

CALUMET POWER, LLC.
CHICAGO, ILLINOIS
PROJECT SUMMARY

INTRODUCTION

Calumet Power, LLC., a subsidiary of the Peoples Energy Corporation has proposed to construct an electrical generation facility west of Calumet Skyway and east of Baltimore avenue at 3200 east 98th street in Chicago. The facility would use up to six turbines to generate up to 270 MW of electricity. The construction of the proposed facility requires a permit because of its associated air emissions.

II. PROJECT DESCRIPTION

The proposed project will include up to six 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. Operations 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) result from the combustion of fuel.

The principal air contaminants emitted from the proposed turbines are 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 turbine. NO_x can also be formed from the combination of any nitrogen in the fuel with oxygen. This is not significant for burning of natural gas and distillate fuel oil, which contain minimal and trace amounts of nitrogen, respectively. Factors affecting NO_x formation from a turbine include design, ambient conditions, turbine load and fuel types. The nitrogen oxide (NO_x) emissions from the proposed turbines will be controlled with water injection. Water injection in the gas turbine combustors lowers the flame temperature, reducing thermal NO_x formation.

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 total annual emissions from the combustion turbines are limited to 233 tons of NO_x, 245.8 tons of CO, 20.1 tons of PM, 14.3 tons of SO₂ and 19.2 tons of VOM. These limits are based on the manufacturer's experience with similar equipment and the potential utilization of the generation system. Actual emissions will be less than the maximum emissions, depending on actual utilization and performance.

IV. APPLICABLE REGULATIONS

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

This project is 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. This standard addresses NO_x emissions from gas turbines, limiting NO_x emissions to 75 ppm_{dv} at standard conditions, 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 26 ppm_{dv} on an hourly average.

V. APPLICABILITY OF PREVENTION OF SIGNIFICANT DETERIORATION OF AIR QUALITY (PSD) RULES AND MAJOR STATIONARY SOURCE CONSTRUCTION AND MODIFICATION (MSSCAM)

This project is not considered a major project pursuant to PSD or MSSCAM. This is because the total emissions from the operation of this facility, as limited by the permit, would be less than major source thresholds for PSD, i.e., NO_x, SO₂, CO, and PM/PM₁₀ are limited to less than 250 tons/year. With respect to MSSCAM, VOM emissions are limited to less than 25 tons/year.

VI. PROPOSED PERMIT

The conditions of the proposed permit for the facility contain limitations and requirements for the turbines to assure that the facility's emissions will be less than the major source thresholds (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, including inspection practices, recordkeeping requirements, monitoring requirements and reporting requirements.

The proposed permit includes enforceable limits on emissions, operation and fuel consumption for the emission sources to assure that they remain below the levels at which they would be considered major project. Emission testing and fuel monitoring are required for the turbines to confirm actual levels of operation and compliance with applicable limits.

VII. 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.