May 16, 2013

Mr. Stephen Ours
Branch Chief, Air Quality Permitting
Air Quality Division
Department of the Environment
1200 First Street, N.E., 5th Floor
Washington, DC 20002

Dear Mr. Ours:

In its more than 100 years of operation, the Capitol Power Plant (CPP) has provided an uninterrupted supply of steam and chilled water to heat and cool 23 facilities on Capitol Hill including the Capitol Building, Capitol Visitor Center, House and Senate Office Buildings, the Supreme Court, Library of Congress buildings, as well as other facilities such as Union Station, Postal Square, and the Folger Library.

As part of the Architect of the Capitol’s (AOC’s) Strategic Long-Term Energy Plan for the CPP, cogeneration technology was identified as an environmentally friendly, energy efficient and cost effective means to meet future energy requirements. The plan to build a cogeneration plant at the CPP is in keeping with a common goal that AOC and Congressional leaders have shared since 2009 -- to use natural gas 100 percent of the time to meet its energy needs. However, the AOC cannot make such a commitment until it establishes a means to replace the steam generated by coal with the additional steam generation capacity from natural gas with fuel oil back-up. After the cogeneration facility is fully constructed and commissioned, the CPP will retain the capability to use coal during national emergencies when natural gas supplies are cut off or threatened in order to ensure continuity of government.

The AOC has been working closely with the District Department of the Environment (DDOE) to accomplish the mutually-shared goal of acquiring the final permits necessary to construct and operate the cogeneration plant. The proposed air permits meet all regulatory requirements necessary to authorize the construction of the cogeneration project therefore the AOC requests that DDOE issue the air permits with the limits set forth in the proposed permits.
Provided DDOE issues the air permits with the limits set forth in the proposed permits, the AOC has chosen to submit supplemental language in the enclosure as an amendment to the proposed Chapter 2 air permits (permit numbers 6663-C and 6664-C) for the cogeneration units at the CPP. This voluntary submission of the attached language will allow DDOE to restrict the use of and limit the quantity of coal used at the CPP through issuance of these permits.

As we have publicly communicated in several forums, the AOC is committed to implementing cogeneration at the CPP and accomplishing our goal of using natural gas 100 percent of the time to meet our energy needs. However, if the cogeneration plant is not built, we have no choice but to continue using the 60-year-old, less efficient coal boilers at the CPP.

The AOC looks forward to the DDOE’s issuance of the permits and to our continued collaboration on the cogeneration project. If you have any questions or require additional information, please contact me at 202.226.3864.

Sincerely,

Christopher Potter
Director, Utilities and Power Plant Operations
Architect of the Capitol
Enclosure:

The AOC provides the following voluntary language for inclusion in the proposed air permits Nos. 6663-C and 6664-C:

I. Permit Conditions I.j.

The requirements of Conditions II-VI of this permit shall be transferred to any Chapter 2 Operating Permit issued pursuant to Condition I(g).

II. Permit Conditions II.g.

Permit limits identified in Conditions II(e) and (f) will become effective upon the earliest of the following dates:

1. Initial “startup”, as defined in 40 CFR 63.2, of either combustion turbine;

2. Commercial operation date of either combustion turbine, as defined in section III(e)(1)(A);

3. While it is AOC’s intent to achieve the commercial operation date by January 1, 2016, these limits will take effect no later than one week prior to the first substantive compliance date contained in 40 CFR 63, Subpart DDDDD – National Emission Standards for Hazardous Air Pollutants for Major Sources: Industrial, Commercial, and Institutional Boilers and Process Heaters, as amended; or

4. Written notice from the Permittee to the Department and EPA invoking the limitations of Conditions II(e) and (f) administratively.

Subsequently, as long as Conditions II(e) and (f) are met by the applicable date above, the facility will be considered an area source of HAPs.

III. Permit Conditions III. e

1. Except as provided for in Condition III(e)(2) and (3), Boilers 1 and 2 will no longer combust coal 18 months following the “commercial operation date” of the combustion turbines.

   a) For the purposes of this permit, commercial operation date means the date on which all equipment necessary for the project authorized by this permit has been tested and commissioned and are both authorized (by PJM, Pepco, or the appropriate party in accordance with the interconnection agreement) and able to operate and deliver energy to the transmission or distribution system.
b) Prior to achieving the commercial operation date the combustion turbines and associated heat recovery steam generators shall not be operated for more than 500 hours for each turbine except for testing and commissioning.

c) In the event that only one combustion turbine and associated equipment should reach the commercial operation date then AOC shall no longer combust coal 18 months after the commercial operation date of that turbine in either Boiler 1 or 2 at the AOC’s discretion. Within 30 days of the commercial operation date the AOC will notify the Department of the selected boiler.

d) By the end of the 18 month period, AOC shall take action to physically prevent the combustion of coal in Boilers 1 and 2. At least 60 days before the cessation of the use of coal AOC will notify the Department of the actions it intends to take to physically prevent the use of coal in Boilers 1 and 2 by the end of the 18 month period. AOC will submit a completion report within 30 days after the actions have been taken.

2. AOC shall be allowed to operate Boilers 1 and 2 using coal in the event of “force majeure” after all other reasonable steps have been taken to first utilize natural gas and fuel oil.

a) “Force Majeure” is defined as an event beyond AOC’s control, which prevents or threatens to prevent AOC from meeting its mission and thus threatening the ability of the U.S. Congress to perform its constitutionally mandated duties. Examples of events under this clause include, but are not limited to:

i. Acts of God (such as, but not limited to, fires, explosions, earthquakes, hurricanes, tornados, tidal waves and floods);
ii. War, hostilities (whether war is declared or not), invasion, act of foreign enemies, mobilization, requisition, or embargo;
iii. Rebellion, revolution, insurrection, or military or usurped power, or civil war;
iv. Riot, strikes, or lock outs associated with fuel delivery;
v. Acts or threats of terrorism that impact or threaten to impact the facility.

b) AOC shall provide the following notifications under the force majeure clause:

i. To the extent practical, AOC will notify the Department of the intent to invoke the force majeure clause prior to beginning the combustion of coal in Boilers 1 and 2. However, AOC will notify
the Department no later than 48 hours after beginning coal combustion in Boilers 1 and 2;

ii. AOC shall notify the Department within 48 hours of cessation of coal combustion under the force majeure clause; and

iii. AOC shall notify the Department within 7 days that it has re-established the physical restrictions to prevent combustion of coal in Boilers 1 and 2 as required under Condition III(e)(1)(D) above.

3. AOC shall be allowed to operate Boilers 1 and 2 on coal for the purposes of tuning and testing as outlined below:

   a) AOC shall notify the Department at least 30 days in advance of the intent to perform testing and tuning on Boilers 1 and 2.
   b) The Department may elect to be on site to witness the testing and tuning activities at its discretion.
   c) Each boiler shall be limited to no more than 72 hours of operation on coal for testing and tuning purposes on an annual basis.
   d) Within 30 days of completion of testing, AOC shall notify the Department that it has re-established the physical restrictions to prevent combustion of coal in Boilers 1 and 2 as required under Condition III(e)(1)(D) above.

4. Except as provided for in Conditions III(e)(2) and (3), AOC shall apply for and obtain all of the necessary air permits for the construction of new coal burning equipment or resuming use of coal in Boilers 1 and 2.

IV. Permit Conditions III.f

To ensure compliance with Conditions II(e) and (f), once triggered pursuant to Condition II(g), the Permittee shall track emissions of all HAPs pursuant to Condition IV(I), but at no time following the Condition II(g) trigger shall facility-wide coal combustion exceed 16,666 tons per 12 month rolling period.

V. Permit Conditions V.g

The Permittee shall maintain records of the total amount of coal used at the facility, in a 12-month rolling format, updated monthly, starting at the time that the applicability of Conditions II(e) and (f) are triggered by Condition II(g).

VI. Permit Conditions VI.f

The owner or operator shall, within 30 days of discovery, report any exceedance of the HAP emission limits contained in Conditions II(d) and (e) or any exceedance of the coal burning limitation contained in Condition III(g). [20 DCMR 500.1]