

Statement of Basis For Title V Permit

| Part I - General | |
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| Company Name | OMEGA JV2 - Hamilton Peaking Station |
| Premise Number | 1409040897 |
| What makes this facility a Title V facility? | Facility meets definition of "affected source" per OAC rule 3745-77-01(D) as subject to Title IV; therefore also subject to Title V |
| Has each insignificant emissions unit been reviewed to confirm it meets the definition in OAC rule 3745-77-01 (U)? | There are no IEUs at this facility |
| Were there any "common control" issues associated with this facility? If yes, provide a summary of those issues and explain how the DAPC decided to resolve them. | N/A |
| Please identify the affected unit(s) and associated PTI, if applicable, along with a brief description of any changes to the permit document that qualify as a minor permit modification per OAC rule 3745-77-08(C)(1) | N/A |
| Please identify the affected unit(s) and associated PTI, if applicable, along with a brief description of any changes to the permit document that qualify as a significant permit modification per OAC rule 3745-77-08(C)(3) | N/A |
| Please identify the affected unit(s) and associated PTI, if applicable, along with a brief description of any changes to the permit document that qualify as a reopening per OAC rule 3745-77-08(D) | N/A |
| Please identify the affected unit(s) and associated PTI, if applicable, along with a brief description of any changes to the permit document resulting from a renewal per OAC rule 3745-77-08(E) | This renewal permit action incorporates a minor permit modification submitted on 8/15/2003 as part of an appeal settlement (ERAC Case #255204) in which changes were made to record keeping requirements for an approved custom fuel sampling plan and to the definition of natural gas as "pipeline quality" natural gas. |

| Part II (State and Federally Enforceable Requirements) | | | |
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| Term and Condition (paragraph) | Basis | | Comments |
| | SIP (3745-) | Other | |
| A.1 Annual NOx Budget Allowance | 3745-14 | | Emissions unit P001 is an electrical generating emissions unit participating in the NOx Budget Trading Program under OAC Chapter 3745-14. Compliance will be demonstrated by the applicable monitoring, record keeping, and reporting requirements specified in this section of the permit. |
| B.1 | | | No insignificant emission units at this facility. |

C **Instructions for Part II:**
Each paragraph in Part II must be identified and the remainder of the table completed. If the SIP (not including 31-05) is the basis for the term and condition, identify the specific rule. If the SIP is not the basis for the term and condition, place an "N" in the column under "SIP." If the basis for the term and condition is something other than the SIP, including 3745-31-05, NSPS or MACT, a "Y" should be noted in the "Other" column, and if not, an "N" should be noted. Whether the basis for the term and condition is the "SIP" or "Other," an explanation of each term and condition in Part II must be provided in the "Comments" section.

| Part III (Requirements Within the State and Federally Enforceable Section) | | | | | | | | | | | | | | | |
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| Any unusual requirements or aspects of the terms and conditions in Part III that are not self-explanatory should be explained in the appropriate comment field or in a paragraph following the table for Part III. | | | | | | | | | | | | | | | |
| EU(s) | Limitation | Basis | | N D | OR | M | St | ENF | R | St | Rp | St | ET | Misc | Comments |
| | | SIP (3745-) | Other | | | | | | | | | | | | |
| P001 | 3 lbs/hour PE; 13.14 TPY PE | N | 3745-31-05(A)(3) | N | N | N | N | N | N | N | N | N | N | N | M, R, Rp, ET: Emission limitation(s) are based on the emission unit's potential to emit, operating 8760 hours per year. |
| P001 | 0.12 lb/hour SO2; 0.53 TPY SO2 | N | 3745-31-05(A)(3) | N | N | N | N | N | N | N | N | N | N | N | M, R, Rp, ET: Emission limitation(s) are based on the emission unit's potential to emit, operating 8760 hours per year. |
| P001 | 263.8 lbs/hour CO | N | 3745-31-05(A)(3) | N | N | Y | N | N | Y | N | Y | N | N | N | ET: Compliance with emission limitation determined by monitoring (CO CEM) and record keeping requirements. |

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| P001 | 75.7 lbs/hour VOC | N | 3745-3 1-05(A)(3) | N | N | Y | N | N | Y | N | Y | N | N | N | ET: Compliance with emission limitation determined by monitoring (VOC CEM) and record keeping requirements. |
| P001 | 71.2 lbs/hour NOx | N | 3745-3 1-05(A)(3) | N | Y | Y | N | N | Y | N | Y | N | N | N | OR: Use of water injection to control NOx emissions ET: Compliance with emission limitation determined by monitoring (NOx CEM) and record keeping requirements. |
| P001 | 98 TPY CO as 12-month rolling summation | N | 3745-3 1-05(D) | N | Y | Y | N | N | Y | N | Y | N | N | N | OR: Annual operating hours limitation, as 12-month rolling summation, to ensure compliance with emissions limitation. ET: Compliance with emission limitation determined by monitoring and record keeping requirements. |
| P001 | 65 TPY NOx as 12-month rolling summation | N | 3745-3 1-05(D) | N | Y | Y | N | N | Y | N | Y | N | N | N | OR: Annual operating hours limitation, as 12-month rolling summation, to ensure compliance with emissions limitation. ET: Compliance with emission limitation determined by monitoring and record keeping requirements. |
| P001 | 30 TPY VOC as 12-month rolling summation | N | 3745-3 1-05(D) | N | Y | Y | N | N | Y | N | Y | N | N | N | OR: Annual operating hours limitation, as 12-month rolling summation, to ensure compliance with emissions limitation. ET: Compliance with emission limitation determined by monitoring and record keeping requirements. |
| P001 | natural gas sulfur content less than 0.05% by weight | N | 3745-3 1-05(A)(3) | N | Y | Y | N | N | Y | N | Y | N | N | N | OR: required to utilize "pipeline quality" natural gas ET: Compliance with emission limitation determined by fuel monitoring and record keeping requirements. |
| P001 | 20% | 17-07(A) | N | N | Y | Y | N | N | Y | N | | N | N | N | OR: required to utilize inherently clean fuel |

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|--|-----------------------------------|--|--|--|--|--|--|--|--|--|---|--|--|--|--|
| | opacity, as a 6-min average | | | | | | | | | | Y | | | | (natural gas only) ET: Compliance with opacity demonstrated by use of inherently clean fuel and fuel type record keeping requirements. No visible emission testing unless a problem is identified with the emission unit. |
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EU = emissions unit ID

ND = negative declaration (i.e., term that indicates that a particular rule(s) is (are) not applicable to a specific emissions unit)

OR = operational restriction

M = monitoring requirements

St = streamlining term used to replace a PTI monitoring, record keeping, or reporting requirement with an equivalent or more stringent requirement

ENF = did noncompliance issues drive the monitoring requirements?

R = record keeping requirements

Rp = reporting requirements

ET = emission testing requirements (not including compliance method terms)

Misc = miscellaneous requirements

C Instructions for Part III:

- C All non-insignificant EUs must be included in this table. For each EU, or group of similar EUs, each emission limitation and control requirement specified in section A.I.1 and A.I.2 of the permit must be identified and the remainder of the table completed.

- C If the SIP (not including OAC rule 3745-31-05) is the basis for the term and condition, identify the specific rule. If the SIP is not the basis for the term and condition, place an "N" in the column under "SIP." If the basis for the term and condition is something other than the SIP, including OAC rule 3745-31-05, NSPS or MACT, a "Y" should be noted in the "Other" column, and if not, an "N" should be noted. If the basis for the term and condition is "Other," an explanation of the basis must be provided in the "Comments" section. If OAC rule 3745-31-05 is cited in the "Other" column, please indicate in the "Comments" section whether or not all of the requirements have been transferred from the permit to install.

- To complete the remainder of the table after "Basis," except for the "Comments" section, simply specify a "Y" for yes or an "N" for no. For the "M," "R," "Rp," and "ET" columns, if "N" is specified, there should be a brief explanation in the "Comments" section as to why there are no requirements. If a brief explanation is provided in the "Comments" section, please do not simply indicate that monitoring or testing requirements are not necessary. An explanation of why a requirement is not necessary should be specified.

When periodic monitoring requirements are established to satisfy the provisions of OAC rule 3745-77-07(A)(3)(a)(ii), the basis for the requirements must be explained. Whenever Engineering Guides have been used to establish the periodic monitoring requirements, the applicable Engineering Guide may be referenced in the "Comments" section. An example that should be clarified would be the situation where it has been determined that control equipment parametric monitoring will be used to evaluate ongoing compliance in lieu of performing frequent emission tests. In this situation, Engineering Guide #65 would be referenced along with the fact that the parametric monitoring range (or minimum value) corresponded to the range (or minimum

value) documented during the most recent emission tests that demonstrated that the emissions unit was in compliance. If streamlining language is included in the "Monitoring," "Record Keeping," or "Reporting" requirements sections of the permit, explain which requirements are being streamlined (mark appropriate column above) and provide a brief explanation of why the streamlined term is equal to or more stringent than the "Monitoring," "Record Keeping," or "Reporting" requirements specified in the permit to install. If Engineering Guide #16 was used as the basis for establishing an emission test frequency, a simple note referencing the Engineering Guide in the "Comments" section would be sufficient.

Also, if a "Y" is noted under "OR," "Misc," "St," "ND," or "ENF" an explanation of the requirements must be provided in the "Comments" section. In addition to a general explanation of the "OR," "Misc," "St," "ND," and/or "ENF" the following must be provided:

1. For an operational restriction, clarify if appropriate monitoring, record keeping, and reporting requirements have been specified for the operational restriction and indicate whether or not CAM is currently applicable.
2. If a control plan and schedule is included in the "Miscellaneous Requirements" section of the permit, provide an explanation in the "Comments" section of the violation, basis for the violation, and the company's proposed control plan and schedule.
3. If the "ND" column above is marked, please identify the particular rule(s) that is (are) not applicable to the specified emissions unit.
2. If the "ENF" column above is marked, please provide a brief explanation of the noncompliance issue(s) which prompted the use of the specified monitoring requirement.

An explanation is not required if an "N" is noted in the "OR," "Misc," "St," "ND," or "ENF" columns.

C Additional information for modifications - Several types of modifications, as defined by rule, may be processed concurrently. Please provide enough of a description for someone wishing to review the changes to the permit language to be able to identify where the change is made in the permit document. This brief description should be identified in the appropriate row in the first table of this form by replacing the "N/A" in the applicable row(s). Please also indicate if the modification is being initiated by an appeal by including the ERAC case number in the "Comments" area. Please update the term-specific text in the SOB as warranted (full insertion or replacement is acceptable; bold italic and strike out is not needed). Note all modification/reopening rows should remain "N/A" when developing the SOB during the initial permit development. Note: APA's and Off-permit changes do not need to be noted in the SOB.