United States Environmental Protection Agency
Region 5
Air Programs Branch
Air and Radiation Division
77 West Jackson Boulevard
Chicago, Illinois 60604

CONSTRUCTION PERMIT

Permit Number: MIN-SM-27139R0005-2013-01

Issue Date: Draft Effective Date: Draft

Expiration Date:

In accordance with the provisions of the Clean Air Act (CAA) and the Federal Minor New Source Review Program in Indian Country, 40 C.F.R. §§ 49.151 - 49.161.

Shakopee Mdewakanton Sioux Community of Minnesota

is authorized to construct and operate air emissions units and to conduct other air pollutant emitting activities in accordance with the permit conditions listed in this permit.

This source is authorized to construct and operate in the following location(s):

New Little Six Casino
2450 Sioux Trail NW
Prior Lake, Minnesota 55372

New Little Six Casino is located on reservation lands held by the United States government in trust for the Shakopee Mdewakanton Sioux Community.

Terms and conditions not otherwise defined in this permit have the meaning assigned to them in 40 C.F.R. Part 49. All terms and conditions of the permit are enforceable by the U.S. Environmental Protection Agency and citizens under the CAA.

Susan Hedman
Regional Administrator
U.S. EPA, Region 5

2/10/14
Date

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ABBREVIATIONS AND ACRONYMS

CAA	Clean Air Act
C.F.R.	Code of Federal Regulations
CO	Carbon Monoxide
EPA	Environmental Protection Agency
EU	Emission Unit
Facility	New Little Six Casino
g	gram
hr	hour
kW	kilowatt
NAAQS	National Ambient Air Quality Standards
NLSC	New Little Six Casino
NO_2	Nitrogen Dioxide
NO_x	Oxides of Nitrogen
NMHC	Non-methane Hydrocarbon
NSPS	New Source Performance Standards
Permittee	Shakopee Mdewakanton Sioux Community
PM	Particulate Matter
PSD	Prevention of Significant Deterioration
SMSC	Shakopee Mdewakanton Sioux Community of Minnesota

1.0 FACILITY DESCRIPTION

A. General Source Information

Owner: Shakopee Mdewakanton Sioux Community of Minnesota
2330 Sioux Trail NW
Prior Lake, Minnesota 55372

Facility: New Little Six Casino
2450 Sioux Trail NW
Prior Lake, Minnesota 55372

County: Scott

Reservation: Shakopee Mdewakanton Sioux Community of Minnesota

SIC Code: 7999, amusement and recreation services, 4911, electric services
NAICS Code: 713210, casinos, 221112, power generation

This after-the-fact permit authorizes the construction of an emergency diesel fired generator as a load shed or peak shaving generator at the Shakopee Mdewakanton Sioux Community of Minnesota (SMSC) New Little Six Casino. The generator will provide emergency and backup power and peak load management for the casino under contract with Minnesota Valley Electric Cooperative. The combined total generation capacity of this engine will be 2.0 megawatts.

B. Emission Unit Description

Emission Unit	Description	Manufacturer/Model	Power Rating
EU 112	Diesel-fired engine/generator	Caterpillar Model 3516C	2,230 kW

2.0 UNIT-SPECIFIC REQUIREMENTS

A. Emission Limitations and Standards

The Permittee shall comply with the following requirements:

1. Nitrogen Oxide (NO_x) Limitations and Requirements

   i. Limit NO_x emissions to no greater than 35.93 pounds per hour expressed as NO_2, averaged over the duration of the emission performance test. [40 C.F.R. § 49.155(a)(2)]

   ii. Limit fuel usage to ultra low diesel fuel with a maximum sulfur content of 0.0015%. [40 C.F.R. §§ 60.4207(b) and 80.510(b)]

iii. Limit fuel usage to diesel fuel with a minimum cetane index of 40, or maximum aromatic content of 35 volume percent. [40 C.F.R. §§ 60.4207(b) and 80.510(b)]

2. Standards of Performance for Stationary Compression Ignition Internal Combustion Engines (40 C.F.R. Part 60, Subpart IIII)

   i. Emission and Operational Limitations

      a. Operate EU 112 to comply with the emission standards (for oxides of nitrogen, carbon monoxide, hydrocarbon, particulate matter, and exhaust opacity) set forth for new non-road stationary compression ignition engines at 40 C.F.R. §§ 89.112 and 89.113, and shall continue to meet them for the entire life of the engine. The emission standards are as follows:
         - NMHC + NOx = 6.4 g/kW-hr
         - CO = 3.5 g/kW-hr
         - PM = 0.20 g/kW-hr
         - Exhaust Opacity:
            - 20% during acceleration mode
            - 15 % during lugging mode
            - 50% during peaks in either acceleration or lugging mode

         [40 C.F.R. §§ 60.4204(b), 60.4201, and 60.4206]

      b. To demonstrate compliance with the emission standards listed in condition 2.0 A.2.i.a of this permit, the Permittee shall:
         1. Operate and maintain EU 112 according to the manufacturer's emission-related written instructions [40 C.F.R. § 60.4211(a)(1)];
         2. Change only those emission-related settings that are permitted by the manufacturer of EU 112 [40 C.F.R. § 60.4211(a)(2)];
         3. Meet the requirements of 40 C.F.R. Parts 89, 94, and/or 1068 as they apply to EU 112 [40 C.F.R. § 60.4211(a)(3)]; and
         4. Purchase engines certified to meet the emission standards. Obtain from the manufacturer for EU 112 a certification that generator emissions will be at or below the emission standards. The engine shall be installed and configured according to the manufacturer's emission-related specifications. [40 C.F.R. § 60.4211(c)]

3. Good Air Pollution Control Practices

   i. At all times, including start-up, shut-down, and malfunction, maintain and operate EU 112, in a manner consistent with good air pollution control practices for minimizing emissions. The determination of whether acceptable operating and maintenance practices are being used will be made by EPA based on information that is available to EPA. This may include, but is not limited to, monitoring results, review of operating and maintenance procedures, and inspections of the facility. [40 C.F.R. § 49.155(a)(2)]

B. Monitoring and Testing

1. Monitoring

   i. The Permittee shall prepare and submit to EPA for approval an Operations and Maintenance Manual. [40 C.F.R. § 49.155(a)(3)]

   ii. The Permittee shall operate EU 112 in accordance with the prepared Operations and Maintenance Manual.
      a. The Permittee shall conduct the appropriate monthly, annual, and triennial maintenance and inspection activities in accordance with the manual. The Permittee shall undertake the necessary follow up to assure EU 112 is maintained appropriately, including but not limited to filter replacement, leak repair, oil and fluids changes, etc. [40 C.F.R. § 49.155(a)(3)]

2. Performance Testing

   i. Initial Compliance Test. Within 180 days after permit issuance, for EU 112, and at other times as may be required by the EPA under Section 114 of the CAA, the Permittee shall conduct performance test(s) for NO_x on EU 112 to ascertain compliance with the emission limits. Within 45 days of the performance test(s), the Permittee shall furnish the EPA a written report of the results of such performance test(s). [40 C.F.R. § 49.155(a)(3)]

   ii. Periodic Performance Tests. The Permittee shall conduct a performance test every five years, starting five years after the initial compliance test to determine compliance at EU 112 with the applicable NO_x emissions limits established in Condition 2.0 A.1. The Permittee shall perform each subsequent test on or before the fifth anniversary of the previous periodic performance test. Within 45 days of the performance test(s), the Permittee shall furnish the EPA a written report of the results of such performance test(s). [40 C.F.R. § 49.155(a)(3)]

   iii. Reference Test Methods. The Permittee shall test EU 112 for emissions of nitrogen compounds in accordance with the methods and procedures specified in Method 7E of 40 C.F.R. Part 60, Appendix A for testing NO_x emissions, unless an alternative test method has been approved in advance of the test by the EPA. [40 C.F.R. § 49.155(a)(3)]

   iv. Representative Testing Conditions. Performance tests shall be conducted under such conditions as the EPA shall specify to the facility operator based on representative performance of the affected facility. The Permittee shall make available to the EPA such records as may be necessary to determine the conditions of the performance tests. Operations during periods of startup, shutdown, and malfunction shall not constitute representative conditions for the purpose of a performance test. [40 C.F.R. § 49.155(a)(3)]

v. Operating Conditions for Performance Testing. All performance tests shall be conducted at worst-case operating (non-malfunction) conditions for all emission units for each air pollutant based on the conditions as described in the EPA-approved test plan. [40 C.F.R. § 49.155(a)(3)]

vi. Failure to Demonstrate Compliance. Upon the EPA's written notice that the facility has failed to demonstrate compliance with an applicable emission limit, unless an alternative schedule is given in an applicable requirement or compliance document, the Permittee shall:
   a. Within 10 days, submit to the EPA written notice of testing and a test plan for the retest;
   b. Conduct the retest within 30 days of receipt of the EPA written notice;
   c. Submit a complete report of the results of the retest within 45 days after completion.

   [40 C.F.R. § 49.155(a)(3)]

vii. Agency Tests. Upon request of the EPA, the Permittee shall allow the EPA, or any authorized employee or agent of the EPA, to enter upon the premises for the purposes of conducting performance tests or inspections. The Permittee shall provide performance testing facilities that enable the EPA to conduct performance tests, including:
   a. Sampling ports adequate for the applicable test methods;
   b. Safe sampling platforms;
   c. Safe access to sampling platforms; and
   d. Utilities for sampling and testing equipment.

   [40 C.F.R. § 49.155(a)(3)]

C. Recordkeeping and Reporting

1. Recordkeeping

i. The Permittee shall maintain at the Tribal Government office the records specified below. The Permittee shall retain all records at the facility location for at least five years following the creation of such records. Records that must be retained at this location include all calibration and maintenance records, all original recording for continuous monitoring instrumentation, and copies of all reports required by this permit. Records of all monitoring required by this permit and information about monitoring include, but are not limited to:
   a. Fuel usage for emissions unit EU 112;
   b. Fuel supplier certification for emissions unit EU 112. The Permittee shall obtain and maintain a fuel supplier certification for each shipment of fuel oil, certifying that the sulfur content does not exceed 0.0015% by weight;
   c. Hours of operation for emissions unit EU 112;
   d. Performance test data and results including:
      1. Sampling dates and the times of sampling or measurement;

2. The operation conditions that existed at the time of sampling or measurements;
3. The date analyses were performed;
4. The location where samples were taken;
5. The company or entity that performed the sampling analysis;
6. The analytical techniques or methods used; and
7. The results of the analysis.

e. Operations and Maintenance Manual;
f. Records of maintenance performed on EU 112;
g. Reports of excess emissions; and
h. Standard operation and maintenance procedures for each emission unit.

[40 C.F.R. § 49.155(a)(4)]

2. Reporting for Compliance with Standards of Performance for Stationary Compression Ignition Internal Combustion Engines (40 C.F.R. Part 60, Subpart IIII). Submit an initial notification as required in 40 C.F.R. § 60.7(a)(1). The notification must include the information in below:

   i. Name and address of the owner or operator;

   ii. The address of the affected source;

   iii. Engine information including make, model, engine family, serial number, model year, maximum engine power, and engine displacement;

   iv. Emission control equipment; and

   v. Fuel used.

   [40 C.F.R. § 60.4214]

3. Reporting

   i. Test Reports. No later than 45 days following the completion of the initial or periodic performance tests required in Condition 2.0 B.2.i and ii, the Permittee shall submit to EPA a written report of the test results obtained from the initial and periodic NOx performance tests. [40 C.F.R. § 49.155(a)(5)]

   ii. Deviation Reporting. The Permittee shall report to EPA any deviation from any permit requirements, including those attributable to upset conditions; the probable cause of such deviation; and any corrective actions or preventative measures taken, within 180 days of the deviation. [40 C.F.R. § 49.155(a)(5)]

   iii. The Permittee shall submit any changes to the Operation and Maintenance Manual to EPA for approval. [40 C.F.R. § 49.155(a)(3)]

3.0 FACILITY-WIDE REQUIREMENTS

A. Notification

1. Testing Notification. Written notification of the planned test date shall be postmarked or received by the EPA at least 30 days before the planned test date. The EPA shall reject the results of a test if less than 30 days notice is given unless written authorization of a shorter notice was given by the EPA. If after 30 days notice for a scheduled performance test, there is a delay (due to operational problems, etc.) in conducting the scheduled performance test, the Permittee shall notify EPA as soon as possible, either by providing at least seven days prior notice of the rescheduled date of the performance test or by arranging a reschedule date with the EPA by mutual agreement.

2. Approval of Test Plan. The Permittee shall submit to the EPA a test plan with or in advance of the test notification required under this section in response to the EPA's request for supplemental information. If the proposed test plan does not contain sufficient or accurate enough detail to ensure that the performance test meets the requirements of the applicable requirement or compliance document, EPA may reject the plan, and the Permittee must address any of EPA's comments on revisions and additions that are necessary to make the plan complete before the test date.

B. Recordkeeping and Reporting

1. The Permittee shall maintain for five years at the facility at which the permitted units are located a file of all measurements, including monitoring device and performance testing measurements; adjustments and maintenance performed on these systems or devices; and all other information required by this permit in a permanent form suitable for inspection.

2. Within 45 days after completion of a performance test, the Permittee shall submit a copy of the results to EPA.

4.0 GENERAL PERMIT REQUIREMENTS

A. Definitions

1. Terms and conditions in this permit have the meaning assigned to them in 40 C.F.R. § 49.152 unless other regulations or statutes are referenced or applicable.

B. Issuance and Effective Date of Permit

1. This permit shall become effective on the date of signature by the Regional Administrator.

C. Construction without a Permit

1. If the Permittee constructs or operates any source or modification not in accordance with the terms of any approval to construct, the Permittee shall be subject to appropriate enforcement action.

D. Construction Approval

1. Nothing in this permit shall alter the requirement for the Permittee to obtain a construction permit before commencement of construction or modification of an emission unit.

2. Approval for construction or installation shall not relieve the Permittee of the responsibility to comply fully with applicable provisions of any other requirements of federal law or regulation, including Title V of the CAA.

3. The Permittee is responsible for submitting a timely application for a federal title V operating permit to authorize continued operation of the subject emissions units.

E. Compliance with Permit Requirements

1. The Permittee shall comply with each term and condition in this permit. Failure to comply with any term or condition of this permit constitutes a violation of the permit, and the CAA, and is grounds for:

   i. An enforcement action under Section 113 of the CAA;

   ii. Termination, revocation and reissuance, or modification of the permit; or

   iii. Denial of a federal operating permit application under 40 C.F.R. Part 71.

2. It is not a defense in an enforcement action for violation of this permit that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit.

F. Prohibition on Violation of National Ambient Air Quality Standards and Prevention of Significant Deterioration Increments

1. The generator that is the subject of this construction permit must not cause or contribute to a violation of any National Ambient Air Quality Standard or to a violation of a Prevention of Significant Deterioration increment.

G. Submittals

1. Unless otherwise directed by EPA or this permit, the Permittee shall submit a copy of all test plans, reports, certifications, notifications and other information pertaining to compliance with this permit to:

Air Enforcement and Compliance
Assurance Branch (AE-17J)
Air and Radiation Division
EPA Region 5
77 West Jackson Boulevard
Chicago, Illinois 60604

2. The Permittee shall submit permit applications, applications for permit amendments, and other applicable permit information, which includes but it not limited to applications and information regarding installation of control equipment, replacement of an emissions unit, and requests for changes that contravene current permit terms, to:

Air Permits Section
Air Programs Branch (AR-18J)
EPA Region 5
77 West Jackson Boulevard
Chicago, Illinois 60604

H. Severability

1. The terms and conditions in this permit are distinct and severable. Each permit term and condition is independent of the permit as a whole and remains valid regardless of a challenge to any other part of this permit. If any term or condition in this permit is held invalid, such invalidity shall not affect the validity or application of other terms or conditions.

I. Entry and Inspection

1. The Permittee shall allow an EPA-authorized representative, upon presentation of credentials at the offices of the Shakopee Mdewakanton Sioux Community Business Council, to:

   i. Have a right of entry to, upon, or through any premises where a source subject to this permit is located or where records required by this permit are kept;

   ii. At reasonable times, have access to any records required by this permit and to make copies of any records;

   iii. Inspect, during normal business hours or while the source is in operation, the generators that are the subject of this permit and any monitoring equipment and method required by or referenced in this permit;

   iv. Record any inspection by use of written, electronic, magnetic, and photographic media; and

v. Sample or monitor, at reasonable times, any emissions or parameters to assure compliance with this permit or other applicable requirements.

J. Circumvention

1. The Permittee shall not build, erect, install, or use any article, machine, equipment, or process, the use of which conceals any emission which would otherwise constitute a violation of an applicable standard.

K. Reservation

1. This permit does not convey any property rights or any sort of exclusive privilege.

L. Permit Revision, Reopening, Revocation and Reissuance, or Termination

1. EPA may revise, reopen, revoke and reissue, or terminate this permit for cause. The filing of a request by the Permittee for a permit revision, revocation and re-issuance or termination or of a notification of planned changes or anticipated noncompliance does not stay any permit condition. [40 C.F.R. § 49.155]

   The Permittee shall furnish, within a reasonable time, any information that EPA may request in writing to determine whether cause exists for revising, revoking and reissuing, or terminating the permit or to determine compliance with the permit. For any such information claimed to be confidential, the Permittee must also submit a claim of confidentially in accordance with 40 C.F.R. Part 2, Subpart B. [40 C.F.R. § 49.155]