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**Technical Support Document
Title V Permit Renewal
Arizona Public Service - Sundance Power Plant
Permit # V20647.000**

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APS - Sundance Power Plant
Permit # V20647.000

This technical support document (TSD) summarizes some of the main items analyzed for this facility's original permit. More in-depth discussion can be found in previous TSDs.

1. APPLICANT

Arizona Public Service Company
P.O. Box 53933
Phoenix, Arizona 85072-3933

2. BACKGROUND

This permit renewal pertain to an existing electrical power plant owned and operated by Arizona Public Service Company, located at 2060 W. Sundance Rd, Casa Grande, Arizona.

2.1 PROJECT LOCATION

The facility location lies in the central desert basin of Arizona, about 30 miles from Superstition Wilderness, and 75 miles from Saguaro National Monument. These areas are designated as Federal PSD Class I areas which are afforded special protection from environmental impacts under the CAA. Although it does not qualify for the Class I area protections under the CAA, the BLM's Table Top Wilderness lies about 35 miles from the facility. The Gila Indian Reservation lies about 4 miles north of the facility, and the Ak Chin Indian Reservation lies about 33 miles to the northwest.

The area is designated as attainment for all criteria pollutants. The underlying attainment criteria are defined by the National Ambient Air Quality Standards (NAAQS), as required under CAA §109 and promulgated at 40 CFR Part 50. The attainment designation includes carbon monoxide (CO), oxides of nitrogen (NOx), particulate matter (PM₁₀), oxides of sulfur (SOx), and ozone (O₃). However, ozone, CO and particulate nonattainment areas all commence at the Pinal County/Maricopa County line, lying about 21 miles due north of the project. (On October 1, 2010, the EPA proposed to redesignate most of the western portion of Pinal County from "unclassifiable" to "nonattainment" for PM₁₀. The proposed boundaries could potentially include the site of this facility within that declaration).

2.2 PROCESS DESCRIPTION

The facility's SIC Code is 4911.

The facility consists of ten 45 MW General Electric LM6000 SPRINT combustion turbines. The facility was originally permitted to build 2 additional turbines in a second phase, but such turbines have never been constructed, and more than 18 months have passed since the commencement of construction of the first phase. The 2 units would have to go through the BACT and modeling analysis process again before they could be constructed.

The combustion turbines (CTs) may be operated simultaneously or one at a time on as as-needed basis, and at a capacity factor between 0 and 85.6%. The nominal heat input for each CT at base load operating conditions is 446 MMBtu/hr (HHV). Each CT is limited by the permit to 7,500 hours of operation including startup and shutdown, and up to 1,000 startup events in each 12-month rolling period.

The emissions from each CT are controlled through the use of a water injection combustion system, a selective catalytic reduction (SCR) system, and an oxidation catalyst. The water injection system and SCR will control NOx emissions to a nominal 5.0 ppmv or less and the oxidation catalyst will limit CO emissions to no more than 15 ppmv below 59° F and 7.5 ppmv at or above 59°F. Emissions of other regulated pollutants are controlled through fuel selection and good combustion controls.

This source constitutes a major source of CO, PM10 and NOx, and operates under authority of a "Title V" unitary permit which implements the Prevention of Significant Deterioration (PSD) requirements.

See the technical support prepared for the original permit and subsequent permit revisions/renewals for more detailed information.

2.3 PERMITTING HISTORY

The following is a list of permits issued to this facility since the original Title V:

Permit/Revision	Type	Issuance	Reason for Revision
V20613.000	New Title V	7/25/01	
V20613.A01	Transfer	5/17/05	Transfer of ownership from PPL Sundance to APS
V20626.000	Renewal	6/13/06	Allowed for operations at "lower" loads and revised definition of "startup"
V20626.R01	Minor Revision	4/16/07	Revised definition of "shutdown".

Revision V20626.R01 modified the definition of "shutdown". The previous permit defined it as "the 6-minute period prior to shut-off of the fuel supply." Since initial operations at this facility, data showed that it takes a minimum of 6 minutes to shut down a unit, while many shutdowns last up to 12 minutes. This had created problems in maintaining compliance with the normal operating emissions limitations when shutdowns are commenced just prior to the start of an hour. In those cases, the emissions from the shutdown were being averaged into the 3-hour normal operating emissions.

The revised definition of "shut-down" allows up to 15 minutes and also requires a 16% oxygen concentration to ensure only shutdown emissions are captured during shutdown conditions. The oxygen concentration, which during low-load conditions remains below 16%, rises above 16% upon initiating shutdown. Permittee has estimated the potential NOx increase from the allowed longer shutdowns to 13 tpy (1.3 tons per turbine).

Renewal V20626.000 modified the definition of combustion turbine "start-up". The permit originally defined start-up as the period (6-minutes) following the initiation of fuel flow, provided the turbine reaches at least 90% of base load. The permit also required a minimum operating load other than during start-up, shut-down or malfunction of 90% of base load, since the original modeling had only been conducted at full load. APS submitted modeling at several loads and ambient conditions to show that lower loads will not increase emissions in a way that the Significant Impact Levels will be exceeded. With this revision the minimum operating load has been lowered and the definition of start-up does not include a specific operating load. The TSD for this renewal/revision explains in more detail the results of the modeling conducted, as well as the testing plan that will demonstrate compliance.

2.4 COMPLIANCE/ENFORCEMENT HISTORY

The last full compliance evaluation of this facility (including inspection) was conducted in June of 2010. The facility was in compliance. The last performance test was conducted on 7/19/10, where all the CTs were tested for CO and NOx.

This facility does not have any history of compliance problems or enforcement.

2.5 CHANGES MADE DURING RENEWAL

As part of renewal V20647.000, in addition to including any new applicable requirements, the definition of startup is being adjusted to allow an adequate amount of time to properly start up and verify proper operation of the water injection system before it enters into the warm-up period. This change in the definition will not cause an increase in actual emissions since the method of startup or the startup control logic will remain unaltered. However, there is an increase in the PTE of 11.03 tpy of CO, 2.61 tpy of VOC and 27.9 tpy of NOx.

The PTE increases were calculated using the startup/warm-up sequence emission values per event

listed in the permit §4.B.2.b.3, and taking into account that the current sequence is 30 minutes, and we are proposing to add 9 more minutes to it. For example,

CO: 7.36 lbs/30 minutes = 0.0245 lb/min x 9 minutes = 2.205 lbs x 1000 starts x 10 turbines = 22.055 lbs = 11.03 tons per year.

The definition of shutdown is also being altered to more clearly define and clarify the evolution. This change in the definition will not cause an increase in actual emissions or PTE.

Also, during this renewal, the warm-up NOx definition is being revised to clarify that the 25 ppmvd limit is an average of the 24-minutes which make up the warm-up sequence and that substituted data should not be used in determining compliance with the limit. Additional language was also added to clarify that, if shutdown and warm-up periods overlap, then the shutdown requirements only apply. Current CFR Part 75 and Part 60 regulations do not provide adequate methods to define how to specifically calculate this time period for NOx as these regulations mainly describe for hourly values.

3. EMISSIONS FROM THE PROJECT

3.1 ACTUAL EMISSIONS

In 2009, the facility reported the following emissions:

2009 Emissions (TPY)						
CO	NOx	SOx	PM10	PM2.5	VOC	HAP
8.23	24.5	0.53	1.21	1.21	1.95	0.31

3.2 POTENTIAL EMISSIONS

Table 1. Maximum Emission Summary (tons/year) - Potential to Emit with Controls

Pollutant	Per Turbine (TPY)	Total (TPY)
Nitrogen Oxides (NOx)	41.00	4100
Carbon Monoxide (CO)	55.93	559.33
Particulate Matter (PM₁₀/PM_{2.5})¹	26.25	262.5
Sulfur Oxides (SO₂)	0.98	9.80
Volatile Organic Compounds (VOC)	17.14	171.41
Greenhouse Gases (GHG) (CO₂e)	179,251.88	1,792,518.75

Note: PTEs estimated at 7,500 hours/year for each CT, and up to 1,000 startup.

4. PREVENTION OF SIGNIFICANT DETERIORATION ANALYSIS

4.1 BEST AVAILABLE CONTROL TECHNOLOGY (As submitted with the initial Title V permit application in 2000)

Estimated potentials to emit NOx, CO, VOC, and PM/PM₁₀ at rates above the PSD significance levels separately trigger requirements to define and implement pollutant-specific Best Available Control

¹Arizona Public Service has indicated in an e-mail to PCAQCD on 1/5/11 that PM₁₀ = PM_{2.5}

Technology ("BACT") for each emissions unit that emits one of the listed pollutants.

For a more in-depth explanation of the BACT determinations, see the TSDs from 2001.

During the processing of the original permit application for the Sundance facility it was determined that the following was BACT:

4.1.1 NOx: Selective Catalytic Reduction (SCR)

Permittee has installed an SCR system to control NOx down to a steady-state emission rate of 5 ppmv @ 15% O2. The SCR utilizes downstream ammonia injection.

4.1.2 CO: Oxidizing Catalyst

Permittee agreed to install an oxidizing catalyst to control emissions of CO to a rate as low as a 15 ppmv level below 59° F and 7.5 ppmv above 59°F (@15%).

4.1.3 Particulate Matter: Good Combustion Practices

4.1.4 VOCs: Good Combustion Practices

4.2 AIR QUALITY IMPACTS ANALYSIS (As submitted with the initial Title V permit application in 2000)

Since the applicant is not proposing any changes to the facility or permit, a new air quality impact analysis is not required. This is a summary of the ambient air quality impact analyses conducted for this facility during the original permit application, to determine the impacts of the project on ambient air quality.

4.2.1 PREDICTED AIR QUALITY IMPACTS VS "SIGNIFICANT" AND "DE MINIMIS" LEVELS

The following table shows that the air modeling results for the project indicated that neither the significance levels nor the de minimis levels of air quality impact were reached. As a result, the project did not trigger pre-construction monitoring requirements, a requirement to analyze increment consumption, or a requirement to perform NAAQS analyses under the PSD program regulations.

Pollutant	Max. Concentration (µg/m ³)	NAAQS average	Allowable Concentration (µg/m ³)	Actual/Allowable (%)
NOx	1.40	annual	100	1.4
CO	58.4	1-hr	40,000	0.15
CO	22.3	8-hr	10,000	0.22
PM ₁₀	4.74	24-hr	150	3.2

Note that due to the modest impacts from this facility, the applicant was not required to conduct on-site monitoring as part of the application process. The following data is based on seemingly appropriate background concentrations, and is presented merely for informational purposes.

Pollutant	Max. Concentration (µg/m ³)	Background Concentration ² (µg/m ³)	Total Allowable (µg/m ³)	NAAQS Allowable (µg/m ³)	Maximum/Total/ Allowable (%)	
NO _x (annual)	1.4	14.2	15.6	100	1.4	15.6
CO (1-hr.)	58.4	2052	2110	40,000	0.15	5.3

² Data from application. NOx data taken at Saguaro National Monument for years 1995 and 1996. PM10 data taken at Coolidge for years 1995 through 1999. CO data taken at Casa Grande for years 1995 through 1997.

CO (8-hr.)	22.3	1368	1390	10,000	0.22	13.9
PM ₁₀ (24-hr.)	4.74	104.5	109.2	150	3.2	72.8

4.3 ADDITIONAL IMPACT ANALYSIS

This permit's renewal does not propose any physical changes or construction activity, and new Impact Analyses are not necessary.

4.3.1 Toxics Impact Analysis - Arizona Ambient Air Quality Guidelines

Applicant's analysis showed that none of the approach the screening thresholds defined by the Arizona Ambient Air Quality Guidelines. Therefore, PCAQCD concludes that potential toxic emissions from this facility do not present a risk to public health.

5. TITLE V PERMIT ANALYSIS

5.1 APPLICABLE REQUIREMENTS -GENERAL

Within the meaning of 40 CFR Part 70, this constitutes a "major source" that requires an operating permit, as contemplated by Part 5 of the CAA. Such permits are commonly known as "Title V" permits.

5.1.1 NEW SOURCE PERFORMANCE STANDARDS (NSPS)

Subpart GG. The combustion turbines fall subject to 40 CFR Part 60, Subpart GG, which imposes limitations on NO_x and SO₂ emissions.

The permit limits the facility to burning only pipeline-quality natural gas, as defined by the Acid Rain regulations. Accordingly, supplier certifications allow verification that fuel-sulfur meets the Subpart GG limitations, and allows a mass-balance analysis to demonstrate that worst-case SO₂ emissions stay within Subpart GG concentration limitation. Daily sampling or an alternate monitoring scheme (as defined by EPA) for fuel sulfur is required. Since the previous renewal, Subpart GG has been updated to allow for the use of a tariff or contractual agreement to demonstrate compliance with the sulfur limitations in the natural gas combusted. Accordingly, the permit has been revised to incorporate language consistent with the NSPS.

The BACT requirements defined above are far more stringent than the NO_x emission limitations imposed by the NSPS. That is, the 3.0 ppmv NO_x emission rate allowed under the BACT determination is far more stringent than the NSPS limitation. Subpart GG allows a combustion-rate dependent NO_x emission rate, which, based on the 1932 mmBtu/hr. heat input capacity of the turbines, allows NO_x emissions at a rate of 75 ppmv @ 15% oxygen. The 3.0 ppmv NO_x emission limit imposed under the BACT determination represents a more than a 90% reduction below the emission rate allowed by the NSPS. Compliance with the BACT requirements will assure compliance with the NSPS NO_x limitations.

Nonetheless, performance testing will be required, pursuant to 40 CFR Part 60, Subpart A.

On an ongoing basis, compliance will be assured by the CEMs, as required under Subpart 40 CFR Subpart GG.

5.1.1.1 CEM Monitoring

As part of this renewal, Permittee has requested for flexibility to monitor the CO CEMS in accordance with Part 75 instead of Part 60. Part 75 defines an operating quarter as "a calendar quarter in which there are at least 168 stack operating hours". This provides some flexibility for the units at Sundance which are used very infrequently. As agreed with Steve Frey (EPA Region 9) on 1/15/2003, since this facility does not use duct burners they are not subject to the monitoring requirements of part 60 Da or Db, and therefore they are subject to are the permit and Acid Rain provisions.

5.1.2 COMPLIANCE ASSURANCE MONITORING (CAM) - 40 CFR 64

40 CFR §64.2(b)(iv) exempts limitations or standards for which a Part 70 or 71 permit already specifies a continuous compliance determination method. Since the Sundance permit already requires a continuous emission monitoring system for NOx and CO, the exemption applies. No units at Sundance are subject to the CAM rule.

5.1.3 STRATOSPHERIC OZONE REGULATIONS

The requirements originating from Title VI of the Clean Air Act, entitled *Protection of Stratospheric Ozone*, are contained in 40 CFR 82. Subparts A through E and Subparts G and H of 40 CFR Part 82 are not applicable to the Arizona Natural Gas Storage facility. 40 CFR 82 Subpart F, *Recycling and Emissions Reduction*, potentially applies if the facility operates, maintains, repairs, services, or disposes of appliances that utilize Class I or Class II ozone depleting substances. Subpart F generally requires persons completing the repairs, service, or disposal to be properly certified. Certified technicians complete all repairs, service, and disposal of ozone depleting substances from the refrigerant containing equipment at the facility.

5.1.4 40 CFR 68 - RISK MANAGEMENT PROGRAM AND PLAN

The requirements of 40 CFR 68 of submitting and maintaining a Risk Management Program and Plan (RMP) could apply to this facility if the SCR has been designed to use 20% or higher (by weight) ammonia, which is regulated by 40 CFR 68. In such case, the applicant will have to prepare and maintain a Risk Management Plan in accordance with the requirements of 40 CFR 68 .

5.2 APPLICABLE REQUIREMENTS - UPDATES

5.2.1 LOCALLY ENFORCEABLE OPACITY LIMITATIONS

As of April 23, 2006, point sources not subject to an NSPS or an opacity standard from another existing rule in the Pinal County Code, are subject to a 20% opacity limitation. This limitation is locally enforceable only. The only emissions units subject to this standard are the ancillary activities.

6. LIST OF ABBREVIATIONS

ADEQ	Arizona Department of Environmental Quality
AP-42	"Compilation of Air Pollutant Emission Factors, Volume 1: Stationary Point and Area Sources", 5 th Edition
BACT	Best Available Control Technology
bhp	Brake Horse Power
BLM	Bureau of Land Management
CAA	Clean Air Act
CEM	Continuous Emission Monitor
CFR	Code of Federal Regulations
CI	Compression Ignition
CO	Carbon Monoxide
CT	Combustion Turbine
EPA	Environmental Protection Agency
°F	Degrees Fahrenheit
FEP	Federally Enforceable Provisions
FERC	Federal Energy Regulatory Commission
g/hp-hr	grams per horsepower-hour
HAPs	Hazardous Air Pollutants
HHV	Higher Heating Value
hp	Horse Power
hr	Hour
ICE	Internal Combustion Engine
kW	Kilowatt
lb	Pound
MACT	Maximum Achievable Control Technology
MMBTU	Million British Thermal Units
MMSCF	Million Standard Cubic Feet
MSDS	Material Safety Data Sheet
NAAQS	National Ambient Air Quality Standards
NESHAPs	National Emission Standards for Hazardous Air Pollutants

NMHC	Non-Methane Hydrocarbons
NOX	Nitrogen Oxides
NSPS	New Source Performance Standard
NSR	New Source Review
O ₃	Ozone
PCAQCD	Pinal County Air Quality Control District
PGCAQCD	Pinal-Gila Counties Air Quality Control District
PPM	Parts per million
PPMV	Parts per million volume
PM10	Particulate Matter nominally less than 10 Micrometers
PM2.5	Particulate Matter nominally less than 2.5 Micrometers
PSD	Prevention of Significant Deterioration
REG.	Regulation (as in PCAQCD Code of Regulations)
RICE	Reciprocating Internal Combustion Engine
RMP	Risk Management Plan
SIC	Standard Industrial Code
SCR	Selective Catalytic Reduction
SO ₂	Sulfur Dioxide
THC	Total Hydrocarbons
TOC	Total Organic Compound
tpy	tons per year
TSD	Technical Support Document
VOC	Volatile Organic Compound
yr	year