

EXHIBIT D

**Excerpts from Final PSD Permit
for the Ocotillo Project**



AIR QUALITY DEPARTMENT
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**PSD, NSR, and TITLE V AIR QUALITY CONSTRUCTION
AND OPERATING PERMIT**

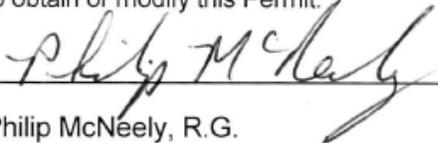
Title V Permit Number:	V95-007	Original Issue Date:	July 27, 2000
Revision Number:	2.1.0.0	Revision Date:	March 22, 2016
PSD Permit Number:	PSD16-01	Title V Expiration Date:	December 31, 2020

Permittee Name: Arizona Public Service
Mailing Address: 400 North 5th Street, Phoenix, AZ 85004
Business Name: Ocotillo Power Plant
Facility Address: 1500 East University Drive, Tempe, AZ 85281

Equipment and Processes Covered: The facility will consist of five new and two older natural gas simple cycle turbines and related equipment. The facility requires a Title V permit because it exceeds the 100 ton per year major source threshold for NO_x and CO.

This Permit is issued in accordance with Maricopa County Air Pollution Control Regulations, Rule 200, §301, and Arizona Revised Statutes, §49-404c and §49-480. The attached Permit Conditions are incorporated into and form an integral part of this Permit. The Permit is issued to provide regulators, site operators or owners, and members of the public, a clear picture of what the Permit holder is required to do to meet applicable requirements. As the Permit holder, you are expected to review this Permit, become familiar with its provisions and conditions and to operate in conformance with them. This Permit is an enforceable document. Failure to conform to the emission limits and any other condition contained in the Permit is a violation of law and will form the basis of enforcement action by the department which may include civil or criminal sanctions.

If the MCAQD Control Officer determines that additional monitoring, sampling, modeling and/or control of emissions from the facility may reasonably be needed to provide for the continued protection of public health, safety and/or welfare, the MCAQD Control Officer will amend the provisions of this Permit. This Permit may be subject to suspension or revocation for cause including nonpayment of fees, noncompliance with Arizona State Statutes, Maricopa County Air Quality Regulations, or the attached Permit Conditions, or if the MCAQD Control Officer determines that significant misrepresentation exists in the application and supporting documentation filed to obtain or modify this Permit.


Philip McNeely, R.G.

Maricopa County Air Pollution Control Officer

COMMON ABBREVIATIONS

Act	Federal Clean Air Act
AAAC.....	Acute Ambient Air Concentration
AAC.....	Arizona Administrative Code
ADEQ.....	Arizona Department of Environmental Quality
AIRS	Aerometric Information Retrieval System
ARS	Arizona Revised Statutes
AZMACT	Arizona Maximum Achievable Control Technology
ASTM.....	American Society of Testing and Materials
BACT	Best Available Control Technology
Btu	British thermal unit
CAA.....	Clean Air Act
CAAC	Chronic Ambient Air Concentration
CAS	Chemical Abstract Service
CEMS	Continuous emissions monitoring system
CFR	Code of Federal Regulations
CO	Carbon Monoxide
dscf	Dry standard cubic feet
ECS.....	Emission Control System
EPA	US Environmental Protection Agency
HAP	Hazardous Air Pollutant
ID.....	Identification number
MACT	Maximum Achievable Control Technology
MCAQD	Maricopa County Air Quality Department
NA	Not applicable
NAAQS	National Ambient Air Quality Standards
NESHAP	National Emission Standards for Hazardous Air Pollutants
NMHC	Non-methane hydrocarbon
NO _x	Nitrogen oxides
NSPS	New Source Performance Standards
O ₂	Oxygen
O&M	Operation and maintenance
Pb.....	Lead
PM	Particulate matter
PM _{2.5}	Particulate matter less than 2.5 microns in size
PM ₁₀	Particulate matter less than 10 microns in size
ppm.....	Parts per million
psia.....	pounds per square inch, actual
RACT	Reasonably Available Control Technology
RVP	Reid Vapor Pressure
SIP	State Implementation Plan
SO ₂	Sulfur dioxide
VE.....	Visible Emissions
VOC.....	Volatile Organic Compounds

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- iv. The ability of the Administrator of the USEPA or of the Control Officer to obtain information from the Permittee pursuant to Section 114 of the Act, or any provision of State law.
- v. The authority of the Control Officer to require compliance with new applicable requirements adopted after the permit is issued.

[Rule 210 §407.2]

k. TERM OF PERMIT:

This Permit shall remain in effect for no more than 5 years from the date of issuance. Terms of this Permit subject to preconstruction review under Prevention of Significant Deterioration(PSD) do not expire with the Title V terms and conditions, and may only be revised pursuant to 40 CFR §52.21.

[County Rule 210 §§302.1(a) and 402][40 CFR §52.21]

l. PSD AUTHORITY TO CONSTRUCT:

- i. APS is authorized to construct and operate the Project as described below, in accordance with the permit application (and plans submitted with the permit application), the federal PSD regulations at 40 CFR §52.21, and other terms and conditions set forth as part of the PSD permit – Permit PSD16-01. The PSD Permit shall consist of those permit conditions identified as being pursuant to Permit PSD16-01 and 40 CFR §52.21. Failure to comply with any condition or term set forth in this permit may result in enforcement action pursuant to section 113 of the CAA.

Install five new natural gas-fired GE Model LMS100 simple cycle gas turbines (GTs) and associated equipment, including a hybrid Partial Dry Cooling System and two 2.5 MW emergency generators. Retire the existing steam electric generating units 1 and 2 and associated cooling towers before commencing commercial operation of the new GTs. The existing GT1 and GT2 will no longer have dual-fuel capability and will only burn Pipeline Natural Gas.

- 1) As provided in 40 CFR §52.21(r), unless EPA grants an extension pursuant to 40 CFR §52.21(r)(2), the PSD permit shall become invalid if:
 - 2) Construction does not commence (as defined in 40 CFR §52.21(b)(9)) within 18 months after the permit becomes effective;
 - 3) Construction is discontinued for a period of 18 months or more; or
 - 4) Construction is not completed within a reasonable time.
- ii. Construction of equipment authorized by this permit shall be conducted and completed only in compliance with the conditions in Permit PSD16-01.
- iii. Within thirty (30) days following commencement of construction under PSD16-01 and within fifteen (15) days following start-up and attainment of the maximum production rate specified in the permit application, or within fifteen (15) days following the effective date of the PSD permit, whichever is later, the permittee shall furnish to the County in writing, notification of the following:
 - 1) The date when construction commenced.
 - 2) The date of start-up of the affected facilities listed in this permit.
 - 3) The date when the maximum production rate specified in the permit application was achieved.
- iv. Operational or final permit approval is not granted by this permit until compliance with the applicable standards specified herein has been demonstrated pursuant to County Rule 200 §401. If compliance is not demonstrated within the prescribed timeframe provided in County Rule 240 §304.4, the source shall operate thereafter only for the purpose of demonstrating compliance, unless otherwise authorized by Section I of this permit or order of Maricopa County.
- v. Terms and conditions of Permit PSD16-01 shall not expire upon expiration of the title V permit,

and may only be revised pursuant to 40 CFR §52.21.

[County Rule 240 §304.4] [40 CFR §52.21(r)(2)]

m. PERMIT EFFECTIVE DATE:

The effective date of this permit shall be the day service of notice of the decision (permit issuance) occurs per 40 CFR §124.15(b), unless comments requesting a change in the draft permit were filed on the draft permit or were submitted in the public hearing. If comments requesting a change in the draft permit were filed or submitted in the public hearing, the effective date of this permit shall be thirty (30) days after the service of notice of the decision occurs per 40 CFR Part 124. Three (3) days shall be added to the noted dates if service of notice is by mail.

[40 CFR §§124.15, 124.19, and 124.20]

n. TRANSFER:

Except as provided in ARS §49-429 and Rule 200, this permit may be transferred to another person if the Permittee gives notice to the Control Officer in writing at least 30 days before the proposed transfer and complies with the permit transfer requirements of Rule 200 and the administrative permit amendment procedures pursuant to Rule 210.

[Rule 200 §404 (locally enforceable only)]

15. RECORDKEEPING:

a. RECORDS REQUIRED:

The Permittee shall maintain records of all emissions testing and monitoring, records detailing all malfunctions which may cause any applicable emission limitation to be exceeded, records detailing the implementation of approved control plans and compliance schedules, records required as a condition of any permit, records of materials used or produced and any other records relating to the emission of air contaminants which may be requested by the Control Officer.

[Rule 100 §501] [Rule 310 §502] [SIP Rule 40.A]

b. RETENTION OF RECORDS:

Unless a longer time frame is specified by the Rules or these Permit Conditions, the Permittee shall retain information and records required by either the Control Officer or these Permit Conditions as well as copies of summarizing reports recorded by the Permittee and submitted to the Control Officer for 5 years after the date on which the pertinent report is submitted.

[Rule 100 §504] [SIP Rule 40.C]

c. MONITORING RECORDS:

The Permittee shall retain records of all required monitoring data and support information for a period of at least five years from the date of the monitoring sample, measurement, report, or application. Support information includes all calibration and maintenance records and all original strip-chart recordings or physical records for continuous monitoring instrumentation, and copies of all reports required by the permit. Records of any monitoring required by this Permit shall include the following:

- i. The date, place as defined in the permit, and time of sampling or measurements;
- ii. The date(s) analyses were performed;
- iii. The company or entity that performed the analyses;
- iv. The analytical techniques or methods used;
- v. The results of such analyses; and
- vi. The operating conditions as existing at the time of sampling or measurement.

[Rule 210 §§302.1(d) and 305.1(b)]

d. RIGHT OF INSPECTION OF RECORDS:

When the Control Officer has reasonable cause to believe that the Permittee has violated or is in violation of any provision of Rule 100 or any County Rule adopted under Rule 100, or any requirement of this permit, the Control Officer may request, in writing, that the Permittee produce all existing books,