STATEMENT OF BASIS for EFS PARLIN HOLDINGS LLC.

TITLE V OPERATING PERMIT RENEWAL

Program Interest (PI): 18061 / Permit Activity Number: BOP20001

I. FACILITY INFORMATION

EFS Parlin Holdings LLC is located at 790 Washington Road, Parlin, NJ 08859, Middlesex County and consists of an electric generation and distribution facility. The facility is owned and operated by GE Power Generation Services.

The facility is classified as a major facility based on its potential to emit 47.4 tons per year of volatile organic compounds, 231 tons per year of NOx and 191.4 tons per year of CO to the atmosphere.

This permit allows individual hazardous air pollutant to be emitted at a rate to not exceed: 62.4 pounds per year of acrolein, 6 pounds per year of arsenic compounds, 4.4 pounds per year of cadmium compounds, 426 pounds per year of manganese compounds, 12.4 pounds per year of 1,3-Butadiene, 360 pounds per year of Acetaldehyde, 142 pounds per year of Benzene, 0.186 pounds per year of Beryllium, 0.136 pounds per year of Cobalt, 280 pound per year of Ethylbenzene, 380 pounds per year of Formaldehyde, 5 pounds per year of Lead 0.0025, 32 pounds per year of Naphthalene, 5.8 pounds per year of Nickel, 42 pounds per year of Polycyclic Organic Matter, and 260 pounds per year of Propylene Oxide.

II. AREA ATTAINMENT CLASSIFICATION

The Federal Clean Air Act (CAA) sets National Ambient Air Quality Standards (NAAQS) for six common air pollutants. These commonly found air pollutants (also known as "criteria pollutants") are particulate matter, ground-level ozone, carbon monoxide (CO), sulfur dioxide (SO2), nitrogen dioxide (NO2), and lead. The US Environmental Protection Agency (USEPA) also classifies areas as "attainment" or "nonattainment" for each criteria pollutant, based on the magnitude of an area's problem. Nonattainment classifications are used to specify what air pollution reduction measures an area must adopt, and when the area must reach attainment. Currently, the entire State of New Jersey is designated as nonattainment for the 8-hour ozone NAAQS. New Jersey is designated attainment for all other pollutants. For nonattainment classification refer to https://www.epa.gov/green-book/green-book-national-area-and-county-level-multi-pollutant-information.

III. BACKGROUND AND HISTORY

The equipment that emits air contaminants from this facility include: two gas combustion turbines [556 (Natural Gas) and 539 (Ultra Low Sulfur Distillate fuel oil) MM Btu/hr], two duct burners (100 MMBtu/hr), and two GT starting diesel engines. The combustion turbines are equipped with selective catalytic reduction systems with no less 90% reduction efficiency for nitrogen oxides compound emissions.

Table 1 - Operating Permit Revision History (located at the end of this document) provides a summary of all the changes that have been incorporated into the operating permit through seven-day notice changes, administrative amendments, minor modifications, or significant modifications since the approval of the initial operating permit or the most recent renewal thereof. Please refer to the attached explanation sheet for the structure and configuration of conditions of approval, included in the Facility Specific Requirements section of this permit.

Health Risk Assessment was conducted as part of the review of this permit application and health risk was determined to be negligible consistent with NJDEP Technical Manual 1003.

This is a Permit Renewal and includes the following changes:

There are no proposed changes to air contaminants.

IV. BASIS FOR MONITORING AND RECORDKEEPING REQUIREMENTS

The facility's operating permit includes monitoring, recordkeeping and reporting requirements that are sufficient to demonstrate the facility's continued compliance with the applicable requirements consistent with the following:

1. Provisions to implement the testing and monitoring requirements of N.J.A.C. 7:27-22.18, the recordkeeping and reporting requirements of N.J.A.C. 7:27-22.19, and all emissions monitoring and analysis procedures or compliance assurance methods required under the applicable requirements, including any procedures and methods promulgated pursuant to 40 CFR 64; and

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- Where the applicable requirement does not require direct periodic monitoring of emissions, the Department requires periodic monitoring of surrogate parameters sufficient to yield reliable data from the relevant time period that are representative of the facility's compliance with the permit. In this case, monitoring of fuel consumption is required for turbines for purposes of monitoring compliance with the NOx limit, temperature monitoring is required for the SCR for purposes of monitoring compliance with the NOx limit.
- 3. In some cases, direct periodic monitoring of emissions and/or surrogate parameters is not required due to one or more of the following:
 - Equipment size and capacity limitations,
 - Subject equipment being permitted at the maximum rated capacity,
 - There is no specific state or Federal standard that applies to this piece of equipment,
 - Not a pollutant of concern for this piece of equipment,
 - Agreements with EPA on the frequency of testing and monitoring for combustion sources.

V. APPLICABLE STATE AND FEDERAL RULES

The facility is subject to New Jersey Air Pollution Control Regulations, codified in N.J.A.C. 7:27-1 through 34, as applicable. A complete text of these regulations is available at: http://www.nj.gov/dep/agm/rules27.html

The facility is also subject to Federal regulations listed below.

NSPS Subpart A: General Provisions.

NSPS Subpart GG: Standard of Performance for Stationary Gas Turbines.

MACT Subpart ZZZZ: National Emissions Standards for Hazardous Air Pollutants for Stationary

Reciprocating Internal Combustion Engines.

40 CFR Part 72: Acid Rain Permit.

40 CFR Part 97: Cross State Air Pollution Rule.

The Greenhouse Gas (GHG) emissions from this facility are 668,278 TPY CO2e and there is no GHG emissions increase. This renewal is not subject to PSD rules at 40 CFR 52.21.

VI. FACILITY'S COMPLIANCE STATUS

The Responsible Official at the facility has certified that the facility currently meets all applicable requirements of the Federal Clean Air Act and the New Jersey Air Pollution Control Act. Based on this certification, the Department's evaluation of the information included in the facility's application, and a review of the facility's compliance status, the Department has concluded that this air pollution control operating permit should be approved.

The facility has submitted a timely and complete application to renew their operating permit and an application shield is in effect.

This operating permit also includes a permit shield, pursuant to the provisions of N.J.A.C. 7:27-22.17. A permit shield provides that compliance with the relevant conditions of the operating permit shall be deemed compliance with the specific applicable requirements that are in effect on the date of issuance of the draft operating permit, and which form the basis for the conditions in the operating permit.

Also, prior to the expiration of the five-year period, the facility will be required to apply for a renewal of this operating permit, at which time the Department will evaluate the facility and issue a public notice with its findings.

VII. EXEMPT ACTIVITIES

The facility's operating permit does not include exempt activities such as office and interior maintenance activities, maintenance shop activities, food preparation facilities, cafeterias and dining rooms, etc. A

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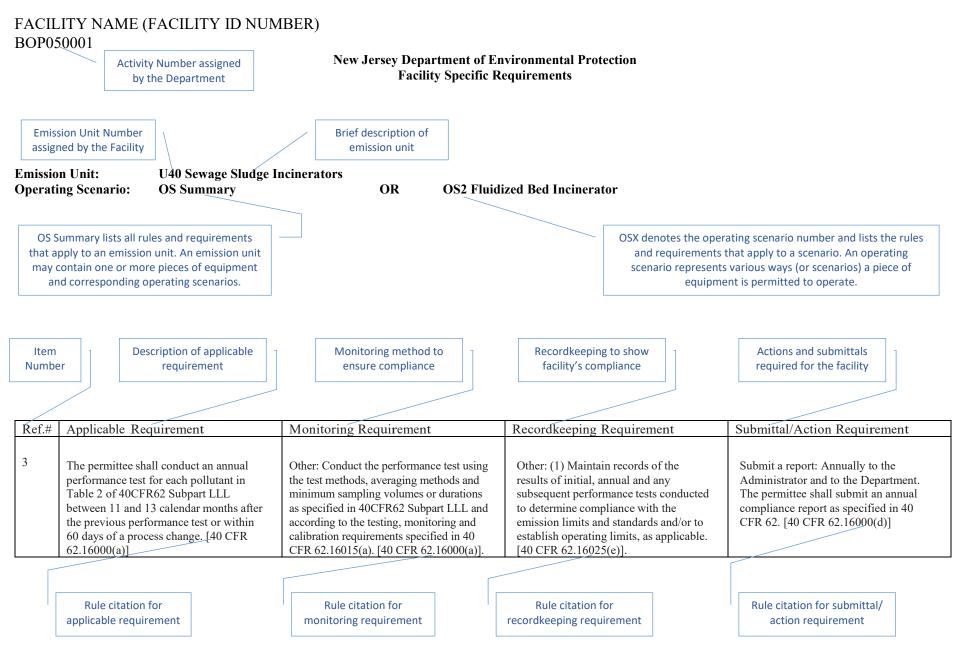
complete list of exempt activities, as allowed by the Operating Permit rule, can be found at N.J.A.C. 7:27-22.1.

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Table 1 - Operating Permit Revision History

Permit	Type of	Description of Revision	Final
Activity	Revision		Action
Number			Date
BOP200002	Admin Amendment	This administrative amendment is being filed to change the Responsible Official from Mr. Mark Mellana to Mr. William Poleway. In addition Mr. Poleway will be listed as the Owner (Current Primary) and Mr. Edmund Sidorski will be listed as the contact for the Air Permit and General Contact.	9/15/20
BOP190001	Minor Modification	In accordance with N.J.A.C. 7:27-22.23, this Minor Modification is being submitted to incorporate the requirements to conform to New Jersey re-entering the Regional Greenhouse Gas Initiative (RGGI) program in accordance with N.J.A.C.7:27C3.3.	1/21/20

5/31/19



Explanation Sheet for Facility Specific Requirements

5/31/19