

August 29, 2016

Mr. Stephen Courtney
KCP&L GMO
P.O. Box 418679
Kansas City, MO 64141-9679

Re: Petition for Waiver of the Requirement to Provide Operating Data to Qualify as "Gas-Fired" for Unit 6 at KCP&L GMO's Lake Road Power Station (Facility ID (ORISPL) 2098).

Dear Mr. Courtney:

The United States Environmental Protection Agency (EPA) has reviewed the petition under 40 CFR 75.66 submitted on July 21, 2016 by the KCP&L Greater Missouri Operations Company (KCP&L-GMO). In the petition, KCP&L-GMO requests a waiver for Unit 6 at the Lake Road Power Station of the requirement to submit operating data in order to qualify as a "gas-fired" unit under 40 CFR 72.2. EPA approves the petition, with conditions, as discussed below.

Background

KCP&L-GMO owns and operates the Lake Road Power Station (Lake Road), located in St Joseph, Missouri. Lake Road Unit 6 has historically been operated as a coal-fired boiler. The unit has a design heat input capacity of 1571 million Btu per hour (mmBtu/hr) and serves an electricity generator with a nameplate capacity rating of 90 megawatts.¹ According to KCP&L-GMO, Unit 6 is subject to the Acid Rain Program, the Transport Rule (TR)² annual trading programs for sulfur dioxide (SO₂) and nitrogen oxides (NO_x), and the TR ozone season trading program for NO_x. KCP&L-GMO is therefore required to continuously monitor and report NO_x, SO₂, and carbon dioxide (CO₂) mass emissions, NO_x emission rate, and heat input for this unit in accordance with 40 CFR part 75. To meet these monitoring requirements, KCP&L-GMO has installed and certified a NO_x-diluent continuous emission monitoring system (CEMS), an SO₂ CEMS, a CO₂ CEMS, and a stack gas flow rate monitor on the unit's exhaust stack.

¹ 2014 Energy Information Administration Form 860. At Lake Road, boiler #6 serves electricity generator #4.

² EPA has proposed to amend the terms "Transport Rule" and "TR" in the Code of Federal Regulations to the terms "Cross-State Air Pollution Rule" and "CSAPR".

According to KCP&L-GMO, Lake Road Unit 6 has been permanently converted from coal-firing to natural gas-firing, as of April 15, 2016. The coal conveyors and feeders to Unit 6 have been removed, creating a physical barrier to prevent coal from being combusted in the boiler. KCP&L-GMO further states that a January 2016 permit amendment³ issued by the Missouri Department of Natural Resources (DNR) prohibits the combustion of coal in Unit 6 on or after April 16, 2016.

Under part 75, units that meet the definition of “gas-fired” units in 40 CFR 72.2 have monitoring options that are not available to coal-fired units, including the option to quantify the units’ SO₂ mass emissions and heat input rate using the methodology in appendix D to part 75, which relies on measurements of the quantity and quality of fuel combusted, as an alternative to using SO₂ and stack gas flow rate CEMS. Gas-fired units also have options for quantifying CO₂ mass emissions under appendix G to part 75 that are not available to coal-fired units.

In the July 21, 2016 petition, KCP&L-GMO has requested a waiver of an otherwise applicable condition for Lake Road Unit 6 to be considered a "gas-fired" unit for purposes of 40 CFR part 75. The definition of the term "gas-fired" in 40 CFR 72.2 includes provisions under which a unit that previously has not qualified as gas-fired can qualify as gas-fired based upon the submission of operating data for three calendar years or 720 operating hours, whichever is less, demonstrating that the unit has combusted natural gas for specified minimum percentages of its overall fuel usage and only fuel oil for its remaining fuel usage. KCP&L-GMO requests that Unit 6 be considered a gas-fired unit for purposes of part 75 without the submission of such operating data.

EPA’s Determination

Absent the waiver requested in KCP&L-GMO’s petition, Lake Road Unit 6 would be required to submit three calendar years or 720 operating hours of operating data for the unit following the conversion to gas-fired operation in order to demonstrate that the unit qualifies as gas-fired under 40 CFR 72.2. The purpose of this data submission requirement is to provide assurance that the conversion is permanent. As described above, KCP&L-GMO has provided information intended to demonstrate the permanence of the conversion. Specifically, the unit has completed physical modifications that render it incapable of combusting coal and a permit amendment prohibits the unit from combusting fuels other than natural gas. EPA views these factors as providing sufficient assurance that the conversion of Unit 6 from coal to gas combustion is permanent, fulfilling the purpose of the operating data submission requirement and making that requirement unnecessary in this instance.

In view of these considerations, EPA approves KCP&L-GMO’s petition for a waiver of the requirement to submit three calendar years or 720 hours of unit operating data to demonstrate that Lake Road Unit 6 meets the definition of “gas-fired” under 40 CFR 72.2. The unit is considered gas-fired for purposes of 40 CFR part 75, the Acid Rain Program, and the Transport Rule as of its first hour of operation following completion of the physical modifications and

³ Special Condition 5, New Source Review Permit Amendment - Permit Number: 052015-014A.

permit modifications summarized above. EPA notes that this approval by itself does not alter any requirement to continue to use a CEMS that may arise under legal authority other than 40 CFR part 75, such as the facility's Title V operating permit, a state regulation, or a consent decree.

Conditions of Approval

As conditions of this approval for Lake Road Unit 6 to be considered a gas-fired unit for purposes of 40 CFR part 75, the Acid Rain Program, and the Transport Rule without the submission of operating data that would otherwise be required, KCP&L-GMO shall:

1. Make all necessary revisions to the electronic monitoring plans for Lake Road Unit 6 to represent the change from coal combustion to natural gas combustion and any changes in monitoring methodology. The monitoring plan revisions include, but are not limited to, assigning appropriate closeout dates, activation dates and codes for monitoring systems, monitoring methodologies, emissions and heat input rate formulas, and monitoring system span and range values;
2. Ensure that the natural gas flowmeters are certified according to section 2.1.5 of appendix D to part 75; and
3. Ensure that the data acquisition and handling system is properly programmed to use the appendix D methodology for quantifying SO₂ mass emissions and heat input rate and Equation G-4 for quantifying CO₂ mass emissions.

EPA's determination relies on the accuracy and completeness of KCP&L-GMO's July 21, 2016 petition and is appealable under 40 CFR part 78. If you have any questions regarding this determination, please contact Robert Vollaro at (202) 343-9116. Thank you for your continued cooperation.

Sincerely,

/s/

Reid P. Harvey, Director
Clean Air Markets Division

cc: Robert Vollaro (CAMD)
Mark Hague, EPA Region VII
Kyra Moore, Missouri DNR