

Sandy Creek Services, LLC

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Certified, Return Receipt Mail

March 31, 2022

Mr. Johnny Bowers
Texas Commission on Environmental Quality
Air Permits Initial Review Team (APIRT)
P.O. Box 13087, MC 161
Austin, TX 78711-3087

Re: Minor Revision to Federal Operating Permit
Sandy Creek Services, LLC
Sandy Creek Energy Station
TCEQ Air Account No.: MBA007G
Federal Operating Permit No.: O-3336
Regulated Entity Number: RN104136700
Customer Reference Number: CN604335455

Letter No.: SCS-TCEQ-0188

Dear Mr. Bowers,

The purpose of this letter is to document recent communications between the Texas Commission on Environmental Quality (TCEQ) and Sandy Creek Services, LLC (SCS) between March 9 – 11, on Letter No. SCS-TCEQ-0187 for the subject permit. The discussions concern proposed revisions to form OP-PBR SUP, Table D, for the pending application for the minor permit revision of Federal Operating Permit (FOP) O-3336, initiated at TCEQ's request. The TCEQ requested SCS to update Table D to include additional specifications of monitoring requirements associated with the registered Permit by Rule (PBR).

TCEQ Air Permit Division Guidance document for Periodic Monitoring states:

“An emission unit requires periodic monitoring if the emission limitation or standard that the unit is subject to does not specify periodic monitoring (which may consist of recordkeeping) that is sufficient to yield reliable data from a relevant time period that is representative of the emission unit's compliance with the applicable requirement and testing, monitoring, reporting, or recordkeeping sufficient to assure compliance with the applicable requirement.”

Specifically, SCS has revised pages 10 and 11 in Table D to include the following specifications requested by the TCEQ and the EPA on the monitoring requirements for the registered PBRs:

1. With the exception of Unit ID Nos. S10EH, S10EC and S12, all observations of exhaust points for the listed units are conducted quarterly and a Method 9 observation is conducted annually. Specific references from FOP-O3336 are provided in the Monitoring Column of Table D to explain why these units are observed quarterly and annually.

2. Based on the Compliance Assurance Monitoring Summary in FOP O-3336, Unit ID Nos. S10EH, S10EC and S12 are included in ID No. GRP-COAL2 and observations of transfer points for fugitive emissions are conducted monthly. As such, Table D includes a clarification that S10EH, S10EC and S12 are observed monthly.
3. For each of the units authorized under PBR Nos. 106.261 and 106.262 and 106.144, the following sentence has been inserted in the Monitoring Requirement column: "Various operating parameters such as throughput of material, hours of operation, flow, and any other applicable input, are used to calculate emissions and records are maintained to demonstrate compliance with registered emission limits and requirements listed under each applicable PBRs 106.261, 106.262 and 106.144."

Please note that Tables A, B, C on pages 1 – 9 in the attachment remain unchanged from SCS's most recent submittal (reference Letter No. SCS-TCEQ-0187) on the minor permit revision to FOP O-3336.

If you have any questions or require additional information please contact Darryl Sparks, the Compliance Manager at the Sandy Creek Energy Station, at (254) 896-4317.

Respectfully,



Bryon Kohls

Project Director, Sandy Creek Services, LLC and Responsible Official

cc. Vasant Chaphekar, TCEQ Operating Permits Division (via email to vasant.chaphekar@tceq.texas.gov)

Jason Neumann, TCEQ Waco Region Air Section Manager (via email to jason.neumann@tceq.texas.gov)

EPA Region 6 (via email to R6AirPermitsTX@epa.gov)

Peter Guletsky, Environmental Consultant, Sandy Creek Services, LLC, Riesel, TX

Attachments – Tables A – D from Form OP-PBRSUP

Texas Commission on Environmental Quality
Permit by Rule Supplemental Table

Table A: Registered Permits by Rule for the Application Area (Page 1)

Date	Permit Number	Regulated Entity Number
2/25/2022	O-3336	RN104136700

[illegible]

Texas Commission on Environmental Quality
Permit by Rule Supplemental Table

Table B: Claimed (not registered) Permits by Rule for the Application Area (Page 2)

Date	Permit No.	Regulated Entity Number
07/16/2021	O-3336	RN104136700

[illegible]

Texas Commission on Environmental Quality
Permit by Rule Supplemental Table

Table C: Claimed (not registered) Permits by Rule for Insignificant Sources for the Application Area (Page 3)

Date	Permit No.	Regulated Entity Number
07/16/2021	O-3336	RN104136700

PBR No.	Version No./Date
106.263	11/01/2001
106.265	09/04/2000
106.472	09/04/2000
106.227	09/04/2000
106.371	09/04/2000

Texas Commission on Environmental Quality
Permit by Rule Supplemental Table

Table D: Monitoring Requirements for claimed (not registered) PBRs for the Application Area (Page 4)

Date	Permit No.	RE Number
07/16/2021	O-3336	RN104136700

Unit ID No.	PBR No.	Version No./Date	Monitoring Requirement
S40	106.511	09/04/2000	The maximum annual operating hours shall not exceed 10% of the normal annual operating schedule of the primary equipment; and all electric motors. -Facility will monitor and record the operating hours of the engine on a monthly basis.

Texas Commission on Environmental Quality
Permit by Rule Supplemental Table

Table D: Monitoring Requirements for claimed (not registered) PBRs for the Application Area (Page 5)

Date	Permit No.	RE Number
07/16/2021	O-3336	RN104136700

Unit ID No.	PBR No.	Version No./Date	Monitoring Requirement
S41	106.473	09/04/2000	(2) The loading rate of the facilities does not exceed 20,000 gallons per day averaged over any consecutive 30-day period relative to throughput limit stated in PBR (20,000 gal/day). -Load Rate Tracking is not required due to the size of the tank storing diesel fuel is 290 gallons relative to throughput limit stated in PBR (20,000 gal/day).
S72	106.473	09/04/2000	(2) The loading rate of the facilities does not exceed 20,000 gallons per day averaged over any consecutive 30-day period. -Load Rate Tracking is not required due to the size of the tank storing diesel fuel is 4000 gallons relative to throughput limit stated in PBR (20,000 gal/day).
S73	106.473	09/04/2000	(2) The loading rate of the facilities does not exceed 20,000 gallons per day averaged over any consecutive 30-day period. -Load Rate Tracking is not applicable due to the size of the tank storing diesel fuel is 5000 gallons relative to throughput limit stated in PBR (20,000 gal/day).

Texas Commission on Environmental Quality
Permit by Rule Supplemental Table

Table D: Monitoring Requirements for claimed (not registered) PBRs for the Application Area (Page 6)

Date	Permit No.	RE Number
07/16/2021	O-3336	RN104136700

Unit ID No.	PBR No.	Version No./Date	Monitoring Requirement
S60	106.472	09/04/2000	1)No visible emissions -No monitoring needed given the contents of the tank is lube oil. 2)Chemicals loaded, unloaded, or stored are limited to: a. the following list: asphalt, resins, soaps, lube oils, fuel oils, waxes, polymers, detergents, lube oil additives, kerosene, wax emulsions, vegetable oils, greases, animal fats, and diesel fuels; -EPN is a lube oil reservoir.
S61	106.472	09/04/2000	1)No visible emissions -No monitoring needed given the contents of the tank is sulfuric acid. 2)Chemicals loaded, unloaded, or stored are limited to: e. inorganic acids except oleum, hydrofluoric, and hydrochloric acids; -EPN is a sulfuric acid storage tank.
S62	106.472	09/04/2000	1)No visible emissions -No monitoring needed given the contents of the tank is sodium hypochlorite. 2)Chemicals loaded, unloaded, or stored are limited to: c. aqueous salt solutions; -EPN is a sodium hypochlorite storage tank.
S63	106.472	09/04/2000	1)No visible emissions -No monitoring needed given the contents of the tank is sodium bromide. 2)Chemicals loaded, unloaded, or stored are limited to: c. aqueous salt solutions; -EPN is a sodium bromide storage tank.

Texas Commission on Environmental Quality
Permit by Rule Supplemental Table

Table D: Monitoring Requirements for claimed (not registered) PBRs for the Application Area (Page 7)

Date	Permit No.	RE Number
07/16/2021	O-3336	RN104136700

Unit ID No.	PBR No.	Version No./Date	Monitoring Requirement
S64	106.472	09/04/2000	1)No visible emissions -No monitoring needed given the contents of the tank is caustic. 2)Chemicals loaded, unloaded, or stored are limited to: d. aqueous caustic solutions, except ammonia solutions; -EPN is a caustic storage tank.
S65	106.472	09/04/2000	1)No visible emissions -No monitoring needed given the contents of the tank is sulfuric acid. 2)Chemicals loaded, unloaded, or stored are limited to: e. inorganic acids except oleum, hydrofluoric, and hydrochloric acids; -EPN is a sulfuric acid storage tank.
S66	106.472	09/04/2000	1)No visible emissions -No monitoring needed given the contents of the tank is sulfuric acid. 2)Chemicals loaded, unloaded, or stored are limited to: e. inorganic acids except oleum, hydrofluoric, and hydrochloric acids; -EPN is a sulfuric acid storage tank.
S67	106.472	09/04/2000	1)No visible emissions -No monitoring needed given the contents of the tank is sodium hypochlorite. 2)Chemicals loaded, unloaded, or stored are limited to: c. aqueous salt solutions; -EPN is a sodium hypochlorite storage tank.
S68	106.472	09/04/2000	1)No visible emissions -No monitoring needed given the contents of the tank is ferric chloride. 2)Chemicals loaded, unloaded, or stored are limited to: e. inorganic acids except oleum, hydrofluoric, and hydrochloric acids; -EPN is a ferric chloride storage tank.

Texas Commission on Environmental Quality
Permit by Rule Supplemental Table

Table D: Monitoring Requirements for claimed (not registered) PBRs for the Application Area (Page 8)

Date	Permit No.	RE Number
07/16/2021	O-3336	RN104136700

Unit ID No.	PBR No.	Version No./Date	Monitoring Requirement
S69	106.472	09/04/2000	1)No visible emissions -No monitoring needed given the contents of the tank is caustic. 2)Chemicals loaded, unloaded, or stored are limited to: d. aqueous caustic solutions, except ammonia solutions; -EPN is a caustic storage tank.
S71	106.472	09/04/2000	1)No visible emissions -No monitoring needed given the contents of the tank is lube oil. 2)Chemicals loaded, unloaded, or stored are limited to: d. aqueous caustic solutions, except ammonia solutions; -EPN is a lube oil tank.

Texas Commission on Environmental Quality

Permit by Rule Supplemental Table

Table D: Monitoring Requirements for claimed (not registered) PBRs for the Application Area (Page 9)

Date	Permit No.	RE Number
07/16/2021	O-3336	RN104136700

Unit ID No.	PBR No.	Version No./Date	Monitoring Requirement
S45	106.454	11/01/2001	(ii) on a monthly basis, records shall be kept of total solvent makeup (gross usage minus waste disposal). -The facility will keep monthly records of total solvent makeup (gross usage minus waste disposal).
S46	106.454	11/01/2001	(ii) on a monthly basis, records shall be kept of total solvent makeup (gross usage minus waste disposal). -The facility will keep monthly records of total solvent makeup (gross usage minus waste disposal).
S47	106.454	11/01/2001	(ii) on a monthly basis, records shall be kept of total solvent makeup (gross usage minus waste disposal). -The facility will keep monthly records of total solvent makeup (gross usage minus waste disposal).
S48	106.454	11/01/2001	(ii) on a monthly basis, records shall be kept of total solvent makeup (gross usage minus waste disposal). -The facility will keep monthly records of total solvent makeup (gross usage minus waste disposal).

Table D: Monitoring Requirements for Registered PBR for the Application Area (Page 10)

Date	Permit No.	RE Number
3/25/2022	O-3336	RN104136700

Unit ID No.	PBR No.	Version No./Date	Monitoring Requirement
S10EH S10EC S12 S58 S74A S74B	106.262 [97212]	11/01/2003 [09/26/2011]	Various operating parameters such as throughput of material, hours of operation, flow, and any other applicable input, are used to calculate emissions and records are maintained to demonstrate compliance with registered emission limits and requirements listed under PBRs 106.262. <i>106.262 (a)(6) Visible emissions, except uncombined water, to the atmosphere from any point or fugitive source shall not exceed 5.0% opacity in any six-minute period.</i> FOP O-3336 Condition 6: (C) The permit holder may elect to collect monitoring data on a more frequent basis and average the data, consistent with the averaging time or minimum frequency specified in the "CAM Summary," for purposes of determining whether a deviation has occurred. However, the additional data points must be collected on a regular basis. In no event shall data be collected and used in particular instances in order to avoid reporting deviations. All monitoring data shall be collected in accordance with the requirements specified in 40 CFR § 64.7(c). (E)(II) Once per year, the permit holder shall inspect for fugitive emissions escaping from the capture system in compliance of CAM by performing a visible emissions observation for a period of at least six minutes in accordance with 40 CFR Part 60, Appendix A, Test Method 22.
S10EH S10EC S12	106.262 [97212]	11/01/2003 [09/26/2011]	Various operating parameters such as throughput of material, hours of operation, flow, and any other applicable input, are used to calculate emissions and records are maintained to demonstrate compliance with registered emission limits and requirements listed under PBRs 106.262. <i>106.262 (a)(6) Visible emissions, except uncombined water, to the atmosphere from any point or fugitive source shall not exceed 5.0% opacity in any six-minute period.</i> FOP O-3336 Periodic Monitoring Summary: [Minimum Frequency: once per month] Visible emissions observations shall be made in accordance with the requirements of 40 CFR § 64.7(c). If visible emissions are not present during the observation, the RO may certify this source is in compliance. If visible emissions are present, opacity shall be monitored and recorded by a certified observer, for at least one, six-minute period in accordance with 40 CFR Part 60 Appendix A, Test Method 9. Any opacity reading that is above 20 percent shall be reported as a deviation.

Table D: Monitoring Requirements for Registered PBR for the Application Area (Page 11)

Date	Permit No.	RE Number
3/25/2022	O-3336	RN104136700

Unit ID No.	PBR No.	Version No./Date	Monitoring Requirement
S74A S74B	106.262 [97212]	11/01/2003 [09/26/2011]	Various operating parameters such as throughput of material, hours of operation, flow, and any other applicable input, are used to calculate emissions and records are maintained to demonstrate compliance with registered emission limits and requirements listed under PBRs 106.262. 106.262 (a)(6) Visible emissions, except uncombined water, to the atmosphere from any point or fugitive source shall not exceed 5.0% opacity in any six-minute period. FOP O-3336 Condition 3. A(iv)(1): An observation of stationary vents from emission units in operation shall be conducted at least once during each calendar quarter unless the emission unit is not operating for the entire quarter.
S31 S35 S42 S44	106.144 [97212]	09/04/2000 [09/26/2011]	Various operating parameters such as throughput of material, hours of operation, flow, and any other applicable input, are used to calculate emissions and records are maintained to demonstrate compliance with registered emission limits and requirements listed under PBRs 106.144. 106.144(1) All material shall be transported in a closed conveying system and all exhaust air to the atmosphere shall be vented through a fabric filter having a maximum filtering velocity of 4.0 feet per minute (ft/min) with mechanical cleaning or 7.0 ft/min with automatic air cleaning. 106.144(2) All permanent in-plant roads and vehicle work areas shall be watered, treated with dust-suppressant chemicals, oiled, or paved and cleaned as necessary to achieve maximum control of dust emissions. Permit: 70861 and PSDTX1039 Special Conditions 23, 24, 26, and 27 included on page 12.

Table D: Monitoring Requirements for Registered PBR for the Application Area (Page 12)

Date	Permit No.	RE Number
03/25/22	O-3336	RN104136700

Unit ID No.	PBR No.	Version No./Date	Monitoring Requirement
S31 S35 S42 S44	106.144 [97212]	09/04/2000 [09/26/2011]	Various operating parameters such as throughput of material, hours of operation, flow, and any other applicable input, are used to calculate emissions and records are maintained to demonstrate compliance with registered emission limits and requirements listed under PBRs 106.144. Permit: 70861 and PSDTX1039 Special Condition 23. A watering truck and/or the coal yard watering system shall be used to minimize dust emissions from the active coal storage pile area. Surface crusting agents or like chemicals shall be used to minimize dust emissions from the inactive coal storage pile area. Permit: 70861 and PSDTX1039 Special Condition 24. Permanent plant roads shall be paved with a cohesive hard surface which can be cleaned by sweeping or washing. Other roads shall be sprinkled with water and/or surface crusting agents as necessary to maintain compliance with all TCEQ rules and regulations. Permit: 70861 and PSDTX1039 Special Condition 26. All conveyors shall be covered, enclosed, partially covered, or partially enclosed, as represented in the application, to minimize fugitive PM emissions. If visibility problems occur, additional controls may be required. Coverings and enclosures are considered abatement equipment, and should be kept in good repair. Permit: 70861 and PSDTX1039 Special Condition 27. Fugitive emissions from the transfer points on belt conveyors, any material handling, and the stockpile activities shall not create an off-property nuisance condition. A trained observer with delegation from the Executive Director of the TCEQ may determine compliance with this special condition by 40 CFR Part 60, Appendix A, TM 22, or equivalent. Continuous demonstration of compliance with this special condition is not required. If this condition is violated, additional controls or process changes may be required to limit visible PM emissions.

Table D: Monitoring Requirements for Registered PBR for the Application Area (Page 13)

Date	Permit No.	RE Number
03/25/22	O-3336	RN104136700

Unit ID No.	PBR No.	Version No./Date	Monitoring Requirement
S58 S59 S74A S74B	106.261 [97212]	11/01/2003 [09/26/2011]	Various operating parameters such as throughput of material, hours of operation, flow, and any other applicable input, are used to calculate emissions and records are maintained to demonstrate compliance with registered emission limits and requirements listed under PBRs 106.261. <i>106.261(a)(5) Visible emissions, except uncombined water, to the atmosphere from any point or fugitive source shall not exceed 5.0% opacity in any six-minute period.</i> FOP O-3336 Condition 3.A(iv)(1): An observation of stationary vents from emission units in operation shall be conducted at least once during each calendar quarter unless the emission unit is not operating for the entire quarter. FOP O-3336 Condition 6.E(ii): Once per year, the permit holder shall inspect for fugitive emissions escaping from the capture system in compliance of CAM by performing a visible emissions observation for a period of at least six minutes in accordance with 40 CFR Part 60, Appendix A, Test Method 22.