

27 May 2010

Clifford McGinnes, Chief Operating Officer
Block Island Power Company
P.O. Box 518
Block Island, RI 02807

Dear Mr. McGinnes:

The Department of Environmental Management, Office of Air Resources has reviewed and approved your application for a Temporary Permit for an Emergency Generator at your 100 Ocean Avenue, Block Island facility.

Enclosed is a Temporary Permit issued pursuant to our review of your application (Temporary Permit No. TPEG-2).

If there are any questions concerning this permit, please contact me at 222-2808, extension 7011.

Sincerely,

Douglas L. McVay
Acting Chief
Office of Air Resources

cc: New Shoreham Building Official
Ronald E. Schroeder

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR RESOURCES

TEMPORARY PERMIT FOR AN EMERGENCY GENERATOR

BLOCK ISLAND POWER COMPANY

TEMPORARY PERMIT NO. TPEG-2

Pursuant to the provisions of Air Pollution Control Regulation No. 9, this temporary permit is issued to:

Block Island Power Company

For installation of the following emergency generator:

Caterpillar Model C32 DITA, 1500 HP, 1000 kW

Located at: *100 Ocean Avenue, Block Island*

This temporary permit shall be effective from the date of its issuance and shall remain in effect for 180 days or until revoked by or surrendered to the Department. This temporary permit does not relieve *Block Island Power Company* from compliance with applicable state and federal air pollution control rules and regulations. The design, construction and operation of this equipment shall be subject to the attached permit conditions and emission limitations.

**Douglas L. McVay, Acting Chief
Office of Air Resources**

Date of Issuance

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR RESOURCES**

Permit Conditions and Emission Limitations

BLOCK ISLAND POWER COMPANY

TEMPORARY PERMIT NO. TPEG-2

A. Emission Limitations

1. Sulfur Dioxide

The sulfur content of any liquid fuel burned in the emergency generator shall not exceed 15 ppm by weight.

2. Visible emissions from the emergency generator shall not exceed 10% opacity except for a period or periods aggregating no more than three minutes in any one-hour. This visible emission limitation shall not apply during startup of the emergency generator. Startup shall be defined as the first ten minutes of firing following the initiation of firing.

B. Operating Requirements

1. The maximum firing rate for the emergency generator shall not exceed 74.34 gallons per hour.
2. The owner/operator shall limit the quantity of diesel fuel combusted in the temporary emergency engine/generator set to 192,290 gallons or less.
3. The emergency generator shall be operated only for maintenance or testing purposes or to provide electrical power under the following circumstances:
- a. During periods when the power demand on Block Island cannot be met by Emission Units G023, G024 and G025 combined; or
 - b. During periods when one or more of the primary power generating units (Emission Units G023, G024 or G025) is pulled offline for repairs and the power demand on Block Island cannot be met by the remaining primary power generating units.

C. Continuous Monitoring

1. The emergency generator shall be equipped with a non-resettable elapsed time meter to indicate, in cumulative hours, the elapsed engine operating time.

D. Fuel Oil Testing

1. Compliance with the diesel fuel sulfur limits may be determined based on a certification from the fuel supplier. Fuel supplier certifications shall include the following information:
 - a. The name of the fuel supplier;
 - b. The sulfur content of the fuel from which the shipment came or the shipment itself;
 - c. The location of the fuel when the sample was drawn for analysis to determine the sulfur content of the fuel, specifically including whether the fuel was sampled as delivered to Block Island Power Company or whether the sample was drawn from fuel in storage at the fuel supplier's facility or another location;
 - d. The method used to determine the sulfur content of the fuel.
2. As an alternative to fuel supplier certification, the owner/operator may elect to sample the fuel prior to combustion. Sampling and analysis shall be conducted for the fuel in the initial tank(s) of fuel to be fired in the engines and after each new shipment of fuel is received. Samples shall be collected from the fuel tank immediately after the fuel tank is filled and before any fuel is combusted.

E. Record Keeping and Reporting

1. The owner/operator shall, on a monthly basis, no later than 5 days after the first of each month, determine and record the hours of operation and fuel use for the emergency generator for the previous month.
2. The owner/operator shall, no later than 5 days after the engine/generator set has been removed, determine and record the hours of operation and fuel use for the engine for the period of time it was located at 100 Ocean Avenue, Block Island.
3. The owner/operator shall notify the Office of Air Resources, in writing, of the hours of operation and fuel use for the period of time the engine/generator set was located at the 100 Ocean Avenue, Block Island.

4. The owner/operator shall notify the Office of Air Resources of any anticipated noncompliance with the terms of this permit or any other applicable air pollution control rules and regulations.
5. The owner/operator shall maintain copies of all fuel supplier certifications or fuel analyses and these copies shall be made accessible for review by the Office of Air Resources or its authorized representative and EPA. These records shall include a certified statement, signed by the owner/operator of the facility, that the records represent all of the fuel combusted at the facility
6. The owner/operator shall notify the Office of Air Resources, in writing, of the date of actual start-up of the emergency generator.
7. The owner/operator shall notify the Office of Air Resources, in writing, of the date of removal of the emergency generator from 100 Ocean Avenue, Block Island.
8. The owner/operator shall notify the Office of Air Resources in writing of any planned physical or operational change to this emergency generator that would:
 - a. Change the representation of the facility in the application.
 - b. Alter the applicability of any state or federal air pollution rules or regulations.
 - c. Result in the violation of any terms or conditions of this permit.

Such notification shall include:

- Information describing the nature of the change.
- Information describing the effect of the change on the emission of any air contaminant.
- The scheduled completion date of the planned change.

Any such change shall be consistent with the appropriate regulation and have the prior approval of the Director.

9. The owner/operator shall notify the Office of Air Resources of any noncompliance with the terms of this permit, in writing, within 5 days of the occurrence.

10. All records required as a condition of this permit must be made available to the Office of Air Resources or its representative upon request. These records must be maintained for a minimum of five years after the date of each record.

F. Other Permit Conditions

1. To the extent consistent with the requirements of this approval and applicable Federal and State laws, the emergency generator shall be designed, constructed and operated in accordance with the representation of the equipment in the permit application.
2. Employees of the Office of Air Resources and its authorized representatives shall be allowed to enter the facility at all times for the purpose of inspecting any air pollution source, investigating any condition it believes may be causing air pollution or examining any records required to be maintained by the Office of Air Resources.
3. At all times, including periods of startup, shutdown and malfunction, the owner/operator shall, to the extent practicable, maintain and operate the emergency generator in a manner consistent with good air pollution control practice for minimizing emissions. Determination of whether acceptable operating and maintenance procedures are being used will be based on information available to the Office of Air Resources which may include, but is not limited to, monitoring results, opacity observations, review of operating and maintenance procedures and inspection of the emergency generator.