



# COMMONWEALTH of VIRGINIA

DEPARTMENT OF ENVIRONMENTAL QUALITY  
TIDEWATER REGIONAL OFFICE

Doug Domenech  
Secretary of Natural Resources

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David K. Paylor  
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## STATEMENT OF LEGAL AND FACTUAL BASIS

Permittee Name: United States Navy – Naval Medical Center, Portsmouth  
Facility Name: Naval Medical Center, Portsmouth  
Facility Location: 620 John Paul Jones Circle  
Portsmouth, Virginia 23708

Registration Number: 60293  
Permit Number: TRO-60293

Title V of the 1990 Clean Air Act Amendments required each state to develop a permit program to ensure that certain facilities have federal Air Pollution Operating Permits, called Title V Operating Permits. As required by 40 CFR Part 70 and 9 VAC 5 Chapter 80, United States Navy – Naval Medical Center, Portsmouth has applied for a Title V Operating Permit for its medical facility. The Department has reviewed the application and has prepared a draft Title V Operating Permit.

Permit Writer: \_\_\_\_\_ Date: October 12, 2012  
Kelly R. Giles  
(757) 518-2155

Regional Air Permits Manager: \_\_\_\_\_ Date: October 12, 2012  
Troy D. Breathwaite

Regional Director: \_\_\_\_\_ Date: October 12, 2012  
Maria R. Nold

Attachments: 04/13/12 NSR Permit  
40 CFR 60, Subpart Dc  
40 CFR 63, Subpart JJJJJ  
EPA letter dated 03/13/12 – MACT JJJJJ No Action Assurance  
EPA letter dated 07/18/12 – MACT JJJJJ No Action Assurance

## I. FACILITY INFORMATION

### Permittee

United States Navy  
Commander  
Navy Region, Mid-Atlantic  
1510 Gilbert Street  
Norfolk, Virginia 23511-2737

### Facility

Naval Medical Center, Portsmouth  
620 John Paul Jones Circle  
Portsmouth, Virginia 23708-2197

**County-Plant Identification Number:** 51-740-00007

### A. SOURCE DESCRIPTION

NAICS 622 – Hospitals

SIC 80 – Health Services

Industries in the Hospitals subsector provide medical, diagnostic, and treatment services that include physician, nursing, and other health services to inpatients and the specialized accommodation services required by inpatients. Hospitals may also provide outpatient services as a secondary activity. Establishments in the Hospitals subsector provide inpatient health services, many of which can only be provided using the specialized facilities and equipment that form a significant and integral part of the production process.

NAICS 6221 – General Medical and Surgical Hospitals

NAICS 62211 - General Medical and Surgical Hospitals

SIC 806 - Hospitals

SIC 8062 - General Medical and Surgical Hospitals

This industry comprises establishments known and licensed as general medical and surgical hospitals primarily engaged in providing diagnostic and medical treatment (both surgical and nonsurgical) to inpatients with any of a wide variety of medical conditions. These establishments maintain inpatient beds and provide patients with food services that meet their nutritional requirements. These hospitals have an organized staff of physicians and other medical staff to provide patient care services. These establishments usually provide other services, such as outpatient services, anatomical pathology services, diagnostic X-ray services, clinical laboratory services, operating room services for a variety of procedures, and pharmacy services.

The facility is a Title V major source of NO<sub>x</sub> and SO<sub>x</sub> and an area source of HAP. This source is located in an attainment area for all pollutants and is currently permitted under a Minor NSR Permit last amended on April 13, 2012.

North Carolina is an affected state.

## II. COMPLIANCE STATUS

A full compliance evaluation of this facility, including a site visit, was conducted on November 14, 2011. In addition, all reports and other data required by permit conditions or regulations, which are submitted to DEQ, are evaluated for compliance. Based on these compliance evaluations, the facility has not been found to be in violation of any state or federal applicable requirements at this time.

### III. EMISSION UNIT AND CONTROL DEVICE IDENTIFICATION

The emissions units at this facility consist of the following:

Emissions Unit ID	Stack ID	Emissions Unit Description	Size/Rated Heat Input Capacity, mmBTU/hr	Max Rated Output (Note 1)	Applicable NSR Permit
NMC-20-Boil-105	STBOIL-100	Nebraska Boiler NS-C-39S, 6/1/87	30.1	30,000 lb	4/13/2012
NMC-20-Boil-106	STBOIL-100	Nebraska Boiler NS-C-39S, 3/15/86	36.0	30,000 lb	4/13/2012
NMC-20-Boil-107	STBOIL-100	Nebraska Boiler NS-C-39, 9/15/83	37.6	30,000 lb	4/13/2012
NMC-20-Boil-108	STBOIL-100	Nebraska Boiler NSB37, 1/15/82	24.0	20,000 lb	4/13/2012
NMC-20-Boil-109	STBOIL-100	Cleaver Brooks 200-CT-7, Nov 94	51.0	40,000 lb	4/13/2012
NMC-20-Boil-110	STBOIL-100	Cleaver Brooks 200-CT-7, Nov 94	51.0	40,000 lb	4/13/2012
NMC-20-ICGF-002	STICGF-002 Bldg 20	Cummins Engine KTTA50-G2, May 95	10.2	1,000 kW (72%) (1342 hp)	4/13/2012
NMC-20-ICGF-003	STICGF-003 Bldg 20	Cummins Engine KTTA50-G2, May 95	10.2	1,000 kW (72%) (1342 hp)	4/13/2012
NMC-20-ICGF-004	STICGF-004 Bldg 20	Cummins Engine KTTA50-G2, May 95	10.2	1,000 kW (72%) (1342 hp)	4/13/2012
NMC-20-ICGF-005	STICGF-005 Bldg 20	Cummins Engine KTTA50-G2, May 95	10.2	1,000 kW (72%) (1342 hp)	4/13/2012
NMC-20-ICGF-006	STICGF-006 Bldg 20	Cummins Engine KTTA50-G2, May 95	10.2	1,000 kW (72%) (1342 hp)	4/13/2012
NMC-20-ICGF-007	STICGF-007 Bldg 20	Cummins Engine KTTA50-G2, May 95	10.2	1,000 kW (72%) (1342 hp)	4/13/2012
NMC-3-ICGF-008	STICGF-008 Bldg 3	Caterpillar Engine 3408B, 1989	4.50	380 kW (510 hp)	4/13/2012
NMC-3-ICGF-009	STICGF-009 Bldg 3	Caterpillar Engine 3412, 1989	3.91	330 kW (443 hp)	4/13/2012
NMC-3-ICGF-010	STICGF-010 Bldg 3	Caterpillar Engine 3408B, 1989	4.50	380 kW (510 hp)	4/13/2012
NMC-275-ICGF-011	STICGF-011 Bldg 275	Cummins Engine NTA-855-G2, 1993	4.06	300 kW (402 hp)	4/13/2012

<b>Emissions Unit ID</b>	<b>Stack ID</b>	<b>Emissions Unit Description</b>	<b>Size/Rated Heat Input Capacity, mmBTU/hr</b>	<b>Max Rated Output (Note 1)</b>	<b>Applicable NSR Permit</b>
NMC-150-ICGF-012	STICGF-012 Bldg 150	Caterpillar Engine 3306TA, 1999	2.41	230 kW (308 hp)	4/13/2012
NMC-273-ICGF-013	STICGF-013 Bldg 273	Caterpillar Engine 3306B, 1991	2.44	180 kW (241 hp)	4/13/2012
NMC-273-ICGF-015	STICGF-015 Bldg 273	Caterpillar Engine 3208, 1986	2.17	160 kW (215 hp)	4/13/2012
NMC-250-ICGF-017	STICGF-017 Bldg 250	Caterpillar Engine 3406, Feb 95	3.73	300 kW (402 hp)	4/13/2012
NMC-274-ICGF-019	STICGF-019 Bldg 274	Cummins Engine KTA-19T2, 1993	4.74	400 kW (536 hp)	4/13/2012
WOOD-001	NA	Woodworking Shop	NA	NA	NA

Note 1: Output units are lb steam/hr for boilers and kW (% of prime power) electrical output for IC generator units.

#### IV. EMISSIONS INVENTORY

A copy of the 2011 annual emission update is attached. Emissions are summarized in the following tables.

<b>2011 Criteria Pollutant Emission in Tons/Year</b>					
<b>Emission Unit</b>	<b>VOC</b>	<b>CO</b>	<b>SO<sub>2</sub></b>	<b>PM<sub>10</sub></b>	<b>NO<sub>x</sub></b>
Boilers	0.627	9.571	0.084	0.987	12.28
Generators	0.365	2.016	0.005	0.391	8.467
<b>Total</b>	<b>.992</b>	<b>11.588</b>	<b>0.089</b>	<b>1.379</b>	<b>20.746</b>

#### V. EMISSION UNIT APPLICABLE REQUIREMENTS -Boilers

##### A. Limitations

The New Source Review permit issued May 9, 2002, and amended April 13, 2012, contains specific requirements that have been incorporated into the Title V operating permit. A copy of the NSR permit is attached to the Statement of Basis.

The following Virginia Administrative Codes that have specific emission requirements have been determined to be applicable:

9 VAC 5-80-110 Permit Content

The following Code of Federal Regulations has been determined to be applicable:

40 CFR Part 60 Subpart Dc – Small Industrial-Commercial-Institutional Steam Generating Units  
40 CFR Part 63 Subpart JJJJJ – National Emissions Standards for Hazardous Air Pollutants for Industrial, Commercial, and Institutional Boilers Area Sources

##### B. Monitoring and Recordkeeping

The following Virginia Administrative Codes that have specific emission requirements have been determined to be applicable:

9 VAC 5-80-110 Permit Content

The following Code of Federal Regulations has been determined to be applicable:

40 CFR Part 60 Subpart Dc – Small Industrial-Commercial-Institutional Steam Generating Units  
40 CFR Part 63 Subpart JJJJJ – National Emissions Standards for Hazardous Air Pollutants for Industrial, Commercial, and Institutional Boilers Area Sources

The permit includes a requirement for monthly visual evaluations of each stack for compliance with the opacity limitation.

No periodic monitoring for the emissions limits for criteria pollutants is required in the permit. The following demonstration is provided to show that it is not likely that the Title V emission limits will be exceeded:

Example emissions unit size (Boiler 109) = 51 mmBtu/hr each (two Subpart Dc emissions units; the other four units are smaller heat input capacities)

Total heat input capacity for six units = 229.7 mmBtu/hr  
Heating Value of Distillate Fuel = 140,000 Btu/gal  
Sulfur Content of Fuel = 0.5%  
Fuel Throughput = 5,430,000 gallons of distillate fuel combined  
Hourly Throughput (example Boiler 109) = 51 mmBtu/hr / 140,000 Btu/gal=364 gal/hr per boiler  
Total Maximum Hourly Throughput for six boilers: 1,640 gal/hr

Emission Factors from AP42 (Fuel Oil Combustion, 9/98) for Distillate Oil and from compliance testing for CO and NO<sub>x</sub>):

<b>Pollutant</b>	<b>Boil-105,106,108</b>	<b>Boil-107</b>	<b>Boil-109,110</b>	<b>[lb/1000 gal]</b>
SO <sub>2</sub>	142S	142S	142S	[AP42, 9/98]
NO <sub>x</sub>	13	10 (7/97 tests)	14 (12/95 tests)	[AP42, 9/98:20]
CO	5.0 (AP42, 9/98)	2.0	2.0 (12/95 tests)	[1.2, B109; .2, B110]
PM*	3.3 (AP42, 5/10)	3.3	3.3	
PM-10*	2.3 (AP42, 5/10)	2.3	2.3	
VOC	0.2 (AP42, 9/98)	0.2	0.2	

\* - PM and PM-10 updated from previous permit to include condensable portion.

SO<sub>2</sub> Emissions:

$((142 \times 0.5) / 1000) \text{ lb/gal} \times (364 \text{ gal/hr}) = 25.9 \text{ lb/hr SO}_2 \text{ per boiler}$   
Title V permitted rate = **26.5 lb/hr SO<sub>2</sub> per boiler**  
 $((142 \times 0.5) / 1000) \text{ lb/gal} \times (5,430,000 \text{ gal/yr}) / 2000 \text{ lb/tn} = 192.8 \text{ tn/yr SO}_2 \text{ for the plant}$   
Title V permitted rate = **194.9 tn/yr SO<sub>2</sub> for the six-boiler plant**

NO<sub>x</sub> Emissions (from each of Boilers 109, and 110, as worst case, hourly):

$((14 / 1000) \text{ lb/gal}) \times (364 \text{ gal/hr}) = 5.1 \text{ lb/hr NO}_x \text{ per boiler}$   
Title V permitted rate = **7.4 lb/hr NO<sub>x</sub> per boiler**  
 $((14 / 1000) \text{ lb/gal}) \times (5,430,000 \text{ gal/yr}) / 2000 \text{ lb/tn} = 38.0 \text{ tn/yr NO}_x \text{ for the 6-boiler plant}$   
Title V permitted rate = **54.3 tn/yr NO<sub>x</sub> for the six-boiler plant**

CO Emissions (from each of Boilers 105, 106, and 108, as worst case, hourly):

$((5 / 1000) \text{ lb/gal}) \times (364 \text{ gal/hr}) = 1.8 \text{ lb/hr CO per boiler}$   
Title V permitted rate = **1.8 lb/hr CO per boiler**  
 $((5 / 1000) \text{ lb/gal}) \times (5,430,000 \text{ gal/yr}) / 2000 \text{ lb/tn} = 13.6 \text{ tn/yr CO for the 6-boiler plant}$   
Title V permitted rate = **13.6 tn/yr CO for the six-boiler plant**

PM Emissions:

$$((3.3 / 1000) \text{ lb/gal}) \times (364 \text{ gal/hr}) = 1.2 \text{ lb/hr PM per boiler}$$

$$\text{Title V permitted rate} = 2.4 \text{ lb/hr PM per boiler}$$

$$((3.3 / 1000) \text{ lb/gal}) \times (5,430,000 \text{ gal/yr}) / 2000 \text{ lb/tn} = 9.0 \text{ tn/yr PM for the six-boiler plant}$$

$$\text{Title V permitted rate} = 9.0 \text{ tn/yr PM for the six-boiler plant}$$

PM-10 Emissions:

$$((2.3 / 1000) \text{ lb/gal}) \times (364 \text{ gal/hr}) = 0.8 \text{ lb/hr PM-10 per boiler}$$

$$\text{Title V permitted rate} = 1.2 \text{ lb/hr PM-10 per boiler}$$

$$((2.3 / 1000) \text{ lb/gal}) \times (5,430,000 \text{ gal/yr}) / 2000 \text{ lb/tn} = 6.2 \text{ tn/yr PM-10 for the 6-boiler plant}$$

$$\text{Title V permitted rate} = 6.2 \text{ tn/yr PM-10 for the six-boiler plant}$$

VOC Emissions:

$$((0.2 / 1000) \text{ lb/gal}) \times (364 \text{ gal/hr}) = 0.07 \text{ lb/hr VOC per boiler}$$

$$\text{Title V permitted rate} = 0.1 \text{ lb/hr VOC per boiler}$$

$$((0.2 / 1000) \text{ lb/gal}) \times (5,430,000 \text{ gal/yr}) / 2000 \text{ lb/tn} = 0.5 \text{ tn/yr VOC for the 6-boiler plant}$$

$$\text{Title V permitted rate} = 1.0 \text{ tn/yr VOC for the six-boiler plant}$$

Based on the demonstration above, it is unlikely that hourly emissions limits will be exceeded for the boilers, so no additional periodic monitoring other than opacity is specified.

The permit includes requirements for maintaining records of emission data and operating parameters necessary to demonstrate compliance with the permit. These records include the type and amount of fuel combusted in the boilers, records of visual evaluations, visible emissions evaluations and any corrective action taken in regard to visible emissions, and fuel certifications. Recordkeeping as required by NSPS Subpart Dc has been incorporated into the permit as well.

See also NSR permit issued on 04/13/2012.

### C. Testing

The permit does not require source tests. The Department and EPA have authority to require testing not included in this permit if necessary to determine compliance with an emission limit or standard.

See also NSR permit issued on 04/13/2012.

### D. Reporting

Reporting as required by NSPS Dc has been incorporated into the permit.

The following Virginia Administrative Codes that have specific reporting requirements have been determined to be applicable:

9 VAC 5-80-110      Permit Content

The following Code of Federal Regulations has been determined to be applicable:

40 CFR Part 60 Subpart Dc – Small Industrial-Commercial-Institutional Steam Generating Units

See also NSR permit issued on 04/13/2012.

## **E. MACT JJJJJJ – Area Source Boilers**

Facilities subject to MACT JJJJJJ include owners/operators of existing, institutional boilers located at or part of an area source of HAPs.

Per the definition found at § 63.11237, Institutional boiler means a boiler used in institutional establishments such as medical centers, research centers, and institutions of higher education to provide electricity, steam, and/or hot water. This facility is a hospital/medical center and meets the definition of “Institutional”.

Per § 63.11194 (b) An affected source is an existing source if you commenced construction or reconstruction of the affected source on or before June 4, 2010. The boilers located at this facility are determined to be existing units as the last installation date was November 1994.

All the units qualify as large (>10 MMBtu/hr) units.

Condition III.E.1.b and III.E.1.c – does not state the date for conducting the initial performance tune up and notification and energy assessment. The date listed in the regulation for the tune up (March 21, 2012) has already passed and according to EPA letters dated 3/13/12 and 7/18/12 (attached) state “...the EPA issued a no action assurance to all owners and/or operators of existing industrial boilers and commercial and institutional boilers at area sources of hazardous air pollutant emissions stating that EPA would not enforce the requirement to conduct an initial tune-up by March 21, 2012.”

## **VI. EMISSION UNIT APPLICABLE REQUIREMENTS - Generators**

### **A. Limitations**

The New Source Review permit issued May 9, 2002, and amended April 13, 2012, contains specific requirements that have been incorporated into the Title V operating permit. A copy of the NSR permit is attached to the Statement of Basis.

The following Virginia Administrative Codes that have specific emission requirements have been determined to be applicable:

9 VAC 5-80-110      Permit Content

While MACT ZZZZ is listed in the Inapplicable Requirements section, there are restrictions on hours of operations for various situations with the ELRP designated units that the permittee must follow in order to not be subject to the entire non-emergency requirements. These limitations are included in this TV permit.

### **B. Monitoring**

The following Virginia Administrative Codes that have specific emission requirements have been determined to be applicable:

9 VAC 5-80-110      Permit Content

The permit includes a requirement for monthly visual evaluations of each stack for compliance with the opacity limitation for the larger ELRP designated units as well as an annual Method 9. Annual Method 9 is also required for the smaller emergency-only engines that operate over 100 hours in the previous calendar year.

No periodic monitoring for the emissions limits for criteria pollutants is required in the permit. The following demonstration is provided to show that there is not a great likelihood that the Title V emission limits will be exceeded:

AP42 Emission Factors from Section 3.4, Large Stationary Diesel and All Stationary Dual-fuel Engines:

PM = 0.1 lb/mmBtu  
SO<sub>2</sub> = 1.01S lb/mmBtu, where S = weight percent of sulfur in the fuel  
NO<sub>2</sub> - 1.9 lb/mmBtu  
CO - 0.85 lb/mmBtu  
VOC - 0.0819 lb non-methane VOC/mmBtu  
Weight percent of sulfur = 0.5  
Emission Units ICGF-002 through 007 = 10.2 mmBtu/hr, each

Particulate Matter Emissions from ICGF-002 through 007, each:

PM = 0.1 lb/mmBtu x 10.2 mmBtu/hr = **1.0 lbs/hr, each**  
Title V permitted rate = **3.6 lbs/hr PM, each**

Sulfur Dioxide Emissions from ICGF-002 through 007, each:

SO<sub>2</sub> = [(1.01)(0.5) lb/mmBtu] x 10.2 mmBtu/hr = **5.1 lbs/hr, each**  
Title V permitted rate = **5.4 lbs/hr, each**

Nitrogen Dioxide Emissions from ICGF-002 through 007, each:

NO<sub>2</sub> = 1.9 lb/mmBtu x 10.2 mmBtu/hr = **19.4 lbs/hr each**  
Title V permitted rate = **33.2 lbs/hr, each**

Carbon Monoxide Emissions from ICGF-002 through 007, each:

CO - 0.85 lb/mmBtu x 10.2 mmBtu/hr = **8.7 lbs/hr, each**  
Title V permitted rate = **6.4 lbs/hr, each**

VOC Emissions from ICGF-002 through 007, each:

VOC-0.0819 lb VOC/mmBtu x 10.2 mmBtu/hr=**0.84 lb VOC/hr, each**  
Title V permitted rate = **0.9 lbs/hr, each**

Based on the demonstration above, there is not a great likelihood that hourly emissions limits will be exceeded for the generators, so no additional periodic monitoring other than opacity is specified.  
See also NSR permit issued on 04/13/2012.

### C. Recordkeeping

The following Virginia Administrative Codes that have specific emission requirements have been determined to be applicable:

9 VAC 5-80-110      Permit Content

The permit includes requirements for maintaining records of emission data and operating parameters necessary to demonstrate compliance with the permit. These records include the fuel type and throughput for the generators, records of visual evaluations, visible emissions evaluations and any corrective action taken in regard to visible emissions, records of maximum electric load production levels, fuel supplier certifications, and written operating procedures.

The engine generator sets operate significantly less than that permitted to allow for unanticipated demands. Engine generator sets ICGF-002 through 007 operate between 100 and 200 hours per year. Generator sets ICGF-008 through ICGF-019 have operated 10 to 20 hours per year. The facility fuel limit of 784,000 gallons of diesel fuel oil per year would be sufficient for 1577 hr/yr for each of engines ICGF-002 through 007, and 500 hr/yr for each of the engines ICGF-008 to 013, 015, 017, and 019. Recordkeeping is specified as the primary method of periodic monitoring.

See also NSR permit issued on 04/13/2012.

#### **D. Testing**

The permit does not require source tests. The Department and EPA have the authority to require testing not included in the permit if necessary to determine compliance with an emission limitation or standard.

### **VII. EMISSION UNIT APPLICABLE REQUIREMENTS – Woodworking Equipment**

#### **A. Limitations**

The following Virginia Administrative Codes that have specific emission requirements have been determined to be applicable:

9 VAC 5-80-110	Permit Content
9 VAC 5, Chapter 40, Part II, Article 17	Emission Standards for Woodworking Operations
9 VAC 5, Chapter 50, Part II, Article 1	Visible Emissions and Fugitive Dust/Emissions

#### **B. Monitoring and Recordkeeping**

The following Virginia Administrative Codes that have specific emission requirements have been determined to be applicable:

9 VAC 5-80-110	Permit Content
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Woodworking Shop emissions: Controlled emissions are not visible, and by engineering judgment, are assumed to be less than 5 grains/dscf. Exhaust flow was tested at a maximum rate of 30.49 cuft/min.

Maximum potential hourly emissions are therefore:

$$30.49 \text{ cuft/min} \times 0.05 \text{ gr/dscf} \times \text{lb}/7000 \text{ grains} \times 60 \text{ min/hr} = 0.0131 \text{ lb PM/hr}$$

Maximum potential annual emissions are:

$$0.0131 \text{ lb PM/hr} \times 8760 \text{ hr/yr} \times \text{ton}/2000 \text{ lb} = 0.057 \text{ tons PM/yr}$$

Since the potential for emissions is small, no limits are assigned. Periodic monitoring for this emissions unit is proposed as visual observations of emissions from emissions units and the control device, and corresponding recordkeeping consisting of log entries to ensure no visible emissions are present, and to correct and record occurrences of malfunctions.

### C. Testing

The permit does not require source tests. The Department and EPA have the authority to require testing not included in the permit if necessary to determine compliance with an emission limitation or standard.

## VIII. STREAMLINED REQUIREMENTS

All degreasers have been removed from the facility therefore all associated conditions have been removed from the permit.

## IX. INSIGNIFICANT EMISSION UNITS

The insignificant emission units are presumed to be in compliance with all requirements of the Clean Air Act as may apply. Based on this presumption, no monitoring, recordkeeping or reporting shall be required for these emission units in accordance with 9 VAC 5-80-110.

Insignificant emission units include the following:

Emissions Unit No.	Emissions Unit Description	Citation Code*	Pollutant(s) Emitted (5-80-720 B)	Rated Capacity (5-80-720C)
GSTA-001	Vehicle Maintenance Facility Gasoline/Diesel Pumping Tank	2	2,2,4-Trimethylpentane, Benzene, Ethylbenzene, Hexane, Toluene, VOC, Xylenes (mixed isomers)	NA
LABS-ALL	Lab Hoods in the Charette Health Care Center	2	Formaldehyde, Methanol, VOC, Xylenes(mixed isomers)	NA
LABS-012	Still Room, Sterilization Material Recycling Process in the Central Energy Plant (Bldg 20)	2	Formaldehyde, VOC, Xylenes (mixed isomers)	NA
OCOM-ALL	Space Heaters (<0.3 mmBTU/hr)	1	Carbon monoxide, PM, PM <sub>10</sub> , NO <sub>x</sub> , SO <sub>x</sub> , VOC	NA
TNKA-002	Horizontal Fixed Roof, Distillate Fuel Oil No. 2 Storage Tank	2	VOC	NA
TNKA-003	Horizontal Fixed Roof, Distillate Fuel Oil No. 2 Storage Tank	2	VOC	NA
TNKA-008	Horizontal Fixed Roof, Distillate Fuel Oil No. 2 Storage Tank	2	VOC	NA
TNKA-009	Distillate Fuel Oil No. 2 Storage Tank (55,000 gallons)	2	VOC	NA
TNKA-010	Distillate Fuel Oil No. 2 Storage Tank (55,000 gallons)	2	VOC	NA
TNKA-011	Distillate Fuel Oil No. 2 Storage	2	VOC	NA
TNKA-018	Horizontal Fixed Roof, Distillate Fuel Oil No. 2 Storage Tank	2	VOC	NA
TNKA-019	Horizontal Fixed Roof, Distillate Fuel Oil No. 2 Storage Tank	2	VOC	NA
TNKA-020	PWC 2,000 gallon Gasoline Storage Tank	2	VOC	NA

<b>Emissions Unit No.</b>	<b>Emissions Unit Description</b>	<b>Citation Code*</b>	<b>Pollutant(s) Emitted (5-80-720 B)</b>	<b>Rated Capacity (5-80-720C)</b>
TNKA-022	Horizontal Fixed Roof, Distillate Fuel Oil No. 2 Storage Tank	2	VOC	NA
TNKA-024	Horizontal Fixed Roof, Distillate Fuel Oil No. 2 Storage Tank	2	VOC	NA
TNKA-025	Horizontal Fixed Roof, Distillate Fuel Oil No. 2 Storage Tank	2	VOC	NA
TNKA-026	Horizontal Fixed Roof, Distillate Fuel Oil No. 2 Storage Tank	2	VOC	NA
TNKA-027	Horizontal Fixed Roof, Distillate Fuel Oil No. 2 Storage Tank	2	VOC	NA
TNKA-028	Horizontal Fixed Roof, Distillate Fuel Oil No. 2 Storage Tank	2	VOC	NA
TNKA-029	Horizontal Fixed Roof, Distillate Fuel Oil No. 2 Storage Tank	2	VOC	NA
TNKA-030	Horizontal Fixed Roof, Distillate Fuel Oil No. 2 Storage Tank	2	VOC	NA
TNKA-031	MWR 250 gallon Gasoline Tank	2	VOC	NA
TNKA-032	Horizontal Fixed Roof, Distillate Fuel Oil No. 2 Storage Tank	2	VOC	NA
TNKA-004	Horizontal Underground, Distillate Fuel Oil No. 2 Storage Tank	2	VOC	NA
TNKA-006	Horizontal Underground, Distillate Fuel Oil No. 2 Storage Tank	2	VOC	NA
TNKA-013	Horizontal Underground, Lubrication Oil Storage Tank	2	VOC	NA
TNKA-014	Horizontal Underground, Waste Oil Storage Tank	2	VOC	NA
WSTL-001	Tank Secondary Containment Oil/Water Separator for TNKA-010	2	VOC	NA
WSTL-002	Tank Secondary Containment Oil/Water Separator for TNKA-011	2	VOC	NA
WSTL-002	Tank Secondary Containment Oil/Water Separator for TNKA-011	2	VOC	NA

\*The citation criteria for insignificant activities are as follows:

- 1- (9 VAC 5-80-720 A) - Listed Insignificant Activity, Not Included in Permit Application
- 2 – (9 VAC 5-80-720 B) - Insignificant due to emission levels
- 3 – (9 VAC 5-80-720 C) - Insignificant due to size or production rate

These emissions units are presumed to be in compliance with all requirements of the federal Clean Air Act as may apply. Based on this presumption, no monitoring, recordkeeping, or reporting shall be required for these emissions units in accordance with 9 VAC 5-80-110.

Freon Recovery Units have been removed from the Insignificant List as these units are covered under the General Condition VIII.X (Stratospheric Ozone Protection).

*40 CFR Part 98 - Mandatory Greenhouse Gas Reporting:*

The provisions of 40 CFR Part 98 require owners and operators of general stationary fuel combustion sources that emit 25,000 metric tons CO<sub>2</sub>e or more per year in combined emissions from such units, to report greenhouse gas (GHG) emissions, annually. The definition of "applicable requirement" in 40 CFR 70.2 and 71.2 does not include requirements such as those included in Part 98, promulgated under Clean Air Act (CAA) section 114(a)(1) and 208. Therefore, the requirements of 40 CFR Part 98 are not applicable under the Title V permitting program.

As a result of several EPA actions regarding GHG under the CAA, emissions of GHG must be addressed for a Title V permit renewed after January 1, 2011. The current state minor NSR permit for the “facility name” contains no GHG-specific applicable requirements and there have been no modifications at the facility requiring a PSD permit. Therefore, there are no applicable requirements for the facility specific to GHG.

## **X. INAPPLICABLE REQUIREMENTS**

It has been determined that none of the generators are subject to the NSPS IIII or MACT ZZZZ regulations.

All units pre-date the applicability for NSPS IIII (most recent installation date at facility is May 1995, NSPS applicability date for owners/operators is July 11, 2005).

Email received from facility (dated 8/14/2012) indicated that one of the large generators had been rebuilt recently. Discussed the definition of “reconstruction” as it pertains to NSPS IIII with the facility. It was determined that the work performed on the generator was 67% of what a brand new unit would cost. Since the cost is below 75%, NSPS IIII is not triggered. The generator maintains the same max rated capacity and all previous limits and conditions (fuel throughput, VE limit, etc.) remain in effect.

MACT ZZZZ exempts existing institutional emergency generators at area sources (see 40 CFR 63.6590 b.3.viii). These units meet the definition for “existing” at an area source as “...commenced construction...before June 12, 2006” as they were installed in 1995 or earlier. The units also meet the definition of “institutional” as “...an emergency stationary RICE used in institutional establishments such as medical centers, nursing homes, research centers, institutions of higher education, correctional facilities, elementary and secondary schools, libraries, religious establishments, police stations and fire stations.”

### **Additional Note Regarding MACT ZZZZ Applicability:**

MACT ZZZZ defines emergency generators as “any stationary internal combustion engine whose operation is limited to emergency situations and required testing and maintenance...Stationary RICE used to supply power to an electric grid or that supply non-emergency power as part of a financial arrangement with another entity are not considered to be emergency engines, except as permitted under §63.6640(f). All emergency stationary RICE must comply with the requirements specified in §63.6640(f) in order to be considered emergency stationary RICE. If the engine does not comply with the requirements specified in §63.6640(f), then it is not considered to be an emergency stationary RICE under this subpart.”

§63.6640(f) states “...an existing emergency stationary RICE located at an area source of HAP emissions, must operate the emergency stationary RICE according to the requirements in paragraphs (f)(1)(i) through (iii) of this section. Any operation other than emergency operation, maintenance and testing, and operation in non-emergency situations for 50 hours per year, as described in paragraphs (f)(1)(i) through (iii) of this section, is prohibited. If you do not operate the engine according to the requirements in paragraphs (f)(1)(i) through (iii) of this section, the engine will not be considered an emergency engine under this subpart and will need to meet all requirements for non-emergency engines.”

§63.6640(f)(1)(i) through (iii) can be summarized as follows:

- (i) Emergency situations carry no time limit for operating the emergency generators.
- (ii) Operation of the emergency generators for maintenance and readiness testing is limited to 100 hours per year.
- (iii) Operation of the emergency generators in non-emergency situations is limited to 50 hours per year, which count toward the 100 hours per year in section (ii). The 50 hours cannot be used for peak shaving, supply

to the grid or other financial arrangement EXCEPT for a maximum of 15 hours per year as part of a demand response program (i.e. ELRP). The 15 hours for ELRP count toward the 50 hours of non-emergency operation.

In short, operation of the emergency generators outside of the specifications and time limits above would render the unit(s) as non-emergency units under MACT ZZZZ and would need to meet all requirements for non-emergency engines as applicable.

The facility has been notified of these limitations (by email dated 4/5/12).

The startup, shut down, and malfunction opacity exclusion listed in 9 VAC 5-40-20 A 4 cannot be included in any Title V permit. This portion of the regulation is not part of the federally approved state implementation plan. The opacity standard applies to existing sources at all times including startup, shutdown, and malfunction. Opacity exceedances during malfunction can be affirmatively defended provided all requirements of the affirmative defense section of this permit are met. Opacity exceedances during startup and shut down will be reviewed with enforcement discretion using the requirements of 9 VAC 5-40-20 E, which state that "At all times, including periods of startup, shutdown, soot blowing and malfunction, owners shall, to the extent practicable, maintain and operate any affected facility including associated air pollution control equipment in a manner consistent with air pollution control practices for minimizing emissions."

## **XI. GENERAL CONDITIONS**

The permit contains general conditions required by 40 CFR Part 70 and 9 VAC 5-80-110 that apply to all Federal-operating permitted sources. These include requirements for submitting semi-annual monitoring reports and an annual compliance certification report. The permit also requires notification of deviations from permit requirements or any excess emissions.

1. Comments on General Conditions
  - a. Condition B. Permit Expiration

This condition refers to the Board taking action on a permit application. The Board is the State Air Pollution Control Board. The authority to take action on permit application(s) has been delegated to the Regions as allowed by §2.2-604 and §10.1-1185 of the *Code of Virginia*, and the "Department of Environmental Quality Agency Policy Statement No. 2-09".

- b. Condition F. Failure/Malfunction Reporting

Section 9 VAC 5-20-180 requires malfunction and excess emission reporting within four hours of discovery. Section 9 VAC 5-80-250 of the Title V regulations also requires malfunction reporting; however, reporting is required within two days. Section 9 VAC 5-20-180 is from the general regulations. All affected facilities are subject to section 9 VAC 5-20-180 including Title V facilities. Section 9 VAC 5-80-250 is from the Title V regulations. Title V facilities are subject to both sections. A facility may make a single report that meets the requirements of 9 VAC 5-20-180 and 9 VAC 5-80-250. The report must be made within four daytime business hours of discovery of the malfunction.

- c. Condition J. Permit Modification

This general condition cites the sections that follow:

9 VAC 5-80-50. Applicability, Federal Operating Permit For Stationary Sources

9 VAC 5-80-190. Changes to Permits.

9 VAC 5-80-260. Enforcement.

9 VAC 5-80-1100. Applicability, Permits For New and Modified Stationary Sources

9 VAC 5-80-1790. Applicability, Permits For Major Stationary Sources and Modifications Located in Prevention of Significant Deterioration Areas

9 VAC 5-80-2000. Applicability, Permits for Major Stationary Sources and Major Modifications Locating in Nonattainment Areas

d. Condition U. Malfunction as an Affirmative Defense

The regulations contain two reporting requirements for malfunctions that coincide. The reporting requirements are listed in sections 9 VAC 5-80-250 and 9 VAC 5-20-180. The malfunction requirements are listed in General Condition U and General Condition F. For further explanation see the comments on general condition F.

This general condition cites the sections that follow:

9 VAC 5-20-180. Facility and Control Equipment Maintenance or Malfunction

9 VAC 5-80-110. Permit Content

e. Condition Y. Asbestos Requirements

The Virginia Department of Labor and Industry under Section 40.1-51.20 of the Code of Virginia also holds authority to enforce 40 CFR 61 Subpart M, National Emission Standards for Asbestos.

This general condition contains a citation from the Code of Federal Regulations that follow:

40 CFR 61.145, NESHAP Subpart M. National Emissions Standards for Asbestos as it applies to demolition and renovation.

40 CFR 61.148, NESHAP Subpart M. National Emissions Standards for Asbestos as it applies to insulating materials.

40 CFR 61.150, NESHAP Subpart M. National Emissions Standards for Asbestos as it applies to waste disposal.

This general condition cites the regulatory sections that follow:

9 VAC 5-60-70. Designated Emissions Standards

9 VAC 5-80-110. Permit Content

## **XII. STATE ONLY APPLICABLE REQUIREMENTS**

The following Virginia Administrative Codes have specific requirements only enforceable by the State and have been identified as applicable by the applicant:

9 VAC 5-40-140	Existing Source Standard for Odor
9 VAC 5-40-180	Existing Source Standard for Toxic Pollutants
9 VAC 5-50-140	New and Modified Source Standard for Odorous Emissions
9 VAC 5-50-180	New and Modified Source Standard for Toxic Pollutants

### **XIII. CONFIDENTIAL INFORMATION**

The permittee did not submit a request for confidentiality. All portions of the Title V application are suitable for public review.

### **XIV. PUBLIC PARTICIPATION**

The proposed permit will be placed on public notice in The Virginian- Pilot from Monday, August 27, 2012 to Wednesday, September 26, 2012.



# COMMONWEALTH of VIRGINIA

DEPARTMENT OF ENVIRONMENTAL QUALITY  
TIDEWATER REGIONAL OFFICE

Doug Domenech  
Secretary of Natural Resources

5636 Southern Boulevard, Virginia Beach, Virginia 23462  
(757) 518-2000 Fax (757) 518-2009  
www.deq.virginia.gov

David K. Paylor  
Director

Maria R. Nold  
Regional Director

April 13, 2012

Ms. Tiffany Ronsonet  
Director, Air and Tank Compliance  
Naval Medical Center Portsmouth  
1510 Gilbert Street  
Norfolk, Virginia 23511-2737

Location: Portsmouth  
Registration No.: 60293  
AFS Id. No.: 51-740-00007

Dear Ms. Ronsonet:

Attached is a significant amendment to your new source review permit to construct and operate a central energy plant for a medical facility for armed forces personnel and their dependants in accordance with the provisions of the Virginia Regulations for the Control and Abatement of Air Pollution. This permit supersedes your permit dated May 9, 2002.

This permit contains legally enforceable conditions. Failure to comply may result in a Notice of Violation and/or civil charges. Please read all permit conditions carefully.

In the course of evaluating the application and arriving at a final decision to approve the project, the Department of Environmental Quality (DEQ) deemed the application complete on March 30, 2012.

This permit approval to construct and operate shall not relieve Naval Medical Center Portsmouth of the responsibility to comply with all other local, state, and federal permit regulations.

The Board's Regulations as contained in Title 9 of the Virginia Administrative Code 5-170-200 provide that you may request a formal hearing from this case decision by filing a petition with the Board within 30 days after this case decision notice was mailed or delivered to you. 9 VAC 5-170-200 provides that you may request direct consideration of the decision by the Board if the Director of the DEQ made the decision. Please consult the relevant regulations for additional requirements for such requests.

As provided by Rule 2A:2 of the Supreme Court of Virginia, you have 30 days from the date you actually received this permit or the date on which it was mailed to you, whichever occurred first, within which to initiate an appeal of this decision by filing a Notice of Appeal with:

David K. Paylor, Director  
Department of Environmental Quality  
PO Box 1105  
Richmond, VA 23218-1105

If this permit was delivered to you by mail, three days are added to the thirty-day period in which to file an appeal. Please refer to Part Two A of the Rules of the Supreme Court of Virginia for information on the required content of the Notice of Appeal and for additional requirements governing appeals from decisions of administrative agencies.

The six (6) boilers (NMC-20-Boil-105 through NMC-20-Boil-110) have been determined to be affected units under 40 CFR 63, Maximum Achievable Control Technology (MACT), Subpart JJJJJJ, and are therefore subject to owner/operator requirements of the MACT. In summary, each unit is required to comply with operating limitations such as conducting an energy assessment and biennial tune-ups over its useful life. The Department of Environmental Quality (DEQ) advises you to review the attached MACT to ensure compliance with applicable emission and operational limitations. As the owner/operator you are also responsible for monitoring, notification, reporting, and recordkeeping requirements of each of the MACT. Notifications shall be sent to EPA, Region III at the address below:

A copy of the results of performance test(s) required by 40 CFR 60, Subpart JJJJJJ shall be sent to:

Associate Director  
Office of Air Enforcement and Compliance Assistance (3AP20)  
U.S. Environmental Protection Agency  
Region III  
1650 Arch Street  
Philadelphia, PA 19103-2029

If you have any questions concerning this permit, please contact Kelly R. Giles by phone at (757) 518-2155 or by e-mail at [kelly.giles@deq.virginia.gov](mailto:kelly.giles@deq.virginia.gov).

Sincerely,



Troy D. Breathwaite  
Regional Air Permits Manager

TDB/KRG/60293\_004\_12\_NSRsigamend\_Navy Med Center-Ptown.docx

Attachment: Permit

Link for NSPS and MACT Regulations: NSPS, Subpart Dc  
MACT, Subpart JJJJJJ

[http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?sid=27d0dad4dd3d4c1969aad205b798e315&c=ecfr&tpl=/ecfrbrowse/Title40/40tab\\_02.tpl](http://ecfr.gpoaccess.gov/cgi/t/text/text-idx?sid=27d0dad4dd3d4c1969aad205b798e315&c=ecfr&tpl=/ecfrbrowse/Title40/40tab_02.tpl)

cc: Manager, Data Analysis (electronic file submission)  
Chief, Air Enforcement Branch (3AP13), U.S. EPA, Region III (electronic file submission)  
Manager/Inspector, Air Compliance



# COMMONWEALTH of VIRGINIA

DEPARTMENT OF ENVIRONMENTAL QUALITY  
TIDEWATER REGIONAL OFFICE

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David K. Paylor  
Director

Maria R. Nold  
Regional Director

## STATIONARY SOURCE PERMIT TO CONSTRUCT AND OPERATE

**This permit includes designated equipment subject to  
New Source Performance Standards (NSPS).**

This permit supersedes your permit dated May 9, 2002.

In compliance with the Federal Clean Air Act and the Commonwealth of Virginia  
Regulations for the Control and Abatement of Air Pollution,

Naval Medical Center Portsmouth  
620 John Paul Jones Circle  
Portsmouth, Virginia 23708-2197  
**Registration No.: 60293**  
AFS Id. No.: 51-740-00007

is authorized to construct and operate

central energy plant for a medical facility for  
armed forces personnel and their dependants

located at

620 John Paul Jones Circle  
Portsmouth, Virginia 23708-2197

in accordance with the Conditions of this permit.

Approved on: April 13, 2012

  
\_\_\_\_\_  
Maria R. Nold

April 13, 2012  
Signature Date

Permit consists of 12 pages.  
Permit Conditions 1 to 29.

**INTRODUCTION**

1. This permit approval is based on the permit application dated May 18, 1992, including amendment information dated September 10, 1992, November 5, 1992, February 3, 1994, February 17, 1994, June 27, 1995, July 18, 1995, September 28, 1995, November 21, 1995, December 28, 1995, March 1, 1996, March 11, 1996, March 21, 1996, April 16, 1996, September 18, 1996, May 21, 1997, January 31, 2002, April 23, 2002, May 9, 2002, October 28, 2011, January 18, 2012 and February 1, 2012. Any changes in the permit application specifications or any existing facilities which alter the impact of the facility on air quality may require a permit. Failure to obtain such a permit prior to construction may result in enforcement action. In addition, this facility may be subject to additional applicable requirements not listed in this permit.

Words or terms used in this permit shall have meanings as provided in 9 VAC 5-10-10 of the State Air Pollution Control Board Regulations for the Control and Abatement of Air Pollution. The regulatory reference or authority for each condition is listed in parentheses () after each condition.

Annual requirements to fulfill legal obligations to maintain current stationary source emissions data will necessitate a prompt response by the permittee to requests by the DEQ or the Board for information to include, as appropriate: process and production data; changes in control equipment; and operating schedules. Such requests for information from the DEQ will either be in writing or by personal contact.

The availability of information submitted to the DEQ or the Board will be governed by applicable provisions of the Freedom of Information Act, § 2.2-3700 through 2.2-3714 of the Code of Virginia, § 10.1-1314 (addressing information provided to the Board) of the Code of Virginia, and 9 VAC 5-170-60 of the State Air Pollution Control Board Regulations. Information provided to federal officials is subject to appropriate federal law and regulations governing confidentiality of such information.

**PROCESS REQUIREMENTS**

2. **Equipment List** - Equipment at this facility consists of the following:

<b>Equipment permitted prior to the date of this permit</b>			
Reference No.	Equipment Description	Rated Capacity	Federal Requirements
<i>Boilers</i>			
NMC-20-Boil-105	Nebraska Boiler NS-C-39S, 6/1/87	30.1 mmBtu/hr	MACT JJJJJ
NMC-20-Boil-106	Nebraska Boiler NS-C-39S, 3/15/86	36.0 mmBtu/hr	MACT JJJJJ
NMC-20-Boil-107	Nebraska Boiler NS-C-39, 9/15/83	37.6 mmBtu/hr	MACT JJJJJ
NMC-20-Boil-108	Nebraska Boiler NSB37, 1/15/82	24.0 mmBtu/hr	MACT JJJJJ
NMC-20-Boil-109	Cleaver Brooks 200-CT-7, Nov 94	51.0 mmBtu/hr	NSPS Dc MACT JJJJJ
NMC-20-Boil-110	Cleaver Brooks 200-CT-7, Nov 94	51.0 mmBtu/hr	NSPS Dc MACT JJJJJ

Reference No.	Equipment Description	Rated Capacity	Federal Requirements
<i>Generators</i>			
NMC-20-ICGF-002	Cummins Engine KTTA50-G2, May 95	10.2 mmBtu/hr 1,000 kW (1342 hp)	N/A
NMC-20-ICGF-003	Cummins Engine KTTA50-G2, May 95	10.2 mmBtu/hr 1,000 kW (1342 hp)	N/A
NMC-20-ICGF-004	Cummins Engine KTTA50-G2, May 95	10.2 mmBtu/hr 1,000 kW (1342 hp)	N/A
NMC-20-ICGF-005	Cummins Engine KTTA50-G2, May 95	10.2 mmBtu/hr 1,000 kW (1342 hp)	N/A
NMC-20-ICGF-006	Cummins Engine KTTA50-G2, May 95	10.2 mmBtu/hr 1,000 kW (1342 hp)	N/A
NMC-20-ICGF-007	Cummins Engine KTTA50-G2, May 95	10.2 mmBtu/hr 1,000 kW (1342 hp)	N/A
<i>Emergency Generators</i>			
NMC-3-ICGF-008	Caterpillar Engine 3408B, 1989	4.50 mmBtu/hr 380 kW (510 hp)	N/A
NMC-3-ICGF-009	Caterpillar Engine 3412, 1989	3.91 mmBtu/hr 330 kW (443 hp)	N/A
NMC-3-ICGF-010	Caterpillar Engine 3408B, 1989	4.50 mmBtu/hr 380 kW (510 hp)	N/A
NMC-275-ICGF-011	Cummins Engine NTA-855-G2, 1993	4.06 mmBtu/hr 300 kW (402 hp)	N/A
NMC-150-ICGF-012	Caterpillar Engine 3306TA, 1999	2.41 mmBtu/hr 230 kW (308 hp)	N/A
NMC-273-ICGF-013	Caterpillar Engine 3306B, 1991	2.44 mmBtu/hr 180 kW (241 hp)	N/A
NMC-273-ICGF-015	Caterpillar Engine 3208, 1986	2.17 mmBtu/hr 160 kW (215 hp)	N/A
NMC-250-ICGF-017	Caterpillar Engine 3406, Feb 95	3.73 mmBtu/hr 300 kW (402 hp)	N/A
NMC-274-ICGF-019	Cummins Engine KTA-19T2, 1993	4.74 mmBtu/hr 400 kW (536 hp)	N/A
<i>Other Devices</i>			
NMC-273-WOOD-001	Woodworking Shop	N/A	N/A

Equipment Removed by this permit			
Reference No.	Equipment Description	Rated Capacity	Original Permit Date
NMC-273-DEGS-001, 002	Degreaser and Brake Cleaning Unit	N/A	N/A

Specifications included in the permit under this Condition are for informational purposes only and do not form enforceable terms or conditions of the permit.  
 (9 VAC 5-80-1180 D 3)

3. **Emission Controls** – Boiler and engine generator set emissions shall be controlled by proper operation and maintenance.  
 (9 VAC 5-80-1180 and 9 VAC 5-50-260)

**BOILER OPERATING/EMISSION LIMITATIONS**

4. **Boiler Fuel** - The approved fuels for the six boilers (NMC-20-Boil-105 through NMC-20-Boil-110) are as listed in the table below. A change in the fuel may require a permit to modify and operate.

Reference No.	Approved Fuel
NMC-20-Boil-105	Natural Gas Distillate Oil/Diesel
NMC-20-Boil-106	
NMC-20-Boil-107	
NMC-20-Boil-108	
NMC-20-Boil-109	
NMC-20-Boil-110	

(9 VAC 5-80-1180)

5. **Boiler Fuel Throughput** - The throughput limits for the six boilers (NMC-20-Boil-105 through NMC-20-Boil-110), combined, are as listed in the table below. These annual limits are calculated monthly as the sum of each consecutive 12-month period. Compliance for the consecutive 12-month period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding 11 months.

Reference No.	Fuel	Limit
NMC-20-Boil-105 NMC-20-Boil-106 NMC-20-Boil-107 NMC-20-Boil-108 (combined)	Natural Gas	700 x 10 <sup>6</sup> cubic feet per year
NMC-20-Boil-109 NMC-20-Boil-110	Distillate Oil/Diesel	5,430,000 gallons per year

When both distillate oil and natural gas are consumed in the same consecutive 12 months, consumption shall be limited by the following:

Gallons of oil = 5,430,000 – (0.007 x ft <sup>3</sup> of natural gas)
Cubic feet of natural gas = 700 x 10 <sup>6</sup> – (143 x gallons of oil)

(9 VAC 5-80-1180 and 9 VAC 5-50-260)

6. **Boiler Fuel** - The distillate oil/diesel shall meet the specifications below:

DISTILLATE OIL/DIESEL which meets the ASTM D396 or D975 specification for numbers 1 or 2 fuel oil:

Maximum sulfur content per shipment: 0.5 %

(9 VAC 5-80-1180, 9 VAC 5-50-260, and 9 VAC 5-50-410)

7. **Boiler Fuel Certification** - The permittee shall obtain a certification from the fuel supplier with each shipment of distillate oil/diesel. Each fuel supplier certification shall include the following:

- a. The name of the fuel supplier;
- b. The date on which the distillate oil/diesel was received;
- c. The quantity of distillate oil/diesel delivered in the shipment; and
- d. A statement that the distillate oil/diesel complies with the American Society for Testing and Materials specifications (ASTM D396 or D975) for numbers 1 or 2 fuel oil.

Fuel sampling and analysis, independent of that used for certification, as may be periodically required or conducted by DEQ may be used to determine compliance with the fuel specifications stipulated in Condition 6. Exceedance of these specifications may be considered credible evidence of the exceedance of emission limits.

(9 VAC 5-80-1180 and 9 VAC 5-50-410)

8. **Boiler Emission Limits** – Emission from the common stack resulting from the operation the boilers, as described in the table, shall not exceed the limits specified below:

Pollutant	NMC-20-Boil-105 through NMC-20-Boil-108, COMBINED		NMC-20-Boil-109 and NMC-20-Boil-110, EACH	All Boilers (NMC-20-Boil-105 through NMC-20-Boil-110) COMBINED
	(lb/mmBtu)	(lb/hr)	(lb/hr)	(ton/yr)
PM <sub>(filterable + condensable)</sub>	0.024	3.0	2.4	9.0
PM-10 <sub>(filterable + condensable)</sub>	0.012	1.5	1.2	6.2
SO <sub>x</sub>	0.5	65.0	26.5	194.9
Nitrogen Oxides (as NO <sub>2</sub> )	0.14	18.1	7.4	54.3
CO	0.035	4.5	1.8	13.6
VOC	0.003	0.4	0.1	1.0

These emissions are derived from the estimated overall emission contribution from operating limits. Exceedance of operating limits shall be considered credible evidence of the exceedance of emission limits. Compliance with these emission limits may be determined from operating limits as stated in Condition numbers 3 - 7, 9, 10, and 19.

(9 VAC 5-80-1180 and 9 VAC 5-50-260)

9. **Boiler Visible Emission Limit** - Visible emissions, as determined by the EPA Method 9 (reference 40 CFR 60, Appendix A), from the common stack resulting from the operation of each boiler listed, shall not exceed the limits specified below:

Equipment/Reference No.	Opacity Limit	Except during one six-minute period in any one hour in which visible emissions shall not exceed
NMC-20-Boil-105 NMC-20-Boil-106 NMC-20-Boil-107 NMC-20-Boil-108 NMC-20-Boil-109 NMC-20-Boil-110	10% <b>(Each Boiler)</b>	20% <b>(Each Boiler)</b>

This condition applies at all times except during startup, shutdown, and malfunction.  
 (9 VAC 5-80-1180, 9 VAC 5-50-80, 9 VAC 5-50-260, and 9 VAC 5-50-410)

10. **Requirements by Reference** - Except where this permit is more restrictive than the applicable requirement, the NSPS equipment as described in Condition 2 (NMC-20-Boil-109 and NMC-20-Boil-110) shall be operated in compliance with the requirements of 40 CFR 60, Subpart Dc.  
Note: All applicable requirements of 40 CFR 60, Subpart Dc **are not** specifically listed in this permit. The permittee should refer to the applicable regulation for additional requirements not included in this permit.  
 (9 VAC 5-80-1180, 9 VAC 5-50-400, and 9 VAC 5-50-410)

**ENGINE OPERATING/EMISSION LIMITATIONS**

11. **Engine Emission Controls** – Nitrogen oxide emissions from each of the six engine generator sets (NMC-20-ICGF-002 through NMC-20-ICGF-007) shall be controlled by the use, during all operations, of an electronic governor circuit on each engine that is designed to derate each engine from a maximum capacity of 1855 hp to 1450 hp. Each generator is limited to 1000 kW.  
 (9 VAC 5-50-260 and 9 VAC 5-80-1180)
12. **Type of Engine Operations** – The engine generator sets shall be used to provide electrical power to Naval Medical Center, Portsmouth, as listed in the table below:

Reference No.	Type of Operation
NMC-20-ICGF-002    NMC-20-ICGF-005 NMC-20-ICGF-003    NMC-20-ICGF-006 NMC-20-ICGF-004    NMC-20-ICGF-007	<b>ELRP</b> (Independent System Operator (ISO) declared emergency) and <b>Emergency</b>
NMC-3-ICGF-008    NMC-273-ICGF-013 NMC-3-ICGF-009    NMC-273-ICGF-015 NMC-3-ICGF-010    NMC-250-ICGF-017 NMC-275-ICGF-011    NMC-274-ICGF-019 NMC-150-ICGF-012	<b>Emergency Only</b>

The **Emergency Only** generator sets as noted above shall be used only for providing electrical power during the interruption of service from the normal power supplier, periodic maintenance testing, and operational training. Only those units designated as participating in the **Emergency Load Response Program (ELRP)** may also operate during ELRP declared emergencies. Other than the ELRP, the designated participating emergency generators shall not operate voluntarily for the purpose of peak-shaving, demand response or as part of any other interruptible power supply arrangement with a power provider, other market participant or system operator, without first receiving permission from the DEQ.

(9 VAC 5-80-1180 and 9 VAC 5-50-260)

13. **Engine Generator Fuel** - The approved fuels for the fifteen (15) engine generator sets are as listed in the table below. A change in the fuel may require a permit to modify and operate.

Reference No.	Approved Fuel
NMC-20-ICGF-002	Distillate Oil/Diesel
NMC-20-ICGF-003	
NMC-20-ICGF-004	
NMC-20-ICGF-005	
NMC-20-ICGF-006	
NMC-20-ICGF-007	
NMC-3-ICGF-008	
NMC-3-ICGF-009	
NMC-3-ICGF-010	
NMC-275-ICGF-011	
NMC-150-ICGF-012	
NMC-273-ICGF-013	
NMC-273-ICGF-015	
NMC-250-ICGF-017	
NMC-274-ICGF-019	

(9 VAC 5-80-1180)

14. **Facility-wide Engine Generator Fuel Throughput** - The throughput limit for the six ELRP engine generator sets (NMC-20-ICGF-002 through NMC-20-ICGF-007) and nine emergency-only engine generator sets (NMC-3-ICGF-008 through NMC-274-ICGF-019), combined, is listed in the table below:

Reference No.	Limit
NMC-20-ICGF-002	784,000 gallons per year
NMC-20-ICGF-003	
NMC-20-ICGF-004	
NMC-20-ICGF-005	
NMC-20-ICGF-006	
NMC-20-ICGF-007	
NMC-3-ICGF-008	
NMC-3-ICGF-009	
NMC-3-ICGF-010	
NMC-275-ICGF-011	
NMC-150-ICGF-012	
NMC-273-ICGF-013	
NMC-273-ICGF-015	
NMC-250-ICGF-017	
NMC-274-ICGF-019	

These annual limits are calculated monthly as the sum of each consecutive 12-month period. Compliance for the consecutive 12-month period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding 11 months.

(9 VAC 5-80-1180 and 9 VAC 5-50-260)

15. **Engine Fuel** - The distillate oil/diesel shall meet the specifications below:

DISTILLATE OIL/DIESEL which meets the ASTM D396 or D975 specification for numbers 1 or 2 fuel oil:

Maximum sulfur content per shipment: 0.5 %  
 (9 VAC 5-80-1180 and 9 VAC 5-50-260)

16. **Engine Fuel Certification** - The permittee shall obtain a certification from the fuel supplier with each shipment of distillate oil/diesel. Each fuel supplier certification shall include the following:

- a. The name of the fuel supplier;
- b. The date on which the distillate oil/diesel was received;
- c. The quantity of distillate oil/diesel delivered in the shipment; and
- d. A statement that the distillate oil/diesel complies with the American Society for Testing and Materials specifications (ASTM D396 or D975) for numbers 1 or 2 fuel oil.

Fuel sampling and analysis, independent of that used for certification, as may be periodically required or conducted by DEQ may be used to determine compliance with the fuel specifications stipulated in Condition 15. Exceedance of these specifications may be considered credible evidence of the exceedance of emission limits.

(9 VAC 5-80-1180)

17. **Engine Emission Limits** – Emissions from the operation of the engine generator sets (NMC-20-ICGF-002 through NMC-20-ICGF-007) and emergency engine generator sets (NMC-3-ICGF-008 through NMC-274-ICGF-019) shall not exceed the limits specified below:

Pollutant	NMC-20-ICGF-002 through NMC-20-ICGF-007 EACH (lb/hr)	All Engines COMBINED (ton/yr)
PM	3.6	19.6
PM-10	3.6	19.6
SO <sub>x</sub>	5.4	29.4
Nitrogen Oxides (as NO <sub>2</sub> )	33.2	180.2
CO	6.4	35.0
VOC	0.9	5.1

These emissions are derived from the estimated overall emission contribution from operating limits. Exceedance of operating limits shall be considered credible evidence of the exceedance of emission limits. Compliance with these emission limits may be determined from operating limits as stated in Condition numbers 3, 11 - 16, 18, and 19.

(9 VAC 5-80-1180 and 9 VAC 5-50-260)

18. **Engine Visible Emission Limit** - Visible emissions, as determined by the EPA Method 9 (reference 40 CFR 60, Appendix A), from the equipment listed shall not exceed the limits specified below:

Equipment/Reference No.	Opacity Limit (Each Generator)	Except during one six-minute period in any one hour in which visible emissions shall not exceed (Each Generator)
Each of the ELRP engine generator sets NMC-20-ICGF-002      NMC-20-ICGF-005 NMC-20-ICGF-003      NMC-20-ICGF-006 NMC-20-ICGF-004      NMC-20-ICGF-007	15%	20%
Each of the emergency-only engine generator sets NMC-3-ICGF-008      NMC-273-ICGF-013 NMC-3-ICGF-009      NMC-273-ICGF-015 NMC-3-ICGF-010      NMC-250-ICGF-017 NMC-275-ICGF-011      NMC-274-ICGF-019 NMC-150-ICGF-012	20%	30%

This condition applies at all times except during startup, shutdown, and malfunction.  
 (9 VAC 5-80-1180, 9 VAC 5-50-80, and 9 VAC 5-50-260)

**RECORDS**

19. **On Site Records** - The permittee shall maintain records of emission data and operating parameters as necessary to demonstrate compliance with this permit. The content and format of such records shall be arranged with the Director, Tidewater Regional Office. These records shall include, but are not limited to:
- a. Monthly and annual throughput of natural gas (in cubic feet) and distillate oil/diesel (in gallons) in each NSPS Dc boiler (NMC-20-Boil-109 and NMC-20-Boil-110). Annual throughput shall be calculated monthly as the sum of each consecutive 12-month period. Compliance for the consecutive 12-month period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding 11 months.
  - b. Annual throughput of natural gas (in cubic feet) and distillate oil/diesel (in gallons) in boilers (NMC-20-Boil-105 through NMC-20-Boil-108), calculated monthly as the sum of each consecutive 12-month period. Compliance for the consecutive 12-month period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding 11 months.
  - c. Annual throughput of natural gas (in cubic feet) and distillate oil/diesel (in gallons) in all boilers, combined (NMC-20-Boil-105 through NMC-20-Boil-110), calculated monthly as the sum of each consecutive 12-month period. Compliance for the consecutive 12-month period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding 11 months.
  - d. Monthly and annual throughput of distillate oil/diesel (in gallons) for the six engine generators (NMC-20-ICGF-002 through NMC-20-ICGF-007), combined. Annual throughput shall be calculated monthly as the sum of each consecutive 12-month period. Compliance for the consecutive 12-month period shall

be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding 11 months.

- e. Monthly and annual throughput of distillate oil/diesel (in gallons) in the emergency engine generators (NMC-3-ICGF-008 through NMC-274-ICGF-019), combined. Annual throughput shall be calculated monthly as the sum of each consecutive 12-month period. Compliance for the consecutive 12-month period shall be demonstrated monthly by adding the total for the most recently completed calendar month to the individual monthly totals for the preceding 11 months.
- f. Records of maximum electric load production levels for engines (NMC-20-ICGF-002 through NMC-20-ICGF-007) sufficient to demonstrate continuing compliance with Condition 11.
- g. All fuel supplier certifications.
- h. Reasons for operation of each designated participating ELRP emergency generator, including documentation of an ELRP declared emergency, normal emergency operation, testing of the unit and/or maintenance.

These records shall be available for inspection by the DEQ and shall be current for the most recent five years.

(9 VAC 5-80-1180 and 9 VAC 5-50-50)

20. **Emissions Testing** - The boilers (NMC-20-Boil-105 through NMC-20-Boil-110) and engine generator sets (NMC-20-ICGF-002 through NMC-20-ICGF-007) shall be constructed so as to allow for emissions testing upon reasonable notice at any time, using appropriate methods. Sampling ports shall be provided when requested at the appropriate locations and safe sampling platforms and access shall be provided.  
(9 VAC 5-50-30 F and 9 VAC 5-80-1180)

## **REPORTS**

21. **Semi-annual Fuel Quality Reports** - The permittee shall submit fuel quality reports for distillate oil/diesel fired in NSPS Dc boilers (NMC-20-Boil-109 and NMC-20-Boil-110) to the Director, Tidewater Regional Office, postmarked no later than the 30<sup>th</sup> day following the end of each semiannual period ending June 30<sup>th</sup> and December 31<sup>st</sup>. If no shipments of distillate oil/diesel for those emissions units were received during the semiannual period, the fuel quality report shall consist of the dates included in the semiannual period and a statement that no distillate oil was received during the semiannual period. If distillate oil was received during the reporting period, the report shall include:
- a. The dates included in the semiannual period.
  - b. A copy of all fuel supplier certifications for all shipments of distillate oil/diesel for the NSPS Dc boilers received during the reporting period, indicating the supplier, volume of shipment, sulfur content (weight percent) and date the shipment was received.
  - c. A signed statement from the owner or operator of the facility that the fuel supplier certifications represent all of the distillate oil/diesel burned in the NSPS Dc boilers or received at the facility for use in the NSPS Dc boilers during the reporting period.

One copy of the semiannual fuel report shall be submitted to:

Associate Director  
Office of Air Enforcement and Compliance Assistance (3AP20)  
U. S. Environmental Protection Agency  
Region III  
1650 Arch Street  
Philadelphia, PA 19103-2029

(9 VAC 5-80-1180, 9 VAC 5-50-50, and 9 VAC 5-50-410)

### **GENERAL CONDITIONS**

22. **Permit Suspension/Revocation** - This permit may be suspended or revoked if the permittee:
- a. Knowingly makes material misstatements in the permit application or any amendments to it;
  - b. Fails to comply with the conditions of this permit;
  - c. Fails to comply with any emission standards applicable to a permitted emissions unit;
  - d. Causes emissions from the stationary source which result in violations of, or interfere with the attainment and maintenance of, any ambient air quality standard; or
  - e. Fails to operate in conformance with any applicable control strategy, including any emission standards or emission limitations, in the State Implementation Plan in effect at the time an application for this permit is submitted.
- (9 VAC 5-80-1210 F)
23. **Right of Entry** - The permittee shall allow authorized local, state, and federal representatives, upon the presentation of credentials:
- a. To enter upon the permittee's premises on which the facility is located or in which any records are required to be kept under the terms and conditions of this permit;
  - b. To have access to and copy at reasonable times any records required to be kept under the terms and conditions of this permit or the State Air Pollution Control Board Regulations;
  - c. To inspect at reasonable times any facility, equipment, or process subject to the terms and conditions of this permit or the State Air Pollution Control Board Regulations; and
  - d. To sample or test at reasonable times.
- For purposes of this condition, the time for inspection shall be deemed reasonable during regular business hours or whenever the facility is in operation. Nothing contained herein shall make an inspection time unreasonable during an emergency.
- (9 VAC 5-170-130 and 9 VAC 5-80-1180)

24. **Maintenance/Operating Procedures** – At all times, including periods of start-up, shutdown and malfunction, the permittee shall, to the extent practicable, maintain and operate the affected source, including associated air pollution control equipment, in a manner consistent with good air pollution control practices for minimizing emissions.  
(9 VAC 5-50-20 E and 9 VAC 5-80-1180 D)
25. **Record of Malfunctions** – The permittee shall maintain records of the occurrence and duration of any bypass, malfunction, shutdown or failure of the facility or its associated air pollution control equipment that results in excess emissions for more than one hour. Records shall include the date, time, duration, description (emission unit, pollutant affected, cause); corrective action, preventive measures taken and name of person generating the record.  
(9 VAC 5-20-180 J and 9 VAC 5-80-1180 D)
26. **Notification for Facility or Control Equipment Malfunction** - The permittee shall furnish notification to the Director, Tidewater Regional Office of malfunctions of the affected facility or related air pollution control equipment that may cause excess emissions for more than one hour, by facsimile transmission, telephone or telegraph. Such notification shall be made as soon as practicable but no later than four daytime business hours after the malfunction is discovered. The permittee shall provide a written statement giving all pertinent facts, including the estimated duration of the breakdown, within two weeks of discovery of the malfunction. When the condition causing the failure or malfunction has been corrected and the equipment is again in operation, the permittee shall notify the Director, Tidewater Regional Office.  
(9 VAC 5-20-180 C and 9 VAC 5-80-1180)
27. **Violation of Ambient Air Quality Standard** - The permittee shall, upon request of the DEQ, reduce the level of operation or shut down a facility, as necessary to avoid violating any primary ambient air quality standard and shall not return to normal operation until such time as the ambient air quality standard will not be violated.  
(9 VAC 5-20-180 I and 9 VAC 5-80-1180)
28. **Change of Ownership** - In the case of a transfer of ownership of a stationary source, the new owner shall abide by any current permit issued to the previous owner. The new owner shall notify the Director, Tidewater Regional Office of the change of ownership within 30 days of the transfer.  
(9 VAC 5-80-1240)
29. **Permit Copy** - The permittee shall keep a copy of this permit on the premises of the facility to which it applies.  
(9 VAC 5-80-1180)



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

MAR 13 2012

OFFICE OF  
ENFORCEMENT AND  
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Re: No Action Assurance Regarding Certain Work Practice or Management Practice Standard Deadlines  
in the March 2011 Area Source Boiler Rule

Dear Sir/Madam:

Today, the EPA is providing a no action assurance (No Action Assurance) to all owners and/or operators of existing industrial boilers and commercial and institutional boilers at area sources that are subject to the requirement to conduct a tune-up by March 21, 2012 in the final rule discussed below. This No Action Assurance is being issued in response to a request from Assistant Administrator for Air and Radiation Gina McCarthy. As explained more fully below, this No Action Assurance addresses provisions of the final rule to regulate industrial boilers and commercial and institutional boilers at area sources of hazardous air pollutant emissions (the "Area Source Boiler Rule"), 76 Fed. Reg. 15,554 (March 21, 2011). Specifically, this No Action Assurance establishes that the EPA will exercise its enforcement discretion to not pursue enforcement action for failure to complete a tune-up required by a work practice or management practice standard by the compliance date of March 21, 2012 established in 40 C.F.R. § 63.11196(a)(1), subject to certain specified terms and conditions.

Under the Area Source Boiler Rule, area sources that fall into two subcategories of boilers – existing or new coal units with heat input capacity of less than 10 million Btu per hour, and existing or new biomass or oil units – are required to comply with work practice or management practice standards that consist of undergoing biennial tune-ups. 40 C.F.R. § 63.11201(b) (requiring compliance with the work practice or management practice standards specified in Table 2 to Subpart JJJJJ of Part 63 of the C.F.R.); 40 C.F.R. Part 63, Subpart JJJJJ, Table 2 (listing requirements by boiler subcategory). For existing affected boilers, the Area Source Boiler Rule established that the first of these tune-ups must be completed by March 21, 2012. 40 C.F.R. § 63.11196(a)(1).

Over 180,000 existing area source boilers are required to do tune-ups under the Area Source Boiler Rule. However, many facilities with older affected boilers have indicated that it is not possible to meet the March 21, 2012 compliance date. Entities particularly affected include those with large numbers of facilities with affected boilers, such as in the telecommunication sector; those with a large number of affected boilers, such as military installations; and those with seasonal boilers, such as the sugar cane industry and facilities in Alaska. These industries' representatives have identified specific problems with testing required to comply with the tune-up requirement in the final rule. Specifically, the final rule requires stack testing to measure carbon monoxide and oxygen as a component of the tune-up. 40 CFR 63.11223(b)(5). The rule further requires that combustion be optimized consistent with manufacturers'

specifications. 40 CFR 63.11223(b)(3). However, many facilities with area source boilers have indicated that they are not equipped to measure carbon monoxide and oxygen, and must undergo alterations such as the installation of a sampling port or platform before stack testing would be possible. Other facilities with older affected boilers have noted that many boilers will need to be repaired before they will be able to meet manufacturer specifications, such as the proper air-to-fuel ratio, and be ready to undergo the testing needed to comply with the tune-up requirements. Given the limited number of individuals qualified to conduct and complete these repairs, industry representatives assert that they are unable to schedule and complete the repairs, in addition to scheduling and completing the tune-ups, during the one-year initial compliance period specified in the final rule. At this time, the EPA continues to evaluate these assertions and observations. While we have not concluded that each of these points is valid, the Agency has sufficient concern at this time about these issues to question whether compliance by March 21, 2012 is feasible for a significant number of parties.

In addition, the EPA recently published a proposed reconsideration of the Area Source Boiler Rule that would adjust the relevant initial compliance date for compliance with work practice or management practice standards from March 21, 2012, to March 21, 2013, which would provide affected sources subject to the tune-up requirement with an additional year to demonstrate initial compliance with that requirement. National Emission Standards for Hazardous Air Pollutants for Area Sources: Industrial, Commercial, and Institutional Boilers; Proposed Rule; Reconsideration of Final Rule, 76 Fed. Reg. 80,532 (Dec. 23, 2011). The regulated community is aware of the EPA's proposed extension to the compliance date, and this has caused confusion and uncertainty in the regulated community. The EPA stated that this change was proposed in part because the EPA recognized that some sources – particularly those with large numbers of affected boilers or seasonal boilers – cannot timely complete the testing needed to comply with the tune-up requirements. 76 Fed. Reg. at 80,535.

Finally, the only way for sources to avoid being in noncompliance if they cannot meet the tune-up compliance date would be for sources to stop operating their boilers until the tune-up can be completed. However, the affected categories of sources include many for which shutdown would be problematic and possibly dangerous, such as hospitals, clinics, nursing homes, and schools. It would not be in the public interest for such sources to shut down.

For the reasons discussed above, this No Action Assurance establishes that the EPA will exercise its discretion not to pursue enforcement for violations of the deadline to complete an initial tune-up identified in 40 C.F.R. § 63.11196(a)(1). This No Action Assurance applies only to the timeliness of the tune-up, and I note that nothing in this No Action Assurance affects any other provisions in the Area Source Boiler Rule.

This exercise of discretion is subject to the following conditions:

- The No Action Assurance is to remain in effect until either (1) 11:59 PM EDT, October 1, 2012, or (2) the effective date of a final rule addressing the proposed reconsideration of the Area Source Boiler Rule, whichever occurs earlier. The EPA has proposed new deadlines for initial tune-ups in its proposed reconsideration of the Area Source Boiler Rule, and, if the Agency takes final action to adopt those proposed deadlines, they will control.
- The EPA reserves the right to revoke or modify this No Action Assurance.

The issuance of a No Action Assurance for this period of time is in the public interest to ensure all existing sources have sufficient time to complete their initial tune-ups. I believe this action is consistent with the protections afforded under the proposed reconsideration of the Area Source Boiler Rule.

If you have any further questions regarding this matter, please contact Sara Froikin of my staff at (202) 564-3187 or froikin.sara@epa.gov.

Sincerely,



Cynthia Giles  
Assistant Administrator

Cc: Gina McCarthy  
Steve Page  
Peter Tsirigotis  
Robert Wayland



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

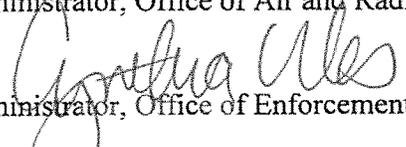
JUL 18 2012

ASSISTANT ADMINISTRATOR  
FOR ENFORCEMENT AND  
COMPLIANCE ASSURANCE

MEMORANDUM

SUBJECT: Extension of the March 13, 2012, No Action Assurance Regarding the Area Source Boiler Rule to Apply to the Deadline for Submitting the Notification of Compliance Status Regarding Initial Tune-Ups for Certain Area Source Boilers, and Amendment to the No Action Assurance Expiration Date

TO: Gina McCarthy  
Assistant Administrator, Office of Air and Radiation

FROM: Cynthia Giles   
Assistant Administrator, Office of Enforcement and Compliance Assurance

Under the Area Source Boiler Rule, 76 Fed. Reg. 15,554 (March 21, 2011), owners and/or operators of certain types of boilers are required to complete biennial tune-ups of those boilers.<sup>1</sup> For existing boilers of these types, the Area Source Boiler Rule requires that the initial tune-up be completed by March 21, 2012. 40 C.F.R. § 63.11196(a)(1).

The Area Source Boiler Rule also requires that sources subject to the initial tune-up requirement, and not required to conduct a performance stack test, must submit a Notification of Compliance Status regarding the initial tune-up by 120 days after the compliance date of March 21, 2012. 40 C.F.R. 63.11225(a)(4). This means that sources must submit such a Notification by July 19, 2012. The Notification must include, among other information, a certification that states: "This facility complies with the requirements in § 63.11214 to conduct an initial tune-up of the boiler."

On March 13, 2012, the EPA issued a no action assurance to all owners and/or operators of existing industrial boilers and commercial and institutional boilers at area sources of hazardous air pollutant emissions stating that EPA would not enforce the requirement to conduct an initial tune-up by March 21, 2012. Letter from Cynthia Giles, Assistant Administrator, to Kate Williams et al. (March 13, 2012) ("No Action Assurance") (see copy attached to this letter). As discussed more fully in that document, the No Action Assurance was primarily based upon EPA's concern that sources were reporting a shortage of qualified individuals to prepare boilers for tune-ups and then conduct those tune-ups by the regulatory

<sup>1</sup> 40 C.F.R. § 63.11201(b) (requiring compliance with the work practice or management practice standards specified in Table 2 to Subpart JJJJJ of Part 63 of the C.F.R.); 40 C.F.R. Part 63, Subpart JJJJJ, Table 2 (listing requirements by boiler subcategory).



deadline, as well as upon the uncertainty in the regulated community resulting from the pending reconsideration of the Area Source Boiler Rule. The No Action Assurance states that it remains in effect until either (1) 11:59 PM EDT, October 1, 2012, or (2) the effective date of a final rule addressing the proposed reconsideration of the Area Source Boiler Rule, whichever occurs earlier.

To date, a final rule addressing the proposed reconsideration of the Area Source Boiler Rule has not been issued, and thus the No Action Assurance continues to remain in effect. Nothing that EPA has learned since the issuance of the original No Action Assurance letter has led EPA to question its original concerns about the feasibility of all sources timely completing an initial tune-up. Sources that did not complete a tune-up cannot now certify that they conducted one. Thus, we are now extending the No Action Assurance for sources required to complete an initial tune-up by March 21, 2012, to also include the deadline for submitting the Notification of Compliance Status regarding the initial tune-up. This extension of the March 13, 2012, No Action Assurance is being issued in response to your request.

This extension of the No Action Assurance applies only to the requirement to submit a Notification of Compliance Status regarding the initial tune-up by July 19, 2012, and does not affect or apply to any other provisions in the Area Source Boiler Rule.

This exercise of discretion is subject to the following conditions:

- This extension of the March 13, 2012, No Action Assurance is to remain in effect until either (1) 11:59 PM EST, December 31, 2012, or (2) the effective date of a final rule addressing the proposed reconsideration of the Area Source Boiler Rule, whichever occurs earlier. The EPA has proposed new deadlines for initial tune-ups, and thus for the Notification of Compliance Status, in its proposed reconsideration of the Area Source Boiler Rule, and, if the Agency takes final action to adopt those proposed deadlines, they will control.
- The EPA reserves the right to revoke or modify this extension of the March 13, 2012 No Action Assurance.

In addition, given that no final rule addressing the proposed reconsideration of the Area Source Boiler Rule has been issued to date, but EPA still expects to issue such a final rule, the pending reconsideration continues to create uncertainty in the regulated community. Thus, this letter also amends the expiration date of the March 13, 2012, No Action Assurance, such that the No Action Assurance will remain in effect until either (1) 11:59 PM EST, December 31, 2012, or (2) the effective date of a final rule addressing the proposed reconsideration of the Area Source Boiler Rule, whichever occurs earlier. The conditions of the earlier March 13, 2012, No Action Assurance are otherwise unaffected.

As discussed in the March 13, 2012, No Action Assurance, the issuance of this amendment and extension of the No Action Assurance is in the public interest and is consistent with the protections afforded under the proposed reconsideration of the Area Source Boiler Rule.

If you have any further questions regarding this matter, please contact Sara Froikin of my staff at (202) 564-3187 or [froikin.sara@epa.gov](mailto:froikin.sara@epa.gov).

Attachments: March 13, 2012, No Action Assurance

Cc:

Steve Page, US EPA  
Peter Tsirigotis, US EPA  
Robert Wayland, US EPA  
Kate Williams, Alaska Oil and Gas Association  
Randy Rawson, American Boiler Manufacturer's Association  
Leslie Hulse, American Chemistry Council  
David Darling, American Coatings Association  
Tim Hunt, American Forest & Paper Association  
Bill Perdue, American Home Furnisher's Association  
Pete Pagano, American Iron and Steel Institute  
Matt Todd and John Wagner, American Petroleum Institute  
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Robert Bessette, Council of Industrial Boiler Owners  
Felix Mestey, Department of Defense  
Grif Bond, Environmental Health & Safety Communications Panel  
David Buff, Florida Sugar Industry  
Dan Bosch, National Federation of Independent Business  
Jennifer Youngblood, National Tribal Air Association  
Renee Lesjak Bashel, National Steering Committee, Small Business Ombudsman / Small Business  
Environmental Assistance Programs  
Daniel Moss, Society of Chemical Manufacturers & Affiliates