



CITY OF SAINT PAUL

ALASKA

ADEC Compliance Technician
Alaska Department of Environmental Conservation
Division of Air Quality, Air Permits Program
610 University Avenue
Fairbanks, AK 99709-3643

March 21, 2024
J.O.N. 266
Letter No. 266-071

Subject: Request for Source Testing Extension
Air Quality Operating Permit No. AQ0319TVP04
Saint Paul Power Plant, Saint Paul, Alaska

Dear Compliance Technician,

The City of Saint Paul owns and operates the Saint Paul Power Plant, located on Saint Paul Island, Alaska. On March 19, 2020, the Alaska Department of Environmental Conservation (ADEC) issued to the City of Saint Paul (City) for the Saint Paul Power Plant Air Quality Operating Permit No. AQ0319TVP04 (Operating Permit), which became effective on April 18, 2020.

On March 23, 2023, the City requested an extension extension to the Best Available Control Technology (BACT) source testing required by Condition 15 of the Operating Permit in accordance with Condition 48 of the Operating Permit. On April 11, 2023, the Department granted the extension until March 30, 2024.

By this letter, the City is formally requesting an additional extension to the Best Available Control Technology (BACT) source testing required by Condition 15 of the Operating Permit in accordance with Condition 48 of the Operating Permit. Condition 15 of the Operating Permit required the City to source test one of the EU ID 1 and 6 grouping as well as EU ID 5 at the Saint Paul Power Plant by June 7, 2022. Source testing of a representative unit of EUs 1 and 6 and EU 5 was not completed in a timely manner because at the time the source testing was due only EU ID 6 was operational. After the original June 7, 2022, source testing date, EU ID 5 has been repaired and become operational. However, due to extended operation as the only functional engine-generator, EU ID 6 is unreliable for the long-term operation that is required to perform source testing. This current operational situation has made performing source testing impossible while simultaneously providing sufficient reliable electricity to Saint Paul Island. The City has scheduled NC Machinery to perform an in frame overhaul on EU ID 6. Parts have been ordered. However, injectors and cylinder packs have long lead times which is resulting in delays in performing this work until fall of 2024.

Compounding this situation, the Bering Sea snow crab fishery is closed to fishing for a second year in a row now and will be closed to commercial fishing for the foreseeable future. This situation is devastating to the City as a large portion of the City's revenue comes from fish tax,

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docking fees, and fuel sales associated with commercial fishing of the snow crab fishery. These crippling financial concerns have forced the City to scale back all services to the bare minimum to continue to provide vital services, such as electricity, to Saint Paul Island. The City has scaled back all maintenance at the Saint Paul Power Plant to the bare minimum to keep the essential engine-generators operating. To that end, only one engine-generator of the EU ID 5 and 6 grouping operates at any one time while the other is reserved for emergency operation.

For these reasons the City requests that the source testing required by Condition 15 of the Operating Permit be postponed until December 31, 2025 and until the City can properly perform the source testing.

Pursuant to Condition 55 of the Operating Permit, this request is being submitted via email in electronic (PDF) format to the ADEC Compliance Technician at DEC.AQ.Airreports@alaska.gov. This request is also being electronically distributed to all recipients in the carbon copy distribution list below.

This submittal is certified in accordance with Condition 54 of the Operating Permit.

If you have any questions regarding this submittal, please contact me at (907) 341-3994 (pazavadil@stpaulak.com) or Mr. Chuck Hoyle, Steigers Corporation, at (563) 552-7083 (chuck.hoyle@steigers.com). Please copy Mr. Hoyle on any correspondence related to ADEC's review and processing of this Facility Operating Report.

Sincerely,



Phillip A. Zavadil, City Manager

Enclosure

| | | |
|-----|---|-----------------|
| cc: | Ms. Breanna Howard, ADEC | 1/1 (via email) |
| | Ms. Stephanie Mandregan, City of Saint Paul | 1/1 (via email) |
| | Mr. Gabe Rukovishnikoff, City of Saint Paul | 1/1 (via email) |
| | Mr. David Mercurieff, City of Saint Paul | 1/1 (via email) |
| | Mr. William Steigers, Steigers Corporation | 1/1 (via email) |
| | Mr. Chuck Hoyle, Steigers Corporation | 1/1 (via email) |

PAZ/WCH

CERTIFICATION OF TRUTH, ACCURACY, AND COMPLETENESS

“Based on information and belief formed after reasonable inquiry, I certify that the statements and information in and attached to this document are true, accurate, and complete.”



March 21, 2024

Signature of Responsible Official

Date

Phillip A. Zavadil

City Manager

Printed Name

Title