



PERMIT
Under the Environmental Conservation Law (ECL)

Permittee and Facility Information

Permit Issued To:
CPV VALLEY LLC
8403 Colesville Rd Ste 915
Silver Spring, MD 20910
(781) 817-8970

Facility:
CPV VALLEY ENERGY CENTER
3330 ROUTE 6
MIDDLETOWN, NY 10940

Facility Location: in WAWAYANDA in ORANGE COUNTY

Facility Principal Reference Point: NYTM-E: 546.7708132078481 NYTM-N:
4584.612749258511

Latitude: 41°24'42.1" Longitude: 74°26'25.4"

Authorized Activity: This renewal authorizes the CPV facility to generate approximately 630 megawatts (MW) of electricity, fueled primarily by natural gas. The CPV facility will use "combined cycle" generation technology and will be comprised of two combined-cycle units, each consisting of a combustion turbine generator (CTG), a Heat Recovery Steam Generator (HRSG) with supplemental duct firing, and a steam turbine generator (STG). The facility will use ultra-low sulfur distillate oil for back-up reliability purposes. Auxiliary equipment will include a low nitrogen oxides (NOx) natural gas-fired auxiliary boiler, necessary to keep the HRSGs warm during periods of turbine shutdown and to provide sealing steam during startups.

The project will be equipped with state-of-the-art emissions control technology, including dry low NOx (DLN) burners and selective catalytic reduction (SCR) technology to control emissions of NOx, and an oxidation catalyst to control carbon monoxide (CO) and volatile organic compounds (VOC) emissions. A continuous emissions monitoring system (CEMS) will be utilized to ensure and document facility compliance with applicable emissions standards. The facility will also be limited to operating utilizing the back-up fuel the equivalent of 720 hours per year, per turbine.

Permit Authorizations

Title IV (Phase II Acid Rain) - Under Article 19

Permit ID 3-3356-00136/00009

New Permit

Proposed Effective Date: _____ Proposed Expiration Date: No Exp. Date



NYSDEC Approval

By acceptance of this permit, the permittee agrees that the permit is contingent upon strict compliance with the ECL, all applicable regulations, and all conditions included as part of this permit.

Permit Administrator: MICHAEL T HIGGINS, Deputy Chief Permit Administrator
Address: NYSDEC Headquarters
625 Broadway
Albany, NY 12233

Authorized Signature: _____ Date ___/___/___

Permit Components

TITLE IV (PHASE II ACID RAIN) PERMIT CONDITIONS

GENERAL CONDITIONS, APPLY TO ALL AUTHORIZED PERMITS

NOTIFICATION OF OTHER PERMITTEE OBLIGATIONS

TITLE IV (PHASE II ACID RAIN) PERMIT CONDITIONS

1. Phase II Permit Application 40CFR 72.

- a. The owners and operators shall comply with all of the standard requirements and special provisions set forth on the attached Phase II Permit Application for each affected unit.
- b. This permit does not relieve the permittee from compliance with applicable state and federal air pollution control rule and regulations.
- c. The permittee is required to have sufficient SO₂ allowances in its possession to cover the SO₂ emissions generated from this facility.
- d. The facility must continuously monitor, maintain, and certify monitoring systems for NO_x emissions, CO₂ or O₂ emissions, and volumetric flow rate in accordance with the requirements of 40CFR part 75. The facility shall monitor for emissions of SO₂ in accordance with the provisions of 40 CFR part 75. All required reports as applicable shall be submitted to:

U.S. Environmental Protection Agency, Headquarters	
<u>@ Postal mailing address:</u>	or <u>@ Overnight delivery address:</u>
U.S. Environmental Protection Agency Acid Rain Program (6204J) 1200 Pennsylvania Avenue, NW	U.S. Environmental Protection Agency Acid Rain Program (6204J) 1310 L Street, NW



Washington, DC 20460

Washington, DC 20005

U.S. Environmental Protection Agency, Region 2
Region II Monitoring & Assessment Branch
AWQAT (MS 220)
2890 Woodbridge Ave
Edison, NJ 09937

Air Program
NYSDEC Headquarters
625 Broadway
Albany, NY 12233
[Regional Air Pollution Control Engineer]

2. SO₂ Allowance Allocations 40CFR 73. Total Phase II SO₂ Allowances (1) from Table 2 of 40 CFR 73

<u>Unit</u>	<u>Allowance 2010 and thereafter</u>	<u>NO_x limit (2) lb/mmBTU</u>
U-00001	0 (3)	
U-00002	0 (3)	
U-00003	0 (3)	

NOTES:

- (1) The number of allowances actually held by an affected source in a unit account may differ from the number allocated by the U.S. EPA; however, this would not necessitate a revision to the unit SO₂ allowance allocations identified in this permit (See 40 CFR 72.84).
- (2) The provisions of 40 CFR Part 76 do not apply to this facility.
- (3) Units U-00001, U-00002, and U-00003 do not have allowances in Table 2 of 40 CFR Part 73.



GENERAL CONDITIONS - Apply to ALL Authorized Permits:

1. Facility Inspection by The Department ECL 19-0305 The permitted site or facility, including relevant records, is subject to inspection at reasonable hours and intervals by an authorized representative of the Department of Environmental Conservation (the Department) to determine whether the permittee is complying with this permit and the ECL. Such representative may order the work suspended pursuant to ECL 71- 0301 and SAPA 401(3).

The permittee shall provide a person to accompany the Department's representative during an inspection to the permit area when requested by the Department.

A copy of this permit, including all referenced maps, drawings and special conditions, must be available for inspection by the Department at all times at the project site or facility. Failure to produce a copy of the permit upon request by a Department representative is a violation of this permit.

2. Relationship of this Permit to Other Department Orders and Determinations ECL 3-0301 (2) (m) Unless expressly provided for by the Department, issuance of this permit does not modify, supersede or rescind any order or determination previously issued by the Department or any of the terms, conditions or requirements contained in such order or determination.

3. Applications For Permit Renewals, Modifications or Transfers 6 NYCRR 621.11 The permittee must submit a separate written application to the Department for permit renewal, modification or transfer of this permit. Such application must include any forms or supplemental information the Department requires. Any renewal, modification or transfer granted by the Department must be in writing. Submission of applications for permit renewal, modification or transfer are to be submitted to:
[RPA for General Conditions]

4. Submission of Renewal Application 6 NYCRR 621.11 The permittee must submit a renewal application at least 180 days before permit expiration for the following permit authorizations: Title IV (Phase II Acid Rain).

5. Permit Modifications, Suspensions and Revocations by the Department 6 NYCRR 621.13 The Department reserves the right to exercise all available authority to modify, suspend or revoke this permit. The grounds for modification, suspension or revocation include:

- a. materially false or inaccurate statements in the permit application or supporting papers;
- b. failure by the permittee to comply with any terms or conditions of the permit;
- c. exceeding the scope of the project as described in the permit application;
- d. newly discovered material information or a material change in environmental conditions, relevant technology or applicable law or regulations since the issuance of the existing permit;



- e. noncompliance with previously issued permit conditions, orders of the commissioner, any provisions of the Environmental Conservation Law or regulations of the Department related to the permitted activity.

6. Permit Transfer 6 NYCRR 621.11 Permits are transferrable unless specifically prohibited by statute, regulation or another permit condition. Applications for permit transfer should be submitted prior to actual transfer of ownership.

NOTIFICATION OF OTHER PERMITTEE OBLIGATIONS

Item A: Permittee Accepts Legal Responsibility and Agrees to Indemnification

The permittee, excepting state or federal agencies, expressly agrees to indemnify and hold harmless the Department of Environmental Conservation of the State of New York, its representatives, employees, and agents ("DEC") for all claims, suits, actions, and damages, to the extent attributable to the permittee's acts or omissions in connection with the permittee's undertaking of activities in connection with, or operation and maintenance of, the facility or facilities authorized by the permit whether in compliance or not in compliance with the terms and conditions of the permit. This indemnification does not extend to any claims, suits, actions, or damages to the extent attributable to DEC's own negligent or intentional acts or omissions, or to any claims, suits, or actions naming the DEC and arising under Article 78 of the New York Civil Practice Laws and Rules or any citizen suit or civil rights provision under federal or state laws.

Item B: Permittee's Contractors to Comply with Permit

The permittee is responsible for informing its independent contractors, employees, agents and assigns of their responsibility to comply with this permit, including all special conditions while acting as the permittee's agent with respect to the permitted activities, and such persons shall be subject to the same sanctions for violations of the Environmental Conservation Law as those prescribed for the permittee.

Item C: Permittee Responsible for Obtaining Other Required Permits

The permittee is responsible for obtaining any other permits, approvals, lands, easements and rights-of-way that may be required to carry out the activities that are authorized by this permit.

Item D: No Right to Trespass or Interfere with Riparian Rights

This permit does not convey to the permittee any right to trespass upon the lands or interfere with the riparian rights of others in order to perform the permitted work nor does it authorize the impairment of any rights, title, or interest in real or personal property held or vested in a person not a party to the permit.