under Part 55 of 1994 PA 451, as amended or the Federal Clean Air Act.
- 9. Approval of this permit does not obviate the necessity of obtaining such permits or approvals from other units of government as required by law.
- 10. Operation of this equipment may be subject to other requirements of Part 55 of 1994 PA 451, as amended and the rules promulgated thereunder.

- 11. Except as provided in subrules (2) and (3) or unless the special conditions of the Permit to Install include an alternate opacity limit established pursuant to subrule (4) of Rule 301, the permittee shall not cause or permit to be discharged into the outer air from a process or process equipment a visible emission of density greater than the most stringent of the following. The grading of visible emissions shall be determined in accordance with Rule 303 (R 336.1303). (R 336.1301)
  - a) A six-minute average of 20 percent opacity, except for one six-minute average per hour of not more than 27 percent opacity.
  - b) A visible emission limit specified by an applicable federal new source performance standard.
  - c) A visible emission limit specified as a condition of this Permit to Install.
- 12. Collected air contaminants shall be removed as necessary to maintain the equipment at the required operating efficiency. The collection and disposal of air contaminants shall be performed in a manner so as to minimize the introduction of contaminants to the outer air. Transport of collected air contaminants in Priority I and II areas requires the use of material handling methods specified in Rule 370(2). (R 336.1370)
- 13. The Department may require the permittee to conduct acceptable performance tests, at the permittee's expense, in accordance with Rule 1001 and Rule 1003, under any of the conditions listed in Rule 1001. (R 336.2001)

# **EMISSION UNIT SPECIAL CONDITIONS**

## **EMISSION UNIT SUMMARY TABLE**

The descriptions provided below are for informational purposes and do not constitute enforceable conditions.

Emission Unit ID	Emission Unit Description (Including Process Equipment & Control Device(s))	Installation Date / Modification Date	Flexible Group ID
EUCTG	A nominally rated 502 MMBtu/hr natural gas-fired simple cycle combustion turbine generator (CTG). The CTG will be equipped with dry low NO <sub>x</sub> burner (DLNB) and a SPRINT (SPray INTercooling) system to cool the combustion air.	TBD	NA

Changes to the equipment described in this table are subject to the requirements of R 336.1201, except as allowed by R 336.1278 to R 336.1291.

# EUCTG EMISSION UNIT CONDITIONS

#### **DESCRIPTION**

A nominally rated 502 MMBtu/hr natural gas-fired simple cycle combustion turbine generator (CTG). The CTG will be equipped with dry low NO<sub>x</sub> burner (DLNB) and a SPRINT (SPray INTercooling) system to cool the combustion air.

Flexible Group ID: NA

#### POLLUTION CONTROL EQUIPMENT

Dry low NO<sub>x</sub> burner (DLNB)

## I. EMISSION LIMIT(S)

Pollutant	Limit	Time Period / Operating Scenario	Equipment	Monitoring / Testing Method	Underlying Applicable Requirements
1. NO <sub>x</sub>	25 ppmvd at 15% Oxygen (O <sub>2</sub> ) <sup>C</sup>	Hourly, except during startup and shutdown	EUCTG	SC V.1, SC V.2	40 CFR 60.4320(a), Table 1 of 40 CFR Part 60 Subpart KKKK
2. NO <sub>x</sub>	59.7 pph <sup>A,B</sup>	Hourly, except during startup and shutdown	EUCTG	SC V.1, SC V.2	R 336.1205(1)(a) & (3), 40 CFR 52.21(d)
3. CO	72.7 pph <sup>A,B</sup>	Hourly, except during startup and shutdown	EUCTG	SC V.3	R 336.1205(1)(a) & (3), 40 CFR 52.21(d)
4. CO	222.3 tpy	12-month rolling time period as determined at the end of each calendar month	EUCTG	SC VI.4	R 336.1205(1)(a) & (3)
5. SO <sub>2</sub>	0.060 lb/MMBtu heat input	Hourly	EUCTG	SC VI.3, SC VI.4	40 CFR 60.4330(a)(2)

ppmvd = parts per million by volume at 15 percent oxygen (O2) and on a dry gas basis

#### II. MATERIAL LIMIT(S)

- 1. The permittee shall only burn natural gas in EUCTG. (R 336.1205(1)(a) & (3), R 336.1225, R 336.1702(a), 40 CFR 60.4330)
- 2. The natural gas shall not have a total sulfur content in excess of 2 grain of sulfur per 100 standard cubic feet of gas based on a 12-month rolling time period. (R 336.1205(1)(a) & (3), 40 CFR 52.21(c) & (d))

A Does not include startup and shutdown.

Startup is defined as the period of time from initiation of the combustion process (flame-on) from shutdown status and continues until steady state operation (loads greater than a demonstrated percent of design capacity) is achieved. Shutdown is defined as that period of time from the lowering of the turbine output below the demonstrated steady state level, with the intent to shut down, until the point at which the fuel flow to the combustor is terminated. The demonstrated percent of design capacity, or demonstrated steady state level, shall be described in the plan required in SC III.2.

Table 1 of 40 CFR Part 60 Subpart KKKK also allows 96 ppmvd NO<sub>x</sub> at 15 percent O<sub>2</sub> (4.7 lb/MWh) when the turbines are operating at less than 75 percent of peak load or temperatures less than 0°F.

3. The pipeline quality natural gas shall not have a total sulfur content in excess of 20 grains of sulfur per 100 standard cubic feet of gas in accordance with 40 CFR 60.4365(a). (40 CFR 60.4365(a))

#### III. PROCESS/OPERATIONAL RESTRICTION(S)

- 1. Within 180 days after trial operation, the permittee shall submit, implement, and maintain a MAP as described in Rule 911(2) for EUCTG. The MAP shall, at a minimum, specify the following:
  - a) A complete preventative maintenance program including identification of the supervisory personnel responsible for overseeing the inspection, maintenance, and repair of air-cleaning devices, a description of the items or conditions that shall be inspected, the frequency of the inspections or repairs, and an identification of the major replacement parts that shall be maintained in inventory for quick replacement.
  - b) An identification of the source and air-cleaning device (including the SPRINT system) operating variables that shall be monitored to detect a malfunction or failure, the normal operating range of these variables, and a description of the method of monitoring or surveillance procedures.
  - c) A description of the corrective procedures or operational changes that shall be taken in the event of a malfunction or failure to achieve compliance with the applicable emission limits.

If at any time the MAP fails to address or inadequately addresses an event that meets the characteristics of a malfunction, the permittee shall amend the MAP within 60 days after such an event occurs. The permittee shall also amend the MAP within 60 days, if new equipment is installed or upon request from the District Supervisor. The permittee shall submit the MAP and any amendments to the MAP to the AQD District Supervisor for review and approval. If the AQD does not notify the permittee within 60 days of submittal, the MAP or amended MAP shall be considered approved. Until an amended plan is approved, the permittee shall implement corrective procedures or operational changes to achieve compliance with all applicable emission limits. (R 336.1911)

- 2. Within 180 days of permit issuance, the permittee shall submit, implement, and maintain a plan that describes how emissions will be minimized during startup and shutdown. The plan shall incorporate procedures recommended by the equipment manufacturer as well as incorporate standard industry practices, and shall describe the demonstrated percent of design capacity, or demonstrated steady state level. Unless notified by the District Supervisor within 30 business days after plan submittal, the plan shall be deemed approved. (R 336.1911, R 336.1912, 40 CFR 60.4333(a), 40 CFR 60.11(d))
- 3. The permittee shall operate and maintain EUCTG, air pollution control equipment, and monitoring equipment in a manner consistent with good air pollution control practices for minimizing emissions at all times including startup, shutdown, and malfunction. (R 336.1205(1)(a) & (3), 40 CFR 60.4333(a), 40 CFR 60.11(d))
- 4. The total hours of operation for EUCTG shall not exceed 7,800 hours per 12-month rolling time period as determined at the end of each calendar month. (R 336.1205(1)(a) & (3))
- 5. The total hours for startup and shutdown for EUCTG shall not exceed 500 hours per 12-month rolling time period as determined at the end of each calendar month. (R 336.1205(1)(a) & (3))

# IV. <u>DESIGN/EQUIPMENT PARAMETER(S)</u>

- 1. The maximum design heat input capacity for the turbine in EUCTG shall not exceed, on a fuel heat input basis, 502 MMBTU per hour (HHV) at ISO conditions. (R 336.1205(1)(a) & (3), 40 CFR 52.21(d))
- 2. The permittee shall not operate EUCTG unless the dry low NO<sub>x</sub> burners are installed, maintained, and operated in a satisfactory manner, for EUCTG. Satisfactory manner includes operating and maintaining the control device in accordance with an approved MAP for EUCTG as required in SC III.1. (R 336.1205(1)(a) & (3), R 336.1224, R 336.1225, R 336.1910)
- 3. The permittee shall install, calibrate, maintain and operate in a satisfactory manner a device to monitor and record the natural gas usage rate for EUCTG on a continuous basis. The device shall be operated in accordance with 40 CFR 60.4345(c). (R 336.1205(1)(a) & (3), 40 CFR 60.4340(a))

#### V. TESTING/SAMPLING

Records shall be maintained on file for a period of five years. (R 336.1201(3))

- 1. Within 60 days after achieving the maximum production rate, but not later than 180 days after commencement of initial startup, the permittee shall verify NO<sub>x</sub> emission rates from each unit in EUTUR01, as required by federal Standards of Performance for New Stationary Sources, by testing at owner's expense, in accordance with 40 CFR 60.4400 of 40 CFR Part 60 Subparts A and KKKK. No less than 30 days prior to testing, the permittee shall submit a complete test plan to the AQD Technical Programs Unit and District Office. The AQD must approve the final plan prior to testing. Verification of emission rates includes the submittal of a complete report of the test results to the AQD Technical Programs Unit and District Office within 60 days following the last date of the test. (R 336.1205(1)(a) & (3), R 336.2001, R 336.2003, R 336.2004, 40 CFR 52.21(d), 40 CFR 60.4375(b), 40 CFR 60.4400(a), 40 CFR Part 60 Subpart KKKK)
- To demonstrate continuous compliance, the permittee shall perform subsequent performance tests to verify NO<sub>x</sub> emission rates from EUCTG, as required by federal Standards of Performance for New Stationary Sources, by testing at owner's expense in accordance with 40 CFR 60.4400 of 40 CFR Part 60 Subparts A and KKKK:
  - a) If the previous performance test exceeded 75 percent of the NO<sub>x</sub> emission limit, SC I.1, then the permittee shall perform annual performance tests which are no more than 14 calendar months apart.
  - b) If the previous performance test was less than or equal to 75 percent of the NO<sub>x</sub> emission limit, SC I.1, then the permittee shall perform subsequent performance tests once every two years which are no more than 26 calendar months apart.

No less than 30 days prior to testing, the permittee shall submit a complete test plan to the AQD Technical Programs Unit and District Office. The AQD must approve the final plan prior to testing. Verification of emission rates includes the submittal of a complete report of the test results to the AQD Technical Programs Unit and District Office within 60 days following the last date of the test. (R 336.1205(1)(a) & (3), R 336.2001, R 336.2003, R 336.2004, 40 CFR 52.21(d), 40 CFR 60.4340(a), 40 CFR 60.4375(b), 40 CFR 60.4400(a), 40 CFR Part 60 Subpart KKKK)

3. Within 60 days after achieving the maximum production rate, but no later than after 180 days after commencement of initial startup, the permittee shall verify CO emission rates from EUCTG, by testing at owner's expense, in accordance with Department requirements. The hourly emission rates shall be determined by the average of three acceptable test runs per the applicable method requirements. The permittee shall complete the testing once every five years, thereafter, unless an alternate testing schedule is approved by the AQD District Supervisor. Testing shall be performed using an approved EPA Method listed:

Pollutant	Test Method Reference	
CO	40 CFR Part 60, Appendix A	

An alternate method, or a modification to the approved EPA Method, may be specified in an AQD approved Test Protocol. No less than 30 days prior to testing, the permittee shall submit a complete test plan to the AQD Technical Programs Unit and District Office. The AQD must approve the final plan prior to testing, including any modifications to the method in the test protocol that are proposed after initial submittal. The permittee must submit a complete report of the test results to the AQD Technical Programs Unit and District Office within 60 days following the last date of the test. (R 336.1205, R 336.1702, R 336.2001, R 336.2003, R 336.2004, 40 CFR 52.21(d),)

#### VI. MONITORING/RECORDKEEPING

Records shall be maintained on file for a period of five years. (R 336.1201(3))

- 1. The permittee shall complete all required calculations in a format acceptable to the AQD District Supervisor by the last day of the calendar month, for the previous calendar month, unless otherwise specified in any monitoring/recordkeeping special condition. (R 336.1205(1)(a) & (3))
- 2. The permittee shall monitor and record, in a satisfactory manner, the natural gas usage for EUCTG on an hourly and monthly basis. The heating value of the natural gas in BTU per cubic foot shall be determined on a monthly basis using a default heating value information from the natural gas supplier or one sample taken

from the main gas pipeline to the facility on the permittee's property. (R 336.1205(1)(a) & (3), 40 CFR 60.4345)

- 3. The permittee shall keep, in a satisfactory manner, records of the sulfur content of the fuel once each operating day for EUCTG, as required by SC I.5. This condition does not apply if it is demonstrated that the potential sulfur emissions do not exceed 0.06 lb SO<sub>2</sub> per MMBtu heat input pursuant to 40 CFR 60.4365. The permittee shall use one of the following sources to make the demonstration:
  - a) The fuel quality characteristics in a current, valid purchase contract, tariff sheet or transportation contract for the fuel.
  - b) A representative fuel sampling data, as specified in 40 CFR Part 75, Appendix D, Section 2.3.1.4 or 2.3.2.4, which show that the sulfur content of the fuel does not exceed the amount as specified in SC I.5.

All records shall be kept on file for a period of at least five years and made available to the Department upon request. (40 CFR 60.4370)

- 4. The permittee shall keep, in a satisfactory manner, calculations records of the CO emission rate on a monthly and 12-month rolling time frame basis. The permittee shall keep all records on file and make them available to the Department upon request. (R 336-1205(1)(a) & (3))
- 5. The permittee shall maintain records of all information necessary for all notifications and reports as specified in these special conditions as well as that information necessary to demonstrate compliance with the emission limits of this permit for EUCTG. This information shall include, but shall not be limited to the following:
  - a) Compliance tests and any testing required under the special conditions of this permit;
  - b) Monitoring data;
  - c) Verification of heat input capacity;
  - d) Identification, type, and amount of fuel combusted on a calendar month basis;
  - e) All records required by 40 CFR 60.7, including the initial startup notification and performance tests.
  - f) Records of the duration of all dates and times of startup and shutdown events;
  - g) All calculations necessary to show compliance with the limits contained in this permit;
  - h) All records related to, or as required by, the MAP and the startup and shutdown plan.

All of the above information shall be stored in a format acceptable to the AQD District Supervisor and shall be consistent with the requirements of 40 CFR 60.7. (R 336.1205(1)(a) & (3), R 336.1225, R 336.1702(a), R 336.1912, 40 CFR 52.21(d), 40 CFR 60.7)

### VII. REPORTING

 The permittee shall provide written notification of construction and operation to comply with the federal Standards of Performance for New Stationary Sources, 40 CFR 60.7. The permittee shall submit this notification to the AQD District Supervisor within the time frames specified in 40 CFR 60.7. (40 CFR 60.7)

#### VIII. STACK/VENT RESTRICTION(S)

The exhaust gases from the stacks listed in the table below shall be discharged unobstructed vertically upwards to the ambient air unless otherwise noted:

Stack & Vent ID	Maximum Exhaust Diameter / Dimensions (inches)	Minimum Height Above Ground (feet)	Underlying Applicable Requirements
1. SVCTG	133.2	45	40 CFR 52.21(c) & (d)

#### IX. OTHER REQUIREMENT(S)

1. The permittee shall comply with all provisions of the federal Standards of Performance for New Stationary Sources as specified in 40 CFR Part 60 Subparts A and KKKK, as they apply to FGNSPSKKKK. (40 CFR Part 60 Subparts A and KKKK)