

**New York State Department of Environmental Conservation
Facility DEC ID: 2620300038**



**PERMIT
Under the Environmental Conservation Law (ECL)**

IDENTIFICATION INFORMATION

Permit Type: Air State Facility
Permit ID: 2-6203-00038/00003
Mod 0 Effective Date: 09/18/2002 Expiration Date: No expiration date.
Mod 1 Effective Date: 09/03/2003 Expiration Date: No expiration date.
Mod 2 Effective Date: 03/18/2004 Expiration Date: No expiration date.

Permit Issued To: ESPLANADE GARDENS INC
2569 7TH AVENUE
NEW YORK, NY 10039-3202

Contact: GEORGIA KOKASON
ESPLANADE GARDENS INC
2569 ADAM CLAYTON POWEL JR BLVD
NEW YORK, NY 10039
(212) 368-2700

Facility: ESPLANADE GARDENS INC
101 WEST 147TH STREET
NEW YORK, NY 10039

Contact: BRENDA HUNDLEY
ESPLANADE GARDENS INC
2569 ADAM CLAYTON POWELL JR BLVD
NEW YORK, NY 10039
(212) 368-2700

Description:
THE STATE FACILITY PERMIT IS MODIFIED IN ORDER TO CHANGE THE REMOVAL DATE
FOR TWO TEMPORARY BOILERS FROM 03/31/2004 TO 08/31/2004.

New York State Department of Environmental Conservation
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By acceptance of this permit, the permittee agrees that the permit is contingent upon strict compliance with the ECL, all applicable regulations, the General Conditions specified and any Special Conditions included as part of this permit.

Permit Administrator: JOHN F CRYAN
 DIVISION OF ENVIRONMENTAL PERMITS
 ONE HUNTERS POINT PLAZA, 47-40 21ST STREET
 LONG ISLAND CITY, NY 11101-5407

Authorized Signature: _____ Date: ____ / ____ / ____



Notification of Other State Permittee Obligations

Item A: Permittee Accepts Legal Responsibility and Agrees to Indemnification

The permittee 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.



LIST OF CONDITIONS

DEC GENERAL CONDITIONS

General Provisions

Facility Inspection by the Department

Relationship of this Permit to Other Department Orders and Determinations

Applications for Permit Renewals and Modifications

Permit Modifications, Suspensions and Revocations by the Department

Facility Level

Submission of Applications for Permit Modification or Renewal-REGION 2

HEADQUARTERS



DEC GENERAL CONDITIONS
****** General Provisions ******
GENERAL CONDITIONS - Apply to ALL Authorized Permits.

Condition 1: Facility Inspection by the Department
Applicable State Requirement: ECL 19-0305

Item 1.1:

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).

Item 1.2:

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

Item 1.3:

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.

Condition 2: Relationship of this Permit to Other Department Orders and Determinations
Applicable State Requirement: ECL 3-0301.2(m)

Item 2.1:

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.

Condition 3: Applications for Permit Renewals and Modifications
Applicable State Requirement: 6NYCRR 621.13

Item 3.1:

The permittee must submit a separate written application to the Department for 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.

Item 3.2:

The permittee must submit a renewal application at least 180 days before expiration of permits for Title V Facility Permits, or at least 30 days before expiration of permits for State Facility Permits.

Item 3.3:

Permits are transferrable with the approval of the department unless specifically prohibited by the statute, regulation or another permit condition. Applications for permit transfer should be submitted prior to actual

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transfer of ownership.

Condition 4: Permit Modifications, Suspensions and Revocations by the Department
Applicable State Requirement: 6NYCRR 621.14

Item 4.1:

The Department reserves the right to modify, suspend, or revoke this permit in accordance with 6NYCRR Part 621. 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.

****** Facility Level ******

Condition 5: Submission of Applications for Permit Modification or Renewal-REGION 2 HEADQUARTERS
Applicable State Requirement: 6NYCRR 621.5(a)

Item 5.1:

Submission of applications for permit modification or renewal are to be submitted to:

NYSDEC Regional Permit Administrator
Region 2 Headquarters
Division of Environmental Permits
1 Hunters Point Plaza, 4740 21st Street
Long Island City, NY 11101-5407
(718) 482-4997



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Permit Under the Environmental Conservation Law (ECL)

ARTICLE 19: AIR POLLUTION CONTROL - AIR STATE FACILITY PERMIT

IDENTIFICATION INFORMATION

Permit Issued To: ESPLANADE GARDENS INC
2569 7TH AVENUE
NEW YORK, NY 10039-3202

Facility: ESPLANADE GARDENS INC
101 WEST 147TH STREET
NEW YORK, NY 10039

Authorized Activity By Standard Industrial Classification Code:
6514 - DWELLING OPERATORS, EXC. APART

Mod 0 Permit Effective Date: 09/18/2002

Permit Expiration Date: No expiration date.



LIST OF CONDITIONS

FEDERALLY ENFORCEABLE CONDITIONS

Facility Level

- 1 6NYCRR 201-7.2: Facility Permissible Emissions
- *1-1 6NYCRR 201-7.2: Compliance Demonstration
- 3 6NYCRR 201-7.2(e): Compliance Demonstration
- 5 6NYCRR 202-1: Compliance Demonstration
- 6 6NYCRR 202-1.2: Notification
- 7 6NYCRR 202-1.3(a): Acceptable procedures
- 8 6NYCRR 225-1.2(a)(2): Compliance Demonstration
- 9 6NYCRR 225-1.8: Compliance Demonstration
- 10 6NYCRR 227-1.3(a): Compliance Demonstration
- 11 40CFR 60.8(a), NSPS Subpart A: Performance testing timeline.
- 12 40CFR 60.8(b), NSPS Subpart A: Performance test methods.

Emission Unit Level

EU=U-C0001

- 13 40CFR 60.43c(c), NSPS Subpart Dc: Compliance Demonstration
- 14 40CFR 60.48c(a), NSPS Subpart Dc: Compliance Demonstration

EU=U-C0001,Proc=003

- 15 40CFR 60.42c(d), NSPS Subpart Dc: Fuel Sulfur Limitation
- 16 40CFR 60.42c(h), NSPS Subpart Dc: Exemption from the averaging period.
- 17 40CFR 60.42c(i), NSPS Subpart Dc: Enforceability.
- 18 40CFR 60.48c(f)(1), NSPS Subpart Dc: Compliance Demonstration

STATE ONLY ENFORCEABLE CONDITIONS

Facility Level

- 19 ECL 19-0301: Contaminant List
- 20 6NYCRR 201-1.4: Unavoidable noncompliance and violations
- 21 6NYCRR 201-5: Emission Unit Definition
- 22 6NYCRR 211.2: Air pollution prohibited

Emission Unit Level

- 23 6NYCRR 201-5: Emission Point Definition By Emission Unit
- 24 6NYCRR 201-5: Process Definition By Emission Unit

NOTE: * preceding the condition number indicates capping. Mod 1 Permit Effective Date: 09/03/2003 Permit Expiration Date: No expiration date.

Mod 2 Permit Effective Date: 03/18/2004

Permit Expiration Date: No expiration date.



FEDERALLY ENFORCEABLE CONDITIONS

****** Facility Level ******

NOTIFICATION OF GENERAL PERMITTEE OBLIGATIONS

This section contains terms and conditions which are federally enforceable. Permittees may also have other obligations under regulations of general applicability

Item A: Sealing - 6NYCRR Part 200.5

The Commissioner may seal an air contamination source to prevent its operation if compliance with 6 NYCRR Chapter III is not met within the time provided by an order of the Commissioner issued in the case of the violation.

Sealing means labeling or tagging a source to notify any person that operation of the source is prohibited, and also includes physical means of preventing the operation of an air contamination source without resulting in destruction of any equipment associated with such source, and includes, but is not limited to, bolting, chaining or wiring shut control panels, apertures or conduits associated with such source.

No person shall operate any air contamination source sealed by the Commissioner in accordance with this section unless a modification has been made which enables such source to comply with all requirements applicable to such modification.

Unless authorized by the Commissioner, no person shall remove or alter any seal affixed to any contamination source in accordance with this section.

Item B: Acceptable Ambient Air Quality - 6NYCRR Part 200.6

Notwithstanding the provisions of 6 NYCRR Chapter III, Subchapter A, no person shall allow or permit any air contamination source to emit air contaminants in quantities which alone or in combination with emissions from other air contamination sources would contravene any applicable ambient air quality standard and/or cause air pollution. In such cases where contravention occurs or may occur, the Commissioner shall specify the degree and/or method of emission control required.

Item C: Maintenance of Equipment - 6NYCRR Part 200.7

Any person who owns or operates an air contamination

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source which is equipped with an emission control device shall operate such device and keep it in a satisfactory state of maintenance and repair in accordance with ordinary and necessary practices, standards and procedures, inclusive of manufacturer's specifications, required to operate such device effectively.

Item D: Unpermitted Emission Sources - 6NYCRR Part 201-1.2

If an existing emission source was subject to the permitting requirements of 6NYCRR Part 201 at the time of construction or modification, and the owner and/or operator failed to apply for a permit for such emission source then the following provisions apply:

(a) The owner and/or operator must apply for a permit for such emission source or register the facility in accordance with the provisions of Part 201.

(b) The emission source or facility is subject to all regulations that were applicable to it at the time of construction or modification and any subsequent requirements applicable to existing sources or facilities.

Item E: Emergency Defense - 6NYCRR Part 201-1.5

An emergency constitutes an affirmative defense to an action brought for noncompliance with emissions limitations or permit conditions for all facilities in New York State.

(a) The affirmative defense of emergency shall be demonstrated through properly signed, contemporaneous operating logs, or other relevant evidence that:

(1) An emergency occurred and that the facility owner and/or operator can identify the cause(s) of the emergency;

(2) The equipment at the permitted facility causing the emergency was at the time being properly operated;

(3) During the period of the emergency the facility owner and/or operator took all reasonable steps to minimize levels of emissions that exceeded the emission standards, or other requirements in the permit; and

(4) The facility owner and/or operator notified the Department within two working days after the event



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occurred. This notice must contain a description of the emergency, any steps taken to mitigate emissions, and corrective actions taken.

(b) In any enforcement proceeding, the facility owner and/or operator seeking to establish the occurrence of an emergency has the burden of proof.

(c) This provision is in addition to any emergency or upset provision contained in any applicable requirement.

Item F: Recycling and Salvage - 6NYCRR Part 201-1.7

Where practical, any person who owns or operates an air contamination source shall recycle or salvage air contaminants collected in an air cleaning device according to the requirements of 6 NYCRR.

Item G: Prohibition of Reintroduction of Collected Contaminants to the Air - 6NYCRR Part 201-1.8

No person shall unnecessarily remove, handle, or cause to be handled, collected air contaminants from an air cleaning device for recycling, salvage or disposal in a manner that would reintroduce them to the outdoor atmosphere.

Item H: Proof of Eligibility for Sources Defined as Exempt Activities - 6 NYCRR Part 201-3.2(a)

The owner and/or operator of an emission source or unit that is eligible to be exempt, may be required to certify that it operates within the specific criteria described in 6 NYCRR Subpart 201-3. The owner or operator of any such emission source must maintain all required records on-site for a period of five years and make them available to representatives of the Department upon request. Department representatives must be granted access to any facility which contains emission sources or units subject to 6 NYCRR Subpart 201-3, during normal operating hours, for the purpose of determining compliance with this and any other state and federal air pollution control requirements, regulations, or law.

Item I: Proof of Eligibility for Sources Defined as Trivial Activities - 6 NYCRR Part 201-3.3(a)

The owner and/or operator of an emission source or unit that is listed as being trivial in 6 NYCRR Part 201 may be required to certify that it operates within the specific



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criteria described in 6 NYCRR Subpart 201-3. The owner or operator of any such emission source must maintain all required records on-site for a period of five years and make them available to representatives of the Department upon request. Department representatives must be granted access to any facility which contains emission sources or units subject to 6 NYCRR Subpart 201-3, during normal operating hours, for the purpose of determining compliance with this and any other state and federal air pollution control requirements, regulations, or law.

Item J: Required Emission Tests - 6 NYCRR Part 202-1.1

An acceptable report of measured emissions shall be submitted, as may be required by the Commissioner, to ascertain compliance or noncompliance with any air pollution code, rule, or regulation. Failure to submit a report acceptable to the Commissioner within the time stated shall be sufficient reason for the Commissioner to suspend or deny an operating permit. Notification and acceptable procedures are specified in 6NYCRR Part 202-1.

Item K: Visible Emissions Limited - 6 NYCRR Part 211.3

Except as permitted by a specific part of this Subchapter and for open fires for which a restricted burning permit has been issued, no person shall cause or allow any air contamination source to emit any material having an opacity equal to or greater than 20 percent (six minute average) except for one continuous six-minute period per hour of not more than 57 percent opacity.

Item L: Open Fires - 6 NYCRR Part 215

No person shall burn, cause, suffer, allow or permit the burning in an open fire of garbage, rubbish for salvage, or rubbish generated by industrial or commercial activities.

Item M: Permit Exclusion - ECL 19-0305

The issuance of this permit by the Department and the receipt thereof by the Applicant does not and shall not be construed as barring, diminishing, adjudicating or in any way affecting any legal, administrative or equitable rights or claims, actions, suits, causes of action or demands whatsoever that the Department may have against the Applicant for violations based on facts and circumstances alleged to have occurred or existed prior to the effective date of this permit, including, but not

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limited to, any enforcement action authorized pursuant to the provisions of applicable federal law, the Environmental Conservation Law of the State of New York (ECL) and Chapter III of the Official Compilation of the Codes, Rules and Regulations of the State of New York (NYCRR). The issuance of this permit also shall not in any way affect pending or future enforcement actions under the Clean Air Act brought by the United States or any person.

Item N: Federally Enforceable Requirements - 40 CFR 70.6(b)

All terms and conditions in this permit required by the Act or any applicable requirement, including any provisions designed to limit a facility's potential to emit, are enforceable by the Administrator and citizens under the Act. The Department has, in this permit, specifically designated any terms and conditions that are not required under the Act or under any of its applicable requirements as being enforceable under only state regulations.

FEDERAL APPLICABLE REQUIREMENTS

The following conditions are federally enforceable.

Condition 1: Facility Permissible Emissions

Effective between the dates of 09/18/2002 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 201-7.2

Item 1.1:

The sum of emissions from the emission units specified in this permit shall not equal or exceed the following Potential To Emit (PTE) rate for each regulated contaminant:

CAS No: 0NY210-00-0 (From Mod 2) PTE: 49,800 pounds per year
Name: OXIDES OF NITROGEN

Condition 1-1: Compliance Demonstration

Effective between the dates of 09/03/2003 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 201-7.2

Item 1-1.1:

The Compliance Demonstration activity will be performed for the Facility.

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Regulated Contaminant(s):

CAS No: 0NY210-00-0 OXIDES OF NITROGEN

Item 1-1.2:

Compliance Demonstration shall include the following monitoring:

Capping: Yes

Monitoring Type: MONITORING OF PROCESS OR CONTROL
DEVICE PARAMETERS AS SURROGATE

Monitoring Description:

THE FACILITY BOILERS WHICH FIRE DUAL
FUELS SHALL MAINTAIN A RECORD OF THE
QUANTITY OF EACH FUEL FIRED. ALSO, THE
OWNER OR OPERATOR SHALL CALCULATE (BASED
ON THE FUEL QUANTITIES) THE NO_x EMISSIONS
USING THE FOLLOWING FORMULA:

$D(0.02 \text{ LB/GAL}) + G(36.3 \text{ LB/MMCFT}) <$
49800 LBS/YR (OR LESS THAN 24.9 TONS/YR)
OF OXIDES OF NITROGEN
EMISSIONS

WHERE:

D = 12-MONTH ROLLING TOTAL OF DISTILLATE
OIL FIRED IN GAL/YR;
G = 12-MONTH ROLLING TOTAL OF NATURAL GAS
FIRED IN MMSCF/YR;
0.02 LB OF NO_x/GAL OF #2 OIL - AP-42
EMISSION FACTOR;
36.3 LB OF NO_x/MMSCFT OF NAT GAS -
EMISSION FACTOR WHICH MUST BE
DEMONSTRATED THROUGH THE STACK TEST.

Parameter Monitored: OXIDES OF NITROGEN

Upper Permit Limit: 24.9 tons per year

Monitoring Frequency: MONTHLY

Averaging Method: ANNUAL MAXIMUM ROLLED MONTHLY

Reporting Requirements: ANNUALLY (ANNIVERSARY)

Initial Report Due: 10/17/2003 for the period 09/03/2003 through 09/17/2003

Condition 3: Compliance Demonstration
Effective between the dates of 09/18/2002 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 201-7.2(e)

Item 3.1:



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The Compliance Demonstration activity will be performed for the Facility.

Item 3.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

On an annual basis beginning one year after the granting of an emissions cap, the responsible official shall provide a certification to the Department that the facility has operated within the limits imposed by the emissions cap. This certification shall include a brief summary of the emissions subject to the cap for that time period and a comparison to those threshold values that would require compliance with an applicable requirement.

Monitoring Frequency: MONTHLY

Averaging Method: ANNUAL MAXIMUM ROLLED MONTHLY

Reporting Requirements: ANNUALLY (ANNIVERSARY)

Initial Report Due: 10/17/2003 for the period 09/18/2002 through 09/17/2003

Condition 5: Compliance Demonstration
Effective between the dates of 09/18/2002 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 202-1

Item 5.1:

The Compliance Demonstration activity will be performed for the facility:

The Compliance Demonstration applies to:

Emission Unit: U-C0001

Regulated Contaminant(s):

CAS No: 0NY210-00-0 OXIDES OF NITROGEN

Item 5.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: INTERMITTENT EMISSION TESTING

Monitoring Description:

NATURAL GAS EMISSION FACTOR OF 36.3
LB/MMSCF MUST BE DEMONSTRATED THROUGH THE
STACK TEST.

Upper Permit Limit: 36.3 pounds per million cubic feet

Reference Test Method: EPA 40CFR 60, APP. A

Monitoring Frequency: ONCE DURING THE TERM OF THE PERMIT



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Averaging Method: MAXIMUM - NOT TO BE EXCEEDED AT ANY
TIME (INSTANTANEOUS/DISCRETE OR GRAB)

Reporting Requirements: ONCE / BATCH OR MONITORING OCCURRENCE

Condition 6: Notification

Effective between the dates of 09/18/2002 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 202-1.2

Item 6.1:

A person who is required by the commissioner to submit a stack test report shall notify the commissioner, in writing, not less than 30 days prior to the test, of the time and date of the test. Such notification shall also include the acceptable procedures to be used to stack test including sampling and analytical procedures. Such person shall allow the commissioner, or his representative, free access to observe stack testing being conducted by such person.

Condition 7: Acceptable procedures

Effective between the dates of 09/18/2002 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 202-1.3(a)

Item 7.1:

Emission testing, sampling and analytical determinations to ascertain compliance with this Subchapter shall be conducted in accordance with test methods acceptable to the commissioner. The Reference Methods contained in part 60, appendix A and part 61, appendix B of title 40 of the Code of Federal Regulations and all future technical revisions, additions or corrections made thereto shall be considered as acceptable test methods for those sources and contaminants for which they are expressly applicable, except where the commissioner has issued a specific method to be used instead of a Reference Method contained in these Federal regulations or where the commissioner determines that one or more alternate methods are also acceptable. The person who owns or operates an air contamination source shall submit the emission test report in triplicate, to the commissioner within 60 days after the completion of tests. In the event such source owner/operator can demonstrate to the commissioner such time is not sufficient, he may request in writing and be granted an extension. Where an opacity emission standard is applicable to the source tested, the emission test report shall include the opacity observation.

Condition 8: Compliance Demonstration

Effective between the dates of 09/18/2002 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 225-1.2(a)(2)

Item 8.1:

The Compliance Demonstration activity will be performed for the Facility.

Item 8.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: WORK PRACTICE INVOLVING SPECIFIC

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OPERATIONS

Monitoring Description:

No person will sell, offer for sale, purchase or use any distillate oil fuel which contains sulfur in a quantity exceeding the following limitation.

Work Practice Type: PARAMETER OF PROCESS MATERIAL

Process Material: DISTILLATES - NUMBER 1 AND NUMBER 2 OIL

Parameter Monitored: SULFUR CONTENT

Upper Permit Limit: 0.2 percent by weight

Monitoring Frequency: PER DELIVERY

Averaging Method: MAXIMUM - NOT TO BE EXCEEDED AT ANY TIME (INSTANTANEOUS/DISCRETE OR GRAB)

Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

Condition 9: Compliance Demonstration
Effective between the dates of 09/18/2002 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 225-1.8

Item 9.1:

The Compliance Demonstration activity will be performed for the Facility.

Item 9.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

Upon request the owner or operator of a facility which purchases and fires coal or oil shall submit reports to the commissioner containing a fuel analysis, information on the quantity of the fuel received, burned, and results of any stack sampling, stack monitoring and any other procedures to ensure compliance with the provisions of 6 NYCRR Part 225-1. All records shall be available for a minimum of three years.

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING DESCRIPTION

Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

Condition 10: Compliance Demonstration
Effective between the dates of 09/18/2002 and Permit Expiration Date

Applicable Federal Requirement: 6NYCRR 227-1.3(a)

Item 10.1:



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The Compliance Demonstration activity will be performed for the Facility.

Item 10.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: MONITORING OF PROCESS OR CONTROL
DEVICE PARAMETERS AS SURROGATE

Monitoring Description:

No owner or operator of a combustion installation shall emit greater than 20 percent opacity except for one six minute period per hour, not to exceed 27 percent, based upon the six minute average in reference test method 9 in Appendix A of 40 CFR 60.

Parameter Monitored: OPACITY

Upper Permit Limit: 20 percent

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING
DESCRIPTION

Averaging Method: 6-MINUTE AVERAGE (METHOD 9)

Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

Condition 11: Performance testing timeline.

Effective between the dates of 09/18/2002 and Permit Expiration Date

Applicable Federal Requirement: 40CFR 60.8(a), NSPS Subpart A

Item 11.1:

Within 60 days after achieving the maximum production rate, but not later than 180 days after initial startup of the facility, the owner or operator of the facility shall conduct performance testing and provide the results of such tests, in a written report, to the Administrator.

Condition 12: Performance test methods.

Effective between the dates of 09/18/2002 and Permit Expiration Date

Applicable Federal Requirement: 40CFR 60.8(b), NSPS Subpart A

Item 12.1:

Performance testing shall be conducted in accordance with the methods and procedures prescribed in 40 CFR 60 or by alternative methods and procedures approved by the Administrator.

****** Emission Unit Level ******

Condition 13: Compliance Demonstration

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Applicable Federal Requirement: 40CFR 60.43c(c), NSPS Subpart Dc

Item 13.1:

The Compliance Demonstration activity will be performed for:

Emission Unit: U-C0001

Regulated Contaminant(s):

CAS No: 0NY075-00-0 PARTICULATES

Item 13.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: MONITORING OF PROCESS OR CONTROL
DEVICE PARAMETERS AS SURROGATE

Monitoring Description:

On and after the date on which the initial performance test is completed or required to be completed under §60.8 of this part, whichever date comes first, no owner or operator of an affected facility that combusts coal, wood or oil and has a heat input capacity of 30 million BTU per hour or greater shall cause to be discharged into the atmosphere from an affected facility any gases that exhibit greater than 20 percent opacity (6-minute average), except for one 6-minute period per hour of not more than 27 percent opacity.

Parameter Monitored: OPACITY

Upper Permit Limit: 20.0 percent

Reference Test Method: Method 9

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING
DESCRIPTION

Averaging Method: 6-MINUTE AVERAGE (METHOD 9)

Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY

Condition 14: Compliance Demonstration

Effective between the dates of 09/18/2002 and Permit Expiration Date

Applicable Federal Requirement: 40CFR 60.48c(a), NSPS Subpart Dc

Item 14.1:

The Compliance Demonstration activity will be performed for:

Emission Unit: U-C0001

Item 14.2:

Compliance Demonstration shall include the following monitoring:

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Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

The owner and operator of each affected facility shall submit notification of the date of construction or reconstruction, anticipated startup, and actual startup, as provided by 40 CFR 60.7 of this part. This notification shall include:

- (1) The design heat input capacity of the affected facility and identification of fuels to be combusted in the affected facility.
- (2) If applicable, a copy of any Federally enforceable requirement that limits the annual capacity factor for any fuel or mixture of fuels under 40 CFR 60.42c., or 40 CFR 60.43c.
- (3) The annual capacity factor at which the owner or operator anticipates operating the affected facility based on all fuels fired and based on each individual fuel fired.

Monitoring Frequency: SINGLE OCCURRENCE

Reporting Requirements: AS REQUIRED - SEE MONITORING DESCRIPTION

Condition 15: Fuel Sulfur Limitation
Effective between the dates of 09/18/2002 and Permit Expiration Date

Applicable Federal Requirement: 40CFR 60.42c(d), NSPS Subpart Dc

Item 15.1:

This Condition applies to Emission Unit: U-C0001
Process: 003

Item 15.2:

The permittee shall not fire fuel oil which exceeds 0.50 percent sulfur by weight.

Condition 16: Exemption from the averaging period.
Effective between the dates of 09/18/2002 and Permit Expiration Date

Applicable Federal Requirement: 40CFR 60.42c(h), NSPS Subpart Dc

Item 16.1:

This Condition applies to Emission Unit: U-C0001
Process: 003



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Item 16.2:

Compliance with emission limits and/or fuel oil sulfur limitations shall be based on a certification from the fuel supplier as stated in paragraph 40 CFR 60-Dc.48c(f)(1), (2), or (3) as applicable.

Condition 17: Enforceability.

Effective between the dates of 09/18/2002 and Permit Expiration Date

Applicable Federal Requirement: 40CFR 60.42c(i), NSPS Subpart Dc

Item 17.1:

This Condition applies to Emission Unit: U-C0001
Process: 003

Item 17.2:

The sulfur dioxide emission limits, percentage reductions, and fuel oil sulfur limitations shall apply at all times, including periods of startup, shutdown, and malfunction.

Condition 18: Compliance Demonstration

Effective between the dates of 09/18/2002 and Permit Expiration Date

Applicable Federal Requirement: 40CFR 60.48c(f)(1), NSPS Subpart Dc

Item 18.1:

The Compliance Demonstration activity will be performed for:

Emission Unit: U-C0001
Process: 003

Regulated Contaminant(s):
CAS No: 007446-09-5 SULFUR DIOXIDE

Item 18.2:

Compliance Demonstration shall include the following monitoring:

Monitoring Type: RECORD KEEPING/MAINTENANCE PROCEDURES

Monitoring Description:

Fuel supplier certification shall include the following information for distillate oil:

i) The name of the oil supplier, and

ii) A statement from the oil supplier that the oil complies with the specifications under the definition of distillate oil in §60.41c. 60-Dc 41c defines distillate oil as fuel that complies with the specifications for fuel oil numbers 1 or 2, as defined by the American Society for Testing and Materials in ASTM D396-78, A standard

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Specification for Fuel Oils.

Monitoring Frequency: AS REQUIRED - SEE PERMIT MONITORING
DESCRIPTION

Reporting Requirements: UPON REQUEST BY REGULATORY AGENCY



STATE ONLY ENFORCEABLE CONDITIONS

****** Facility Level ******

NOTIFICATION OF GENERAL PERMITTEE OBLIGATIONS

This section contains terms and conditions which are not federally enforceable. Permittees may also have other obligations under regulations of general applicability

Item A: Public Access to Recordkeeping for Facilities With State Facility Permits - 6NYCRR Part 201-1.10(a)

Where emission source owners and/or operators keep records pursuant to compliance with the operational flexibility requirements of 6 NYCRR Subpart 201-5.4(b)(1) , and/or the emission capping requirements of 6 NYCRR Subparts 201-7.2(d), 201-7.3(f), 201-7.3(g), 201-7.3(h)(5), 201-7.3(i) and 201-7.3(j), the Department will make such records available to the public upon request in accordance with 6 NYCRR Part 616 - Public Access to Records. Emission source owners and/or operators must submit the records required to comply with the request within sixty working days of written notification by the Department of receipt of the request.

Item B: General Provisions for State Enforceable Permit Terms and Condition - 6 NYCRR Part 201-5

Any person who owns and/or operates stationary sources shall operate and maintain all emission units and any required emission control devices in compliance with all applicable Parts of this Chapter and existing laws, and shall operate the facility in accordance with all criteria, emission limits, terms, conditions, and standards in this permit. Failure of such person to properly operate and maintain the effectiveness of such emission units and emission control devices may be sufficient reason for the Department to revoke or deny a permit.

The owner or operator of the permitted facility must maintain all required records on-site for a period of five years and make them available to representatives of the Department upon request. Department representatives must be granted access to any facility regulated by this Subpart, during normal operating hours, for the purpose of determining compliance with this and any other state and federal air pollution control requirements, regulations or

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law.

STATE ONLY APPLICABLE REQUIREMENTS

The following conditions are state only enforceable.

Condition 19: Contaminant List
Effective between the dates of 09/18/2002 and Permit Expiration Date

Applicable State Requirement: ECL 19-0301

Item 19.1:

Emissions of the following contaminants are subject to contaminant specific requirements in this permit(emission limits, control requirements or compliance monitoring conditions).

CAS No: 0NY210-00-0
Name: OXIDES OF NITROGEN

CAS No: 0NY075-00-0
Name: PARTICULATES

CAS No: 007446-09-5
Name: SULFUR DIOXIDE

Condition 20: Unavoidable noncompliance and violations
Effective between the dates of 09/18/2002 and Permit Expiration Date

Applicable State Requirement: 6NYCRR 201-1.4

Item 20.1:

At the discretion of the commissioner a violation of any applicable emission standard for necessary scheduled equipment maintenance, start-up/shutdown conditions and malfunctions or upsets may be excused if such violations are unavoidable. The following actions and recordkeeping and reporting requirements must be adhered to in such circumstances.

(a) The facility owner and/or operator shall compile and maintain records of all equipment maintenance or start-up/shutdown activities when they can be expected to result in an exceedance of any applicable emission standard, and shall submit a report of such activities to the commissioner's representative when requested to do so in writing or when so required by a condition of a permit issued for the corresponding air contamination source except where conditions elsewhere in this permit which contain more stringent reporting and notification provisions for an applicable requirement, in which case they supercede those stated here. Such reports shall describe why the violation was unavoidable and shall include the time, frequency and duration of the maintenance and/or start-up/shutdown activities and the identification of air contaminants, and the estimated emission rates. If a facility owner and/or operator is subject to continuous stack monitoring and quarterly reporting requirements, he need not submit reports



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for equipment maintenance or start-up/shutdown for the facility to the commissioner's representative.

(b) In the event that emissions of air contaminants in excess of any emission standard in 6 NYCRR Chapter III Subchapter A occur due to a malfunction, the facility owner and/or operator shall report such malfunction by telephone to the commissioner's representative as soon as possible during normal working hours, but in any event not later than two working days after becoming aware that the malfunction occurred. Within 30 days thereafter, when requested in writing by the commissioner's representative, the facility owner and/or operator shall submit a written report to the commissioner's representative describing the malfunction, the corrective action taken, identification of air contaminants, and an estimate of the emission rates. These reporting requirements are superseded by conditions elsewhere in this permit which contain reporting and notification provisions for applicable requirements more stringent than those above.

(c) The Department may also require the owner and/or operator to include in reports described under (a) and (b) above an estimate of the maximum ground level concentration of each air contaminant emitted and the effect of such emissions depending on the deviation of the malfunction and the air contaminants emitted.

(d) In the event of maintenance, start-up/shutdown or malfunction conditions which result in emissions exceeding any applicable emission standard, the facility owner and/or operator shall take appropriate action to prevent emissions which will result in contravention of any applicable ambient air quality standard. Reasonably available control technology, as determined by the commissioner, shall be applied during any maintenance, start-up/shutdown or malfunction condition subject to this paragraph.

(e) In order to have a violation of a federal regulation (such as a new source performance standard or national emissions standard for hazardous air pollutants) excused, the specific federal regulation must provide for an affirmative defense during start-up, shutdowns, malfunctions or upsets.

Condition 21: Emission Unit Definition
Effective between the dates of 09/18/2002 and Permit Expiration Date

Applicable State Requirement: 6NYCRR 201-5

Item 21.1(From Mod 2):

The facility is authorized to perform regulated processes under this permit for:

Emission Unit: U-C0002

Emission Unit Description:

This emission unit consists of the two temporary 700 HP boilers scheduled to be removed by August 31, 2004 (replacing emission sources 00001-00007) burning #2 fuel oil.

Item 21.2(From Mod 0):

The facility is authorized to perform regulated processes under this permit for:

Emission Unit: U-C0001

Emission Unit Description:

THIS EMISSION UNIT CONSISTS OF THE SEVEN



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BOILERS BEING DECOMMISSIONED AND REMOVED
(ES 00001-00007) AND THE FOUR NEW BOILERS
(ES 00008-00011), UTILIZING THE EXISTING
STACK. THE NEW BOILERS ARE DUAL FUEL
(NATURAL GAS AND #2 FUEL OIL).

Building(s): 4

Condition 22: Air pollution prohibited
Effective between the dates of 09/18/2002 and Permit Expiration Date

Applicable State Requirement: 6NYCRR 211.2

Item 22.1:

No person shall cause or allow emissions of air contaminants to the outdoor atmosphere of such quantity, characteristic or duration which are injurious to human, plant or animal life or to property, or which unreasonably interfere with the comfortable enjoyment of life or property. Notwithstanding the existence of specific air quality standards or emission limits, this prohibition applies, but is not limited to, any particulate, fume, gas, mist, odor, smoke, vapor, pollen, toxic or deleterious emission, either alone or in combination with others.

****** Emission Unit Level ******

Condition 23: Emission Point Definition By Emission Unit
Effective between the dates of 09/18/2002 and Permit Expiration Date

Applicable State Requirement: 6NYCRR 201-5

Item 23.1(From Mod 0):

The following emission points are included in this permit for the cited Emission Unit:

Emission Unit: U-C0001

Emission Point: C0001

Height (ft.): 300

Diameter (in.): 72

NYTMN (km.): 4519.5

NYTME (km.): 589.6

Building: 4

Condition 24: Process Definition By Emission Unit
Effective between the dates of 09/18/2002 and Permit Expiration Date

Applicable State Requirement: 6NYCRR 201-5

Item 24.1(From Mod 2):

This permit authorizes the following regulated processes for the cited Emission Unit:



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Emission Unit: U-C0002

Process: 004

Source Classification Code: 1-03-005-02

Process Description:

BURNING #2 FUEL OIL IN TEMPORARY EMISSION
SOURCES 00012 AND 00013.

Emission Source/Control: 00012 - Combustion

Removal Date: 12/01/2002

Design Capacity: 24.2 million Btu per hour

Emission Source/Control: 00013 - Combustion

Removal Date: 12/01/2002

Design Capacity: 24.2 million Btu per hour

Item 24.2(From Mod 0):

This permit authorizes the following regulated processes for the cited Emission Unit:

Emission Unit: U-C0001

Process: 002

Source Classification Code: 1-03-006-02

Process Description:

BURNING NATURAL GAS IN EMISSION SOURCES
00008-00011.

Emission Source/Control: 00008 - Combustion

Design Capacity: 23.35 million Btu per hour

Emission Source/Control: 00009 - Combustion

Design Capacity: 23.35 million Btu per hour

Emission Source/Control: 00010 - Combustion

Design Capacity: 23.35 million Btu per hour

Emission Source/Control: 00011 - Combustion

Design Capacity: 23.35 million Btu per hour

Item 24.3(From Mod 0):

This permit authorizes the following regulated processes for the cited Emission Unit:

Emission Unit: U-C0001

Process: 003

Source Classification Code: 1-03-005-02

Process Description:

BURNING #2 FUEL OIL IN EMISSION SOURCES
00008-00011.

Emission Source/Control: 00008 - Combustion

Design Capacity: 23.35 million Btu per hour

Emission Source/Control: 00009 - Combustion

Design Capacity: 23.35 million Btu per hour



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Emission Source/Control: 00010 - Combustion
Design Capacity: 23.35 million Btu per hour

Emission Source/Control: 00011 - Combustion
Design Capacity: 23.35 million Btu per hour