

April 1, 1999

Mr. Thomas Micai  
Chief, Bureau of Operating Permits  
Air Quality Permitting Program  
NJDEP  
401 E. State Street  
CN027  
Trenton, New Jersey 08625-0027

Dear Mr. Micai:

This is to inform you of the findings of EPA Region 2's review of the turbine replacement issue as it relates to the PSE&G plants. Although this determination addresses the PSE&G situation, it may be applied to other utilities in the State of New Jersey of the same design, but this is a specific application of EPA rules and should not be relied upon as a general interpretation of EPA rules. By way of background, PSE&G purchased a fleet of identical turbine units in the early 70's, prior to any applicable EPA preconstruction regulations. These units are installed and used at 12 different generating stations with the extra units kept as spares at the Central Repair Shop. When a unit malfunctions at any of the 12 generating stations, it is removed and switched with one of the spare units from the repair shop. After the malfunctioning unit is repaired, it remains at the repair shop as a spare until it is once again used to switch with another malfunctioning unit at any of the 12 stations. Other than repairs, the units are not modified. The issue of whether such replacements are considered modifications which should be reviewed under new source requirements has been evaluated by Region 2. These include NSPS, major and minor source preconstruction permits, and PSD.

Based upon the information submitted by PSE&G and that obtained during our visit to PSE&G's Central Repair Shop, we believe the kind of repair/maintenance program implemented by PSE&G may occur without triggering new source requirements if certain conditions were met. We are only recognizing that the movement of the turbines from place to place is not sufficient to trigger new source requirements. However, whenever one of the existing turbines from the original fleet is replaced, modified or reconstructed, it will be considered a new source. It is our belief that this accommodates the intent of the design and operation of these generating facilities. The act of physically removing a turbine from one spot, performing the routine repair and maintenance on that turbine and placing it in a different but identically designed spot, is not the construction of a new source. However, whenever new source requirements are triggered as a result of the repair or replacement involving any one of the turbines, the facility will be viewed as a new source and must meet those requirements. We believe that this is in accord with the design of these generating facilities. We would like to note that the scope of our review of the repair/maintenance program as discussed above is limited to the existing 12 generating stations

and the original fleet of 24 turbines. Should a new generating station be constructed in the future, PSE&G would not be allowed to include the new station in the existing repair/maintenance program.

We understand the practice to be addressed in the Title V permit is a repair and maintenance procedure. In order to monitor this practice and assure that it is what we understand it to be, we recommend that the following essential monitoring, recordkeeping and reporting requirements be incorporated into PSE&G's Title V permit:

1. A complete list of all turbines purchased as part of the original fleet must be compiled with detailed information on the Make, Model, Serial Number, Maximum Heat Input, and Location for each turbine. This list must be made part of the Title V permit and updated with regard to the location of each turbine unit as it is being moved among the 12 stations.
2. Notify NJDEP in writing no later than 7 days after any turbine from the original fleet is switched with another turbine from the original fleet.
3. Record the following information each time a turbine is switched:
  - i. date switch occurred;
  - ii. description of the maintenance/repairs/parts replacement performed on the malfunctioning turbine since it was last in service;
  - iii. identify malfunctioning turbine and substitute turbine by make, model, serial number and location; and
  - iv. a demonstration (such as mass balance) showing that the switch did not result in an increase in emission of any pollutant or the emission of a new pollutant not previously emitted.
5. All information recorded must be kept on site for at least 5 years from date of issuance of the Title V permit.

If you have any questions regarding the above, please feel free to contact me at (212) 637-4074 or have your staff contact Suilin Chan at (212) 637-4019.

Sincerely yours,

/s/

Steven C. Riva, Chief  
Permitting Section  
Air Programs Branch

cc: I. Atay, NJDEP