

Statement of Basis - Narrative
Title V Permit

Type of Permit Action: Title V Renewal

Facility: La Luz Energy Center

Company: Public Service Company of New Mexico (PNM)

Permit No(s): 5041-M1 and P263R1 and P263AR2

Tempo/IDEA ID No.: 32274 - PRT20220001

Permit Writer: Joseph Kimbrell

Permit Review	Date to Enforcement: NR	Date of Enforcement Reply: NR
	Date to Applicant: 3/14/2023	Date of Applicant Reply: 3/15/2023
	Date to EPA: TBD	Date of EPA Reply: TBD
	Date to Supervisor: Draft: 3/24/2023; Proposed: TBD; Final: TBD	

1.0 Plant Process Description:

This facility is subject to 20.2.70 NMAC because it has an Acid Rain Permit under Title IV even though it is not a major source of emissions, per 20.2.70.7 NMAC.

The function of the facility is to provide capacity for frequent and fast turbine startups needed to compensate for intermittent renewable generation such as wind and solar, as well as to satisfy critical future demand for peaking power, voltage regulation and load-shaping generation in the service area. The function of the facility is to provide power using two General Electric (GE) LM6000 PC Sprint™ simple-cycle gas turbines fired on natural gas and producing a nominal 42 megawatts (MW) of electricity each, as well as control equipment and ancillary equipment. The control technology for each turbine will include water injection and selective catalytic reduction (SCR) with ammonia injection for nitrogen oxide (NOx) emissions; and an oxidation catalyst for carbon monoxide (CO) and volatile organic carbon (VOC) emissions control; and an inlet air filter for particulate matter (PM) emissions. The ancillary equipment will include two atmospheric 4,962-gallon vertical storage tanks for aqueous ammonia (i.e., one for each turbine), as well as pumps, water tanks, wastewater tanks, air compressors, and fin fan coolers. The two units are proposed to be built sequentially. As of application number 5041-M1, only one of the natural gas turbines has been constructed. Turbine Unit 1 started operating December 2015.

The Public Service Company of New Mexico (PNM) is New Mexico's largest electricity provider and is based in Albuquerque, New Mexico.

The La Luz Energy Center air quality permit allows for two General Electric (GE) LM6000 PC Sprint™ simple-cycle turbines fueled with natural gas and two sulfur hexafluoride (SF₆) circuit breakers. The only air emissions from the circuit breakers are 9.7 tons per year of greenhouse gas emissions in the form of SF₆.

Nitrogen dioxide (NO₂) air emissions from the turbines are reduced by approximately 90% using selective catalytic reduction (SCR) units. The permit allows for two atmospheric 4962-gallon vertical storage tanks of aqueous ammonia, one for each SCR. Only one ammonia tank has been installed at this time. Carbon monoxide (CO) air emissions are reduced by approximately 85% using two oxidation catalysts.

NO₂ and CO air emissions from the turbines are monitored and recorded using Continuous Emissions Monitoring Systems (CEMS) that measure actual air emissions.

The facility is located at latitude 34°, 36', 58.3" N and longitude -106°, 48', 54.0" W. The Universal

Transverse Mercator (UTM) coordinates are 333,600 Easting, 3,831,980 Northing, Zone 13, North American Datum (NAD) 83, at an elevation of 5175 feet. The approximate location of this facility is 3.9 miles southwest of the intersection of State Route 314 and 309 in the city of Belen in Valencia County.

2.0 Description of this Modification:

This facility is subject to 20.2.70 NMAC because it has an Acid Rain Permit under Title IV even though it is not a major source of emissions. This is a renewal of the Title V permit.

3.0 Source Determination:

1. The emission sources evaluated include **the La Luz Energy Center**.

2. Single Source Analysis:

- A. SIC Code: Does the entire facility belong to one industrial grouping (i.e., same two-digit SIC code grouping, or support activity)? Yes
- B. Common Ownership or Control: Is the entire facility under common ownership or control? Yes
- C. Contiguous or Adjacent: Is the entire facility located on one or more contiguous or adjacent property? Yes

3. Is the facility, as described in the application, the entire source in accordance with these permit regulations 20.2.70 (Title V Operating Permits), 20.2.72 (Minor Source Construction Permits), 20.2.73 (Notice of Intent Registration), and 20.2.74 (Prevention of Significant Deterioration) NMAC applicability purposes? Yes

4.0 PSD Applicability:

This facility is a PSD minor source.

5.0 History (In descending chronological order, showing NSR and TV): *The asterisk denotes the current active NSR and Title V permits that have not been superseded.

Permit Number	Issue Date	Action Type	Description of Action (Changes)
*P263-R1 & P263A-R2	Permit due 10/7/23	Title V New & Acid Rain renewal (Joe Kimbrell)	Application due not later than 3/19/2022 and was received timely on 2/14/2022. There have been no NSR modification since last Title V permit and no changes to this application.
P263 & P263A-R1	3/19/18	Title V New & Acid Rain renewal (Joe Kimbrell)	A Title V Operating Permit is required if a facility has an Acid Rain Permit. After air emissions controls, this facility is not Title V Major. A facility is Title V Major if the total of all Hazardous air pollutants is 25 tpy or single hazardous air pollutant is 10 tpy, or if any other regulated air pollutant is 100 tpy or more.

5.0 **History (In descending chronological order, showing NSR and TV):** *The asterisk denotes the current active NSR and Title V permits that have not been superseded.

Permit Number	Issue Date	Action Type	Description of Action (Changes)
*NSR 5041M1	12/22/16	NSR Significant Revision	PSD Minor This significant permit revision consists of changing the permit to a PSD minor source because the facility is no longer PSD major, modifying the record-keeping requirements of NH3, modifying the NOx emissions standards to correctly reflect the requirements of 40 CFR Subpart KKKK, and adding turbine malfunction emissions for all applicable pollutants in accordance with 20.2.72.219.D.(1)(a) NMAC. On June 23, 2014, the Supreme Court vacated the portion of the GHG Tailoring Rule that triggered PSD solely due to GHGs. Now a pollutant other than GHG must be PSD major to trigger PSD.
PSD 5041R1	2/2/2016	PSD Admin revision	PSD Major for GHG Only. This administrative permit revision consists of correcting typographical errors in accordance with 20.2.72.219.A(1)a NMAC.
P263A	6/17/2013	Acid Rain, Title IV New	Application received 3/22/2013. An Acid Rain Permit is required for facilities that generate commercial electric power.
PSD 5041	9/9/2013	PSD New	Was a new PSD Major Source from the start due to GHG emissions. Since GHGs are major, these other pollutants are compared at the lower PSD significance levels: NOx (40 tpy), PM (25 tpy), PM10 (15 tpy) and PM2.5 (10 tpy). The facility will be comprised of two General Electric (GE) LM6000 PC Sprint™ simple-cycle gas turbines fired on natural gas and producing a nominal 42 megawatts (MW) of electricity each, as well as control equipment and ancillary equipment. The proposed control technology for each turbine will include water injection and selective catalytic reduction (SCR) for nitrogen oxide (NOx) emissions; an oxidation catalyst for carbon monoxide (CO) and volatile organic carbon (VOC) emissions; and an inlet air filter for particulate matter (PM) emissions. The ancillary equipment will include two atmospheric 6,000-gallon vertical storage tanks for aqueous ammonia (i.e., one for each turbine), as well as pumps, water tanks, wastewater tanks, air compressors, and fin fan coolers. The two units are proposed to be built sequentially.

6.0 **Public Response/Concerns:** As of March 10, 2023, or the issuance date of this permit, this permit writer is not aware of any public comment or concern.

7.0 **Compliance Testing History:**

Unit No.	Compliance Test	Test Dates
1	Tested in accordance with EPA test method 7E for NO _x , EPA test method 10 for CO, and EPA test method 320 for NH ₃ as required by NSR permit PSD5041.	11/10/2015

8.0 **Startup and Shutdown:**

- A. If applicable, did the applicant indicate that a startup, shutdown, and emergency operational plan was developed in accordance with 20.2.70.300.D(5)(g) NMAC? **No**
- B. If applicable, did the applicant indicate that a malfunction, startup, or shutdown operational plan was developed in accordance with 20.2.72.203.A.5 NMAC? **Yes**
- C. Did the applicant indicate that a startup, shutdown, and scheduled maintenance plan was developed and implemented in accordance with 20.2.7.14.A and B NMAC? **No**
- D. Does the facility have emissions due to routine or predictable startup, shutdown, and maintenance? **Yes**. If so, have all emissions from startup, shutdown, and scheduled maintenance operations been permitted? **Yes**

Emissions during startup and shutdown are higher since the control devices are not working since the temperature of the exhaust is not yet high enough.

9.0 **Compliance and Enforcement Status [Title V and NSR/PSD new or modification:**

For P263R1: Email to Teresa McDill on 3/10/23 requesting Compliance verification.

For P263: Email from Ernie Tellez on 2/15/2017 states "There are no known areas of concern with respect to the compliance status of La Luz Energy Center at this time."

- 10.0 **Modeling:** For permit application number, NSR 5041M1 a modeling waiver was approved on 7/20/16 by Sufi Mustafa based on the air dispersion modeling of the original permit. Although emission limits for startup and shutdown and during a malfunction were added, the emission rates are no higher than what was modeled during routine or predictable startup and shutdown.

11.0 State Regulatory Analysis(NMAC/AQCR):

20 NMAC	Title	Applies (Y/N)	Unit(s) or Facility	Comments
2.1	GENERAL PROVISIONS	Yes, Always	Entire Facility	The facility is subject to Title 20 Environmental Protection Chapter 2 Air Quality of the New Mexico Administrative Code so is subject to Part 1 General Provisions, Update to Section 116 of regulation for Significant figures & rounding. Applicable with no permitting requirements.
2.3	Ambient Air Quality Standards	Yes for NSR, No for TV	Entire Facility	<p>NSR: 20.2.3 NMAC is a SIP approved regulation that limits the maximum allowable concentration of Total Suspended Particulates, Sulfur Compounds, Carbon Monoxide and Nitrogen Dioxide.</p> <p>Title V: 20.2.3.9 NMAC, LIMITATION OF APPLICABILITY TO 20.2.70 NMAC. The requirements of NMAAQs are not applicable requirements under 20.2.70 NMAC, as defined by 20.2.3.9 NMAC, 20.2.3.9 NMAC does not limit the applicability of this part to sources required to obtain a permit under the minor NSR regulation, 20.2.72 NMAC, nor does it limit which terms and conditions of NSR permits issued pursuant to 20.2.72 NMAC are applicable requirements in a Title V permit.</p>
2.7	Excess Emissions	Yes, Always	Entire Facility	Applies to all facility sources
2.33	Gas Burning Equipment - Nitrogen Dioxide	No		<p>This facility does not have new gas burning equipment (external combustion emission sources, such as gas and oil fired boilers and heaters) having a heat input of greater than 1,000,000 million British Thermal Units per year per unit</p> <p>Note: "New gas burning equipment" means gas burning equipment, the construction or modification of which is commenced after February 17, 1972.</p> <p>The definition of gas burning equipment in this regulation is very broad, implying that it could apply to gas turbines. However, research into the hearing record indicated that this regulation was only intended to apply to external combustion equipment such as heaters and boilers. See procedure at: https://www.env.nm.gov/aqb/procedures/NMAC-Applicability-Final.doc.</p>
2.61	Smoke and Visible Emissions	Yes	1 & 2	The two GE LM6000 combustion turbines (CTs) are stationary combustion equipment and subject to this regulation which has a 20 percent opacity limit.

11.0 State Regulatory Analysis(NMAC/AQCR):

20 NMAC	Title	Applies (Y/N)	Unit(s) or Facility	Comments
2.70	Operating Permits	Yes	Entire Facility	The source is a Title V Source as defined at 20.2.70.7 NMAC since it has an acid rain permit.
2.71	Operating Permit Fees	Yes	Entire Facility	Source is subject to 20.2.70 NMAC as cited at 20.2.71.109 NMAC.
2.72	Construction Permits	Yes	Entire Facility	Specify Section 200.C Potential Emission Rate (PER) is > 10 pph and 25 tpy for a regulated air pollutant that has a National or a State Ambient Air Quality Standard. The facility is subject to 20.2.72 NMAC.
2.73	NOI & Emissions Inventory Requirements	Yes, Always	Entire Facility	Applies to all facilities that require a permit. PER > 10 tpy for a regulated air contaminant.
2.74	Permits-Prevention of Significant Deterioration	No	Entire Facility	Source is not one of the 28 listed at 20.2.74.501 NMAC where a PSD permit is required if emissions are 100 tpy. The facilities Potential To Emit is less than 250 tpy for any regulated air pollutant.
2.75	Construction Permit Fees	No	Entire Facility	This is a Title V permitting action, therefore this facility is not subject to permit application fees per 20.2.72 NMAC
2.77	New Source Performance	Yes	See Sources subject to 40 CFR 60	Applies to any stationary source constructing or modifying and which is subject to the requirements of 40 CFR Part 60.
2.78	Emissions Standards for HAPs	No		This regulation applies to all sources emitting hazardous air pollutants, which are subject to the requirements of 40 CFR Part 61.
2.79	Permits <input checked="" type="checkbox"/> Nonattainment Areas	No		This facility is not located in, nor does it affect, a nonattainment area. Link to Non-attainment Link areas
2.82	MACT Standards for Source Categories of HAPs	No	See sources subject to 40 CFR 63	This regulation applies to all sources emitting hazardous air pollutants, which are subject to the requirements of 40 CFR Part 63. There are no sources at this facility subject to any subparts under 40 CFR Part 63.
2.84	ACID RAIN PERMITS	Yes	Units 1&2	Individual units are greater than or equal to 25 MW each and provides commercial power.
2.86	BEST AVAILABLE CONTROL TECHNOLOGY FOR MERCURY AT NEW POWER PLANTS	No		Power plant is new but does not combust coal.

12.0 Federal Regulatory Analysis:

Federal Regulation	Title	Applies (Y/N)	Unit(s) or Facility	Comments
Air Programs Subchapter C (40 CFR 50)	National Primary and Secondary Ambient Air Quality Standards	No	Entire Facility	Independent of permit applicability; applies to all regulated units of air emissions for which there is a Federal Ambient Air Quality Standard.
NSPS Subpart A (40 CFR 60)	General Provisions	Yes	See sources subject to a Subpart in 40 CFR 60	Applies if any other subpart applies.
40 CFR 60.330 Subpart GG	Stationary Gas Turbines	No		These units were constructed after February 18, 2005 and so instead are subject to Subpart KKKK.
40 CFR Part 60 Subpart KKKK	Standards of Performance for Stationary Combustion Turbines	Yes	Units 1 and 2	<p>The Turbines have a heat input greater than the 10 MMBtu/hour threshold of this regulation.</p> <p>These units will be installed after February 18, 2005.</p> <p>As of 1/18/18, only one unit has been installed.</p> <p>In accordance with 40 CFR 60, Subpart KKKK, Unit 0001 and 0002, sulfur dioxide emissions shall not exceed 0.06 lb SO₂/MMBtu (60.4330(a)(2)), and the natural gas fuel burned shall not contain total sulfur in excess of 20 grains per 100 standard cubic feet to be exempt from the total sulfur content of fuel monitoring requirement, (60.4365(a)).</p> <p>The NO_x flexible standards are in accordance with 40 CFR 60.4320(a) which refers to Table 1. The flexible NO_x standards are in the permit at Condition A106.C(1-4).</p>
NSPS 40 CFR 60 Subpart TTTT	Standards of Performance for Greenhouse Gas Emissions for Electric Generating Units	Yes	Units 1 and 2	This subpart establishes emission standards for GHG emissions for a stationary combustion turbine. The two turbines will be allowed to use only uniform fuel that results in a consistent emission rate of less than 120 lb CO ₂ /MMBtu, and will maintain purchase records for permitted fuel. No monitoring of CO ₂ emission rates is required for turbines that use uniform fuel. See

12.0 Federal Regulatory Analysis:

Federal Regulation	Title	Applies (Y/N)	Unit(s) or Facility	Comments		
				<p>60.5520(d)(1).</p> <p>Uniform fuels have a consistent chemical composition such as commercial quality natural gas.</p> <p>Per 60.5509(a)(1), facility is not subject if it is not a base load facility rating greater than 260 GJ/h (250 MMBtu/h) of fossil fuel.</p> <p>Table 2 of Subpart TTTT of Part 60</p> <table border="1" data-bbox="938 663 1469 1140"> <tr> <td data-bbox="938 663 1349 1140">Newly constructed or reconstructed stationary combustion turbine that supplies its design efficiency or 50 percent, whichever is less, times its potential electric output or less as net-electric sales on either a 12-operating month or a 3-year rolling average basis and combusts more than 90% natural gas on a heat input basis on a 12-operating-month rolling average basis [</td> <td data-bbox="1349 663 1469 1140">50 kg CO₂ per gigajoule (GJ) of heat input (120 lb CO₂/MM Btu).</td> </tr> </table>	Newly constructed or reconstructed stationary combustion turbine that supplies its design efficiency or 50 percent, whichever is less, times its potential electric output or less as net-electric sales on either a 12-operating month or a 3-year rolling average basis and combusts more than 90% natural gas on a heat input basis on a 12-operating-month rolling average basis [50 kg CO ₂ per gigajoule (GJ) of heat input (120 lb CO ₂ /MM Btu).
Newly constructed or reconstructed stationary combustion turbine that supplies its design efficiency or 50 percent, whichever is less, times its potential electric output or less as net-electric sales on either a 12-operating month or a 3-year rolling average basis and combusts more than 90% natural gas on a heat input basis on a 12-operating-month rolling average basis [50 kg CO ₂ per gigajoule (GJ) of heat input (120 lb CO ₂ /MM Btu).					
NESHAP Subpart A (40 CFR 61)	General Provisions	No	See sources subject to a Subpart in 40 CFR 61	Applies if any other subpart applies.		
	None					
MACT Subpart A (40 CFR 63)	General Provisions	no	See sources subject to a Subpart in 40 CFR 63	Applies if any other subpart applies.		
MACT 40 CFR 63 Subpart YYYY	National Emission Standards for Hazardous Air Pollutants for Stationary Combustion Turbines	No		This Subpart establishes emission and operating limitations for Hazardous Air Pollutants (HAPs) for stationary combustion turbines. These standards apply to stationary combustion turbines that are at a major source of any HAP. The facility is not		

12.0 Federal Regulatory Analysis:

Federal Regulation	Title	Applies (Y/N)	Unit(s) or Facility	Comments
				<p>a major source of any HAP and therefore Subpart YYYYY does not apply.</p> <p>A major source of HAPs is one that has 10 tons per year (tpy) of any single HAP or 25 tpy all HAPs combined. This facility emits 7.1 tpy total HAPs and 2.5 tpy of formaldehyde.</p>
40 CFR 64	Compliance Assurance Monitoring	No		This part regulates a pollutant-specific emissions unit at a source that is subject to a part 70 permit. Applicability to this regulation is applied at the first renewal of an issued Title V permit. The facility is not subject since it is exempt since it has a method for continuously monitoring emissions (64.2(b)(1)(vi).
40 CFR 68	Chemical Accident Prevention	No		This part sets forth the requirements concerning the prevention of accidental releases of regulated substances. The facility does not have more than a threshold quantity of a regulated substance in a process, as determined under §68.115, 40 CFR 68, therefore this part does not apply.
40 CFR 70	Title V- State Operating Permit Programs	No		Operating Permit Program – is not applicable – New Mexico State has full delegated authority and Title V is administered under 20.2.70 NMAC.
40 CFR 72	Title IV – Acid Rain	Yes	Units 1 and 2	(a) Each of the following units shall be an affected unit, and any source that includes such a unit shall be an affected source, subject to the requirements of the Acid Rain Program: (1) A unit listed in table 1 of §73.10(a) of this chapter.(2) A unit that is listed in table 2 or 3 of §73.10 of this chapter and any other existing utility unit, except a unit under paragraph (b) of this section
40 CFR 73	Title IV – Acid Rain Sulfur Dioxide Allowance Emissions	Yes	Units 1 and 2	The following parties shall be subject to the provisions of this part: (a) Owners, operators, and designated representatives of affected sources and affected units pursuant to §72.6 of this chapter; (b) Any new independent power

12.0 Federal Regulatory Analysis:

Federal Regulation	Title	Applies (Y/N)	Unit(s) or Facility	Comments
				producer as defined in section 416 of the Act and §72.2 of this chapter, except as provided in section 405(g)(6) of the Act; (c) Any owner of an affected unit who may apply to receive allowances under the Energy Conservation and Renewable Energy Reserve Program established in accordance with section 404(f) of the Act;(d) Any small diesel refinery as defined in §72.2 of this chapter, and (e) Any other person, as defined in §72.2 of this chapter, who chooses to purchase, hold, or transfer allowances as provided in section 403(b) of the Act
40 CFR 75	Continuous Emission Monitoring	Yes	Units 1 and 2	This part establishes requirements for monitoring, recordkeeping, and reporting of SO ₂ , NO _x , and CO ₂ emissions, volumetric flow, and opacity data from affected units under the Acid Rain Program. Acid rain provisions apply to the facility, therefore the facility will follow the monitoring, recordkeeping and reporting requirements.
Title IV – Acid Rain 40 CFR 76	Acid Rains Nitrogen Oxides Emission Reduction Program	No		Turbines 1 and 2 are not subject to this part of the acid rain provisions since they do not use coal as fuel.
Title VI – 40 CFR 82	Protection of Stratospheric Ozone	NO		<p>Not applicable to this facility. The only equipment at the site with controlled substances are small building air conditioners.</p> <p>EPA Guidance Page for 40 CFR 82: https://www.epa.gov/section608</p> <p>40 CFR 82 may apply if you:</p> <p>(40 CFR 82.1 and 82.100) produce, transform, destroy, import or export a controlled substance or import or export a controlled product;</p> <p>(40 CFR 82.30) if you perform service on a motor vehicle for consideration when this service involves the refrigerant in the motor vehicle air conditioner;</p> <p>(40 CFR 82.80) if you are a department, agency, and instrumentality of the United</p>

12.0 Federal Regulatory Analysis:

Federal Regulation	Title	Applies (Y/N)	Unit(s) or Facility	Comments
				<p>States subject to Federal procurement requirements;</p> <p>(82.150) if you service, maintain, or repair appliances, dispose of appliances, refrigerant reclaimers, if you are an owner or operator of an appliance, if you are a manufacturer of appliances or of recycling and recovery equipment, if you are an approved recycling and recovery equipment testing organization, and/or if you sell or offer for sell or purchase class I or class I refrigerants.</p> <p>Note: Owners and operators of appliances subject to 40 CFR 82.150 Recycling and Emissions Reduction have recordkeeping and reporting requirements even if the owner/operator is not performing the actual work.</p> <p>Note: Disposal definition in 82.152: Disposal means the process leading to and including: (1) The discharge, deposit, dumping or placing of any discarded appliance into or on any land or water; (2) The disassembly of any appliance for discharge, deposit, dumping or placing of its discarded component parts into or on any land or water; or (3) The disassembly of any appliance for reuse of its component parts. "Major maintenance, service, or repair means" any maintenance, service, or repair that involves the removal of any or all of the following appliance components: compressor, condenser, evaporator, or auxiliary heat exchange coil; or any maintenance, service, or repair that involves uncovering an opening of more than four (4) square inches of "flow area" for more than 15 minutes.</p>

13.0 **Minor Construction Permit Exempt Equipment/Title V Insignificant Activities:**

Minor Construction Permit Exempt Equipment (not entered into Tempo database)

Unit Number	Source Description	Manufacturer	Model No.	Max Capacity	List Specific 20.2.72.202 NMAC Exemption (e.g. 20.2.72.202.B.5)	Date of Manufacture /Reconstruction ²
			Serial No.	Capacity Units	Insignificant Activity citation (e.g. IA List Item #1.a)	Date of Installation /Construction ²
Haul Road	Ammonia Delivery Truck Travel	N/A	N/A	N/A	20.2.72.202.B.5 emissions of any regulated air pollutant are less than ½ tpy	N/A
			N/A	N/A	1.a. Any emissions unit, operation or activity that has the potential to emit no more than one (1) ton per year of any regulated air pollutant, excluding 112(b) hazardous air pollutants (see item 1.b), but including 112(r) flammable and toxic regulated pollutants that are not listed in Sections 500 – 502 of 20.2.72 NMAC. Regulated 112(r) pollutants that are listed in Sections 500 – 502 of 20.2.72 NMAC are insignificant if they are emitted in quantities less than the threshold (pound per hour) of that regulation.	N/A
TK-1	Ammonia Storage Tank	Steel Structures, Inc.	2012	4962	20.2.72.202.B.5 emissions of any regulated air pollutant are less than ½ tpy	2015
			3221	gal	1.a	15-Oct
TK-2	Ammonia Storage Tank	TBD	N/A	N/A	20.2.72.202.B.5 emissions of any regulated air pollutant are less than ½ tpy	N/A
			N/A	N/A	1.a	N/A

14.0 **New/Modified/Unique Conditions** (Format: Condition#: Explanation):

A. Table 106.A footnotes 4 & 5 were modified and the note 15.B added to this Statement of Basis.

15.0 **Permit specialist’s notes to other NSR or Title V permitting staff concerning changes and updates to permit conditions.**

A. **Acid Rain New Unit Exemption:** The two units at this facility do not qualify for this exemption

since each unit has a nameplate capacity greater than 25 MWe. Therefore, are subject to the Acid Rain requirements and must obtain an Acid Rain Permit.

§ 72.7 New units exemption.

(a)Applicability. This section applies to any new utility unit that has not previously lost an exemption under paragraph (f)(4) of this section and that, in each year starting with the first year for which the unit is to be exempt under this section:

(1) Serves during the entire year (except for any period before the unit commenced commercial operation) one or more generators with total nameplate capacity of 25 MWe or less;

(2) Burns fuel that does not include any coal or coal-derived fuel (except coal-derived gaseous fuel with a total sulfur content no greater than natural gas); and

(3) Burns gaseous fuel with an annual average sulfur content of 0.05 percent or less by weight (as determined under paragraph (d) of this section) and nongaseous fuel with an annual average sulfur content of 0.05 percent or less by weight (as determined under paragraph (d) of this section).

- B. Footnote 4 to the Table 106.A in the NSR and Title V permit stated that startup and shutdown tpy limits are based on 1000 events per year each for SU and SD. Normal operation tpy limits are based on 6760 hours per year of normal operations. During review of the Title V permit it was determined that shutdown tpy limits for each unit are based on 1011 shutdowns per year and normal operation tpy limits are based on 6833.33 hours per year for each unit. Regardless, tpy limits are tracked using actual measurements of NOx and CEMS data and SU and SD events are still limited to 1000 SU and 1000 SD events per year per unit. That amounts to 9843.33 hours per year of operation per unit assuming facility does not exceed pph limits. [This note and changes to permit were agreed to by Robin DeLapp, PNM, even though the units cannot operate more than 8760 hours per year. JKimbrell]