

Response to Comments For  
Part 71 Title V Operating Permit Renewal and  
Prevention of Significant Deterioration (PSD) Construction Permit Modification  
Title V Permit No. V-PI-2704900084-2012-10  
PSD Permit No. PSD-PI-2704900084-2012-02

On September 16, 2012, the U.S. Environmental Protection Agency made public a draft Air Pollution Control Title V Permit to Operate renewal (Title V operating permit renewal), permit number V-PI-2704900084-2012-10, and draft Modification of Air Quality Construction Permit (PSD construction permit modification), permit number PSD-PI-2704900084-2012-02, for Treasure Island Resort and Casino, located in Red Wing, Minnesota. On September 19, 2012, EPA requested comments from the public regarding both draft permits. The public notice period for both draft permits ended on October 19, 2012. NRG Backup Generation Services, formerly Energy Alternatives, Inc., submitted a comment regarding both permits on October 18, 2012. This document provides a summary of NRG Backup Generation Service's comment and EPA's response.

Comment from Phil Kairis, Vice President, NRG Backup Generation Services

During the public notice period, NRG Energy, Inc., purchased Energy Alternatives, Inc., the former owner and operator of the four engines located on tribal lands held in trust for Treasure Island Resort and Casino. As a result, on September 20, 2012, NRG Backup Generation Services took over ownership and operation responsibilities of the four reciprocating internal combustion engines addressed in the Title V operating permit renewal and PSD construction permit modification.

In his comment, Mr. Kairis requested that instances of "Energy Alternatives, Inc." in each permit and associated statement of basis be changed to "NRG Backup Generation Services." Mr. Kairis stated that the address of the Treasure Island facility, the address of the owner/operator, and the permit contact will remain unchanged. No other changes to the permit were requested.

In addition to the comment letter, Mr. Kairis also submitted a Transfer of Ownership Agreement pursuant to 40 C.F.R. § 71.7(d)(1)(iv). The Transfer of Ownership Agreement provides that as of September 20, 2012, the responsibility, coverage, and liability for all permits issued to the facility were transferred from Energy Alternatives, Inc., to NRG Backup Generation Services.

EPA's Response to the Comment

40 C.F.R. § 71.7(d)(1)(iv) defines an administrative permit amendment as a revision to a permit that "allows for a change in ownership or operational control of a source where the permitting authority determines that no other change in the permit is necessary, provided that a written agreement containing a specific date for transfer of permit responsibility, coverage, and liability between the current and new permittee has been submitted to the permitting authority." 40 C.F.R. § 71.7(d)(3) requires the permitting authority to make a final decision on the administrative permit amendment request within 60 days. In this case, the permitting authority is the EPA since the facility is located on tribal lands held in trust by the federal government.

Since Mr. Kairis requested the change regarding ownership during the public notice period, included a written agreement as required by 40 C.F.R. § 71.7(d)(1)(iv), and requested no other changes to the draft permit, the EPA has approved the request to change all instances of “Energy Alternatives, Inc.” in the Title V operating permit and its statement of basis to reflect the new owner and operator, “NRG Backup Generation Services.”

The EPA issued an Air Quality Construction Permit (PSD permit), Permit No. PSD-PI-R50003-00-01, to Energy Alternatives, Inc., on December 20, 2000. This PSD permit contains a provision allowing for the modification of the permit and served as the underlying authority for the PSD construction permit modification addressed in this recent action. Since other changes to the permit have been made pursuant to this authority, EPA will also change all instances of “Energy Alternatives, Inc.” to “NRG Backup Generation Services” in the PSD construction permit modification.

#### Changes to the Permits and Statements of Basis

- 1.) EPA has modified the statement of basis for the Title V operating permit renewal in the following ways:
  - a. The “Owner” in Section 1.0(A) has been changed from “Energy Alternatives, Inc.” to “NRG Backup Generation Services.”
  - b. The facility description in Section 1.0(B) now includes the following additional language: “NRG Energy, Inc. Purchased Energy Alternatives, Inc. As a result, EPA has replaced Energy Alternatives, Inc., with NRG Backup Generation Services throughout the Title V permit and this statement of basis. As of September 20, 2012, NRG Backup Generation Services is the owner and operator of the engines.”
- 2.) All instances of “Energy Alternatives, Inc.” have been changed to “NRG Backup Generation Services” in the Title V operating permit renewal.
- 3.) All instances of “Energy Alternatives, Inc.” have been changed to “NRG Backup Generation Services” in the statement of basis for the PSD construction permit modification.
- 4.) All instances of “Energy Alternatives, Inc.” have been changed to “NRG Backup Generation Services” in the PSD construction permit modification.
- 5.) Several typographical errors were corrected. No other substantive changes have been made to the permit.