



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

In Re: Ocean State Power

**Response to Comments and Decision**

Introduction

Ocean State Power (OSP) has submitted to the Department of Environmental Management, Office of Air Resources, an application for a minor modification to its current major source permit (RI-PSD-1) and its current operating permit (RI-15-06), both of which allow OSP to operate its electrical generation facility as a source of air emissions. The requested modification is to allow discretionary burning of low sulfur fuel oil at its facility in Harrisville, Rhode Island.

OSP's current permit limits fuel oil burning to that needed to maintain oil system readiness and times when natural gas is unavailable. Discretionary burning of fuel oil is not allowed. The maximum sulfur content of the fuel oil is currently limited to 3000 parts per million (ppm) by weight.

The requested modification would allow OSP to burn fuel oil at their discretion during the period from 1 October to 30 April each year. The quantity of fuel oil burned would be limited to 4,539,000 gallons during any 12-month period. DEM would limit the potential annual emission increase in nitrogen oxides emissions to 24 tons in any 12-month period and limit emissions to 4000 pounds per month based on a 12-month rolling average. These limitations would allow approximately 6 days of operation at the facility's maximum capacity. The maximum sulfur content of the fuel oil would be limited to 15 parts per million (ppm) by weight.

The Office of Air Resources published a notice in The Providence Journal offering the public an opportunity to comment on its proposal to approve OSP's application on 20 December 2006. The notice also stated that a public hearing would be held on Thursday, January 25, 2007 at 10:00 AM to afford interested persons the opportunity to be heard on its proposal to approve OSP's application. The public notice stated that the comment period would close on 25 January 2007.

The availability of the draft permit and supporting documentation at the Office of Air Resources, 235 Promenade Street, Providence, Rhode Island was announced in the public notice.

A public hearing was held on Thursday, January 25, 2007 in Room 300 of the Department of Environmental Management at 10:00am. The comment period was extended by the Hearing Officer for two weeks and closed at 4:00pm on February 8, 2007, 50 days after the date of initial public notice. A transcript of the public hearing was prepared.

Two individuals provided comments on the record at the public hearing. They were Anthony Schonfarber (Compliance Manager of Field Operations for TransCanada) and Michael Hachey (Director of Eastern Commercial for TransCanada Power Marketing). Both Mr. Schonfarber and Mr. Hachey testified on behalf of the applicant. A written comment was received from John C. Gregory (President/CEO for the Northern Rhode Island Chamber of Commerce).

All of the public comment received was in support of the application and there were no recommendations for any changes to either the draft major source permit or the draft operating permit.

#### Response to Comments and Decision

The Office of Air Resources has determined, based upon its review of OSP's application and consideration of the public comment received, that OSP's application for a minor modification to its current major source permit (RI-PSD-1) and its current operating permit (RI-15-06) to allow discretionary burning of low sulfur fuel oil should be approved. The Office of Air Resources has determined that if the facility is operated in the manner described in the application, it will comply with applicable state and federal air pollution control rules and regulations.

Therefore, the Office of Air Resources will issue final modified permits to Ocean State Power.

February 20, 2007

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Date

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Stephen Majkut, Chief  
Office of Air Resources

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