

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

WASHINGTON, D.C. 20460

AUG 2 9 2002

OFFICE OF AIR AND RADIATION

Mr. Robert McDonald, Production Operations Manager Clarksdale Public Utilities (CPU) Crossroads Energy Center ORIS Code #55395

> Re: Petition for extension for CEMS certification at Crossroads (ORIS Code # 55395) Unit 4

Dear Mr. McDonald:

The United States Environmental Protection Agency (EPA) has reviewed the July 22, 2002 petition from Clarksdale Public Utilities (CPU) for its Crossroads Energy Center (Crossroads) under $\S75.66(a)$ of the Acid Rain regulations. The petition requests extension of the deadline to complete certification of the continuous emission monitoring system (CEMS) for nitrogen oxide (NO_X) for a new combustion turbine, Unit 4, at Crossroads under Part 75. CPU also requests confirmation of the applicable CEMS certification deadlines for three other new combustion turbines (Units 1, 2, and 3) at Crossroads. For the reasons discussed below, EPA approves the petition with conditions.

Background

CPU is completing construction of Crossroads. Under the requirements of §75.4 (b)(2) that were in effect at the time, certification of the CEMS for each combustion turbine at Crossroads had to be completed within 90 days of the unit's commencement of commercial operation. For Unit 4, which was first synchronized to the grid and began producing electricity for sale on April 10, 2002, the 90-day deadline for CEMS certification was July 9, 2002. For Units 1, 2, and 3, which were first synchronized to the grid at later dates than Unit 4, the 90-day CEMS certification deadlines were later than July 12, 2002. Effective July 12, 2002, §75.4 (b)(2) was revised to change the CEMS certification deadline to the earlier of 90 unit operating days or 180 calendar days after the unit's commencement of commercial operation.

CPU has implemented a schedule to complete CEMS certification testing at the units and requests an extension of the CEMS certification deadline for Unit 4. CPU states that, since initial synchronization to the grid, the units have not operated at normal load. Rather, they have been

operated periodically and at lower loads in order complete performance tests, emission tests, and assessment of transformer and transmission losses. Because of this abnormal operation, CPU indicated that Crossroads has not been able to collect sufficient data to complete the CEMS certification testing. CPU therefore requests that the CEMS certification deadline be extended to August 31, 2002 for Unit 4. In addition, CPU requests confirmation that Units 1, 2, and 3 are subject to the CEMS certification deadlines under the revised provisions of §75.4(b)(2), i.e., the earlier of 90 unit operating days or 180 calendar days after commencement of commercial operation.

EPA's Determination

With regard to Units 1, 2, and 3, since the original CEMS certification deadlines under the unrevised provisions of §75.4(b)(2) fell after the July 12, 2002 effective date of the revised provisions of the rule, these units will be subject to the new CEMS certification deadlines under the revised rule. With regard to Unit 4, the original deadline fell before July 12, 2002 and so the unit was subject to that original deadline. However, CPU apparently experienced unavoidable, technical problems during the commissioning of the new units at Crossroads. These problems prevented CPU from meeting the CEMS certification deadline for Unit 4. CPU appears to have taken reasonable measures to resolve these problems. Moreover, even though the revised deadlines under §75.4(b)(2) do not apply to Unit 4, EPA believes that the revised requirements a reasonable basis for determining what extension to provide when, as in this case, a extension is warranted. Under these circumstances, EPA approves the requested extension of the certification deadline for Unit 4 until August 31, 2002.

However, EPA maintains that this extension should be conditioned on CPU reporting emissions for the entire period for which reporting is required under Part 75, i.e., starting from the original certification deadline for each unit. Consequently, CPU shall report substitute data for Unit 4, for each operating hour, from the first hour after 90 days from the unit's commencement of commercial operation until the hour for which that unit's NO_x CEMS are certified under §75.20(a). In order to ensure that emissions are not under-reported, CPU shall use, as substitute data, the maximum potential emission rate for NO_x in accordance with Part 75, Appendix A, Section 2.1.2.1.

EPA's determination relies on the accuracy and completeness of the information in the July 22, 2002 petition and is appealable under Part 78 of the Acid Rain regulations. If you have any further questions about this matter, please contact Ms. Kim Nguyen at (202) 564-9102.

Sincerely,

Peter E. Tsirigotis, Acting Director

Clean Air Markets Division

cc. Joseph Winkler, Region VI