

## Acid Rain Permit Statement of Basis

**COMPANY:** Public Service Company of New Mexico

**FACILITY:** Reeves Generating Station

**PERMIT NO.:** AR0499-RN2

**AIRS No.:** 35/001/00011

**PERMIT WRITER:** Barbara Georgitsis

<b>Permit Review (in</b>	<b>Internal Permit Review: AL,</b>	<b>Date to Public Notice:</b>
	<b>Compliance/Enforcement Review: DR Email-no review</b>	<b>Date to EPA:</b>
	<b>Applicant/External Review: PW, 6/20/23</b>	<b>Public Comments Rec'd:</b>
		<b>EPA Comments Rec'd:</b>

\*Initial and Date

**1.0 Legal Basis:**

The Albuquerque Environmental Health Department (Department) and the Albuquerque/Bernalillo County Air Quality Control Board (A/BCAQCB); pursuant to the Federal Clean Air Act (CAA, also known herein as the Federal Act); the New Mexico Air Quality Control Act, NMSA 1978, as amended 74-2-4, 74-2-5.C; the Joint Air Quality Control Board Ordinance, Revised Ordinances of Albuquerque 1994, 9-5-1-4; the Joint air quality Control Board Ordinance, Bernalillo County Ordinance 94-5; A/BCAQCB Regulation Title 20, New Mexico Administrative Code (NMAC), Chapter 11 (20.11 NMAC), chapter 11, Part 62 (20.11.62 NMAC), Acid Rain.

**2.0 Plant Process Description:**

This Facility is a natural gas-fired electric generating plant. This Facility is comprised of three natural gas-fired steam boilers and their associated equipment which generates steam to drive steam turbines coupled to generators that produce electricity.

Units 1 & 2 are each rated at 44 MW and Unit 3 is rated at 66 MW. Unit #1 was constructed in 1960 and can generate 467,500 lbs of steam per hour at a temperature of 950 F and a pressure of 1380 psia. Unit #2 was constructed in 1958 and can generate 467,500 lbs of steam per hour at a temperature of 950 F and a pressure of 1380 psia. Unit #3 was constructed in 1962 and can generate 700,000 lbs of steam per hour at a temperature of 950 F and a pressure of 1380 psia. All three units are sources of criteria pollutant emissions due to fossil fuel combustion. All three units are subject to the provisions of the Acid Rain program since each unit has a nameplate rating over 25 MW of electrical generating capacity and burn natural gas as a fuel.

The associated equipment supporting plant operations consists of three (3) cooling towers and fuel pipeline fugitive emissions. The cooling towers discharge latent heat to the atmosphere transferred from each steam condenser and is a source of particulate emissions by emitting dissolved solids from the circulating water. The natural gas pipeline fugitive emissions generate non-methane hydrocarbon emissions from equipment leaks of valves, pumps, fittings, etc.

**3.0 Description of this Permit Action: Acid Rain Permit Renewal**

**4.0 Acid Rain Sulfur Dioxide (SO<sub>2</sub>) Allowances and Nitrogen Oxide (NO<sub>x</sub>) requirements:** The allowances specified in the tables below are for SO<sub>2</sub> only. The Facility uses Continuous Emission Monitoring Systems (CEMS) to record nitrogen oxide (NO<sub>x</sub>) emissions on a continuous basis to ensure compliance with the limit of 0.3 lb NO<sub>x</sub>/MMBtu and all applicable requirements under the Acid Rain program.

**5.0**

**Permit Number:** 0499  
**Issue Date:** March 10, 1998  
**Action Type:** Initial Title V/Title IV permit  
**Description of Action:** Initial permit in order to incorporate all applicable requirements. Acid Rain Phase II Allowance Allocations were established in the permit as shown below:

**Acid Rain Phase II Allowance Allocations (40 CFR 73.10)**

State	Plant Name	Boiler	Allowances for years 2000 – 2009					Years 2010 and beyond
			(A)	(B)	(C)	(D)	(E)	(F)
NM	Reeves	1	0	0	4	0	0	6
		2	0	0	7	0	0	5
		3	3	0	104	3	3	101

**Permit Number:** 0499-M1-RN1  
**Issue Date:** December 4, 2003  
**Action Type:** Title V/Title IV permit modification and renewal  
**Description of Action:** Permit modification in order to incorporate higher requested emission rates and additional applicable requirements. Acid Rain Phase II Allowance Allocations were established in the permit as shown below:

**Acid Rain Phase II Allowance Allocations (40 CFR 73.10)**

State	Plant Name	Boiler	Allowances for years 2000 – 2009					Years 2010 and beyond
			(A)	(B)	(C)	(D)	(E)	(F)
NM	Reeves	1	0	0	4	0	0	6
		2	0	0	7	0	0	5
		3	3	0	104	3	3	101

**Permit Number:** AR0499  
**Issue Date:** October 13, 2011  
**Action Type:** Title IV permit renewal  
**Description of Action:** Title IV permit renewal. Acid Rain Phase II Allowance Allocations were specified in the permit as shown below:

**Acid Rain Phase II Allowance Allocations (40 CFR 73.10)**

State	Plant Name	Boiler	Allowances for years 2000 – 2009					Years 2010 and beyond
			(A)	(B)	(C)	(D)	(E)	(F)
NM	Reeves	1	0	0	4	0	0	6
		2	0	0	7	0	0	5
		3	3	0	104	3	3	101

**Permit Number:** AR499-RN1  
**Issue Date:** February 8, 2017  
**Action Type:** Title IV permit renewal  
**Description of Action:** Title IV permit renewal. Acid Rain Phase II Allowance Allocations were specified in the permit as shown below:

**Acid Rain Phase II Allowance Allocations (40 CFR 73.10)**

State	Plant Name	Boiler	Allowances for years 2000 – 2009					Years 2010 and beyond
			(A)	(B)	(C)	(D)	(E)	(F)
NM	Reeves	1	0	0	4	0	0	6
		2	0	0	7	0	0	5
		3	3	0	104	3	3	101

<b>Permit Number:</b>	AR0499-RN2							
<b>Issue Date:</b>	TBD							
<b>Action Type:</b>	Title IV permit renewal							
<b>Description of Action:</b>	Title IV permit renewal. Acid Rain Phase II Allowance Allocations were specified in the permit as shown below:							
<b>Acid Rain Phase II Allowance Allocations (40 CFR 73.10)</b>								
State	Plant Name	Boiler	Allowances for years 2000 – 2009					Years 2010 and beyond
			(A)	(B)	(C)	(D)	(E)	(F)
NM	Reeves	1	0	0	4	0	0	6
		2	0	0	7	0	0	5
		3	3	0	104	3	3	101

**6.0 Public Response/Concerns:**

The public comment period ran from \_\_\_ through \_\_\_\_\_. ?? No comments were received.

**7.0 EPA Region VI. Response/Concerns:**

The EPA comment period ran from \_\_\_ through \_\_\_\_\_. ??No comments were received.

**8.0 Compliance Testing:**

Date of Compliance Test	Regulatory Requirement	Description of Compliance Test	Units Tested
10/31/2000	40 CFR 75	Unit 3 was classified as a peaking unit calendar year 1999. But since the capacity factor exceeded 20%, 40 CFR 75 required the installation of a CEMS. Relative Accuracy Test Audit (RATA) was conducted to certify compliance with O <sub>2</sub> and nitrogen oxides (NO <sub>x</sub> )Continuous Emissions Monitor Systems (CEMS).	3
6/27/2001	40 CFR 75	Unit 2 was classified as a peaking unit calendar year 2000. But since the capacity factor exceeded 20%, 40 CFR 75 required the installation of a CEMS. RATA was conducted to certify compliance with O <sub>2</sub> and NO <sub>x</sub> CEMS.	2
7/10/2001	40 CFR 75	Unit 1 was classified as a peaking unit calendar year 2000. But since the capacity factor exceeded 20%, 40 CFR 75 required the installation of a CEMS. RATA was conducted to certify compliance with O <sub>2</sub> and NO <sub>x</sub> CEMS.	1
6/25 – 6/28, 2002	40 CFR 75	RATA to certify compliance with O <sub>2</sub> and NO <sub>x</sub> CEMS and CO emission limits	1, 2, 3
6/24 – 6/ 26,2003	40 CFR 75	RATA to certify compliance with O <sub>2</sub> and NO <sub>x</sub> CEMS and CO emission limits	1, 2, 3
6/22 – 6/24, 2004	40 CFR 75	RATA to certify compliance with O <sub>2</sub> and NO <sub>x</sub> CEMS and CO emission limits	1, 2, 3
2005 through	40 CFR 75	RATA to certify compliance with O <sub>2</sub> and NO <sub>x</sub> CEMS and	1, 2, 3

<b>Date of Compliance Test</b>	<b>Regulatory Requirement</b>	<b>Description of Compliance Test</b>	<b>Units Tested</b>
2016		CO emission limits	
6/2/2017	40 CFR 75	Updated CEMS monitoring Plan	1, 2, 3
7/28/2022	40 CFR 75	RATA to certify compliance with O <sub>2</sub> and NO <sub>x</sub> CEMS and CO emission limits	1, 2, 3

- Note – all RATA tests are not listed and are available in the Department database. The Facility is in compliance with testing requirements.

### Department's Action

The Department is conducting a renewal of the Title V Operating permit and the Acid Rain Permit. The permit number for the Title V Draft permit is 0499-M2-RN2, and the Acid Rain permit number is AR0499-RN2.

Public Service Company of New Mexico has certified compliance with all applicable requirements including compliance with the Acid Rain program on its Title V application received on October 9, 2015 and ruled complete on December 8, 2015. These applicable acid rain requirements include 40 CFR 72, 40 CFR 73, 40 CFR 75, 40 CFR 77, and 40 CFR 78. Pursuant to 20.11.62.17.C. NMAC, Acid Rain permit #AR0499-RN2 is issued based on the administrative record that includes the Acid Rain application, Department inspections, annual compliance certifications of Title V Operating Permit #0499-M2-RN2, and the current compliance status of the Facility specified on the Compliance Status Verification form.

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