



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 7
901 NORTH 5TH STREET
KANSAS CITY, KANSAS 66101

JUL 26 2012

W. Clark Smith
Permitting Section Supervisor
Air Quality Division
Nebraska Department of Environmental Quality
P.O. Box 98922
Lincoln, NE 68509-8922

RE: City of Hastings, Hastings Utilities – Whelan Energy Center draft Prevention of Significant Deterioration permit comments

Dear Mr. Smith:

On June 22, 2012, the United States Environmental Protection Agency (EPA) received notice from the Nebraska Department of Environmental Quality (NDEQ) of its intent to issue a Prevention of Significant Deterioration (PSD) construction permit to the City of Hastings, Hastings Utilities – Whelan Energy Center (Whelan) located at 4520 East South Street, Hastings, Nebraska.

The proposed CO BACT limit for the Unit 1 is set at 0.50 #/MMBtu, and page A-3 of the permit, Section III.(A)(5)(b) requires Whelan to conduct recordkeeping and reporting associated with the CO CEMS in accordance with 40 CFR 60.7. Since neither 40 CFR 60.7 nor NSPS Subpart D set a CO limit or establish recordkeeping or reporting requirements for CO CEMS, we recommend that the PSD permit establish explicit recordkeeping and reporting requirements for the CO BACT limit. To assure that Whelan is meeting the BACT limit, the EPA recommends that NDEQ place a condition in the permit that requires Whelan to report in their semi-annual reports: 1) each 30-day rolling average CO rate measured during the reporting period, and 2) any and/or all quality assurance or quality control data used in calculating the monthly average emission rate and annual total emission rate. This information helps inform EPA, NDEQ and the public about the level of CO being emitted, the compliance margin with respect to the BACT limit, and may be helpful in refining future BACT analyses.

As always, we appreciate the opportunity to provide what we hope you will find to be constructive comments. Please contact Patricia Scott at (913) 551-7312 if you have any questions or comments regarding this letter.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark A. Smith".

Mark A. Smith, Chief
Air Permitting and Compliance Branch
Air and Waste Management Division