

INTEROFFICE MEMO



To: All DO/Laa Managers and Supervisors; Central Office Permit Review Staff

From: Mike Hopkins, Assistant Chief, Permitting

Date: May 1, 2013

Re: Using Emergency Generators for Peak Shaving

Introduction

On April 30, 2013, Director Nally signed orders that affect owners or operators of emergency generators. This memo is designed to provide guidance concerning the use of these orders to owners and operators of these engines and to District Office and Local Air Authority (DO/Laa) air pollution control program staff.

Applicability

This guidance applies to emergency engines that:

1. Are operating under a Permit-by-Rule from the Ohio EPA air program, and
2. Complies with U.S. EPA's Reciprocating Internal Combustion Engine (RICE) National Emissions Standards for Hazardous Air Pollutant (NESHAPS) standards as codified in 40 CFR Part 63, Subpart ZZZZ, and
3. Are located at an *Area Source* of hazardous air pollutants.

Background

In Ohio, owners or operators of emergency electrical generators that utilize reciprocating internal combustion engines larger than 50 horsepower are required apply for and obtain installation and operating air pollution control permits. Many owners and operators have chosen to meet this requirement by applying for permit approval under Ohio EPA's Permit-by-Rule (PBR) program for emergency generators. See Ohio Administrative Code (OAC) paragraph 3745-31-03(A)(4)(b).

On January 30, 2013, U.S. EPA finalized revisions to the RICE NESHAP standards (see: 78 Fed. Reg. 66740 et. seq.). One portion of the revised standards allows emergency stationary RICE engines located at area sources of hazardous air pollutants to operate for up to 50 hours for the purposes of peak shaving.

Ohio EPA's emergency generator PBR was written before the revisions to the RICE NESHAPs were published. As such, the PBR does not have some of the RICE NESHAPs provisions. One part of the RICE NESHAPs allows complying RICES to be operated for up to 50 hours for the purpose of peak shaving (as opposed to normal emergency use). Peak shaving use is not currently allowed under Ohio EPA's emergency generator PBR.

Using Emergency Generators for Peak Shaving

Result

Director Nally has reviewed this situation and determined that (1) because the emergency engines covered by the RICE NESHAPs are well controlled, and (2) because the RICE NESHAPs restricts the engines to no more than 50 hours for peak shaving, and (3) because using the engines for peak shaving could prevent the need to operate other larger power generators, allowing the engines to operate for up to 50 hours would not result in any significant adverse environmental impact. Therefore, Director Nally has decided to issue Director's Findings and Orders that allow owners or operators of emergency generators that are covered by the PBR to operate them up to 50 hours per year for peak shaving purposes.

Attached is a copy of the Director's Findings and Orders that describe this allowance. Note that the orders and this allowance expire on May 15, 2014.

If you have any questions concerning this guidance, please contact Mike Hopkins at 614-644-3611 or mike.hopkins@epa.state.oh.us.

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Cc: Bob Hodanbosi, Chief, DAPC
Drew Bergman, Legal

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