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**Air Quality Bureau**  
**TITLE IV Acid Rain PERMIT**  
Issued under 20.2.84 NMAC

Certified Mail No:  
Return Receipt Requested

**AIR QUALITY BUREAU ACID RAIN PERMIT NO:** P287A  
**Tempo/IDEA ID No.:** 1421 - PRT20200001  
**FACILITY NAME:** Pinon Energy Center  
**FACILITY OWNER/OPERATOR:** Public Service Company of New Mexico (PNM)

**PERMITTEE:** Public Service Company of New Mexico (PNM)  
2401 Aztec Rd NE, MS Z100  
Albuquerque, NM 87107

**DESIGNATED REPRESENTATIVE:** Heath Lee, Director, Plant Management I  
**ALTERNATIVE DESIGNATED REPRESENTATIVE:** Not assigned

**ISSUED BY:** New Mexico Environment Department – Air Quality Bureau

\_\_\_\_\_  
Liz Bisbey-Kuehn  
Air Quality Bureau Chief

\_\_\_\_\_  
Date of Issuance

**INTRODUCTION**

Acid Rain Permit Number P287A is issued by the Air Quality Bureau of the New Mexico Environment Department ("Department") to Public Service Company of New Mexico (PNM) pursuant to the Federal Clean Air Act ("Federal Act"), the New Mexico Air Quality Control Act ("state Act") and regulations adopted pursuant to the state and Federal Acts, including Title 20, New Mexico Administrative Code, Chapter 2, Part 84 (20.2.84 NMAC) - Acid Rain Program, and Chapter 2, Part 70 (20.2.70 NMAC) - Operating Permits. This permit authorizes the operation of this facility located at UTM Zone 12, UTMH 728500 km, UTMV 4075098 km.

**Permit Effective Date, Expiration, and Renewal**

This permit is effective on date of issuance and will expire five (5) years from that effective date (40 CFR 72.73(b)(2)). Application for renewal of this permit is due within six (6) months before the date of expiration, pursuant to 40 CFR 72.30(c).

**State Acid Rain Permit**

Issued By: New Mexico Environment Department – Air Quality Bureau  
Issued To: Pinon Energy Center  
Issued For: Public Service Company of New Mexico (PNM)  
ORIS code: 63281  
Effective: Date of issuance for five year  
Operating Permit No: None (The facility projects operation to commence by March 1, 2022)  
Acid Rain Permit No: P287A

**Acid Rain Permit Contents**

- 1) Statement of Basis.
- 2) Comments, notes and justifications regarding permit decisions and changes made to the permit application forms during the review process, and any additional requirements or conditions.
- 3) The permit applications submitted for this source, as corrected by New Mexico Environment Department. The owners and operators of the source must comply with the standard requirements and special provisions set forth in the applications.

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**1) Statement of Basis**

Statutory and Regulatory Authorities: In accordance with NMSA 1978, Section 74-2-7 and Title IV and Title V of the Clean Air Act, the **New Mexico Environment Department** issues this permit pursuant to Title 20, New Mexico Administrative Code, Chapter 2, Part 84 (20.2.84 NMAC) - Acid Rain Permits.

**2) Comments, Notes and Justifications: {Revise as necessary below}**

- a) Please refer to 40 CFR Part 72 for any specific word definition.
- b) The NOx limitations in 40 CFR Part 76 are only applicable to coal-fired utility units and thus do not apply to this facility.
- c) Beginning with the first quarter of 2009, all industry sources **MUST** use the Emissions Collection and Monitoring Plan System (ECMPS) to submit monitoring plan, QA/cert test and emissions data to the EPA for the Acid Rain and CAIR programs. CAMD is strongly encouraging your sources to visit the EPA's ECMPS web page at <http://www.epa.gov/airmarkets/participants/business/>

**3) Permit Application(s): Attached.**

**NEW MEXICO ENVIRONMENT DEPARTMENT  
AIR QUALITY BUREAU  
ACID RAIN PROGRAM  
PHASE II PERMIT APPLICATION**

For more information, see instructions and refer to 20.2.84 NMAC and 40 CFR 72.30 – 72.31

**This submission is:**

**New**     **Revised**

**STEP 1:** Identify the source by plant name, State, and ORIS code.

Plant Name	State	ORIS Code
Pinon Energy Center	N.M.	63281

**STEP 2:** Enter the unit ID# for each affected unit at the affected source in column "A." For new units, enter the requested information in columns "C" and "D."

A	B	C	D
Unit ID #	Unit will hold Allowances in Accordance with 40 CFR Part 72.9(c)(1)	New Units Commence Operation Date	New Units Monitor Certification Deadline
CT1	YES	3/01/2022	8/28/2022
CT2	YES	3/01/2022	8/28/2022
CT3	YES	3/07/2022	9/03/2022
CT4	YES	3/07/2022	9/03/2022
CT5	YES	3/15/2022	9/11/2022
CT6	YES	3/15/2022	9/11/2022
CT7	YES	3/15/2022	9/11/2022
	YES		
	YES		
	YES		

**STEP 3:** Complete the additional information sheet and provide here or on the attached sheet a brief description of each unit.

**Description of unit:**

Unit CT1: General Electric LM6000 Natural Gas Combustion Turbine, 42.3 MW (net generation) combustion turbine with a 60.5 MW generator (nameplate)

Unit CT2: General Electric LM6000 Natural Gas Combustion Turbine, 42.3 MW (net generation) combustion turbine with a 60.5 MW generator (nameplate)  
 Unit CT3: General Electric LM6000 Natural Gas Combustion Turbine, 42.3 MW (net generation) combustion turbine with a 60.5 MW generator (nameplate)  
 Unit CT4: General Electric LM6000 Natural Gas Combustion Turbine, 42.3 MW (net generation) combustion turbine with a 60.5 MW generator (nameplate)  
 Unit CT5: General Electric LM6000 Natural Gas Combustion Turbine, 42.3 MW (net generation) combustion turbine with a 60.5 MW generator (nameplate)  
 Unit CT6: General Electric LM6000 Natural Gas Combustion Turbine, 42.3 MW (net generation) combustion turbine with a 60.5 MW generator (nameplate)  
 Unit CT7: General Electric LM6000 Natural Gas Combustion Turbine, 42.3 MW (net generation) combustion turbine with a 60.5 MW generator (nameplate)

**Additional Information**

<b>Applicant:</b> (Facility Owner and Operator)	Name	Public Service Company of New Mexico
	Mailing Address	2401 Aztec Road NE, Mailstop Z100 Albuquerque, NM 87107
	Phone:	505.241.2016
	Fax:	505.241.2384

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<b>Name and Location of Proposed Facility:</b>	Facility Name: Pinon Energy Center
	Driving Directions: Facility is 3 miles north of US Highway 64 on County Road 6800
	Address: County Road 6800 Waterflow, NM 87421

Section:	20
Range:	15W
Township:	30N
Elevation:	5,325 ft.
Latitude:	36° 47' 59.78"
Longitude:	108° 26' 34.32"
UTM Zone:	12, NAD83
UTMH:	728,140
UTMV:	4,075,730

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**SIC Code:** (Primary, Secondary) 4911

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<b>Designated Representative (DR):</b> (Name, or provide copy of EPA Certificate of Representation form.)	Name	Heath Lee
	Title	Director, Plant Management I
	Company	Public Service of New Mexico
	Phone:	505.241.4723 Fax
	Email address:	Heath.Lee@pnm.com

**Alternate DR:**

Name
Title

Company  
Phone: Fax  
Email address:

**Contact Person:**

Name Robin DeLapp  
Title Technical Project Manager  
Company Public Service of New Mexico  
Phone: 505.241.2016 Fax: 505.241.2384  
Email address: robin.delapp@pnmresources.com

**STEP 4:** Read the standard requirements and certification, enter the name of the designated representative, sign and date

### **Permit Requirements**

- (1) The designated representative of each affected source and each affected unit at the source shall:
  - (i) Submit a complete Acid Rain permit application (including a compliance plan) under 40 CFR part 72 in accordance with the deadlines specified in 40 CFR 72.30; and
  - (ii) Submit in a timely manner any supplemental information that the permitting authority determines is necessary in order to review an Acid Rain permit application and issue or deny an Acid Rain permit;
- (2) The owners and operators of each affected source and each affected unit at the source shall:
  - (i) Operate the unit in compliance with a complete Acid Rain permit application or a superseding Acid Rain permit issued by the permitting authority; and
  - (ii) Have an Acid Rain Permit.

### **Monitoring Requirements**

- (1) The owners and operators and, to the extent applicable, designated representative of each affected source and each affected unit at the source shall comply with the monitoring requirements as provided in 40 CFR part 75.
- (2) The emissions measurements recorded and reported in accordance with 40 CFR part 75 shall be used to determine compliance by the unit with the Acid Rain emissions limitations and emissions reduction requirements for sulfur dioxide and nitrogen oxides under the Acid Rain Program.
- (3) The requirements of 40 CFR part 75 shall not affect the responsibility of the owners and operators to monitor emissions of other pollutants or other emissions characteristics at the unit under other applicable requirements of the Act and other provisions of the operating permit for the source.

### **Sulfur Dioxide Requirements**

- (1) The owners and operators of each source and each affected unit at the source shall:
  - (i) Hold allowances, as of the allowance transfer deadline, in the unit's compliance subaccount (after deductions under 40 CFR 73.34(c)), or in the compliance subaccount of another affected unit at the same source to the extent provided in 40 CFR 73.35(b)(3), not less than the total annual emissions of sulfur dioxide for the previous calendar year from the unit; and
  - (ii) Comply with the applicable Acid Rain emissions limitations for sulfur dioxide.
- (2) Each ton of sulfur dioxide emitted in excess of the Acid Rain emissions limitations for sulfur dioxide shall constitute a separate violation of the Act.
- (3) An affected unit shall be subject to the requirements under paragraph (1) of the sulfur dioxide requirements as follows:
  - (i) Starting January 1, 2000, an affected unit under 40 CFR 72.6(a)(2); or
  - (ii) Starting on the later of January 1, 2000 or the deadline for monitor certification under 40 CFR part 75, an affected unit under 40 CFR 72.6(a)(3).
- (4) Allowances shall be held in, deducted from, or transferred among Allowance Tracking System accounts in accordance with the Acid Rain Program.
- (5) An allowance shall not be deducted in order to comply with the requirements under paragraph (1) of the sulfur dioxide requirements prior to the calendar year for which the allowance was allocated.
- (6) An allowance allocated by the Administrator under the Acid Rain Program is a limited authorization to emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, the Acid Rain permit application, the Acid Rain permit, or an exemption under 40 CFR 72.7 or 72.8 and no provision of law shall be construed to limit the authority of the United States to terminate or limit such authorization.
- (7) An allowance allocated by the Administrator under the Acid Rain Program does not constitute a property right.

**Nitrogen Oxides Requirements** The owners and operators of the source and each affected unit at the source shall comply with the applicable Acid Rain emissions limitation for nitrogen oxides.

### **Excess Emissions Requirements**

- (1) The designated representative of an affected unit that has excess emissions in any calendar year shall submit a proposed offset plan, as required under 40 CFR part 77.
- (2) The owners and operators of an affected unit that has excess emissions in any calendar year shall:
  - (i) Pay without demand the penalty required, and pay upon demand the interest on that penalty, as required by 40 CFR part 77; and
  - (ii) Comply with the terms of an approved offset plan, as required by 40 CFR part 77.

### **Recordkeeping and Reporting Requirements**

- (1) Unless otherwise provided, the owners and operators of the source and each affected unit at the source shall keep on site at the source each of the following documents for a period of 5 years from the date the document is created. This period may be extended for cause, at any time prior to the end of 5 years, in writing by the Administrator or permitting authority:
  - (i) The certificate of representation for the designated representative for the source and each affected unit at the source and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with 40 CFR 72.24; provided that the certificate and documents shall be retained on site at the source beyond such 5-year period until such documents are superseded because of the submission of a new certificate of representation changing the designated representative;
  - (ii) All emissions monitoring information, in accordance with 40 CFR part 75, provided that to the extent that 40 CFR part 75 provides for a 3-year period for recordkeeping, the 3-year period shall apply.
  - (iii) Copies of all reports, compliance certifications, and other submissions and all records made or required under the Acid Rain Program; and,
  - (iv) Copies of all documents used to complete an Acid Rain permit application and any other submission under the Acid Rain Program or to demonstrate compliance with the requirements of the Acid Rain Program.
- (2) The designated representative of an affected source and each affected unit at the source shall submit the reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR part 72 subpart I and 40 CFR part 75.

### **Liability**

- (1) Any person who knowingly violates any requirement or prohibition of the Acid Rain Program, a complete Acid Rain permit application, an Acid Rain permit, or an exemption under 40 CFR 72.7 or 72.8, including any requirement for the payment of any penalty owed to the United States, shall be subject to enforcement pursuant to section 113(c) of the Act.
- (2) Any person who knowingly makes a false, material statement in any record, submission, or report under the Acid Rain Program shall be subject to criminal enforcement pursuant to section 113(c) of the Act and 18 U.S.C. 1001.
- (3) No permit revision shall excuse any violation of the requirements of the Acid Rain Program that occurs prior to the date that the revision takes effect.
- (4) Each affected source and each affected unit shall meet the requirements of the Acid Rain Program.
- (5) Any provision of the Acid Rain Program that applies to an affected source (including a provision applicable to the designated representative of an affected source) shall also apply to the owners and operators of such source and of the affected units at the source.
- (6) Any provision of the Acid Rain Program that applies to an affected unit (including a provision applicable to the designated representative of an affected unit) shall also apply to the owners and operators of such unit. Except as provided under 40 CFR 72.44 (Phase II repowering extension

**Liability, Cont'd.**

plans) and 40 CFR 76.11 (NO<sub>x</sub> averaging plans), and except with regard to the requirements applicable to units with a common stack under 40 CFR part 75 (including 40 CFR 75.16, 75.17, and 75.18), the owners and operators and the designated representative of one affected unit shall not be liable for any violation by any other affected unit of which they are not owners or operators or the designated representative and that is located at a source of which they are not owners or operators or the designated representative.

(7) Each violation of a provision of 40 CFR parts 72, 73, 74, 75, 76, 77, and 78 by an affected source or affected unit, or by an owner or operator or designated representative of such source or unit, shall be a separate violation of the Act.

**Effect on Other Authorities**

No provision of the Acid Rain Program, an Acid Rain permit application, an Acid Rain permit, or an exemption under 40 CFR 72.7 or 72.8 shall be construed as:

- (1) Except as expressly provided in title IV of the Act, exempting or excluding the owners and operators and, to the extent applicable, the designated representative of an affected source or affected unit from compliance with any other provision of the Act, including the provisions of title I of the Act relating to applicable National Ambient Air Quality Standards or State Implementation Plans;
- (2) Limiting the number of allowances a unit can hold; *provided*, that the number of allowances held by the unit shall not affect the source's obligation to comply with any other provisions of the Act;
- (3) Requiring a change of any kind in any State law regulating electric utility rates and charges, affecting any State law regarding such State regulation, or limiting such State regulation, including any prudence review requirements under such State law;
- (4) Modifying the Federal Power Act or affecting the authority of the Federal Energy Regulatory Commission under the Federal Power Act; or,
- (5) Interfering with or impairing any program for competitive bidding for power supply in a State in which such program is established.

**STEP 5:** Read the certification statement, sign, and date.

**Certification**

I am authorized to make this submission on behalf of the owners and operators of the affected source or affected units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment.

Name: Heath Lee	
Designated Representative or Alternate Representative Signature	Date 2-24-20

Legal Notice  
Air Quality Acid Rain Permit  
for Pinon Energy Center of Public Service Company of New Mexico (PNM)

Public Service Company of New Mexico (PNM) at 2401 Aztec Rd NE MS Z100; Albuquerque, NM 87107 has submitted an air quality acid rain permit application to the New Mexico Environment Department (NMED) for an air quality acid rain permit for its Pinon Energy Center (PEC). The application file has been assigned Permit No. P287A and TEMPO Agency Interest No. 1421. The exact location of the facility is at latitude 36 degrees, 48 minutes, 7.4 seconds and longitude -108 degrees, 26 minutes, 19.5 seconds, Datum: NAD83. To aid in locating this facility, the approximate location is 3 miles North of Waterflow, NM.

Previously, the facility received an air quality construction permit and is in operation. This acid rain permit application is for a new acid rain source which will consist of the installation of Pinon Energy Center (PEC), a new seven-unit natural gas-fired simple cycle combustion turbine generating facility to be located southwest of the existing San Juan Generating Station (SJGS).

Total air pollutant emissions to the atmosphere are estimated to be approximately Nitrogen Oxides (NO<sub>x</sub>) at 1,189.7 tons per year (tpy); Carbon Monoxide (CO) at 223.1 tpy; Volatile Organic Compounds (VOC) at 6.3 tpy; Sulfur Dioxide (SO<sub>2</sub>) at 18.8 tpy; Particulate Matter (PM) at 78.5 tpy, and greenhouse gas (CO<sub>2</sub>e) > 75,000 tpy. These emission estimates could change slightly during the course of the Department's review of the application.

The NMED has conducted a preliminary review of the information submitted with the permit application. This review included evaluation of the emission rates and applicable requirements to determine compliance.

The NMED has made a preliminary determination that this facility will comply with the requirements of Title 20, New Mexico Administrative Code (NMAC), Chapter 2, Parts 3, 7, 61, 72, 73, 75; 77 and 82; 40 CFR 50; 40 CFR 60 Subparts A, KKKK, IIII, TTTT; 40 CFR 63 Subparts A, YYYY, ZZZZ; 40 CFR 64 Compliance Assurance Monitoring (CAM); 40 CFR 72 Acid Rain Permits; 40 CFR 73 Sulfur Dioxide Allowance Emissions; 40 CFR 75 Continuous Emissions Monitoring; ; 40 CFR 75 Excess emissions reporting and the New Mexico Air Quality Control Act. Therefore, the preliminary intent of NMED is to issue the air quality acid rain permit on or before September 22, 2021.

Interested persons may obtain the draft acid rain permit, submit written comments, or request a public hearing on Acid Rain Permit Number P287A by contacting Joseph Kimbrell at the New Mexico Environment Department, Air Quality Bureau, 525 Camino de los Marquez Suite 1, Santa Fe, NM 87505-1816.

Written requests for public hearing must state the nature of the issues proposed to be raised in the hearing. Comments must be based on the requirements of the applicable state and federal air quality regulations and the Clean Air Act. Comments or hearing requests must be received within 30 days after the public notice is published.

The permit application, draft permit and relevant supporting materials are currently available for review at the Air Quality Bureau, 525 Camino de los Marquez Suite 1, Santa Fe, NM 87505-1816. The Department contact in Santa Fe is Joseph Kimbrell at 505-476-4347. Este es un aviso de la oficina de Calidad del Aire del Departamento del Medio Ambiente de Nuevo México, acerca de las emisiones producidas por un establecimiento en esta área. Si usted desea información en español, por favor comuníquese con esa oficina al teléfono 505-476-5557.

**Notice of Non-Discrimination**

NMED does not discriminate on the basis of race, color, national origin, disability, age or sex in the administration of its programs or activities, as required by applicable laws and regulations. NMED is responsible for coordination of compliance efforts and receipt of inquiries concerning non-discrimination requirements implemented by 40 C.F.R. Part 7, including Title VI of the Civil Rights Act of 1964, as amended; Section 504 of the Rehabilitation Act of 1973; the Age Discrimination Act of 1975, Title IX of the Education Amendments of 1972, and Section 13 of the Federal Water Pollution Control Act Amendments of 1972. If you have any questions about this notice or any of NMED's non-discrimination programs, policies or procedures, or if you believe that you have been discriminated against with respect to a NMED program or activity, you may contact: Kristine Yurdin, Non-Discrimination Coordinator, NMED, 1190 St. Francis Dr., Suite N4050, P.O. Box 5469, Santa Fe, NM 87502, (505) 827-2855, [nd.coordinator@state.nm.us](mailto:nd.coordinator@state.nm.us). You may also visit our website at <https://www.env.nm.gov/non-employee-discrimination-complaint-page/> to learn how and where to file a complaint of discrimination.