UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

SEP 27 2012

OFFICE OF
AIR AND RADIATION

Mr. Ronald Shipman
Vice President, Environmental Affairs,
Georgia Power Company
241 Ralph McGill Boulevard NE
Atlanta, GA 30308-3374

Re: Petition for an Exemption from Part 75, Appendix E Testing for Units 4B and 4C at the McManus Power Station (Facility ID (ORISPL) 715), and for Units 4AA, 4AB, 4BA, and 4BB at the Mitchell Power Station (Facility ID (ORISPL) 727)

Dear Mr. Shipman:

The United States Environmental Protection Agency (EPA) has reviewed the June 19, 2012 petition submitted under 40 CFR 96.175 and 75.66 by the Georgia Power Company (Georgia Power), in which Georgia Power requested an exemption from Part 75, Appendix E testing for Units 4B and 4C at the McManus Power Station and for Units 4AA, 4AB, 4BA, and 4BB at the Mitchell Power Station. EPA approves the petition, with conditions, as discussed below.

Background

Georgia Power owns and operates the McManus and Mitchell Power Stations, which are located, respectively, in Glynn County and Dougherty County, Georgia. Units 4B and 4C at the McManus facility are diesel-fired combustion turbines that each serves a 55.4 megawatt (MW) generator. Units 4AA, 4AB, 4BA, and 4BB at the Mitchell facility are diesel-fired combustion turbines that serve two 41.9 MW generators. According to Georgia Power all six of these units are subject to the Clean Air Interstate Rule (CAIR) annual SO_2 and NO_x emissions trading programs. Therefore, Georgia Power is required to continuously monitor and report, among other things, SO_2 and NO_x mass emissions for these units in accordance with 40 CFR Part 75. To meet these requirements for these units, Georgia Power has implemented the optional emissions data protocols in Appendices D and E of Part 75 for SO_2 and NO_x, respectively.

Sections 2.1 and 2.2 of Appendix E require an initial performance test and periodic retests of the NO_x emission rate of each affected unit. For each performance test, concurrent measurements of NO_x emission rate and heat input rate are made at four load levels, and a fuel-specific correlation curve is developed. The retests are required at least once every five years (20 calendar quarters). McManus Units 4B and 4C and Mitchell Units 4AA, 4AB, 4BA, and 4BB completed their initial Appendix E performance tests in the third quarter of 2007. Therefore, the retests of these units are due by the end of the third quarter of 2012.

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However, for the past three years all of these units have operated at annual capacity factors of 1% or less[1] and have reported SO_2 and NO_x emissions well below the annual threshold values for low mass emissions (LME) units specified in 40 CFR 75.19(a)(1)(i)(A).[2] In the June 19, 2012 petition, Georgia Power has stated its intention to submit an application for LME status for these units before the end of 2012 and to begin using the LME emissions calculation methodology on January 1, 2013. Georgia Power has therefore requested an exemption from the requirement to perform Appendix E retests of the units by the end of the third quarter of 2012, because the LME methodology does not require NO_x emission rate testing, and if LME status is obtained Georgia Power would discontinue the use of Appendix E at McManus Units 4B and 4C and Mitchell Units 4AA, 4AB, 4BA, and 4BB at the end of 2012. According to Georgia Power, if any of these units operate in the fourth quarter of 2012, standard Part 75 missing data routines will be used to report SO_2 and NO_x emissions.

EPA's Determination

EPA approves Georgia Power's petition for an exemption from performing third quarter 2012 Appendix E retesting of McManus Units 4B and 4C and Mitchell Units 4AA, 4AB, 4BA, and 4BB, subject to the conditions stated below. The basis of this approval is two-fold:

(1) Based on the number of reported operating hours for these units in 2009 through 2011, the units clearly qualify for LME status. Assuming that the units operated at their maximum rated hourly heat input (i.e., 724 mmBtu/hr for the McManus units and 252.5 mmBtu/hr for the Mitchell units) for every operating hour in 2009, 2010, and 2011, and using the appropriate default SO_2 and NO_x emission rates from 40 CFR 75.19 Tables LM-1 and LM-2 in the calculations,[3] the highest number of annual tons of SO_2 and NO_x emitted by any of the McManus units in any of those years would have been 7.6 tons and 18.2 tons, respectively, well below the respective LME thresholds. For the Mitchell units, the highest number of annual tons of SO_2 and NO_x emitted by any unit in any of those years would have been 0.8 tons and 1.8 tons, respectively.

(2) Historically, the McManus and Mitchell units have operated very little in the fourth quarter of the year. In the fourth quarters of calendar years 2009, 2010, and 2011, the McManus units, on average, operated for only 6 hours and the Mitchell units, on average, operated for only 2 hours.

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[1] The highest numbers of operating hours reported for any of the individual McManus units in 2009, 2010, and 2011, respectively, were 42 hours, 32 hours, and 21 hours. The highest numbers of operating hours reported for any of the individual Mitchell units in 2009, 2010, and 2011, respectively, were 7 hours, 12 hours, and 8 hours.

[2] To qualify for LME unit status, a unit subject to the CAIR SO_2 and annual NO_x programs must emit no more than 25 tons of SO_2 and less than 100 tons of NO_x annually.

[3] The units burn diesel fuel; therefore, the default SO_2 and NO_x emission rates from Tables LM-1 and LM-2 are, respectively, 0.5 lb/mmBtu and 1.2 lb/mmBtu.

Conditions of Approval

The conditions of this approval are as follows:

(1) In accordance with 40 CFR 75.19(a)(2) and 75.63(a)(1)(ii), Georgia Power shall submit applications for LME status for McManus Units 4B and 4C and for Mitchell Units 4AA, 4AB, 4BA, and 4BB no later than 45 days prior to January 1, 2013;

(2) Georgia Power shall begin using the LME methodology in 40 CFR 75.19 for McManus Units 4B and 4C and for Mitchell Units 4AA, 4AB, 4BA, and 4BB beginning on January 1, 2013;

(3) Georgia Power shall make appropriate modifications to the electronic monitoring plans required for McManus Units 4B and 4C and for Mitchell Units 4AA, 4AB, 4BA, and 4BB under 40 CFR 96.174 showing the transition from Appendix D and E monitoring methodologies to the LME methodology;

(4) If McManus Units 4B and 4C and/or Mitchell Units 4AA, 4AB, 4BA, and 4BB operate in the fourth quarter of 2012, Georgia Power must report the fuel-specific maximum potential NO_x emission rate (as defined in 40 CFR 72.2) for each operating hour; and

(5) Georgia Power shall provide EPA with a copy of the written approval of the Georgia Department of Natural Resources, Environmental Protection Division, required for the requested exemption from Part 75, Appendix E retesting requirements pursuant to 40 CFR 96.175(b)(1). (This copy should be directed to the attention of Carlos Martínez, whose contact information is provided below.)

EPA reiterates that if, for any reason, Georgia Power should fail to meet any of the stated conditions, the requirement to perform Appendix E retests of the McManus or Mitchell units no later than September 30, 2012 will remain in effect.

EPA's determination relies on the accuracy and completeness of the information provided by Georgia Power in its June 19, 2012 petition, and is appealable under 40 CFR Part 78. If you have any questions regarding this determination, please contact Carlos R. Martinez at (202) 343-9747 or by e-mail at martinez.carlos@epa.gov. Thank you for your continued cooperation.

Sincerely,

Richard Haeuber, Acting Director
Clean Air Markets Division

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cc: David McNeal, USEPA Region IV
DeAnna Oser, Georgia EPD
Carlos R. Martínez, CAMD
Craig Hillock, CAMD