

AIR EMISSION PERMIT NO. 13900010-002

IS ISSUED TO

Northern States Power dba Xcel Energy

Northern States Power dba Xcel Energy - Blue Lake
1200 70th Street South
Shakopee, Scott County, MN 55379

The emission units, control equipment and emission stacks at the stationary source authorized in this permit are as described in the following permit application(s):

Permit Type	Application Date	Issue Date	Action Number
Total Facility Operating Permit	09/15/1995	March 16, 2000	001
Major Amendment	10/10/2002	see below	002
Administrative Amendment	11/21/2002		

This permit authorizes the Permittee to operate the stationary source at the address listed above unless otherwise noted in Table A. The Permittee must comply with all the conditions of the permit. Any changes or modifications to the stationary source must be performed in compliance with Minn. R. 7007.1150 to 7007.1500. Terms used in the permit are defined in the state air pollution control rules unless the term is explicitly defined in the permit.

Permit Type: Federal; Part 70

Issue Date: March 19, 2003

Expiration: March 16, 2005
All Title I Conditions do not expire.

Ann M. Foss
Majors Facilities Section Manager
Majors and Remediation Division

for Sheryl A. Corrigan
Commissioner
Minnesota Pollution Control Agency

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NOTICE TO THE PERMITTEE:

Your stationary source may be subject to the requirements of the Minnesota Pollution Control Agency's (MPCA) solid waste, hazardous waste, and water quality programs. If you wish to obtain information on these programs, including information on obtaining any required permits, please contact the MPCA general information number at:

Metro Area	(651) 296-6300
Outside Metro Area	1-800-657-3864
TTY	(651) 282-5332

The rules governing these programs are contained in Minn. R. chs. 7000-7105. Written questions may be sent to: Minnesota Pollution Control Agency, 520 Lafayette Road North, St. Paul, Minnesota 55155-4194.

Questions about this air emission permit or about air quality requirements can also be directed to the telephone numbers and address listed above.

PERMIT SHIELD:

Subject to the limitations in Minn. R. 7007.1800, compliance with the conditions of this permit shall be deemed compliance with the specific provision of the applicable requirement identified in the permit as the basis of each condition. Subject to the limitations of Minn. R. 7007.1800 and 7017.0100, subp. 2, notwithstanding the conditions of this permit specifying compliance practices for applicable requirements, any person (including the Permittee) may also use other credible evidence to establish compliance or noncompliance with applicable requirements.

FACILITY DESCRIPTION:

The Blue Lake Generating Plant provides up to 205 Megawatts (MW) of peak electrical generation. The facility is composed of four combustion turbine generator sets that combust mainly fuel oil. The turbines may also fire used oil when sufficient quantity has accumulated in on-site storage. This on-site storage consists of two identical tanks each with a capacity of 2.5 million gallons. One tank is usually used strictly for the storage of waste oil. The facility also has two emergency diesel engines.

ACTION 002

This permitting action changes modeling requirements to reflect the current MPCA policy dated August 10, 2001. This permit changes the requirements from submittal of a protocol and modeling results, to the submittal of computer dispersion modeling information only. In addition, an administrative amendment application requesting extension of the information submittal deadline by 60 days, has been included in this permitting action.

TABLE A: LIMITS AND OTHER REQUIREMENTS

03/19/03

Facility Name: NSP dba Xcel Energy - Blue Lake

Permit Number: 13900010 - 002

Table A contains limits and other requirements with which your facility must comply. The limits are located in the first column of the table (What To do). The limits can be emission limits or operational limits. This column also contains the actions that you must take and the records you must keep to show that you are complying with the limits. The second column of Table A (Why to do it) lists the regulatory basis for these limits. Appendices included as conditions of your permit are listed in Table A under total facility requirements.

Subject Item:**Total Facility**

What to do	Why to do it
A. OPERATIONAL REQUIREMENTS	hdr
The Permittee shall comply with the General Conditions listed in Minn. R. 7007.0800, subp. 16.	Minn. R. 7007.0800, subp. 16
Noise: The Permittee shall comply with the noise standards set forth in Minn. R. 7030.0010 to 7030.0080 at all times during the operation of any emission units. This is a state only requirement and is not enforceable by the EPA Administrator or citizens under the Clean Air Act.	Minn. R. 7030.0010 - 7030.0080
Inspections: Upon presentation of credentials and other documents as may be required by law, allow the Agency, or its representative, to enter the Permittee's premises to have access to and copy any records required by this permit, to inspect at reasonable times (which include any time the source is operating) any facilities, equipment, practices or operations, and to sample or monitor any substances or parameters at any location.	Minn. R. 7007.0800, subp. 9(A)
Circumvention: Do not install or use a device or means that conceals or dilutes emissions, which would otherwise violate a federal or state air pollution control rule, without reducing the total amount of pollutant emitted.	Minn. R. 7011.0020
Operation Changes: In any shutdown, breakdown, or deviation the Permittee shall immediately take all practical steps to modify operations to reduce the emission of any regulated air pollutant. The Commissioner may require feasible and practical modifications in the operation to reduce emissions of air pollutants. No emissions units that have an unreasonable shutdown or breakdown frequency of process or control equipment shall be permitted to operate.	Minn. R. 7019.1000, subp. 4
B. POLLUTION CONTROL EQUIPMENT REQUIREMENTS	hdr
Air Pollution Control Equipment: Operate all pollution control equipment whenever the corresponding process equipment and emission units are operated, unless otherwise noted in Table A.	Minn. R. 7007.0800, subp. 2; Minn. R. 7007.0800, subp. 16(J)
C. TESTING REQUIREMENTS	hdr
Performance Testing: Conduct all performance tests in accordance with Minn. R. ch. 7017 unless otherwise noted in Tables A, B, and/or C.	Minn. R. ch. 7017
Operating and/or production limits will be placed on emission units based on operating conditions during performance testing. Limits set as a result of a performance test (conducted before or after permit issuance) apply until new operating/production limits are set following formal review of a performance test as specified by Minn. R. 7017.2025.	Minn. R. 7017.2025
The results of a performance test are not final until issuance of a review letter by MPCA, unless specified otherwise by Minn R. 7017.2001 - 7017.2060.	Minn. R. 7017.2020, subp. 4
D. MONITORING REQUIREMENTS	hdr
Monitoring Activities and Equipment: Where applicable, initialize monitoring activities and install or make needed repairs to monitoring equipment within 60 days of issuance of the permit if monitoring activities are not performed or monitoring equipment is not installed and operational prior to permit issuance.	Minn. R. 7007.0800, subp. 4(D)
Operation of Monitoring Equipment: Unless otherwise noted in Tables A, B, and/or C, monitoring a process or control equipment connected to that process is not necessary during periods when the process is shutdown, or during checks of the monitoring systems, such as calibration checks and zero and span adjustments. If monitoring records are required, they should reflect any such periods of process shutdown or checks of the monitoring system.	Minn. R. 7007.0800, subp. 4(D)
Monitoring Equipment Calibration: Annually calibrate all required monitoring equipment (any requirements applying to continuous emission monitors are listed separately in this permit).	Minn. R. 7007.0800, subp. 4(D)
E. RECORDKEEPING	hdr
Recordkeeping: Maintain records describing any insignificant modifications (as required by Minn. R. 7007. 1250, subp. 3) or changes contravening permit terms (as required by Minn. R. 7007.1350 subp. 2), including records of the emissions resulting from those changes.	Minn. R. 7007. 0800, subp. 5(B)

TABLE A: LIMITS AND OTHER REQUIREMENTS

03/19/03

Facility Name: NSP dba Xcel Energy - Blue Lake

Permit Number: 13900010 - 002

Recordkeeping: Retain all records at the stationary source for a period of five (5) years from the date of monitoring, sample, measurement, or report. Records which must be retained at this location include all calibration and maintenance records, all original recordings for continuous monitoring instrumentation, and copies of all reports required by the permit. Records must conform to the requirements listed in Minn. R. 7007.0800, subp. 5(A).	Minn. R. 7007.0800, subp. 5(C)
Operation and Maintenance Plan: Retain at the stationary source an operation and maintenance plan for all air pollution control equipment.	Minn. R. 7007.0800, subp. 14 and Minn. R. 7007.0800, subp. 16(J)
F. REPORTING	hdr
Oral or Written (faxed) Notification of Deviations Endangering Human Health or the Environment: As soon as possible after discovery, notify the Commissioner or the state duty officer, either orally or by facsimile, of any deviation from permit conditions which could endanger human health or the environment.	Minn. R. 7019.1000, subp. 1
Notification of Deviations Endangering Human Health or the Environment Report: Within 2 working days of discovery, notify the Commissioner in writing of any deviation from permit conditions which could endanger human health or the environment. Include the following information in this written description: 1. the cause of the deviation; 2. the exact dates of the period of the deviation, if the deviation has been corrected; 3. whether or not the deviation has been corrected; 4. the anticipated time by which the deviation is expected to be corrected, if not yet corrected; and 5. steps taken or planned to reduce, eliminate, and prevent reoccurrence of the deviation.	Minn. R. 7019.1000, subp. 1
Breakdown Notifications: Notify the Commissioner within 24 hours of a breakdown of more than one hour duration of any control equipment or process equipment if the breakdown causes any increase in the emissions of any regulated air pollutant. The 24-hour time period starts when the breakdown was discovered or reasonably should have been discovered by the owner or operator. However, notification is not required in the circumstances outlined in Items A, B and C of Minn. R. 7019.1000, subp. 2. At the time of notification or as soon as possible thereafter, the owner or operator shall inform the Commissioner of the cause of the breakdown and the estimated duration. The owner or operator shall notify the Commissioner when the breakdown is over.	Minn. R. 7019.1000, subp. 2
Shutdown Notifications: Notify the Commissioner at least 24 hours in advance of a planned shutdown of any control equipment or process equipment if the shutdown would cause any increase in the emissions of any regulated air pollutant. If the owner or operator does not have advance knowledge of the shutdown, notification shall be made to the Commissioner as soon as possible after the shutdown. However, notification is not required in the circumstances outlined in Items A, B and C of Minn. R. 7019.1000, subp. 3. At the time of notification, the owner or operator shall inform the Commissioner of the cause of the shutdown and the estimated duration. The owner or operator shall notify the Commissioner when the shutdown is over.	Minn. R. 7019.1000, subp. 3
Emission Fees: due 60 days after receipt of an MPCA bill.	Minn. R. 7002.0005 through Minn. R. 7002.0095
Application for Permit Amendment: If a permit amendment is needed, submit an application in accordance with the requirements of Minn. R. 7007.1150 through Minn. R. 7007.1500. Submittal dates vary, depending on the type of amendment needed.	Minn. R. 7007.1150 through Minn. R. 7007.1500
Extension Requests: The Permittee may apply for an Administrative Amendment to extend a deadline in a permit by no more than 120 days, provided the proposed deadline extension meets the requirements of Minn. R. 7007.1400, subp. 1(H).	Minn. R. 7007.1400, subp. 1(H)
Emission Inventory Report: due 91 days after end of each calendar year following permit issuance (April 1). To be submitted on a form approved by the Commissioner.	Minn. R. 7019.3000 through 7019.3010

TABLE A: LIMITS AND OTHER REQUIREMENTS

03/19/03

Facility Name: NSP dba Xcel Energy - Blue Lake

Permit Number: 13900010 - 002

Subject Item: GP 001 electric generating combustion turbines**Associated Items:** EU 001 Combustion turbine 1

EU 002 Combustion turbine 2

EU 003 Combustion turbine 3

EU 004 Combustion turbine 4

SV 001

SV 002

SV 003

SV 004

What to do	Why to do it
Sulfur Dioxide: less than or equal to 0.5 lbs/million Btu heat input . This limit applies to each emission unit.	Minn. R. 7011.2300, subp. 2
Opacity: less than or equal to 20 percent once operating temperatures have been attained. This limit applies to each emission unit.	Minn. R. 7011.2300, subp. 1
Allowable Fuel Types: Distillate fuel oil and used mineral oil dielectric fluid less than 50 ppm PCBs.	Minn. R. 7007.0800, subp. 2
Used mineral oil dielectric fluid less than 50 ppm PCBs: Fuel Usage: less than or equal to 1 million gallons/year using 12-month Rolling Sum	Minn. R. 7007.0800, subp. 2; limited to maintain minor status for HAPs (HCL and Lead compounds)
Sulfur Content of Fuel: less than or equal to 0.5 percent by weight for all fuel types.	Minn. R. 7007.0800, subp. 2; meets SO2 emission limit requirement in Minn. R. 7011.0510, subp. 1
Collect and retain on-site, distillate fuel oil supplier certification showing that each delivery (by truck or pipeline) of distillate fuel oil has a sulfur content of less than or equal to 0.5 percent by weight.	Minn. R. 7007.0800, subp. 5
Record Keeping: Maintain records of monthly and annual (12-month rolling sum) used mineral oil dielectric fluid usage.	Minn. R. 7007.0800, subp. 5

TABLE A: LIMITS AND OTHER REQUIREMENTS

03/19/03

Facility Name: NSP dba Xcel Energy - Blue Lake

Permit Number: 13900010 - 002

Subject Item: EU 001 Combustion turbine 1**Associated Items:** GP 001 electric generating combustion turbines

SV 001

What to do	Why to do it
Performance Test: due 90 days after 03/16/2000 to measure Opacity. Future opacity testing shall be conducted on a 48 month interval.	Minn. R. 7017.2020, subp. 1

TABLE A: LIMITS AND OTHER REQUIREMENTS

03/19/03

Facility Name: NSP dba Xcel Energy - Blue Lake

Permit Number: 13900010 - 002

Subject Item: EU 002 Combustion turbine 2**Associated Items:** GP 001 electric generating combustion turbines
SV 002

What to do	Why to do it
Performance Test: due 455 days after 03/16/2000 to measure Opacity. Future opacity testing shall be conducted on a 48 month interval.	Minn. R. 7017.2020, subp. 1

TABLE A: LIMITS AND OTHER REQUIREMENTS

03/19/03

Facility Name: NSP dba Xcel Energy - Blue Lake

Permit Number: 13900010 - 002

Subject Item: EU 003 Combustion turbine 3**Associated Items:** GP 001 electric generating combustion turbines

SV 003

What to do	Why to do it
Performance Test: due 820 days after 03/16/2000 to measure Opacity. Future opacity testing shall be conducted on a 48 month interval.	Minn. R. 7017.2020, subp. 1

TABLE A: LIMITS AND OTHER REQUIREMENTS

03/19/03

Facility Name: NSP dba Xcel Energy - Blue Lake

Permit Number: 13900010 - 002

Subject Item: EU 004 Combustion turbine 4**Associated Items:** GP 001 electric generating combustion turbines

SV 004

What to do	Why to do it
Performance Test: due 1185 days after 03/16/2000 to measure Opacity. Future opacity testing shall be conducted on a 48 month interval.	Minn. R. 7017.2020, subp. 1

TABLE A: LIMITS AND OTHER REQUIREMENTS

03/19/03

Facility Name: NSP dba Xcel Energy - Blue Lake

Permit Number: 13900010 - 002

Subject Item: EU 005 Emergency Engine/Generator**Associated Items:** SV 005

What to do	Why to do it
Sulfur Dioxide: less than or equal to 0.5 lbs/million Btu heat input	Minn. R. 7011.2300, subp. 2
Opacity: less than or equal to 20 percent once operating temperatures have been attained.	Minn. R. 7011.2300, subp. 1
Allowable Fuel Types: Distillate fuel oil.	Minn. R. 7007.0800, subp. 2
Sulfur Content of Fuel: less than or equal to 0.5 percent by weight for all fuel types.	Minn. R. 7007.0800, subp. 2; meets SO2 emission limit requirement in Minn. R. 7011.0510, subp. 1

TABLE A: LIMITS AND OTHER REQUIREMENTS

03/19/03

Facility Name: NSP dba Xcel Energy - Blue Lake

Permit Number: 13900010 - 002

Subject Item: EU 006 Diesel Fire Pump**Associated Items:** SV 006

What to do	Why to do it
Sulfur Dioxide: less than or equal to 0.5 lbs/million Btu heat input	Minn. R. 7011.2300, subp. 2
Opacity: less than or equal to 20 percent once operating temperatures have been attained.	Minn. R. 7011.2300, subp. 1
Allowable Fuel Types: Distillate fuel oil.	Minn. R. 7007.0800, subp. 2
Sulfur Content of Fuel: less than or equal to 0.5 percent by weight for all fuel types.	Minn. R. 7007.0800, subp. 2; meets SO2 emission limit requirement in Minn. R. 7011.0510, subp. 1

TABLE B: SUBMITTALS

03/19/03

Facility Name: NSP dba Xcel Energy - Blue Lake
Permit Number: 13900010 - 002

Table B lists most of the submittals required by this permit. Please note that some submittal requirements may appear in Table A or, if applicable, within a compliance schedule located in Table C. Table B is divided into two sections in order to separately list one-time only and recurrent submittal requirements.

Each submittal must be postmarked or received by the date specified in the applicable Table. Those submittals required by parts 7007.0100 to 7007.1850 must be certified by a responsible official, defined in Minn. R. 7007.0100, subp. 21. Other submittals shall be certified as appropriate if certification is required by an applicable rule or permit condition.

Send any application for a permit or permit amendment to:

Permit Technical Advisor
Permit Section
Air Quality Division
Minnesota Pollution Control Agency
520 Lafayette Road North
St. Paul, Minnesota 55155-4194

Also, where required by an applicable rule or permit condition, send to the Permit Technical Advisor notices of:

- accumulated insignificant activities,
- installation of control equipment,
- replacement of an emissions unit, and
- changes that contravene a permit term.

Unless another person is identified in the applicable Table, send all other submittals to:

Supervisor
Compliance Determination Unit
Air Quality Division
Minnesota Pollution Control Agency
520 Lafayette Road North
St. Paul, Minnesota 55155-4194

Send submittals that are required to be submitted to the U.S. EPA regional office to:

Mr. George Czerniak
Air and Radiation Branch
EPA Region V
77 West Jackson Boulevard
Chicago, Illinois 60604

Send submittals that are required by the Acid Rain Program to:

U.S. Environmental Protection Agency
Clean Air Markets Division
1200 Pennsylvania Avenue NW (6204N)
Washington, D.C. 20460

TABLE B: ONE TIME SUBMITTALS OR NOTIFICATIONS

03/19/03

Facility Name: NSP dba Xcel Energy - Blue Lake

Permit Number: 13900010 - 002

What to send	When to send	Portion of Facility Affected
Application for Permit Reissuance	due 180 days before expiration of Existing Permit	Total Facility
Computer Dispersion Modeling Information	due 1,156 days after 03/16/2000. Submit modeling data as specified in MPCA guidance for Modeling Information Requests PM10, SO2, and NOx. This modeling information is for data collection purposes, no modeling analysis is required at this time. This is a state only requirement and is not enforceable by the EPA Administrator or citizens under the Clean Air Act.	Total Facility

TABLE B: RECURRENT SUBMITTALS

03/19/03

Facility Name: NSP dba Xcel Energy - Blue Lake

Permit Number: 13900010 - 002

What to send	When to send	Portion of Facility Affected
Deviations Report	due 30 days after end of each calendar half-year starting 03/16/2000 (July 30th and January 30th). The first report covers January 1 - June 30. The second report covers July 1 - December 31.	Total Facility
Compliance Certification	due 30 days after end of each calendar year starting 03/16/2000 (January 30th).	Total Facility

TECHNICAL SUPPORT DOCUMENT
For
DRAFT AIR EMISSION PERMIT NO. 13900010-002

This technical support document is for all the interested parties of the draft permit. The purpose of this document is to set forth the legal and factual basis for the draft permit conditions, including references to the applicable statutory or regulatory provisions.

1. General Information

1.1. Applicant and Stationary Source Location:

Owner/Operator Address and Phone Number (list both if different)	Facility Address (SIC Code: 4911)
NSP dba Xcel Energy 414 Nicollet Mall Minneapolis, MN 55401-1993 Contact: Nancy Stafki (612) 330-5520	1200 70th Street South Shakopee Scott County, Minnesota

1.2. Description of The Facility

The Blue Lake Generating Plant provides up to 205 Megawatts (MW) of peak electrical generation. The facility is composed of four combustion turbine generator sets that combust mainly fuel oil. The turbines may also fire used oil when sufficient quantity has accumulated in on-site storage. This on-site storage consists of two identical tanks each with a capacity of 2.5 million gallons. One tank is usually used strictly for the storage of waste oil. The facility also has two emergency diesel engines.

1.3 Description of the Activities Allowed By This Permit Action

This permitting action changes modeling requirements to reflect the current Minnesota Pollution Control Agency policy dated August 10, 2001. This permit changes the requirements from submittal of a protocol and modeling results, to the submittal of computer dispersion modeling information only. In addition, this permitting action incorporates an administrative amendment request to extend the information submittal deadline, by 60 days.

2. Regulatory Overview of Units Affected by the Modification

	Applicable Regulations	Comments
Total Facility	Minn. R. 7007.0800, subp. 2	Computer Dispersion Modeling Information

3. Technical Information

This major amendment revises Title V modeling requirements based on the policy dated August 10, 2001. As a result, this draft permit requires only submittal of modeling information.

The following table shows permitted potential and actual emissions.

	PM ₁₀ TPY	SO ₂ TPY	NO _x TPY
Maximum Actual Emissions To Qualify As A Small Title V Source (Tons)	100	250	1000
Permitted Emissions	719	5939	8237
2001 Actual Emissions	1.9	7.9	137.3

On December 7, 2002, the MPCA received from the Permittee an administrative amendment requesting a 120-day extension of the modeling information submittal deadline. After email discussions with the Permittee, it was determined that only 60 days was needed. As a result, the modeling information submittal has been extended 60 days from the original 1096 after permit issuance (which was March 16, 2000).

This 60-day extension was not included in the public notice, but the extension can be made without re-public noticing because the change can be made according to the administrative amendment procedures in Minn. R. 7007.1400, and an administrative amendment does not need to go through the public notice process.

No comments were received during the 30 day public comment period or the EPA 45-day review period..

4. Conclusion

Based on the information provided by NSP dba Xcel Energy Blue Lake, the MPCA has reasonable assurance that the proposed operation of the emission facility, as described in the Air Emission Permit No. 13900010-002 and this technical support document, will not cause or contribute to a violation of applicable federal regulations and Minnesota Rules.

Staff Members on Permit Team: Marshall Cole