

## **EXHIBIT 2**



**PIMA COUNTY**  
ENVIRONMENTAL QUALITY  
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Ursula Kramer Nelson, P.E.  
Director

(520) 724-7400  
FAX (520) 838-7432

August 8, 2018

Dear Sir or Madam:

On August 3, 2017, the Pima County Department of Environmental Quality (“PDEQ”) received an Application for a Prevention of Significant Deterioration (PSD) Authorization and Significant Revision to Class I Air Quality Permit for the Tucson Electric Power (TEP) Irvington Generating Station (“IGS”) located at 3950 East Irvington Road in Tucson, Arizona. TEP proposes to construct and operate new 190 MW Reciprocating Internal Combustion Engines (RICE) at the IGS facility. This action is authorized pursuant to the Clean Air Act and Title 40 of the Code of Federal Regulations, section 52.21 (40 CFR § 52.21), and is being conducted according to PDEQ delegation agreement with EPA Region 9. Issuance of this permit is also conducted pursuant with 40 CFR part 124.

On February 9, 2018, a proposed permit was issued and the official public comment period began. PDEQ held an Open House on February 15, 2018, and the initial formal public hearing on March 1, 2018. The second formal hearing was held on March 28, 2018. The public comment period for the proposed permit was originally scheduled to last 30 days. However, the public comment was substantially extended, and it was officially closed on March 29, 2018.

After careful consideration of all of the comments received, PDEQ has revised a number of permit conditions in the final proposed permit namely:

- Compliance Assurance Monitoring requirements were added pursuant to 40 CFR § 64. These provisions require TEP to develop a Compliance Assurance Monitoring Plan (CAM). A CAM plan is required to provide reasonable assurance of compliance with the carbon monoxide emission limits for the RICE units because they rely on control device equipment (oxidation catalyst system) to achieve compliance.
- Clarified the method by which compliance with the NO<sub>x</sub> limit is demonstrated. Specifically, an equation used to calculate the NO<sub>x</sub> emission has been added as well as clarification of the emission factor to be used for startup NO<sub>x</sub> emissions.
- A requirement for annual performance testing and results submitted to PDEQ in conformance with Testing Requirements found in Part A of the permit has been added.
- A requirement that the maximum sulfur content in the pipeline quality natural gas is 7,500 grains per million cubic feet or less. TEP must maintain documentation that the sulfur content in the natural gas delivered does not exceed this sulfur content.

PDEQ will issue the final PSD permit and we appreciate the interest and comments expressed by the citizens of Pima County in helping to ensure that each permit issued by the department meets all legal requirements. A summary of the comments and the Department's written responses is attached.

Within 30 days after service of this notice announcing the final permit decision, any person who filed comments on the proposed permit for the TEP Irvington Generating Station or participated in any of the public hearings for the TEP Irvington Generating Station may petition EPA's Environmental Appeals Board (EAB) to review any condition of the final permit. Persons who did not file comments or participate in the public hearings may petition for administrative review only to the extent of changes from the proposed to the final permit decision. The petition must include a statement of the reason(s) for requesting review by the EAB, including a demonstration that any issues being raised were raised during the public comment period to the extent required by the regulations at 40 CFR Part 124 and, when appropriate, a showing that the conditions in question are based on 1) a finding of fact or conclusion of law which is erroneous, or 2) an exercise of discretion or an important policy consideration which the EAB should, in its discretion, review. Please see 40 CFR 124.19 and visit <http://www.epa.gov/eab/> for important information regarding the procedures for appeal of a PSD permit decision to the EAB.

This PSD permit for the TEP Irvington Generating Station shall become effective 30 days after service of this notice of the final permit decision, unless a petition for review is properly and timely filed with the EAB per 40 CFR 124.19 or 40 CFR 49.159(d). In the event that a petition for review is filed with the EAB, construction of the facility is not authorized under this permit until resolution of the EAB petition(s). See 40 CFR 124.16.

PDEQ would like to thank you again for your interest in matters affecting Pima County's air quality. If you have any questions regarding this letter or the attached responses, please contact me or Richard Grimaldi at (520) 724-7400.

Sincerely,

A handwritten signature in black ink that reads "Rupesh Patel". The signature is written in a cursive, flowing style.

Rupesh Patel  
Air Program Manager, Pima County Department of Environmental Quality

Attachment: Pima County Response to Comments dated August 8, 2018