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BUREAU OF AIR, PERMIT SECTION
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PROJECT SUMMARY
FOR A CONSTRUCTION PERMIT APPLICATION
FROM
CARLTON INC. – NORTH SHORE POWER PLANT
FOR A
PEAKING POWER PLANT, NEAR ZION, ILLINOIS

Site Identification No.: 097810AAC
Application No.: 99120057
Date Received: December 21, 1999

Schedule

Public Comment Period Begins: June 30, 2000
Public Hearing: August 15, 2000
Public Comment Period Closes: August 31, 2000

Illinois EPA Contacts

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I. INTRODUCTION

Carlton Inc. – North Shore Power Plant (Carlton) has proposed to construct an electrical generation facility near Zion in Lake County. The facility would use either three larger turbines (option A) or six smaller turbines (option B) to generate up to 589 MW of electricity. The construction of the proposed facility requires a permit from the Illinois EPA because of its associated air emissions.

II. PROJECT DESCRIPTION

The proposed project will include either three larger or six smaller combustion turbines fired with natural gas. The turbines would be used in a simple cycle configuration, with all power produced by a generator connected to the shaft of the turbine. This facility is designed to function as a peaking station, to generate electricity in the peak demand periods, and at other times when other power plants are not available due to scheduled or unexpected outages. Operation of the facility may occur throughout the year, although the facility is expected to run primarily in the summer months.

Emissions of carbon monoxide (CO), nitrogen oxide (NO_x), particulate matter/particulate matter <10 microns (PM/PM₁₀), sulfur dioxide (SO₂) and volatile organic material (VOM) would result from the combustion of fuel in the turbines.

The principal air contaminants emitted from the proposed turbines would be NO_x and CO. NO_x can be formed thermally by combination of oxygen and nitrogen in the air at the temperatures at which fuel is burned. Thermal NO_x is formed during the operation of all common high temperature combustion processes including turbines. NO_x can also be formed from the combination of any nitrogen in the fuel with oxygen. This is not relevant for burning of natural gas, which contains minimal amounts of nitrogen. Factors affecting NO_x formation from a turbine include design, ambient conditions, turbine load, and fuel types. The NO_x emissions from the proposed turbines will be controlled with dry low NO_x combustors. Low NO_x combustors lower NO_x formation by controlling flame turbulence and staging the mixing of fuel and combustion air.

CO is formed by the incomplete combustion of fuel. CO is associated with most combustion processes and is found in measurable amounts in turbine exhaust. VOM and PM/PM₁₀ are also emitted as a result of incomplete combustion of fuel. SO₂ is found only in trace amounts from combustion of natural gas.

CO and VOM are controlled by providing adequate fuel residence time and high temperature in combustion zone to ensure complete combustion. PM/PM₁₀ are controlled by proper combustion control and firing natural gas fuel, which has negligible ash content.

III. PROJECT EMISSIONS

The annual emissions from the facility, for option A, would be limited to 245 tons of NO_x, 201.5 tons of CO, 23.3 tons of PM/PM₁₀, 9.2 tons of SO₂, and 12.6 tons of VOM. For option B, the annual emissions would be limited to 236.1 tons of NO_x, 240 tons of CO, 47.1 tons of PM/PM₁₀, 23.1 tons of SO₂, and 11.8 tons of VOM. These limits are based on the hourly emission rates provided by the manufacturer of the turbines, which reflects its experience with similar equipment, and the potential utilization of the facility as specified by Carlton. Actual emissions will be less than the maximum emissions, depending on actual performance of the turbines and their utilization.

These annual emission limits do include emissions from startup of the turbines, during which time NO_x and CO emissions of the turbine would be higher than during normal operation. This is because the turbine burners cannot operate in low-NO_x mode until the turbines reach approximately 50 percent load.

IV. APPLICABLE EMISSION STANDARDS

All emission sources in Illinois must comply with the Illinois Pollution Control Board's emission standards. The Board's emission standards represent the basic requirements for sources in Illinois. The proposed project will readily comply with applicable state emission standards (35 Ill. Adm. Code: Subtitle B).

The turbines are also subject to the federal New Source Performance Standards (NSPS), 40 CFR 60 Subpart GG, for Stationary Gas Turbines. The Illinois EPA is administering NSPS in Illinois on behalf of the United States EPA under a delegation agreement. These standard addresses NO_x emission from gas turbines limiting NO_x emissions to approximately 75 ppm, adjusted for actual turbine efficiency. The project should also readily comply with the applicable requirements of these standards. The application indicates NO_x emissions of 15 ppm on an hourly average.

V. APPLICABLE REGULATORY PROGRAMS

This facility is not considered a major project under the federal rules for Prevention of Significant Deterioration of Air Quality (PSD), 40 CFR 52.21, or the state rules for Major Stationary Source Construction And Modification (MSSCAM) 35 IAC Part 203. This is because the potential emissions from the proposed facility, as limited by the permit, would be less than the major source thresholds for PSD, i.e., nitrogen oxides, sulfur dioxide, carbon monoxide, and particulate matter are limited to less than 250 tons/year. With respect to MSSCAM, volatile organic material (VOM) emissions are limited to less than 25 tons/year.

This facility is not being considered to be a new participating source under Illinois' Emission Reduction Market System (ERMS), 35 IAC Part 205. This is because emissions of VOM are expected to be below 10 tons per season (May through September.) Although the permit would allow VOM emissions up to 12.6 tons/year, which is greater than 10 tons per season, the Illinois EPA's experience indicates that actual VOM emissions would be much less than the conservative VOM emission rates provided by the manufacturer. If actual seasonal VOM emissions are 10 tons or greater, considering the results of VOM emissions testing for the turbines, Carlton would be required to obtain allotment trading units (ATU) for the facility's VOM emissions as a new participating source under the ERMS.

This facility would be considered a major source under Illinois Clean Air Act Permit Program (CAAPP) pursuant to Title V of the Clean Air Act. This is because the facility's potential emissions would be greater than 100 tons/year, which is the relevant applicability threshold under the CAAPP. Accordingly, Carlton would have to obtain a CAAPP operating permit for the facility after shakedown and testing of the turbines is complete. Carlton would also have to permit the facility as an affected source under the federal acid rain program because each turbine generates more than 25 MWe of electricity.

VI. AIR QUALITY IMPACTS

With its application, Carlton submitted an air quality impact analysis for NO_x, CO, SO₂, and PM. The analysis shows that the proposed facility would not significantly affect ambient air quality in the vicinity of the facility. This is consistent with the Illinois EPA's experience with other new natural gas fired simple cycle power plants.

With respect to ozone, the ambient ozone levels in Lake County are the result of its location in the Greater Metropolitan Chicago area and are caused by emissions from many varied sources. In order to improve ozone air quality in the greater Chicago area, reductions are needed in precursor emissions in both the Chicago area itself and from sources outside the area whose emissions contribute to high-levels of ozone entering the Chicago area. The emissions from the proposed facility would be small compared to the emissions of all these existing sources and the proposed facility is not anticipated to have any measurable affect on local ozone air quality. In any event, the emissions of the facility would be included in future planning to assure that sufficient reductions in emissions from existing sources are being obtained to make the needed improvements in ozone air quality. The facility would also be subject to any applicable requirements of future regulatory program to reduce emissions of ozone precursors.

VII. PROPOSED PERMIT

The conditions of the proposed permit for the facility contain limitations and requirements for the turbines to help assure that the facility complies with applicable regulatory requirements.

The proposed permit includes enforceable limits on emissions, operation and operating hours for the facility to assure that it remains below the levels at which it would be considered major for PSD or MSSCAM (i.e. 250 tons/year for NO_x, CO, PM and SO₂ and 25 tons/year for VOM).

The permit also establishes appropriate compliance procedures for the facility, including requirements for emission testing, monitoring, recordkeeping, and reporting. Continuous fuel monitoring is required for the turbines to confirm actual levels of operation. Emission testing is required as part of the shakedown of the turbines. Continuous emission monitoring for NO_x is also required for turbines.

VIII. REQUEST FOR COMMENTS

It is the Illinois EPA's preliminary determination that the proposed permit meets all applicable state and federal air pollution control requirements. The Illinois EPA is therefore proposing to issue this permit.

Comments are requested on this proposed action by the Illinois EPA and the proposed conditions of the draft permit.