

ANNOUNCEMENT OF A PUBLIC COMMENT PERIOD U.S. Environmental Protection Agency

Prevention of Significant Deterioration of Air Quality Draft Permit Revisions

For Caithness Long Island Energy Center, LLC

Public Comment Period: June 1, 2020 to June 30, 2020

The U.S. Environmental Protection Agency, Region 2 Office (EPA) is seeking public comment on a draft Prevention of Significant Deterioration (PSD) of Air Quality permit revisions for Caithness Long Island Energy Center, LLC (CLIEC).

APPLICANT:

Caithness Long Island Energy Center, LLC 565 Fifth Avenue 29th Floor New York, NY 10017-2478

BACKGROUND/FINDINGS: On December 31, 2019, the EPA received a PSD permit application from CLIEC requesting revisions of the PSD permit issued by EPA on April 7, 2006 (2006 PSD Permit). CLIEC is a 346 megawatts (MW) combined-cycle electric power generating facility located in the town of Brookhaven, Suffolk county, New York, and consists of two identical combined cycle combustion turbines generators (CTGs) and their associated Heat Recovery Steam Generators (HRSG), an auxiliary boiler, a fuel gas heater, and an emergency fire pump. Both the CTGs and auxiliary boiler are permitted to combust natural gas as primary fuel, and distillate fuel oil as the back-up fuel. The fuel gas heater and the HRSGs are permitted to combust only natural gas, and the emergency fire pump is permitted to combust only distillate fuel oil. Among other things, the 2006 PSD permit limits the sulfur content of the distillate fuel oil to 0.04 percent by weight (% by weight) and establishes limits on the amount of fuel oil (in gallons per any consecutive 12-month period) that can be combusted by each of the CTGs, auxiliary boiler and emergency fire pump. The 2006 PSD Permit includes Best Available Control Technology (BACT) limits for the following air pollutants: nitrogen oxides (NO_x), carbon monoxide (CO), particulate matter (PM), particulate matter with an aerodynamic diameter of less than or equal to 10 micrometers (PM₁₀), sulfur dioxide (SO₂₎ and sulfuric acid mist (H₂SO₄). In 2006, the EPA determined BACT for SO₂ and H₂SO₄ to be the use of natural gas as the primary fuel and the use of fuel oil with 0.04% sulfur content by weight, as the backup fuel with restricted amounts of fuel oil usage on an annual basis. No add-on air pollution equipment controls were selected as BACT for SO₂ and H₂SO₄.

On December 31, 2019, CLIEC requested that EPA revise the 2006 PSD permit to lower the sulfur content of the distillate fuel oil from 0.04% to 0.0015% by weight. The basis for this request is a

change in a SIP-approved New York regulation¹ which, as of July 1, 2016, requires a facility that uses distillate fuel oil, such as CLIEC, to use ultra-low sulfur diesel (ULSD) fuel oil with a sulfurin-fuel content of 0.0015% by weight. CLIEC seeks to remove from the PSD permit: 1) the oilfired mass emission rates of SO₂ and H₂SO₄ expressed in pounds per hour (lb/hr) and pounds per million British Thermal Units (lb/MMBTU) for the CTGs; and 2) the oil-fired mass emission rates of SO₂ expressed in lb/MMBTU for the auxiliary boiler and emergency fire pump. The justification for CLIEC's request is that New York's new sulfur in fuel limit of 0.0015%, is more stringent than the sulfur content limit of 0.04% stipulated in the 2006 PSD permit. Compliance with the new 2016 New York sulfur-in-fuel limit will in effect restrict CLIEC's SO₂ and H₂SO₄ emissions, ensuring that the 2006 oil-fired emission rates cannot be exceeded. In fact, the lower sulfur-in-fuel limit would result in oil-fired emission rates of SO₂ and H₂SO₄ to be approximately 27 times lower than those permitted by the 2006 PSD permit. The revisions requested by CLIEC do not modify the limits on the amount of the fuel oil that can be combusted by each of the CTGs, the auxiliary boiler or the emergency fire pump. Further, the proposed revisions will not result in any emission increases. On the contrary, they will result in significant decreases of SO₂ and H₂SO₄ emissions to levels below major source thresholds. A detailed description of the 2006 PSD Permit conditions altered by the proposed revisions is included in the Fact Sheet that is available on the EPA's website at https://www.epa.gov/caa-permitting/caa-permits-issued-epa-region-2#pendingpsd.

ADMINISTRATIVE RECORD: EPA has prepared a draft permit for public comment, as well as a Fact Sheet that explains the basis of the permit conditions. These documents, as well as the application, are available on EPA's website at https://www.epa.gov/caa-permitting/caa-permits-issued-epa-region-2#pendingpsd. Additional information can be obtained from the EPA representatives listed below.

PUBLIC COMMENT: The purpose of this notice is to solicit comments from the public on the preliminary determination to approve CLIEC's PSD permit revisions. Persons wishing to comment on this draft permit must do so in writing, during the 30-day public comment period, by the public comment closure date shown above. Comments should focus on the draft PSD permit revisions only and not on conditions that remain unchanged. Any interested person may submit written comments on the draft permit during the public comment period. If you believe that any revisions to the conditions in this draft revised permit are inappropriate, you must raise all reasonably ascertainable issues and submit all reasonable available arguments supporting your position by the end of the comment period. Any documents supporting your comments must be included in full and may not be incorporated by reference unless they are already part of the administrative record for this permit or consist of state or federal statutes or regulations, EPA documents of general applicability, or other generally available reference materials. All comments received prior to the close of the public comment period will be included in the administrative record and will be made available to the public. All comments received during the public comment period and made during a public hearing, if one is held, will be considered in arriving at the final permit decision. A statement of reasons for any changes made from the draft to the final permit and responses to comments received will be sent to persons who commented on the draft permit. Please note that an email address must be provided with your comments if you wish to receive direct notification of EPA's final permit decision and/or the response to comments document. Written comments on the draft permit may be submitted by email to:

¹ 6 NYCRR Part 225-1.2 "Sulfur-in-fuel-limitations" with an effective date of April 5, 2013 and approved by the EPA into the SIP on August 23, 2018.

Viorica Petriman (petriman.viorica@epa.gov) U.S. EPA, Region 2 Environmental Engineer Permitting Section Air Programs Branch Phone: (212) 637-4021

PUBLIC HEARING: Pursuant to 40 C.F.R. § 124.12, EPA shall hold a Public Hearing if the Regional Administrator determines that there is a significant degree of public interest in the draft permit. Requests for a public hearing on the draft permit must be made in writing and must state the nature of the issues proposed to be raised at the hearing. Please submit your requests for a public hearing for this draft permit by June 22, 2020 by email to:

Suilin Chan (chan.suilin@epa.gov) U.S. EPA, Region 2 Chief, Permitting Section Air Programs Branch Phone: (212) 637-4019

If a public hearing is granted, a public notice stating the date, time and place of the hearing will be made at least 30 days prior to the hearing and the comment period will be extended through the hearing date.

APPEAL PROCEDURES: EPA's final permit decision may be appealed administratively within 30 days of service of notice of the final determination. The procedures for administrative review are defined at 40 C.F.R. part 124.19 (Appeal of RCRA, UIC, NPDES and PSD Permits). Only those persons who file comments or participate in the public hearing on the draft permit may petition for administrative review. Persons who fail to file comments or participate in the public hearing may petition for review only to the extent of changes from the draft permit to the final permit decision. If no comments are received and EPA makes no changes from the draft permit to the final permit decision, no administrative review will be made available. Upon completion of the administrative review process (if applicable), the final permit decision will become final agency action and will be published in the <u>Federal Register</u>. Those who appealed for administrative review may then petition for judicial review within 60 days of the <u>Federal Register</u> date.