



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

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

NOV 26 2007

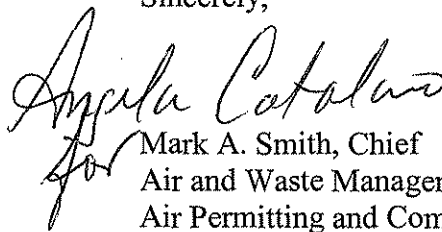
Jim Kavanaugh, Director
Missouri Department of Natural Resources
Air Pollution Control Program
P.O. Box 176
Jefferson City, Missouri 65102

Dear Mr. Kavanaugh:

We appreciate the opportunity to evaluate the project and provide comments on the proposed PSD permit for the Associated Electric Cooperative, Inc, (AECI) coal-fired plant project near Norborne, Missouri. EPA Region 7 has completed its review of the draft permit, and our comments focus on recommendations for improving the enforceability of permit conditions and concerns about the class II modeling for this project. We encourage MDNR to carefully consider our comments. Please refer to enclosure A for our comments.

As always, we appreciate MDNR's efforts in carrying out the PSD program. You may contact Tamara Y. Freeman at (913) 551-7094 or at freeman.tamara@epa.gov if you have questions regarding our comments.

Sincerely,

A handwritten signature in cursive script that reads "Mark A. Smith".

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

Enclosure A
EPA Region 7 Comments on
Draft PSD Permit for
AECI's Coal-Fired Plant Project

- 1) We note that "Special Conditions" sections F.1) c), and F.2), e) establish calendar year limits. We recommend that MDNR specify these limits based on a rolling 12-month period and not a calendar year. The rolling average approach will provide reasonable compliance verification and reporting mechanisms for determining compliance during the 12-month period and provide assurance that the limits will be met on a continuous basis.

- 2) The performance testing and compliance section of the permit is silent on performance testing methods. We encourage MDNR to modify this section by adding explicit requirements for all performance testing required in the final permit. We recommend that MDNR require Method 201 or 201A and Method 202 for PM₁₀. The following are examples of permit conditions where the performance testing is required and where the language can be added; Special Conditions 1.F.5) and 1.F.6), 1.G.3) through 1.G.5), 2.E.1) through 2.E. 8), 3.E.1) through 3.E.5), 4.F.1) through 4.F.5), and 4.G.1) through 4.G.5).

- 3) The record is unclear as to how AECI's modeled emission rates were derived or how they relate to the limits set forth in special conditions 1.F.(2). If the modeled emission rates under-represent actual emissions, particularly for short-term averaging periods, the resulting concentration may lead to erroneous conclusions with regard to the significance of AECI's contributions to the modeled NAAQS and increment violations. We note that the maximum predicted increase in the 3-hr SO₂ ambient concentration is just below the increment threshold. We request that the record include a detailed explanation of the derivation of the modeled emission rates and specify AECI's contribution to all pollutant concentrations regardless of whether the model predicts NAAQS and/or increment violations.