June 1, 2022

Mark Thoma
Manager, Environmental Services
Otter Tail Power Company
P.O. Box 496
Fergus Falls, MN 56538-0496

Re: Air Quality
Minor (Synthetic)
 Permit to Operate

Dear Mr. Thoma:

Pursuant to the Air Pollution Control Rules of the State of North Dakota, the Department of Environmental Quality (Department) has reviewed your permit application dated January 21, 2022, for the Jamestown Peaking Plant located in Stutsman County, North Dakota.

Enclosed is a copy of the Department's draft/proposed minor (synthetic) Permit to Operate for the facility. Before making final determinations on the permit application, the Department provides for public comment by means of the enclosed public notice and provides for a concurrent 30-day Environmental Protection Agency (EPA) review. As indicated in the notice, the public comment period will begin on June 7, 2022, and end on July 6, 2022.

All comments received will be considered in the final determination concerning issuance of the permit. The Department will take final action on the permit application following the public comment period and EPA review. You will be notified in writing of our final determination.

If you have any questions, please contact me at (701)328-5298 or jkokkinen@nd.gov.

Sincerely,

Jack Kokkinen
Environmental Scientist
Division of Air Quality

JK:lc
Enc:
xc/enc: Dan Fagnant, EPA/R8 (email - fagnant.daniel@epa.gov)
Gail Fallon, EPA/R8 (email - fallon.gail@epa.gov)
NOTICE OF INTENT TO ISSUE AN
AIR POLLUTION CONTROL
SYNTHETIC MINOR PERMIT TO OPERATE

Take notice that the North Dakota Department of Environmental Quality (NDDEQ) proposes to issue an Air Pollution Control Permit to Operate to Otter Tail Power Company for operation of the Jamestown Peaking Plant in accordance with the ND Air Pollution Control Rules. The two-distillate oil-fired peaking turbines are located at 3308 third Street SE, Jamestown, ND, 58401. The Otter Tail Power Company mailing address is P.O. Box 496, Fergus Falls, Minnesota 56538. There are no changes in emissions.

A thirty-day public comment period for the draft permit will begin June 7, 2022, and end July 6, 2022. Direct comments in writing to the NDDEQ, Division of Air Quality, 4201 Normandy Street, Bismarck, ND 58503-1324, or email AirQuality@nd.gov, Re: Public Comment Permit Number AOP-27159 v5.0. Please note that, to be considered, comments submitted by email must be sent to the email address listed; comments sent to any other email address will not be considered. Comments must be received by 11:59pm central time on the last day of the public comment period to be considered in the final permit determination. A public hearing regarding issuance of the permit will be held if a significant degree of public interest exists as determined by the NDDEQ. Requests for a public hearing must be received in writing by the NDDEQ before the end of the public comment period.

The notice, draft permit and application are available for review at the NDDEQ Division of Air Quality address and on the Division of Air Quality website at https://deq.nd.gov/AQ/PublicCom.aspx. A copy of these documents may be obtained by writing to the Division of Air Quality or contacting Jack Kokkinen at (701)328-5298 or jkokkinen@nd.gov.

Dated this ___ day of June 2022.

James L. Semerad
Director
Division of Air Quality
Pursuant to Chapter 23.1-06 of the North Dakota Century Code (NDCC), and the Air Pollution Control Rules of the State of North Dakota, and in reliance on statements and representations heretofore made by the permittee designated below, a Permit to Operate is hereby issued authorizing such permittee to operate the source unit(s) at the location designated below. This Permit to Operate is subject to all applicable rules and orders now or hereafter in effect of the North Dakota Department of Environmental Quality (Department) and to any conditions specified below:

### 1. Permittee:
- **Name:** Otter Tail Power Company
- **Address:** P.O. Box 496, Fergus Falls, MN 56538-0496

### 2. Permit Number:
- **A.** AOP-27159 V2.0
- **B.** Permit Description: Synthetic Minor Source: NDAC 33.1-15-14-03.1.e

### 3. Source Name & Location:
- **Jamestown Peaking Plant**
  - 3308 Third Street SE
  - Jamestown, ND 58401
  - NW 1/4, Sec. 32, T140N, R63W
  - Stutsman County

### 4. Source Type:
- **Electric Generating Unit; Peaking**

### 5. Expiration Date:
- June 10, 2027

### 6. Source Unit(s):

<table>
<thead>
<tr>
<th>Emission Unit Description</th>
<th>Emission Unit (EU)</th>
<th>Emission Point (EP)</th>
<th>Air Pollution Control Equipment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turbine-Generating Unit A</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Distillate oil-fired General Electric turbine with a design peak heat input of 331.9 x 10^6 Btu/hr at 59°F and 14.7 psia (37,550 bhp, Model List Number 7L5A1PP90-1, Serial No. 244717, June 1975)</td>
<td>1</td>
<td>1</td>
<td>None</td>
</tr>
<tr>
<td>Distillate oil-fired Detroit Diesel engine Type 1271, Model No. 71237000, nominally rated at 500 bhp (1975, ZZZZ)</td>
<td>2</td>
<td>2</td>
<td>None</td>
</tr>
<tr>
<td>991,200-gallon fixed-roof distillate oil west storage tank No. 1 (1975)</td>
<td>3</td>
<td>3</td>
<td>None</td>
</tr>
<tr>
<td>Emission Unit Description</td>
<td>Emission Unit (EU)</td>
<td>Emission Point (EP)</td>
<td>Air Pollution Control Equipment</td>
</tr>
<tr>
<td>---------------------------------------------------------------</td>
<td>--------------------</td>
<td>---------------------</td>
<td>---------------------------------</td>
</tr>
<tr>
<td>Turbine-Generating Unit B</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Distillate oil-fired General Electric turbine with a design</td>
<td>4</td>
<td>4</td>
<td>None</td>
</tr>
<tr>
<td>peak heat input of 331.7 x 10^6 Btu/hr at 59F and 14.7 psia</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(37,550 bhp, Model List Number 7L5A1PP90-1, Serial No. 245253, August 1977)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Distillate oil-fired Detroit Diesel engine Type 1271,</td>
<td>5</td>
<td>5</td>
<td>None</td>
</tr>
<tr>
<td>Model No. 71237000, nominally rated at 500 bhp (1977.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ZZZZ)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>991,200-gallon fixed-roof distillate oil east storage tank</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No. 2 (1979). Removed from service in 1994; remains on site.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**CONDITIONS**

7. **Emission Limits:** Emission limits from the operation of the source unit(s) identified in Item 6 of this Permit to Operate (hereafter referred to as "permit") are as follows. Source units not listed are subject to the applicable emission limits specified in the North Dakota Air Pollution Control Rules.

<table>
<thead>
<tr>
<th>Emission Unit Description</th>
<th>EU</th>
<th>EP</th>
<th>Pollutant/ Parameter</th>
<th>Emission Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turbine-Generating Unit A</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GE turbine (S/N: 244717)</td>
<td>1</td>
<td>1</td>
<td>NOx</td>
<td>195.5 lb/hr</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>CO</td>
<td>8.0 lb/hr</td>
</tr>
<tr>
<td>Detroit Diesel engine</td>
<td>2</td>
<td>2</td>
<td>Opacity</td>
<td>20% A</td>
</tr>
<tr>
<td>Turbine-Generating Unit B</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GE turbine (S/N: 245253)</td>
<td>4</td>
<td>4</td>
<td>NOx</td>
<td>195.4 lb/hr</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>CO</td>
<td>10.4 lb/hr</td>
</tr>
<tr>
<td>Detroit Diesel engine</td>
<td>5</td>
<td>5</td>
<td>Opacity</td>
<td>20% A</td>
</tr>
</tbody>
</table>

A 40% opacity is permissible for not more than one six-minute period per hour.
B. Fuel Restriction:

1) The GE turbines are restricted to combusting a combined total not to exceed 2,425,000 gallons of distillate oil per year (12-month rolling total).

2) The fuel burning units (EUs 1, 2, 4 & 5) are restricted to combusting only distillate oil containing no more than 0.0015 percent sulfur by weight, except that any existing distillate oil purchased or otherwise obtained prior to October 1, 2010, may be used until depleted.

C. Monitoring and Recordkeeping: The permittee shall record the amount of fuel combusted each month and determine the total amount of fuel Turbine-Generating Units A and B combusted during the previous 12-month period. Any time the sum of the amount of distillate oil Turbine-Generating Units A and B combusted during the previous 1-month period exceeds 2,425,000 gallons, the owner/operator shall notify the Department within 10 working days.

The permittee shall maintain any compliance monitoring records required by this permit or applicable requirements. The permittee shall retain records of all required monitoring data and support information for a period of at least five years from the date of the monitoring sample, measurement, report or application. Support information may include all calibration and maintenance records and all original strip-chart recordings/computer printouts for continuous monitoring instrumentation, and copies of all reports required by the permit.

D. Maximum Achievable Control Technology Standards (MACT): The permittee shall comply with all applicable requirements of the following MACT subparts as referenced in Chapter 33.1-15-22 of the North Dakota Air Pollution Control Rules and 40 CFR 63.

1) 40 CFR 63, Subpart ZZZZ - National Emissions Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines (EUs 2 & 5). The North Dakota Department of Environmental Quality has not adopted the area source provisions of this subpart. Please send all documentation to EPA at the following address:

   U.S. EPA Region 8
   1595 Wynkoop Street
   Mail Code 8ENF-AT
   Denver, CO 80202-1129

E. Like-Kind Engine/Turbine Replacement: This permit allows the permittee to replace the existing engine/turbine(s) with a like-kind engine/turbine. Replacement is subject to the following conditions.

1) The Department must be notified within 10 days after change-out of the engine/turbine.

2) The replacement engine/turbine shall operate in the same manner, provide no increase in throughput, and have equal or less emissions than the engine/turbine it is replacing.
3) The date of manufacture of the replacement engine/turbine must be included in the notification. The facility must comply with any applicable federal standards (e.g. NSPS, NESHAP, MACT) triggered by the replacement.

4) The replacement engine/turbine is subject to the same state emission limits as the existing engine/turbine in addition to any NSPS or MACT emission limit that is applicable. Testing shall be conducted to confirm compliance with the emission limits within 180 days after start-up of the new engine/turbine.

F. **Storage Tanks:** All tanks shall be equipped with a submerged fill pipe in accordance with NDAC 33.1-15-07-01.3.

G. **Organic Compounds Emissions:** The permittee shall comply with the applicable requirements of NDAC 33.1-15-07, Control of Organic Compounds Emissions.

H. **Fugitive Emissions:** The release of fugitive emissions shall comply with the applicable requirements in NDAC 33.1-15-17.

I. **Annual Emission Inventory/Annual Production Reports:** The permittee shall submit an annual emission inventory report and/or an annual production report upon Department request, in a format provided or approved by the Department.

J. **Source Operations:** Operations at the facility shall be in accordance with statements, representations, procedures and supporting data contained in the initial application, and any supplemental information or renewal application(s) submitted thereafter. Any operations not listed in this permit are subject to all applicable North Dakota Air Pollution Control Rules.

K. **Alterations, Modifications or Changes:** Any alteration, repairing, expansion, or change in the method of operation of the source which results in the emission of an additional type or greater amount of air contaminants or which results in an increase in the ambient concentration of any air contaminant, must be reviewed and approved by the Department prior to the start of such alteration, repairing, expansion or change in the method of operation.

L. **Air Pollution from Internal Combustion Engines:** The permittee shall comply with all applicable requirements of NDAC 33.1-15-08-01 – Internal Combustion Engine Emissions Restricted.

M. **Nuisance or Danger:** This permit shall in no way authorize the maintenance of a nuisance or a danger to public health or safety.
N. **Malfunction Notification:** The permittee shall notify the Department as soon as possible during normal working hours of any malfunction which can be expected to last longer than twenty-four hours and can cause the emission of air contaminants in violation of applicable rules and regulations. Immediate notification to the Department is required for any malfunction that would threaten health or welfare, or pose an imminent danger.

O. **Permit Renewal and Invalidation:** This permit shall be effective from the date of its issuance until the date specified in Item 5 unless sooner suspended, revoked or surrendered. Upon suspension or revocation, the permit shall be returned to the Department. Application for renewal of this permit shall be submitted ninety days prior to such expiration date. The Department shall approve or disapprove the renewal of the permit within ninety days of receipt of the renewal application.

P. **Change of Ownership:** This permit may not be transferred without prior approval from the Department.

Q. **Right of Entry:** Any duly authorized officer, employee or agent of the North Dakota Department of Environmental Quality may enter and inspect any property, premise or place at which the source listed in Item 3 of this permit is located at any time for the purpose of ascertaining the state of compliance with the North Dakota Air Pollution Control Rules. The Department may conduct tests and take samples of air contaminants, fuel, processing material, and other materials which affect or may affect emissions of air contaminants from any source. The Department shall have the right to access and copy any records required by the Department’s rules and to inspect monitoring equipment located on the premises.

R. **Other Regulations:** The permittee of the source unit(s) described in Item 6 of this permit shall comply with all State and Federal environmental laws and rules. In addition, the permittee shall comply with all local burning, fire, zoning, and other applicable ordinances, codes, rules and regulations.

S. **Permit Issuance:** This permit is issued in reliance upon the accuracy and completeness of the information set forth in the application. The conditions of this permit herein become, upon the effective date of this permit, enforceable by the Department pursuant to any remedies it now has, or may in the future have, under the North Dakota Air Pollution Control Law, NDCC Chapter 23.1-06. The provisions of this permit are severable, and if any provision of this permit, or the application of any provision of this permit to any circumstance, is held invalid, the application of such provision to other circumstances, and the remainder of this permit, shall not be affected thereby.

T. **Odor Restrictions:** The permittee shall not discharge into the ambient air any objectionable odorous air contaminant which is in excess of the limits established in NDAC 33.1-15-16.
U. **Sampling and Testing:** The Department may require the permittee to conduct tests to determine the emission rate of air contaminants from the source. The Department may observe the testing and may specify testing methods to be used. A signed copy of the test results shall be furnished to the Department within 60 days of the test date. The basis for this condition is NDAC 33.1-15-01-12 which is hereby incorporated into this permit by reference. To facilitate preparing for and conducting such tests, and to facilitate reporting the test results to the Department, the permittee shall follow the procedures and formats in the Department’s Emission Testing Guideline.

FOR THE NORTH DAKOTA DEPARTMENT OF ENVIRONMENTAL QUALITY

Date _________________________

By ____________________________

James L. Semerad
Director
Division of Air Quality