

**TECHNICAL COMMENTS OF
CITIZENS FOR CLEAN AIR AND WATER (MONROE, LA)
CONCERNING A PROPOSED TITLE V OPERATING PERMIT
FOR THE PROPOSED RESTART OF THE ENTERGY – LOUISIANA
MONROE POWER PLANT**

Presented to:

**AIR QUALITY DIVISION
LOUISIANA DEPARTMENT OF ENVIRONMENTAL QUALITY**

and to the

**MULTI-MEDIA PLANNING AND PERMITTING DIVISION
U.S. ENVIRONMENTAL PROTECTION AGENCY, REGION VI**

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1. Introduction

Citizens for Clean Air & Water (CCAW) files this comment in response to a recent public hearing notice of the Air Quality Division of the Louisiana Department of Environmental Quality concerning a proposed Clean Air Act Title V Operating Permit for the Entergy – Louisiana Monroe Power Plant, which was formerly the municipal power plant for the City of Monroe, LA., prior to its purchase by Entergy–Louisiana.

2. LDEQ-AQD Should Not Grant the Proposed Title V Operating Permit for Entergy– Louisiana to Restart the Monroe Power Plant

As outlined in this comment below, CCAW is raising several issues of technical and regulatory compliance with the Federal Clean Air Act associated with any permitting and restart of the Monroe Power Plant. Several outstanding fact and regulatory compliance issues are stated in this comment. Significant issues and questions exist with the neighboring community as to the health and environmental impact of the plant's restart on the local community.

As part of its application, Entergy – Louisiana seeks a permit shield under the Clean Air Act Title V provisions that would have the effect of insulating the company from enforcement actions that could be brought in the future based on the identification of underlying factual or legal defects that may become identified by any party.

Entergy – Louisiana's permit application is demonstrably deficient in showing compliance with the Federal Clean Air Act and none of the defects cited herein can be cured without major revisions to Entergy – Louisiana's Title V application and without the need for another opportunity for public review of and comment upon any newly revised application and any additional information that may become available. In addition, the Air Quality Division of the Louisiana Department of Environmental Quality has not completely and properly identified all potential adverse air quality impacts associated with a restart of the Monroe Power Plant.

For these reasons, the proposed permit should either be withdrawn by LDEQ or it should be denied outright. In addition, Entergy – Louisiana should not attempt to operate this plant without having, in hand, all necessary regulatory permitting that should be required by LDEQ-AQD in order to comply with the Clean Air Act.

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- 3 Entergy – Louisiana Must Comply with the Requirement for Prevention of Significant Deterioration (PSD) Permit Review for Best Available Control Technology and Air Quality Impact Review Before the Monroe Power Plant May Receive a Title V Operating Permit or Before the Plant is Restarted.

The Existing LDEQ-AQD Record Contains Facts that Decisively Mitigate Against Any Attempt by Entergy – Louisiana to Successfully Rebut the Presumption for Required PSD Review

It is well established EPA policy that facilities which have been closed for a period of 2 years or more are presumed to be subject to Prevention of Significant Deterioration (PSD) permit review and applicability upon a restart as though the facility were a new or modified source.^{1 2 3 4 5 6} The subject Monroe Power Plant facility has been closed down for a period of at least 11 years since 1987.

Under EPA policies on the review of restarts of shut-down facilities, the presumption that a facility must undergo a PSD permit review may be rebutted by the owner or operator by showing that the facility was not intended to be shut down permanently. The applicant must convincingly show that the shutdown was only

¹ May 27, 1987 memo from John S. Seitz, Director, Stationary Source Compliance Division, Office of Air Quality Planning and Standards, to David P. Howekamp, EPA Region IX concerning restart of the Noranda Lakeshore Mines' roaster leach acid plan, found at http://www.epa.gov/ttn/nsr/psd1/p3_27.html

² October 3, 1980 memo from Director, EPA Division of Stationary Source Enforcement to Sandra S. Gardebring, Director, EPA Region V Enforcement Division, found at http://www.epa.gov/ttn/nsr/psd1/p3_15.html

³ June 18, 1980 memo of telephone conversation between Roger Pfaff and Rich Biondi, found at http://www.epa.gov/ttn/nsr/psd1/p3_13.html

⁴ July 31, 1981 memo from Thomas W. Devine, Director of Air and Hazardous Materials Division to State and Local Air Directors, found at http://www.epa.gov/ttn/nsr/psd1/p2_18.html

⁵ November 19, 1991 memo from John B. Rasnic, Director, Stationary Source Compliance Division, Office of Air Quality Planning and Standards to Douglas M Skie, Chief, Air Programs Branch, found at <http://www.epa.gov/ttn/nsr/gen/memo-h.html>

⁶ August 8, 1980 memo from Edward E. Reich, Director, Stationary Source Enforcement Division to William K. Sawyer, General Enforcement Branch, Region II, found at http://www.epa.gov/ttn/nsr/psd1/p3_14.html

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intended to be temporary. Under this procedure, EPA must determine if the owner of the facility at the time of the shutdown intended the shutdown to be permanent. EPA must also evaluate the level of maintenance and staffing that a facility received during the shutdown, and such factors as whether the plant must be subjected to a major investment effort in order to begin a restart.

At this writing, Entergy – Louisiana has not definitively rebutted the presumption of U. S. EPA’s policies on New Source Review that this plant -- which has been shuttered for at least 11 years -- was shut down permanently after a two year interval passed. No such showing by Entergy – Louisiana has been provided to the public for purposes of review during this public comment proceeding. No such showing has yet been evaluated by either Louisiana Department of Environmental Quality and EPA Region VI. These two agencies have not made findings of fact and conclusions of law on any such rebuttal by Entergy – Louisiana on the shut-down issue.

In the present case, the Monroe Power Plant was owned by the Monroe Utilities Commission at the time of the shutdown, which the Louisiana Department of Environmental Quality file indicates as being in December, 1987. A review of available materials indicates that the plant was owned by the Monroe Utilities Commission at the time of the shutdown since the plant, along with all other aspects of the Monroe Utilities Commission infrastructure, was not sold to Louisiana Power and Light Co. (a predecessor of the applicant, Entergy Louisiana) until August 3, 1992 (See Exhibit #1, an Act of Sale by the City of Monroe to Louisiana Power and Light company, dated August 3, 1992).

At the time of the shutdown, it can reasonably assumed that the Monroe Utilities Commission had intended to permanently leave the electric utility business as its was subsequently negotiating a sale of the entire electric system. At this writing, petitioners are attempting to gain access to the documents mentioned in the preamble language on page 1 of the “act of sale” (see Exhibit #1), and we reserve the right to supplement and amend this comment in the future with further articulation on the Monroe Utilities Commission’s intent and any owner-management services aspects of the relationship between the Monroe Utilities Commission and Louisiana Power and Light at the time of the December, 1987 shutdown.

Also at the time of the shutdown, it can also be reasonably assumed that Entergy Louisiana’s predecessor, Louisiana Power and Light, was interested in ensuring that the Monroe Utilities Commission exited the electric utility business to open market share for its company and to ensure that the Monroe Utilities Commission would not be an electric utility competitor in the future.

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An April 9, 1986 memo from Paul Laird, Environmental Program Specialist, to John R. Newton, LDEQ Regional Program Manager indicates:

“Mr. Littlefield [Louisiana Power and Light Company] told me that the plant is scheduled to go on stand by this summer. This is a result of the installation of a new line connecting L.P.&L.’s Sterlington Station to the Monroe area.”

As such, it would seem clear the Louisiana Power and Light intended to meet electric power needs in the Monroe area through another more efficient power plant it operated through means of the new transmission line and that the Monroe Plant was no longer needed.

A February 24, 1988 memo from Paul Laird, Environmental Quality Coordinator, Northeast Regional Office to John R. Newton, Program Manager, Air Quality Division indicates a company intent:

“Mr. Littlefield stated that the plant has not been in operation for thirteen months, the plant is scheduled to be ‘mothballed’ in the next six months. Mr. Littlefield indicated that he plans to retire at that time and Mr. Terral will probably be the plant contact at that time.”

A February 8, 1989 a memo from Paul Laird, LDEQ northeast Regional Office, to John R. Newton, Surveillance Program Manager, Air Quality Division, indicates receipt of a letter from Louisiana Power and Light in March, 1988 with an indication the

“...letter stated that the plant had been retired from service on December 31, 1987.”

A July 12, 1991 memo from L. C. Ingles Jr., LDEQ Northeast Regional Office Air Quality Division to J. Paul Laird, Environmental Quality Coordinator, Northeast Regional Office reports on a conversation with Ray Smith, Maintenance Superintendent for Louisiana Power and Light:

“He indicated that LP&L was presently looking at putting *one* of the generators at the Monroe plant back into operation, possibly in 1994. Since the plant has not operated for some time and *there are no definite plans for future operation*, I did not draft a letter to the company. Mr. Smith stated that if the plant does resume operation, our office would be notified.” (Emphasis added)

Reports found in the LDEQ Northeast Region file indicate that no employees were

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present at the Monroe Plant during attempts to do inspections on July 22, 1997, September 8, 1995, August 9, 1993, August 10, 1994 and July 23, 1992. This information contradicts previous company claims made to LDEQ staff in March, 1987 that they are “maintaining a staff of fifteen people on site.”

Although the Monroe Power Plant is listed as of 1996 in the LDEQ emission inventory, it is shown with zero emissions (See Exhibit #2).

Available information indicates that the plant must spend significant financial resources before it can be reliably restarted. Some reports indicate that Entergy Louisiana may have allocated as much as a \$6 million budget in immediately needed repairs in order restart the plant⁷.

Under established EPA PSD policy, EPA and LDEQ-AQD must assume this plant is subject to PSD applicability upon a restart after at least 11 years of inactivity in the absence of a convincing demonstration that the Monroe Utilities Commission, the owner of the plant at the time of shutdown, or its agent, Louisiana Power and Light, intended to again operate the plant and that the shutdown was only temporary. At the present time, no such clear and convincing demonstration appears to have been made to U.S. EPA Region VI⁸.

The proposed Clean Air Act Title V permit that LDEQ proposes to issue to Entergy Louisiana would, in part, grant a permit shield to Entergy Louisiana on the matter of compliance with the Clean Air Act. Under the Act, compliance with a Title V operating permit is deemed to be compliance with all requirements of the Act.

As such, this Title V permit shield would unjustifiably prevent any potential enforcement action that EPA, LDEQ-AQD or CCAW might chose to bring as a result of a failure by U.S. EPA Region VI and LDEQ-AQD to subject the Entergy Louisiana Monroe Power Plant to PSD and/or NSPS review.

If LDEQ-AQD allows Entergy – Louisiana to make a PSD applicability rebuttal demonstration for the Monroe Power Plant after the close of the public hearing and comment period, or near the end of the period (with less than 30 days for review) such a

⁷ Personal conversation between Nathan Roberts, Entergy Louisiana, and Merrijane Yerger, CCAW, on January 26, 1999.

⁸ Personal conversation between Rick Barrett, EPA Region VI, and Merrijane Yerger, January, 1999.

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procedure would create an incurable defect in the administrative proceeding. This type of procedure would deny CCAW and the public important due process rights to be notified of the pending issues with such a rebuttal demonstration, to review such a matter and to submit comments in writing with an adequate time period to carry out a review. If LDEQ-AQD implements such an unfair procedure, CCAW would have additional clear grounds for even further objection and to renew its petition to the EPA Region VI Administrator under the post-state-permit-issuance procedures of the Federal Clean Air Act at 40 USC § 7661d(b)(2) & (3).

4. Federal Energy Regulatory Commission and the Louisiana Public Service Commission Orders Binding on Entergy Corporate Affiliates concerning Entergy's So-Called "Extended Reserve Shutdown" Program Strongly Mitigate Against Company Claims that the Monroe Power Plant Facility was "Available" for the Purpose of Being Considered an Existing Source that Should Not Be Subject to PSD Review

The Monroe Power Plant is part of the Entergy system's so-called "Extended Reserve Shutdown" (ERS) program.

Entergy's electric rate treatment of the Extended Reserve Shutdown and its inclusion in the rate-base for cost recovery became the subject of extended proceedings of the Federal Energy Regulatory Commission and the Louisiana Public Service Commission. Significant aspects of these proceedings should have an important and determinant bearing against treatment of the ERS facility, the Monroe Power Plant, as an existing, "available" facility in the time after its shutdown.

On August 5, 1997, the Federal Energy Regulatory Commission issued Opinion 415 in Docket EL94-13-000 in the case of Entergy Services, Inc. and Gulf States Utilities Company.

Entergy operating companies are subject to a System Agreement whose general purpose is:

"The purpose of this agreement is to provide the contractual basis for the continued planning, construction, and operation of the electric generation, transmission and other facilities of the [Entergy Operating] Companies in such a manner as to achieve economies consistent with the highest practicable reliability of service, subject to financial considerations, reasonable utilization of natural resources and minimization of the effect on the environment. This agreement also

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provides a basis for equalizing among the Companies any imbalance of costs associated with the construction, ownership and operation of such facilities as are used for the mutual benefit of all the Companies.” (Article III of System Agreement)

FERC had specifically focused on allegations concerning the Companies compliance with the following section of an approved System Agreement and FERC tariff:

“10.01 Company Capability”

“The Company’s Capability shall be determined monthly and shall be the sum of available owned or leased generating units, purchases and seasonal or other energy exchange from demonstrated reliable sources as follows:”

“(a) The total capability of available generating units owned, operated under Operating Agreements for its own benefit, or leased by such Company, which units shall be included at their demonstrated net output measured in megawatts under conditions established by the Operating Committee. A unit is considered available to the extent the capability can be demonstrated and (1) is under the control of the System Operator, or (2) is down for maintenance or nuclear refueling. A unit is considered unavailable if in the judgement of the Operating Committee it is of insufficient value in supplying system loads because of (1) obsolescence, (2) physical condition, (3) reliability, (4) operating cost, (5) start-up time required, or (6) lack of due diligence in effecting repairs or nuclear refueling in the event of a scheduled or unscheduled outage.”

The Louisiana Public Service Commission (LPSC) argued that Entergy knowingly and willfully violated the System Agreement to the detriment of Louisiana Power and Light by including ERS units which were not “available” to meet system reserve requirements and that the Company was engaging in illegal conduct.

FERC found against Entergy and adopted an Administrative Law Judge ruling that the Extended Reserve Shutdown units (which included the Monroe Power Plant) should not be included in Schedule MSS-1 calculations for rate returns. FERC found:

“We affirm the judge’s findings that Entergy did, in fact, violate the System Agreement....”

“We affirm the judge’s determination that the language of the System Agreement

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permits Entergy to include generating units in Schedule MSS-1 calculations only to the extent that such units are “available.” ERS units can only be considered eligible for inclusion in Schedule MSS-1 calculations if they meet the System Agreement’s qualifications for availability [shown in section 10 above].....”

“.....Thus, as the judge explained, to be considered available, capability must be demonstrated and the units must also be either “under the control of the System Operator” or “down for scheduled routine maintenance.” In this case, we affirm the judge’s findings that the ERS units do not satisfy these criteria. Entergy acknowledges that many of the ERS units are in need of repair and that the estimated time to reactive an ERS unit is 8-12 months. Also, as Entergy admitted, the units are not under the control of the System Operator, nor are they down for routine maintenance. Consequently, the ERS units are not available under Schedule MSS-1.”

In considering the consequences of the FERC decision, the Louisiana Public Service Committee adopted an order on December 22, 1998 affecting Entergy’s Extended Reserve Shutdown Program.

LPSC made, in part, the following findings of fact:

“22. Several years after the System Agreement was executed, on January 1, 1987, the Extended Reserve Shutdown (“ERS”) Program was conceived, which allowed the operating companies to place generating units in an inactive status in order to reduce costs by reducing operating staff, maintenance costs, and deferring the costs of repairing units.”

“23. Since the inception of the ERS program, Entergy treated unqualified units in ERS status as if they were “available” within the meaning of Section 10.02 of the System Agreement, for purposes of calculating the Entergy Operating Companies’ capability under MSS-1. [Entergy Services, Inc. and Gulf States Utilities Company, (Opinion No. 415), 80 FERC ¶61,197 (8/5/97) (Slip Op. at 3-5)]”

“37. ELI did not consider the effect of increased MSS-1 payments on its retail rates in Louisiana when it decided to continue the MSS-1 treatment of ERS units.”

“38. ELI failed to minimize its operating costs when it decided to continue its treatment of ERS units after August 5, 1997.”

“39. ELI failed to properly weigh the costs and benefits *to its retail customers* of

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treating ERS units as available.”

“40. ELI’s duty to incur prudent costs and avoid imprudent costs includes the duty to follow the criteria set forth in the amended Section 10.02 in reaching a decision regarding the availability status of ERS units after August 5, 1997.”

“41. The Operating Committee, which made that decision, did not have complete or accurate information before it regarding the cost of bringing ERS units back to service.”

“42. At a meeting held in September 1997, Mr. Turner made a presentation to the Operating Committee, with incomplete information contained in a single sheet of paper showing the estimated cost of return to service of the ERS units including capital investment and five year operation and maintenance costs on a net present value basis. [ELI Ex.. #14, KMT Ex.. #1, p.8 of 10]”

“43. Neither Mr. Turner nor his staff prepared any analyses of what it would cost to return the ERS units to service [Tr. 2/16/98 at 101-103].”

“44. Mr. Turner is not an engineer, and he would not have been qualified to perform any of the analyses concerning the cost to return these units to service [Tr. 2/16/98 at 103].”

“45. At the time of the meeting when the Operating Committee made its decision based on Mr. Turner’s presentation, Mr. Turner had not seen any analyses or studies concerning what it would cost to return the ERS units to service [Reply Brief at 12, citing Tr. 2/16/98 at 101].”

“46. Mr. Turner acknowledged that a study later conducted by Raytheon Engineers and Constructors, Inc. (“the Raytheon Study”) was more detailed and reflected better estimates of the cost of returning the ERS units to service.[Tr. 2/16/98, Confidential at 5].”

“47. In several instances the cost estimates in the Raytheon Study were more than twice as much as in the estimates provided by Turner to the Operating Committee [Tr. 2/16/98 Confidential at 3-4, and LPSC Staff Exhibit Nos. 6 and 7].”

“48. The Raytheon Study was not presented to the Operating Committee at its September 1997 meeting when it made the decision to classify these units as “available” [Tr. 2/16/98 at 106].”

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“49. Mr. Turner could not give “a day, a week, a month, or even a year for any of these 24 [ERS] units ... [or] a definite date when any of these units on this page [ERS units] will come out ...” [Tr. 2/16/98 at 100].”

“50. Notwithstanding these admissions, Mr. Turner asserted that these units would be needed in the “relative near term”, which he defined to mean “any time within the next 10 years.” [Tr. 2/16/98 at 101].”

“51. The evidence does not show that the Operating Committee made necessary efforts to ascertain that ERS units would be needed within the next 10 years.”

“52. The evidence does not show that the Operating Committee made efforts to reach a decision “based on consideration of current and future resource needs, the projected length of time the unit would be in ERS status, projected cost of maintaining such unit, and the projected cost of returning the unit to service”.”

“53. Those MSS-1 payments that were made subsequent to the FERC Order dated August 5, 1997, were also known to the utility, or should be known to the utility to be unreasonable and imprudent, at the time those expenses were incurred (i.e. subsequent to the FERC order dated August 5, 1997)”

“54. The MSS-1 overpayments for the test year of 1996 are extraordinary expenses that are not likely to be incurred prospectively, in view of FERC’s finding that they are in violation of the System Agreement.”

“55. The MSS-1 overpayments made after August 5, 1997 were imprudently incurred.”

LPSC then ordered:

“That the continued overpayment by Entergy Louisiana, Inc. of MSS-1 expenses resulting from the inclusion of units in Extended Reserve Shutdown is imprudent and is to the detriment of Louisiana ratepayers. That all MSS-1 overpayments incurred on or after August 6, 1997 [date of FERC order] shall be removed from the revenue requirement of Entergy Louisiana, Inc. and credited back to the ratepayers.”

Given the decisions of the Federal Energy Regulatory Commission and the Louisiana Public Service Commission on Entergy’s so-called “Extended Reserve Shutdown” (ERS) program and the implicit treatment of the Monroe Power Plant in this context, CCAW

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argues the following:

- FERC determined that ERS facilities and thus the Monroe Power Plant were not “available” to the Entergy system.
- In fact, Entergy’s treatment of this plant was in violation of a FERC tariff and federal law.
- Where Entergy’s extended reserve shutdown of the Monroe Power Plant violated its FERC tariff, and where the Louisiana Public Service Commission determined that a portion of the extended reserve shutdown treatment of the Monroe Power Plant was an “imprudent expense” which was subsequently disallowed, Entergy does not have “clean hands” on any claim that the Monroe Power Plant was indeed functional and available for the time after it was “retired.”
- Where Entergy violated Federal law and a Louisiana Public Service Commission electric rate regulation requirement, the company should not be rewarded for this non-compliance by the U.S. EPA Region VI and the LDEQ-AQD with a determination that Entergy’s intent with the Extended Reserve Shutdown treatment of the Monroe Power Plant was to operate the plant in the future when, in fact, the facility was not “available” during the entire time of its shutdown to the present and the ERS designation was little more than a construct to indefinitely defer maintenance, operating expenses and staffing requirements..
- If the Monroe Power Plant was not “available” for use, and there were no firm plans to make it available in 1987, or structured decision-making procedure and/or firm information by which it ultimately could be considered available, the Extended Reserve Shutdown designation of the Monroe Power Plant was a nullity, without operational significance and without a compelling basis as an expression of the company’s intent at the time the plant shut down.
- Entergy – Louisiana can’t merely hedge its bets against the possibility that a non-available, non-maintained facility would again be operated without a substantive plan and determinant information for making that decision.
- As a result, Entergy – Louisiana should not be deemed to have had an intent at the time the plant was shut down to again operate the plant within the

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meaning of EPA’s policies on the restart of shut-down facilities after two years and the issue of PSD review, applicability and presumption.

- 5 The Administrative Record Contains Indications in the File that the Maximum Heat Input Capacity of the Monroe Plant May Have Been Increased Between 1976/1981 and the Time of the 1996 Title V Permit Application without being Subjected to PSD and NSPS Review

The Monroe Power Plant has been considered a “grandfathered” source under Louisiana Department of Environmental Quality rules. The plant has never been subjected to new or modified source review under PSD or NSPS as near as can be determined from the administrative record in the LDEQ Northeastern Office.

The September, 1996 Entergy Louisiana Title V permit application indicates the following heat input capacities for the Monroe Power Plant units in question:

Unit 10	Unit 11	Unit 12	Total
473 MMBtu/hr	562 MMBtu/hr	926 MMBtu/hr	1961 MMBtu/hr

However, an attachment to an April 27, 1976 Compliance Statement (Attached as Exhibit #3) of the Monroe Utilities Commission indicates maximum heat input rates as show below:

Unit 10	Unit 11	Unit 12	Total
256 MMBtu/hr	376 MMBtu/hr	733 MMBtu/hr	1365 MMBtu/hr

An August 6, 1981 memo by Paul Laird, Air Quality Division, LDEQ, cites these same numbers as the heat input capacity for these units.

As such, the maximum heat rate for all three units combined as portrayed in the September 1996 Entergy – Louisiana Title V permit application is about 144% of the heat input rates specified by Monroe Utilities Commission in April 27, 1976 and accepted in a 1981 memo by the Louisiana Department of Environmental Quality.

An increase in the heat input rates of the magnitude shown above would have the likely effect of triggering modified source review under both PSD and NSPS because such an increase would have to take place through a physical change and/or a change in the method of operation of the facility that would significantly increase criteria pollutant mass emission rates over historical emissions that occurred when the plant was still

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operating prior to December, 1987.

Moreover, the indications are that such a physical change and/or change in the method of operation took place sometime between 1981 when the heat input rates were verified by LDEQ-AQD staff and the 1996 submittal of the Title V operating permit application by Entergy – Louisiana.

No Title V permit application should issue if the heat input rates for this plant have changed in the way described above. Instead, either EPA Region V or LDEQ-AQD should use Clean Air Act Section 114 authority to enforce disclosure of all salient facts on the record and begin an enforcement action as appropriate for any violation of new source review requirements for PSD and NSPS.

6 Issuance of the Proposed Permit Appears to Countenance Changes in the Method of Operation of the Monroe Power Plant and Subsequent Annual Emissions Increases That Are Suggestive of the Potential Triggering of PSD Review for Sulfur Dioxide from the Burning of Oil

Review of the Entergy Louisiana Title V application indicates that the facility is intended to burn both natural gas and #2 fuel oil. The proposed permit indicates that # 2 fuel oil burning is acceptable for up to 15% of the “annual fueling capacity” of the plant. There is no apparent ban or restriction on other kinds of oil, such as residual oil or other distillate fuels.

Notwithstanding Entergy Louisiana’s application, other available information potentially indicates that historical operating patterns were significantly different from the oil burning provisions contained in the Title V application and proposed permit.

The previously referenced 1976 compliance statement by the Monroe Utilities Commission (See Exhibit #3) indicates maximum emission rates of 0.15 lb/hr, 0.22 lb/hr and 0.01 lb/hr sulfur dioxide emissions from units 10, 11 and 12, respectively. The same document indicates 1975 sulfur dioxide emissions of 7.08 tons. This compares to maximum emissions of 247.93 lbs/hour, 294.52 lbs/hr and 485.3 lbs/hr for units 10, 11 and 12, respectively, in the Title V attachment.

The most recent emission inventory information from the time the plant was still operating indicates the following emissions:

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Year	NOX	SO2	CO	PM	VOC	
84	1,096	19	27	16	2	tons
85	753	2	67	9	2	
86	745	10	54	7	1	
87	1	0	0	0	0	

As such, the proposed Title V operating permit appears to authorize a very large increase in annual sulfur dioxide, nitrogen oxide and carbon monoxide emissions. Although some of this increase can be accounted for by less than 8760 hours of operation in the years immediately preceding shutdown, this cannot account for all of the expected increase, particularly for sulfur dioxide.

Although there is reference in the file to 1975 use of 11,570 barrels of oil and 1979 use of 4000 barrels of oil, an August 6, 1981 memo by Paul Laird, LDEQ Air Quality Division reports on an inspection showing operation at 100% natural gas with statements alleging that no diesel fuel was used “in the past several months.” A March 2, 1982 memo by Paul Laird indicates that company officials “did not anticipate the burning of diesel at the plant in the near future and any that might be burned would be low in sulfur.”

The Laird memo also stated in regard to units #10 and #11 that

“...as long as they are operated on a high percentage of natural gas there would be no emission problems from these sources.”

A March 31, 1983 memo by Laird indicated a company official’s statement “...that a mixture of 70% natural gas and 30% diesel fuel had been burned in the units for a few hours on two days in January. He did not anticipate that diesel fuel would be burned in the near future.”

A June 18, 1994 memo from L.C. Ingles, Air Quality Specialist to John R. Newton, Regional Program Manager at LDEQ indicates:

“Mr. Littlefield stated that during extremely cold weather in December, 1983, the company that supplies natural gas to the plant curtailed that supply on short notice, and they were forced to burn 100% load sulfur diesel fuel for approximately four days. He indicated that this caused a few problems and some visual emissions due to the fact that the plant *had never operated on 100% fuel oil*. However, he stated

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that within a short time the problems were corrected and the *visible emissions were reduced to an acceptable level*. Mr. Littlefield stated that the appropriate authorities were notified at the time these problems were experienced. He did not anticipate that diesel fuel would be burned in the near future.” (Emphasis added)

A February 20, 1985 memo from John R. Newton, LDEQ Regional Program Manager to Thomas C. Goerver, Program Manager, Surveillance, indicates:

“Mr. Littlefield indicated that the units had operated on natural gas during the past year except for part of one day. They were curtailed on natural gas supply and burned low sulfur fuel oil (.21% sulfur for a few hours). I discussed 17.11 with Mr. Littlefield. *They had some short duration emission problems in the past when they changed fuels from natural gas to fuel oil.*” (Emphasis added)

An April 9, 1986 memo from Paul Laird, Environmental Program Specialist, to John R. Newton, LDEQ Regional Program Manager indicates company official statements:

“The units have operated on natural gas during the past year. *No fuel oil was burned at this plant.*” (Emphasis added)

The above factual exposition indicates that, although the plant has apparently burned fuel oil in the past, its actual pattern of doing so indicates that fuel oil cannot be considered a technically demonstrated, reliable fuel at this site utilizing the existing equipment presently in place. When burning 100% fuel oil, the company has apparently had significant air quality problems and visible emissions. Because of these problems, the company’s use of fuel oil declined to zero in the most recent closing years of operation of the facility.

EPA’s Prevention of Significant Deterioration regulations provide that PSD applicability will apply to major modifications, which are defined as:

“‘Major modification’ means any physical change in or change in the method of operation of a major stationary source that would result in a significant net emissions increase of any pollutant subject to regulation under the Act....”

“.... A physical change or change in the method of operation shall not include.... use of an alternate fuel or raw material by a stationary source which....the source was capable of accommodating before January 6, 1975, unless such change would be prohibited under any federally enforceable permit condition which was

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established after January 6, 1975 pursuant to 40 CFR 52.21 or under regulations approved pursuant to 40 CFR subpart I or 40 CFR 51.166...”⁹

In the present case, the proposed Title V permit would authorize a sulfur dioxide emission increase that was significant compared to historical emissions when the plant was operating. It would do so by allowing up to 15% of the fuels for the facility to be sulfur bearing fuel oil up to 0.5% sulfur (provided this was actually enforceable which is problematic since it is only in the application and not in the text of the proposed permit), which is over twice as high as any previous mention of fuel oil sulfur content in the file

Although fuel oil was likely burned in 1975, there is credible evidence that the equipment on site was not capable of doing so at times without violating visible emission requirements. As such, Entergy Louisiana should not be allowed to evade PSD review for sulfur dioxide under 40 CFR §52.21(b)(2)(iii)(e)(1). The restart of the facility should, at a minimum, be required to conduct a BACT demonstration for sulfur dioxide and an air quality analysis for ambient sulfur dioxide PSD increment consumption.

Moreover, since the company admits its could not burn 100% diesel without causing a violation, such an admission buttresses our arguments that PSD review be required under prior sections since the facility was not “available” for purposes of being considered an existing source without significant modifications which would allow 100% fuel oil to be burned.

7 The Proposed Title V Operating Permit Doesn’t Incorporate Short Term Mass Rate Emission Limitations; as a Result, the Permit Doesn’t Ensure Maintenance of National Ambient Air Quality Standards

Provisions at 42 U.S.C §7410(a)(1) in the Clean Air Act require that facilities permitted under the act ensure that maintenance of ambient air quality standards is required. Under 42 U.S.C. §7410(a)(2)(A) and 42 U.S.C. §7661c(a), state implementation plans and Title V operating permits must include “enforceable emission limitations” that will ensure maintenance of national ambient air quality standards under the Act.

Where there is a potential for a violation of a national ambient air quality standard, even “grandfathered” permits must contain emission limitations appropriate to the

⁹ See 40 CFR §52.21(b)(2)(i) and (iii)(e)(1)

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averaging time of the standard in question to ensure maintenance of the ambient standards. This result was intended by Congress when it included the language...

“....including the requirements of the applicable implementation plan.”

as the final clause of 42 USC § 7661c(a) for permit conditions on title V permits, since each state implementation plan must have provisions to ensure maintenance of national ambient air quality standards. When a facility whose modeled emissions show that maintenance would be jeopardized, an enforceable emission limitation must nevertheless be imposed on a “grandfathered” facility to ensure that the standards will be maintained. In the present case, if modeling sulfur dioxide emissions during oil burning shows that maintenance of the sulfur dioxide standards would be jeopardized, it will be necessary to impose an appropriate sulfur dioxide emission limitation to ensure maintenance, or the facility must take whatever other measures might be available to limit or legally disperse emissions to show maintenance.

An air quality modeling report attached to the proposed Title V permit for the Monroe Power Plant only demonstrates compliance with the National Ambient Air Quality Standard for annual average exposure to nitrogen oxides. No report has been provided in the public release document that shows that emission limitations contained in the permit will ensure compliance other National Ambient Air Quality Standards, notably for the 24 hour, primary, health-related sulfur dioxide standard or the 3 hour, secondary welfare-related standard.

Of particular concern are transient emissions of sulfur dioxide associated with burning oil in the three units. A data sheet attached to the proposed permit indicates that the three units may discharge a maximum total of 1026 lbs per hour of sulfur dioxide under certain conditions. No such short term, pound per hour mass rate emission limitation is contained in the permit itself in clearly unambiguous, legally enforceable language. No requirement in the permit is imposed on the maximum sulfur content of fuels to be used in the plant, although the application contains mention of 0.5% sulfur content for fuel oil. Although the permit does contain a limit of 15% on the use of number 2 fuel oil of “annual fueling capacity,” this limit clearly allows 100% oil-fired operation of the plant during certain times.

Plant emissions are discharged through relatively short stacks. The Title V application does not provide information about building height in order to determine the potential for these short stacks to cause building-related aerodynamic downwash. The stack heights are:

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Unit 10	Unit 11	Unit 12
55 ft	76 ft	80 ft

A review of photographs indicates that the stack heights do not appear to comply with good engineering practice.

For emissions prior to the effective date of the facility's acid rain permit, there is conflicting information for annual sulfur dioxide emissions between the application (one table shows annual sulfur dioxide emissions at 4501.52 tons per year) and the public notice (shows 679.84 tons per year).

LDEQ-AQD and the U.S. EPA Region VI should insist that the permit be amended to clearly require unambiguous one hour maximum emission rates for sulfur dioxide and other criteria pollutants in legally enforceable language in the body of the Title V permit. These emissions limitations should be enforceable by continuous emission monitoring on the plant's stacks. The facility should be subjected to a maximum sulfur content in oil limitation and mandatory testing requirements.

LDEQ-AQD and the U.S. EPA Region VI should publish the results of dispersion modeling which shows that the operations of this source at the maximum permissible mass rate of emissions will not jeopardize maintenance of National Ambient Air Quality Standards for all criteria pollutants, particularly for sulfur dioxide during 100% oil-fired operation.

At this writing, LDEQ-AQD has failed to determine and ensure that permitted emissions of sulfur dioxide during oil burning will not, in fact, jeopardize maintenance of the national ambient air quality standards for sulfur dioxide.

8. Entergy Should be Required to Provide for Continuous Emission Monitoring for Sulfur Dioxide and Opacity

Given the permit provisions which envision 100% oil burning as much as 15% of the time from this facility, and the past problems with visible emissions experienced at this facility during 100% oil-fired operation, Entergy should be required to install, maintain and report continuous emission monitors for opacity and sulfur dioxide.

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9 Entergy Louisiana's Title V Permit Application Indicates Practices in the Disposal of Boiler Cleaning Materials That Raise Questions about RCRA Compliance

Entergy Louisiana's Title V permit application contains reference to two different procedures to boiler cleaning to remove iron oxide and copper from the boilers. One procedure involves use of up to 30,000 pounds of Ethylenediaminetetraacetic acid. Spent boiler cleaning solutions containing this chemical and scavenged metals are injected into the boiler for combustion/evaporation. Entergy Louisiana provides neither detailed analysis of typical spent boiler cleaning solutions nor citation to any regulatory provisions that would exempt boiler cleaning solutions from Resource Conservation and Recovery Act regulations concerning hazardous waste disposal.

If spent boiler cleaning solutions exhibit RCRA hazardous waste characteristics, disposal at this site would be prohibited unless the facility obtained a Part B permit as a hazardous waste treatment, storage and disposal facility, became regulated under EPA's Boiler and Industrial Furnace regulation or otherwise demonstrated conclusively that the spent boiler cleaning solutions complied with EPA's recent "comparable fuels" specification. No details have been provided on any of these matters and the public ought to have the ability to comment knowledgeably on any such practices.

10. Request for EPA Region VI to Provide for Mandatory Disclosure of Pertinent Information from Both Entergy Louisiana and the Monroe Utilities Commission (Or its Successors); and a Request for EPA Region VI to Conduct an on Site Inspection and Records Review at the Monroe Power Plant Site

CCAW petitions EPA Region V to issue a request to both Entergy Louisiana and the City of Monroe pursuant to its authority under 42 U.S.C. §7414 for mandatory disclosure of all information necessary for EPA Region 6 to conduct a review of all matters raised by this petition. Such a mandatory information disclosure request might include all items listed in Exhibit #4, which was recently used by EPA Region V in a similar case of a restart of a long closed facility (Detroit Edison Connors Creek Plant).

In addition, CCAW requests an onsite inspection by U.S. EPA Region VI in order to determine an inventory of all physical changes and changes to methods of operation which have occurred, and will occur, at this site which are pertinent to increases in emissions or the triggering of modification provisions of PSD and NSPS regulations.

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11. CCAW's Request for Extension of the Written Public Comment Period

CCAW notes with this comment that it has requested a 90 day extension of the period to submit written public comments in the present proceeding. This extended written public comment period is necessary because many facts are not yet known to the public as to the condition of the Monroe Power Plant, what alterations are presently being done on it and its impact on community air quality.

12. CCAW's Clean Air Act Petition under 42 U.S.C. §7661d(b) to the Regional Administrator of EPA Region VI

CCAW also notes for the record in this proceeding that the group has submitted a petition to the Regional Administrator of EPA Region VI seeking an intervention by the U.S. EPA Regional Administrator to disallow the proposed permit because of the type of defects identified later in this document, an inspection of the facility and its records to determine certain fact issues arising in the petition and the issuance by EPA Region VI of a Section 114 letter to compel disclosure of certain information from Entergy--Louisiana and the City of Monroe municipal power authority.

Respectfully submitted,

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