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March 31, 2004

CERTIFIED MAIL

James I. Palmer, Regional Administrator
USEPA Region 4
Atlanta Federal Center
61 Forsyth Street, SW
Atlanta, GA. 30303-8909

Re: South Carolina State Implementation Plan Revision – NO_x Trading Program Budget

Dear Mr. Palmer:

On October 27, 1998, the United States Environmental Protection Agency (EPA) published a final rule entitled, "Finding of Significant Contribution and Rulemaking for Certain States in the Ozone Transport Assessment Group Region for Purposes of Reducing Regional Transport of Ozone" [63 FR 57355]. This rule, also known as the NO_x SIP Call, requires South Carolina and certain other states to limit the summertime emission of oxides of nitrogen (NO_x) which is one of the precursors of ozone pollution, and requires states to identify pollution-reduction measures and to develop a plan to achieve these reductions. The South Carolina Department of Health and Environmental Control (Department) promulgated regulations and submitted a SIP revision to comply with the requirements of the NO_x SIP Call on May 28, 2002. EPA published a final rule in the Federal Register approving this revision on June 28, 2002 (67 FR 43546).

Each state subject to the NO_x SIP Call regulation has a NO_x budget that the state allocates to applicable sources. South Carolina's state trading program budget, as specified in section 96.40 of Regulation 61-62.96, *Nitrogen Oxides (NO_x) Budget Trading Program*, is 19,678 tons. According to section 96.41 of this regulation, the Department is required to reallocate the budget by April 1, 2004, and every five years thereafter.

In accordance with the requirements of Regulation 61-62.96, *Nitrogen Oxides (NO_x) Budget Trading Program*, the Department has revised the South Carolina NO_x Trading Program Budget and hereby submits the attached South Carolina State Implementation Plan (SIP) revision for your final review and approval.

1. On November 28, 2003, the Department published a Notice of General Interest in the *South Carolina State Register.* In the notice, the Department proposed to revise the SIP to amend the NOx budget allowances in accordance with section 96.42 of Regulation 61-62.96, *Nitrogen Oxides (NOx) Budget Trading Program.* No comments were received regarding this notice. A copy of this notice is furnished as Attachment 2.

2. On February 27, 2004, the Department published a Notice of Proposed Revision of the South Carolina State Implementation Plan in the *South Carolina State Register.* In the Notice the Department announced a Public Hearing on March 29, 2004, in which the public was invited to comment on the proposed revisions. In addition, the Notice solicited written comments from interested persons on the proposed revision. No adverse written comments were received. A copy of this notice is furnished as Attachment 3.

3. On March 12, 2004, the Department submitted a Prehearing Submittal to the EPA. Attached to the Prehearing Submittal letter was the proposed NOx Trading Program Budget for the 2007-2011 ozone control seasons. In the submittal, the Department requested comment by March 29, 2004, the date of the public hearing. No comments were received.

4. Staff of the Department conducted a public hearing on March 29, 2004, to receive comments on the proposed amendment to the SIP. No adverse comments were received. A copy of the verbatim transcripts of the public hearing is furnished as Attachment 4.

5. South Carolina has the necessary legal authority to adopt and implement this revision to its SIP. Section 2 of our EPA-approved SIP defines the necessary statutory powers. A copy of South Carolina's legal authority is provided as Attachment 5.

Four additional copies are being forwarded directly to your Air Planning Branch. Please feel free to contact Heather Preston of the Bureau of Air Quality at (803) 898-4287, should you have any questions or need any additional information.

Sincerely,

Robert W. King, Jr., P.E.
Deputy Commissioner
Environmental Quality Control

cc: Beverly Banister, Director, Air Pesticides & Toxics Management Division, USEPA Region 4 (letter only)
James A. Joy III, P.E., Chief, Bureau of Air Quality, SCDHEC (letter only)
Renee Shealy, Director, Division of Air Planning, Development and Outreach, SCDHEC (letter only)
Kay Prince, Chief, Air Planning Branch, USEPA Region 4 (w/attachments)

Attachments:

1. Final SIP revision
2. Notice of General Public Interest, published in the South Carolina State Register on November 28, 2003.
3. Notice of Proposed Revision of the South Carolina State Implementation Plan, published in the South Carolina State Register on February 27, 2004.
4. Transcripts from the March 29, 2004, Public Hearing
5. South Carolina's Legal Authority – Excerpt from EPA approved SIP

South Carolina
NOx Trading Program Budget
for the 2007-2011 Ozone Seasons

South Carolina Department of Health and
Environmental Control

March, 2004

Introduction

On October 27, 1998, the United States Environmental Protection Agency (EPA) published a final rule titled, "Finding of Significant Contribution and Rulemaking for Certain States in the Ozone Transport Assessment Group Region for Purposes of Reducing Regional Transport of Ozone." This rule, commonly referred to as the NO_x SIP Call, required South Carolina and certain other states to limit the summertime emissions of oxides of nitrogen (NO_x) which are one of the precursors of ozone pollution. EPA has stated in the rule that sources in these states emit NO_x in amounts that significantly contribute to non-attainment of the 1-hour National Ambient Air Quality Standard (NAAQS) for ozone in one or more down-wind states. The NO_x SIP Call required reductions of summertime emissions of NO_x in South Carolina and required the Department to submit a revision to the SIP that identified measures necessary to achieve these reductions. The Department promulgated regulations and submitted a SIP revision to comply with the requirements of the NO_x SIP Call on May 28, 2002. EPA published a final rule in the *Federal Register* approving this revision on June 28, 2002 (67 FR 43546).

One of the significant features of the NOx SIP Call regulation is that it establishes a NOx budget trading program. In accordance with the trading program, each state subject to the NOx SIP Call rule is given a NOx budget which the state then allocates to applicable sources, referred to as NOx budget units, according to a formula specified in the regulations. NOx budget units then have the flexibility to buy and sell budget allowances at their own discretion in order to comply with the regulation.

South Carolina's state trading program budget, as specified in section 96.40 of Regulation 61-62.96, *Nitrogen Oxides (NOx) Budget Trading Program*, is 19,678 tons. According to section 96.41 of this regulation, the Department is required to reallocate the budget by April 1, 2004, and every five years thereafter. If the state fails to submit a revised budget to EPA by this date, the EPA will allocate the same number of NOx allowances as were allocated for the preceding control period.

The Department is proposing to revise the South Carolina State Implementation Plan to amend the NOx trading program budget allowances. The Department intends to revise the NOx budget allowances in accordance with the requirements specified in section 96.42 of the above-mentioned regulation. The revision as attached includes the following:

Attachment 1: Proposed South Carolina 2007-2011 NOx Budget.

Attachment 2: Notice of General Public Interest Published in the South Carolina State Register on November 28, 2003.

Attachment 3: Notice of Proposed Revision of the South Carolina State Implementation Plan published in the South Carolina State Register on February 27, 2004.

Attachment 4: Copy of Public Hearing Testimony Conducted on March 29, 2004.

Attachment 5: Copy of Legal Authority.

Attachment 1

Proposed NOX Trading Program Budget for the 2007-2011 Ozone Seasons

SOUTH CAROLINA's 2007-2011 NOx ALLOCATIONS FOR EGU SOURCES IN THE TRADING PROGRAM - 3% Set Aside

Calculated Using 1999 - 2003 Ozone Season Heat Input Data

Plant Name	cnty_code	Permit #	Point #	Point Description	Account ID	Comments	99 Seasonal Heat Input (mmBTU)	00 Seasonal Heat Input (mmBTU)	01 Seasonal Heat Input (mmBTU)	02 Seasonal Heat Input (mmBTU)	03 Seasonal Heat Input (mmBTU)	1st High Heat Input (mmBTU/ O3 Seasor	2nd High Heat Input (mmBTU/ O3 Season)	Avg. High Heat Input (mmBTU/ O3 Season)	Calc. Allocation (tons/O3 Season)	Calc. Total By Company	Allocation (tons/O3 Season)	Total By Company
CHEROKEE COGENERATION	021	0600-0060	0CA	76.7 MW TURBINE	0550430CCCP1		2,340,336	2,132,871	1,809,096	1,784,239	667,799	2,340,336	2,132,871	2,236,603.5	166.84	166.84	167	167
PROGRESS:ROBINSON	031	0820-0002	001	Unit 1 174 MW	003251000001		5,295,505	4,081,883	3,947,826	4,417,294	4,475,259	5,295,505	4,475,259	4,885,382.0	364.43		364	
PROGRESS:ROBINSON (Darlington)	031	0820-0002	006	CT 1 COMB TURB - 84 MW	003250000001		259,848	171,659	114,943	39,803	10,776	259,848	171,659	215,753.5	16.09		16	
PROGRESS:ROBINSON (Darlington)	031	0820-0033	001	CT 2 COMB TURB 84MW	003250000002		145,118	113,114	21,705	14,534	6,344	145,118	113,114	129,116.0	9.63		10	
PROGRESS:ROBINSON (Darlington)	031	0820-0033	001	CT 3 COMB TURB 84MW	003250000003		239,667	64,849	41,658	35,959	9,083	239,667	64,849	152,258.0	11.36		11	
PROGRESS:ROBINSON (Darlington)	031	0820-0033	001	CT 4 COMB TURB 84MW	003250000004		164,454	99,127	21,266	13,414	8,894	164,454	99,127	131,790.5	9.83		10	
PROGRESS:ROBINSON (Darlington)	031	0820-0033	001	CT 5 COMB TURB 84MW	003250000005		213,732	148,930	67,103	55,155	7,414	213,732	148,930	181,331.0	13.53		13	
PROGRESS:ROBINSON (Darlington)	031	0820-0033	001	CT 6 COMB TURB 84MW	003250000006		150,437	79,811	15,866	16,508	5,939	150,437	79,811	115,124.0	8.59		9	
PROGRESS:ROBINSON (Darlington)	031	0820-0033	001	CT 7 COMB TURB 84MW	003250000007		244,139	155,183	63,567	51,448	5,631	244,139	155,183	199,661.0	14.89		15	
PROGRESS:ROBINSON (Darlington)	031	0820-0033	001	CT 8 COMB TURB 84MW	003250000008		141,165	72,559	14,530	6,432	6,869	141,165	72,559	106,862.0	7.97		8	
PROGRESS:ROBINSON (Darlington)	031	0820-0033	001	CT 9 COMB TURB 84MW	003250000009		149,027	91,111	23,834	8,836	3,572	149,027	91,111	120,069.0	8.96		9	
PROGRESS:ROBINSON (Darlington)	031	0820-0033	001	CT 10 COMB TURB 84MW	003250000010		156,172	84,550	17,460	11,537	4,620	156,172	84,550	120,361.0	8.98		9	
PROGRESS:ROBINSON (Darlington)	031	0820-0033	001	CT 11 COMB TURB 84MW	003250000011		158,188	81,688	20,390	12,822	3,519	158,188	81,688	119,938.0	8.95		9	
PROGRESS:ROBINSON (Darlington)	031	0820-0002	006	CT 12 158 MW	003250000012		622,999	666,537	484,710	306,981	78,782	666,537	622,999	644,768.0	48.10		48	
PROGRESS:ROBINSON (Darlington)	031	0820-0002	006	CT 13 158 MW	003250000013		659,641	618,337	478,020	299,791	65,326	659,641	618,337	638,989.0	47.67	578.97	48	579
DUKE ENERGY:LEE	007	0200-0004	001	BLR1 - 105 MW (1215 MMBU	003264000001		1,517,741	1,336,446	1,734,951	1,707,027	1,521,980	1,734,951	1,707,027	1,720,989.0	128.38		129	
DUKE ENERGY:LEE	007	0200-0004	002	BLR2 - 105 MW (1215MMBTU)	003264000002		1,998,950	1,876,824	1,935,133	1,753,683	1,909,977	1,998,950	1,935,133	1,967,041.5	146.73		147	
DUKE ENERGY:LEE	007	0200-0004	003	BLR3 - 175 MW (2252MMBTU)	003264000003		3,396,822	3,473,023	2,466,084	3,012,263	3,015,739	3,473,023	3,396,822	3,434,922.5	256.23		256	
DUKE ENERGY:LEE	007	0200-0004	004	TURBINE4C - 30 MW (450MMBTU	00326400004C		50,727	8,544	4,272	4,984	3,076	50,727	8,544	29,635.5	2.21		2	
DUKE ENERGY:LEE	007	0200-0004	005	TURBINE5C -30 MW (450MMBTU	00326400005C		54,875	19,224	2,136	12,816	8,430	54,875	19,224	37,049.5	2.76		3	
DUKE ENERGY:LEE	007	0200-0004	006	TURBINE6C - 30 MW (450MMBTU	00326400006C		49,679	116,056	32,040	18,512	49,114	116,056	49,679	82,867.5	6.18	542.50	6	543
SANTEE COOPER:CROSS	015	0420-0030	001	UNIT 1 - 540 MW (5200 MMBTU)	000130000001		18,584,462	17,367,188	16,102,643	18,784,052	19,653,464	19,653,464	18,784,052	19,218,758.0	1,433.64		1,433	
SANTEE COOPER:CROSS	015	0420-0030	002	UNIT 2 - 540 MW (5200MMBTU)	000130000002		15,818,153	18,353,105	19,808,750	19,070,420	17,320,316	19,808,750	19,070,420	19,439,585.0	1,450.11		1,450	
SANTEE COOPER:GRAINGER	051	1340-0003	001	UNIT 1 - 85 MW (880MMBTU)	003317000001		2,429,065	2,215,943	2,230,808	2,469,089	2,505,509	2,505,509	2,469,089	2,487,299.0	185.54		185	
SANTEE COOPER:GRAINGER	051	1340-0003	002	UNIT 2 - 85 MW (880MMBTU)	003317000002		2,224,447	2,116,487	2,190,925	2,628,654	2,428,464	2,628,654	2,428,464	2,528,559.0	188.62		189	
SANTEE COOPER:HILTON HEAD	013	0360-0006	001	TURBINE 1 - 27 MW (594MMBTU	003318000CT1		17,663	56,878	49,926	42,348	5,164	56,878	49,926	53,402.0	3.98		4	
SANTEE COOPER:HILTON HEAD	013	0360-0006	002	TURBINE 2 - 27 MW (594MMBTU	003318000CT2		33,320	56,878	49,926	42,348	3,995	56,878	49,926	53,402.0	3.98		4	
SANTEE COOPER:HILTON HEAD	013	0360-0006	003	TURBINE 3 - 57 MW (700MMBTU	003318000CT3		103,612	56,878	49,926	42,348	13,561	103,612	56,878	80,245.0	5.99		6	
SANTEE COOPER:JEFFRIES	015	0420-0003	001	UNIT 1 - 46 MW (598MMBTUH)	003319000001		459,338	267,614	168,458	167,253	45,078	459,338	267,614	363,476.0	27.11		27	
SANTEE COOPER:JEFFRIES	015	0420-0003	002	UNIT 2 - 46 MW (598MMBTUH)	003319000002		584,884	304,279	195,778	174,977	37,521	584,884	304,279	444,581.5	33.16		33	
SANTEE COOPER:JEFFRIES	015	0420-0003	003	UNIT 3 - 153 MW (1533MMBTUH)	003319000003		3,928,410	4,509,012	4,377,459	4,692,153	4,683,625	4,692,153	4,683,625	4,687,889.0	349.70		350	
SANTEE COOPER:JEFFRIES	015	0420-0003	004	UNIT 4 - 153 MW (1533MMBTUH)	003319000004		5,112,242	5,045,879	4,156,422	5,280,795	5,770,823	5,770,823	5,280,795	5,525,809.0	412.20		412	
SANTEE COOPER:MYRTLE BEACH	051	1340-0021	003	UNIT 3 - 27 MW	003320000CT3		35,468	32,240	26,935	23,173	1,602	35,468	32,240	33,854.0	2.53		3	
SANTEE COOPER:MYRTLE BEACH	051	1340-0021	004	UNIT 4 - 27 MW	003320000CT4		34,672	32,240	26,935	23,173	2,205	34,672	32,240	33,456.0	2.50		2	
SANTEE COOPER:MYRTLE BEACH	051	1340-0021	005	UNIT 5 - 27 MW	003320000CT5		48,365	32,240	26,935	23,173	2,068	48,365	32,240	40,302.5	3.01		3	
SANTEE COOPER:RAINEY	007	0200-0144	01A	CT1A - 170 MW (1858MMBTU)	00783400CT1A	New-4th Q 2001				4,084,676	2,097,246	4,084,676	2,097,246	3,090,961.0	230.57		231	
SANTEE COOPER:RAINEY	007	0200-0144	01B	CT1B - 170 MW (1858MMBTU)	00783400CT1B	New-4th Q 2001				4,643,444	2,773,693	4,643,444	2,773,693	3,708,568.5	276.64		277	
SANTEE COOPER:RAINEY	007	0200-0144	02A	CT2A - 170 MW (1858MMBTU)	00783400CT2A	New-2nd Q 2002				1,473,064	317,157	1,473,064	317,157	895,110.5	66.77		67	
SANTEE COOPER:RAINEY	007	0200-0144	02B	CT2B - 170 MW (1858MMBTU)	00783400CT2B	New-2nd Q 2002				1,398,628	355,261	1,398,628	355,261	876,944.5	65.42		65	
SANTEE COOPER:WINYAH	043	1140-0005	001	UNIT 1 - 315 MW (2660MMBTU)	006249000001		8,751,042	8,225,481	8,157,534	8,721,650	7,589,869	8,751,042	8,721,650	8,736,346.0	651.69		652	
SANTEE COOPER:WINYAH	043	1140-0005	002	UNIT 2 - 315MW (2660MMBTU)	006249000002		8,556,398	8,472,787	8,822,121	9,147,684	8,901,713	9,147,684	8,901,713	9,024,698.5	673.20		673	
SANTEE COOPER:WINYAH	043	1140-0005	003	UNIT 3 -315 MW (2660MMBTU)	006249000003		9,568,801	9,116,862	9,546,944	9,194,592	8,734,237	9,568,801	9,546,944	9,557,872.5	712.98		713	
SANTEE COOPER:WINYAH	043	1140-0005	004	UNIT 4 - 315 MW (2660MMBTU)	006249000004		8,807,000	8,540,120	8,521,223	9,185,545	8,707,966	9,185,545	8,807,000	8,996,272.5	671.08	7,450.44	671	7,450
SCE&G:CANADYS	029	0740-0002	001	UNIT #1- 125 MW (1161MMBTU)	00328000CAN1		3,336,719	3,364,945	3,508,717	3,102,994	3,514,568	3,514,568	3,508,717	3,511,642.5	261.95		262	
SCE&G:CANADYS	029	0740-0002	002	UNIT #2- 125 MW (1161MMBTU))	00328000CAN2		1,313,685	3,403,757	3,663,583	3,440,550	3,506,867	3,663,583	3,506,867	3,585,225.0	267.44		268	
SCE&G:CANADYS	029	0740-0002	003	UNIT #3- 200 MW (1889MMBTU)	00328000CAN3		4,451,687	5,780,273	4,742,091	4,073,127	4,627,541	5,780,273	4,742,091	5,261,182.0	392.46		392	
SCE&G:COPE	075	1860-0044	001	UNIT #1- 40 MW (4000MMBTU)	00721000COP1		13,504,300	15,045,935	15,266,059	15,660,381	12,364,351	15,660,381	15,266,059	15,463,220.0	1,153.49		1,153	
SCE&G:HAGOOD	019	0560-0029	004	IC TURB - 110 MW (1331MMBTU)	00328500HAG4		531,490	392,900	192,386	354,593	121,284	531,490	392,900	462,195.0	34.48		35	
SCE&G:MCMEEKIN	063	1560-0003	001	UNIT1 - 125 MW (1134MMBTU)	00328700MCM1		3,561,744	3,838,106	3,841,344	3,493,239	3,666,663	3,841,344	3,838,106	3,839,725.0	286.43		286	
SCE&G:MCMEEKIN	063	1560-0003	002	UNIT2 - 125 MW (1134MMBTU)	00328700MCM2		4,101,479	4,386,065	4,430,841	4,197,567	4,417,179	4,430,841	4,417,179	4,424,010.0	330.01		330	
SCE&G:URQUHART	003	0080-0011	001	UNIT 1 - 75 MW (820MMBTU)	00329500URQ1		2,409,266	1,882,870	1,626,943			2,409,266	1,882,870	2,146,068.0	160.09		160	
SCE&G:URQUHART	003	0080-0011	002	UNIT 2 - 75 MW (820MMBTU)	00329500URQ2		2,258,174	2,029,972	2,231,687			2,258,174	2,231,687	2,244,930.5	167.46		168	
SCE&G:URQUHART	003	0080-0011	003	UNIT 3 - 100 MW (820MMBTU)	00329500URQ3		2,873,417	3,345,600	3,478,590	3,495,332	2,954,794	3,495,332	3,478,590	3,486,961.0	260.11		260	
SCE&G:URQUHART	003	0080-0011	004	UNIT 4 - 45 MW CT	00329500URQ4	New-2000	11,627	134,325	160,048	153,085	85,994	160,048	153,085	156,566.5	11.68		12	
SCE&G:URQUHART	003	0080-0011	005	UNIT 5 - 150 MW CT	00329500URQ5	New-2nd Q 2002				3,669,574	1,472,687	3,669,574	1,472,687	2,571,130.5	191.80		192	
SCE&G:URQUHART	003	0080-0011	006	UNIT 6 - 150 MW CT	00329500URQ6	New-2nd Q 2002				3,381,183	860,195	3,381,183	860,195	2,120,689.0	158.19		158	
SCE&G:WATEREE	079	1900-0013	001	UNIT1 - 360 MW (3577MBTU)	00329700WAT1		9,280,419	8,638,671	9,193,039	8,992,395	9,808,768	9,808,768	9,280,419	9,544,593.5	711.99		712	
SCE&G:WATEREE	079	1900-0013	002	UNIT2 - 360 MW (3577MBTU)	00329700WAT2		9,661,657	8,251,396	9,003,777	9,897,173	9,422,663	9,897,173	9,661,657	9,779,415.0	729.50		730	
SCE&G:WILLIAMS	015	0420-0006	001	UNIT1 - 600 MW (5500MMBTU)	00329800WIL1		19,664,739	21,071,806	18,363,770	19,255,322	15,989,486	21,071,806	19,664,739	20,368,272.5	1,519.39		1,519	
SCE&G:WILLIAMS	015	0420-0006	004	TURBINEA - 27 MW (361MMBTU)	00329800WIL4		20,987	30,208	30,483	17,219	3,731	30,483	30,208	30,345.5	2.26		2	
SCE&G:WILLIAMS	015	0420-0006	005	TURBINEB - 27 MW (361MMBTU)	00329800WIL5		20,988	30,209	30,483	17,219	3,732	30,483	30,209	30,346.0	2.26	6,641.01	2	6,641
CALPINE:BROAD RIVER ENERGY CENTE	021	0600-0076	001	CT-1 - 193 MW (1994MMBTU)	05516600CTZ1	New-3rd Q 2000		27,818	1,071,569	1,191,527	13,937	1,191,527	1,071,569	1,131,548.0	84.41		84	
CALPINE:BROAD RIVER ENERGY CENTE	021	0600-0076	002	CT-2 - 193 MW (1994MMBTU)	05516600CTZ2	New-3rd Q 2000		26,660	1,025,581	1,191,804	38,117	1,191,804	1,025,581	1,108,692.5	82.70		83	
CALPINE:BROAD RIVER ENERGY CENTE	021	0600-0076	003	CT-3 - 193 MW (1994MMBTU)	05516600CTZ3	New-3rd Q 2000		15,925	943,951	1,008,721	47,163	1,008,721	943,951	976,336.0	72.83		73	
CALPINE:BROAD RIVER ENERGY CENTE	021	0600-0076	004	CT-4 - 193 MW (1994MMBTU)	05516600CTZ4	New-3rd Q 2001			38,152	1,495,597	804	1,495,597	38,152	766,874.5	57.21		57	
CALPINE:BROAD RIVER ENERGY CENTE	021	0600-0076	005	CT-5 - 193 MW (1994MMBTU)	05516600CTZ5	New-3rd Q 2001				950,607	17,314	950,607	17,314	483,960.5	36.10	333.25	36	333
							180,108,942	181,991,878	180,669,332	203,936,486	176,756,518			210,641,833.0	15,713.00	15,713.00	15,713	15,713

Avg lb/mmBTU= 0.15

EGU Budget = 16,199.00 (tons per ozone season)
3% Set Aside = 486.00 (tons per ozone season)
Total Allocation = 15,713.00 (tons per ozone season)

NOTES:

2. For sources subject to the Acid Rain program reporting requirements, ozone season heat input data used was from the EPA's Clean Air Markets Divion web site.

March 9, 2004

SOUTH CAROLINA's 2007-2011 NOx ALLOCATIONS FOR NON-EGU SOURCES IN THE TRADING PROGRAM
Calculated Using 1999-2003 Ozone Season Heat Input Data

Plant Name	County	plant_id	Permit #	Point#	Point Description	Cap	Account ID	Comments	99 Seasonal Heat Input (mmBTU)	00 Seasonal Heat Input (mmBTU)	01 Seasonal Heat Input (mmBTU)	02 Seasonal Heat Input (mmBTU)	03 Seasonal Heat Input (mmBTU)	1st High Heat Input (mmBTU)	2nd High Heat Input (mmBTU)	Average Heat Input (mmBTU)	Calc. Allocation (tons/O3 season)	Total Calc. Allocation by Company	2004 Allocation (tons/O3 season)	Total Allocation by Company
BOWATER INC	91	5	2440-0005	1	PWR BLR #1	316	002440000001		239,373	142,343	124,696	66,164	239,210	239,373	239,210	239,291.5	**53.57**	53.57	**54**	54
VORIDIAN	63	8	1560-0008	N01	BLR 1	271	880066000001		101,194	184,831	41,162	117,640	11,018	184,831	117,640	151,235.5	**33.86**		**34**	
VORIDIAN	63	8	1560-0008	N03	BLR 3	321	880066000002		602,545	697,412	639,910	583,400	733,500	733,500	697,412	715,456.0	**160.17**		**160**	
VORIDIAN	63	8	1560-0008	N04	BLR 4	321	880066000003		515,318	653,718	674,482	538,713	547,086	674,482	653,718	664,100.0	**148.67**		**149**	
VORIDIAN	63	8	1560-0008	N05	BLR 5	321	880066000004		626,645	607,063	695,470	688,484	801,904	801,904	695,470	748,687.0	**167.61**	510.31	**167**	510
CELANESE ACETATE:ROCKHILL	91	10	2440-0010	6	BLR 6	360	880073000006		0	0	0	0	0	0	0	0.0	**0.00**	0.00	**0**	0
DUPONT,EI:MAY PLANT	55	3	1380-0003	14	SES BLR #3	315	880057000003		832,673	675,345	476,529	0	552,603	832,673	675,345	754,009.0	**168.80**		**169**	
DUPONT,EI:MAY PLANT	55	3	1380-0003	15	SES BLR #4	315	880057000004		848,228	788,940	682,279	712,406	778,155	848,228	788,940	818,584.0	**183.26**	352.06	**183**	352
INTERNATIONAL PAPER:EASTOVER	79	46	1900-0046	1	#1 POWER BLR	545	052151000001		1,809,062	1,591,379	1,608,935	1,353,793	1,771,150	1,809,062	1,771,150	1,790,106.0	**400.75**	400.75	**401**	401
SONOCO:HARTSVILLE	31	12	0820-0012	4	BLR 4	380	880078000B04		815,876	1,032,533	1,001,361	989,413	713,525	1,032,533	1,001,361	1,016,947.0	**227.67**	227.67	**228**	228
SPRINGS IND:GRACE	57	3	1460-0003	3	BLR 3	260	880068000003		447,913	414,452	420,548	467,061	408,010	467,061	447,913	457,487.0	**102.42**		**102**	
SPRINGS IND:GRACE	57	3	1460-0003	4	BLR 4	260	880068000004		56,599	14,223	31,273	85,116	147,573	147,573	85,116	116,344.5	**26.05**	128.46	**26**	128
STONE CONTAINER:FLORENCE	41	3	1040-0003	010	UNIT 4	955	050806000016		3,567,271	3,310,528	3,644,820	3,439,210	3,540,197	3,644,820	3,567,271	3,606,045.5	**807.29**	807.29	**807**	807
COGEN SOUTH	19	244	0560-0244	B001S	MAIN BLR	1337	00773700B001		3,368,248	3,751,023	3,165,194	3,728,493	3,571,133	3,751,023	3,728,493	3,739,758.0	**837.22**		**837**	
COGEN SOUTH	19	244	0560-0244	B002S	AUX BLR 1	313	00773700B002		20,001	29,645	32,484	47,410	55,930	55,930	47,410	51,670.0	**11.57**		**12**	
COGEN SOUTH	19	244	0560-0244	B002S	AUX BLR 2	313	00773700B003		20,001	29,645	32,484	47,410	55,930	55,930	47,410	51,670.0	**11.57**		**12**	
COGEN SOUTH	19	244	0560-0244	B002S	AUX BLR 3	313	00773700B004		20,001	29,645	32,484	47,410	55,930	55,930	47,410	51,670.0	**11.57**	871.93	**11**	872
WEYERHAEUSER:MARLBORO MILL	69	43	1680-0043	5	PACKGE BLR	305	880074000015		57,519	71,799	21,185	28,785	133,332	133,332	71,799	102,565.5	**22.96**	22.96	**23**	23
															Total	15,075,626.5	**3,375.00**		**3,375**	3,375

Avg lb/mmBTU= 0.45

Non-EGU Budget = 3,479.00 (tons per ozone season)
3% Set Aside = 104.00 (tons per ozone season)
Total Allocation = 3,375.00 (tons per ozone season)

NOTES: 1. 1999 - 2003 Ozone Season Heat Input Data Provided by Facilities

Attachment 2

Notice of General Public Interest Published in the South Carolina State Register on November 28, 2003

DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL

NOTICE OF GENERAL PUBLIC INTEREST
CHAPTER 61
Statutory Authority: S.C. Code Section 48-1-10 *et seq.*

South Carolina Air Quality Implementation Plan:

The Department of Health and Environmental Control (Department) proposes to amend the *South Carolina State Implementation Plan*, also known as the SIP. Interested persons are invited to present their views in writing to Frank Cramer; Division of Air Planning, Development and Outreach; Bureau of Air Quality; 2600 Bull Street; Columbia, SC 29201. To be considered, written comments must be received no later than 5:00 p.m. on Monday, December 29, 2003, the close of the comment period.

Synopsis:

On October 27, 1998, the United States Environmental Protection Agency (EPA) published a final rule titled, "Finding of Significant Contribution and Rulemaking for Certain States in the Ozone Transport Assessment Group Region for Purposes of Reducing Regional Transport of Ozone." This rule, commonly referred to as the NO_x SIP Call, required South Carolina and certain other states to limit the summertime emissions of oxides of nitrogen (NO_x) which are one of the precursors of ozone pollution. EPA has stated in the rule that sources in these states emit NO_x in amounts that significantly contribute to non-attainment of the 1-hour National Ambient Air Quality Standard (NAAQS) for ozone in one or more down-wind states. The NO_x SIP Call required reductions of summertime emissions of NO_x in South Carolina and required the Department to submit a revision to the SIP that identified measures necessary to achieve these reductions. The Department promulgated regulations and submitted a SIP revision to comply with the requirements of the NO_x SIP Call on May 28, 2002. EPA published a final rule in the *Federal Register* approving this revision on June 28, 2002 (67 FR 43546).

One of the significant features of the NOx SIP Call regulation is that it establishes a NOx budget trading program. In accordance with the trading program, each state subject to the NOx SIP Call rule is given a NOx budget which the state then allocates to applicable sources, referred to as NOx budget units, according to a formula specified in the regulations. NOx budget units then have the flexibility to buy and sell budget allowances at their own discretion in order to comply with the regulation.

South Carolina's state trading program budget, as specified in section 96.40 of Regulation 61-62.96, *Nitrogen Oxides (NOx) Budget Trading Program*, is 19,678 tons. According to section 96.41 of this regulation, the Department is required to reallocate the budget by April 1, 2004, and every five years thereafter. If the state fails to submit a revised budget to EPA by this date, the EPA will allocate the same number of NOx allowances as were allocated for the preceding control period.

The Department is proposing to revise the SIP to amend the NOx budget allowances. The Department intends to revise the NOx budget allowances in accordance with the requirements specified in section 96.42 of the above-mentioned regulation.

DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL

In accordance with Section 44-7-200(C), Code of Laws of South Carolina, the public is hereby notified that a Certificate of Need application has been accepted for filing and publication November 28, 2003, for the following project(s). After the application is deemed complete, affected persons will be notified that the review cycle has begun. For further information, please contact Mr. Albert N. Whiteside, Director, Division of Planning and Certification of Need, 2600 Bull St., Columbia, SC 29201 at (803) 545-4200.

Attachment 3

Notice of Proposed Revision of the
South Carolina State Implementation Plan
Published in the
South Carolina State Register on February 27, 2004

DEPARTMENT OF HEALTH AND ENVIRONMENAL CONTROL

NOTICE OF PROPOSED REVISION OF THE
SOUTH CAROLINA STATE IMPLEMENTATION PLAN

Synopsis:

On October 27, 1998, the United States Environmental Protection Agency (EPA) published a final rule titled, "Finding of Significant Contribution and Rulemaking for Certain States in the Ozone Transport Assessment Group Region for Purposes of Reducing Regional Transport of Ozone." This rule, commonly referred to as the NO_x SIP Call, required South Carolina and certain other states to limit the summertime emissions of oxides of nitrogen (NO_x) which are one of the precursors of ozone pollution. EPA has stated in the rule that sources in these states emit NO_x in amounts that significantly contribute to non-attainment of the 1-hour National Ambient Air Quality Standard (NAAQS) for ozone in one or more down-wind states. The NO_x SIP Call required reductions of summertime emissions of NO_x in South Carolina and required the Department to submit a revision to the SIP that identified measures necessary to achieve these reductions. The Department promulgated regulations and submitted a SIP revision to comply with the requirements of the NO_x SIP Call on May 28, 2002. EPA published a final rule in the *Federal Register* approving this revision on June 28, 2002 (67 FR 43546).

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The Department is proposing to revise the SIP to amend the NOx budget allowances. The Department intends to revise the NOx budget allowances in accordance with the requirements specified in section 96.42 of the above-mentioned regulation.

Public Hearing:

Staff of the Department will conduct a public hearing to receive public comments on the proposed revision of the State Implementation Plan on March 29, 2004 at 10:00 a.m. in Room 2380 of the Aycock Building, South Carolina Department of Health and Environmental Control, 2600 Bull Street, Columbia, SC. Interested members of the public are invited to attend and comment on the proposed revisions. Interested persons may also submit comments in writing to Frank Cramer at the South Carolina Department of Health and Environmental Control, Regulation Development Section, 2600 Bull Street, Columbia, SC 29201. To be considered, comments must be received by March 29, 2004, the close of the comment period.

Copies of the proposed SIP revision for public notice and comment will be available at the public hearing. Copies may also be obtained by contacting Frank Cramer at the South Carolina Department of Health and Environmental Control, Bureau of Air Quality, 2600 Bull Street, Columbia, SC 29201, or by calling (803) 898-3218.

Attachment 4

Copy of Public Hearing Testimony Conducted on March 29, 2004

COPY

STATE OF SOUTH CAROLINA)	BEFORE THE SOUTH CAROLINA
)	BOARD OF HEALTH AND
COUNTY OF RICHLAND)	ENVIRONMENTAL CONTROL
PUBLIC HEARING:)	
)	
PROPOSED REVISION OF)	
THE SOUTH CAROLINA STATE)	
IMPLEMENTATION PLAN)	
)	
)	TRANSCRIPT OF
)	
)	PROCEEDINGS
BUREAU OF AIR QUALITY)	
)	

Public hearing held at the South Carolina Department of Health and Environmental Control, before Facilitator Frank Cramer in Room 2380, 2600 Bull Street, Columbia, South Carolina, on Monday, March 29, 2004, commencing at 10:07 o'clock, A.M. and ending at 10:13 o'clock, A.M., in the above-entitled matter.

FAYE A. GRAINGER, d/b/a
GRAINGER REPORTING SERVICE
Post Office Box 532
Irmo, South Carolina 29063
(803) 798-2679 Fax# (803) 772-1108

A P P E A R A N C E S:

DHEC Staff Present:

Frank Cramer, Facilitator
Heather Preston
John Hursey
Chip Lominick
Nelson Roberts

Among Others Present:

Leon Outlaw
Tim Paasch
Jacquelyn Taylor
Ted Bach
Rick Carnell

Faye A. Grainger
Court Reporter

I N D E X

PAGE

FACILITATOR CRAMER ---------- 4

CERTIFICATE OF COURT REPORTER ---------- 10

PROCEEDING

FACILITATOR CRAMER: Good morning. I'm Frank Cramer with the Bureau of Air Quality. I will be the facilitator for this public hearing.

Let the record show that this hearing was convened at ten-0-seven, A.M. on Monday, March 29th, 2004.

Public notice of this forum was published in the State Register on February 27, 2004. Copies of the notice were also sent to a mailing list maintained by the Bureau. Unless I hear an objection, a copy of this notice will be entered into the record as though it were read. Is there any objection?

Let the record reflect that this public hearing is being conducted by staff of the Department of Health and Environmental Control. The purpose of this hearing is to answer questions, clarify issues, and to receive input from interested persons on the notice of proposed revision of the South Carolina

State Implementation Plan that was published in the State Register on February 27th, 2004. Comments received today shall be considered by the department staff in formulating the final NOx Budget in accordance with Regulation 61-62.96, Nitrogen Oxides (NOx) Budget Trading Program.

A verbatim court reporter is present today for the taking of the record. If you wish to speak, please state your name and affiliation clearly and present any written comments to the court reporter for the record.

The department welcomes your input and assistance in perfecting the State Implementation Plan (SIP) revision.

I will present a brief summary and explanation of the proposed SIP revision. Following this presentation, any member of the audience desiring to make comments will be given an opportunity to do so. Speakers will be recognized in the order in which they registered and indicated a desire to speak.

If there are questions after a presentation, please direct them to me, and I will either respond or ask the appropriate person to answer. If no one is able to answer your question today, an answer will be provided in writing at a later date.

On October 27th, 1998, the United States Environmental Protection Agency (EPA) published a final rule titled "Finding of Significant Contribution and Rule Making for Certain States in the Ozone Transport Assessment Group Region for Purposes of Reducing Regional Transport of Ozone". This rule, commonly referred to as the NOx SIP Call, required South Carolina and certain other states to limit the summertime emissions of oxides of nitrogen (NOx) which are one of the precursors of ozone pollution. EPA has stated in the rule that sources in these states emit NOx in amounts that significantly contribute to non-attainment of the one-hour National Ambient Air Quality Standard (NAAQS) for ozone in one

or more down-wind states. The NOx SIP Call required reductions of the summertime emissions of NOx in South Carolina and required the Department to submit a revision to the SIP that identified measures necessary to achieve these reductions. The Department promulgated regulations and submitted a SIP revision to comply with the requirements of the NOx SIP Call on May 28, 2002. EPA published a final rule in the Federal Register approving this revision on June 28, 2002, and that was 67 FR 43546.

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The Department is proposing to revise the SIP to amend the NOx budget. The Department intends to revise the NOx budget in accordance with the requirements specified in section 96.42 of the above-mentioned regulation.

At this point, I will recognize anyone who would like to comment on the proposed revision.

There being no further comments, this hearing is adjourned. Thank you for your

participation in this process.

(Thereupon, at 10:13 o'clock, A.M., the same day, the proceedings were concluded)

STATE OF SOUTH CAROLINA)
) CERTIFICATE
COUNTY OF LEXINGTON)

Be it known that I am a duly qualified court reporter; that I was hired to take the testimony in this matter; that I took notes by stenomask of the said testimony; that the said notes were reduced to typewritten form by me; and that the foregoing nine (9) pages constitute a true, accurate and complete transcript, to the best of my skill and ability.

Witness my hand and seal at Columbia, South Carolina, this 30th day of March, 2004.

Faye A. Grainger

Faye A. Grainger
Notary Public for South Carolina
My Commission Expires: 6-6-2005

Attachment 5

Copy of Legal Authority

LEGAL AUTHORITY[1]

No plan for attaining a goal, the attainment of which is dependent upon regulatory action, can be used with any degree of effectiveness unless the legal framework is strong. Consequently, the Requirements for Preparation, Adoption, and Submittal of Implementation Plans, 40 CFR 51, as amended, define the necessary statutory powers which must be immediately available to states to carry out the responsibility to the Clean Air Act.

40 CFR 51.230 sets forth six specific requirements for state authority. The South Carolina Pollution Control Act, Act 1157 of 1970, as amended, S. C. Code Sections 48-1-10 thru -350 (1976), provides the State's authority to respond to these requirements. The Attorney General of the State of South Carolina has given an opinion as to the adequacy of South Carolina laws, as follows:

Legal Authority Required 40 CFR 51	Adequacy of S. C. Law	S. C. Statutes Involved
(a) "Adopt emission standards and limitations and any other measures necessary for attainment and maintenance of national standards."	Adequate	S. C. Code Secs. 48-1-20, 48-1-50(23)
(b) "Enforce applicable laws, regulations, & standards, and seek injunctive relief."	Adequate	S. C. Code Sec. 48-1-50(1), (3), (4), (5), (11); Secs. 48-1-120, 48-1-130, 48-1-210, 48-1-320, 48-1-330.
(c) "Abate pollutant emissions on an emergency basis to prevent substantial endangerment to the health of persons, i.e., authority comparable to that available to the Administrator under section 305 of the Act."	Adequate	S. C. Code Sec. 48-1-290.
(d) "Prevent construction, modification, or operation of a facility, building, structure, or installation, or combination thereof, which directly or indirectly results or may result in emissions of any air pollutant at any location which will prevent the attainment or maintenance of a national standard."	Adequate	S. C. Code Sec. 48-1-50(5), (10); Secs. 48-1-100, 48-1-110.
(e) "Obtain Information necessary to determine whether air pollution sources are in compliance with applicable laws, regulations, and standards, Including authority to require recordkeeping and to make inspections and conduct tests of air pollution sources."	Adequate	S. C. Code Sec. 48-1-50(10), (20), (22), (24).
(f) "Require owners or operators of stationary sources to install, maintain, and use emission monitoring devices and to make periodic reports to the State on the nature and amounts of emissions from such stationary sources; also authority for the State to make such data available to the public as reported and as correlated with any applicable emission standards or limitations."	Adequate	S. C. Code Secs. 48-1-50(22), 48-1-270.

[1] Section 2 of the EPA-approved South Carolina Air Quality Implementation Plan (SIP), which defines the State's statutory powers as required in 40 CFR 51.230.

Public Hearings

The South Carolina Pollution Control Act provides for notice and public hearings prior to action by the Board of Health and Environmental Control concerning adoption of regulations and standards, adoption or modification of final compliance dates, and other specified legal actions.

Additionally, Act 176 of 1977 enacted by the South Carolina General Assembly requires, among other things, that at least thirty days public notice be given before adoption, amendment or repeal of any rule. It also requires that the substance of the intended action or a description of the subjects and issues involved be made known. While this act escapes the actual requirement for a public hearing in each case, the two Acts taken together do impose the requirement of a thirty days notice of public hearing, assuring compliance with the requirements of 40 CFR 51.102 as amended.

Public Availability of Information

The South Carolina Pollution Control Act provides for the public availability of any records, report or information obtained under the provisions of the Act. However, upon a showing satisfactory to the Department that records, reports or information, other than effluent or emission data, if made public would divulge methods or processes entitled to protection as trade secrets of the source, the Department shall consider such data confidential.

All source data are kept on file at the offices of the Bureau of Air Quality Control, Department of Health and Environmental Control, 2600 Bull Street, Columbia, South Carolina, and are available to the public at this location, Monday through Friday, between the hours of 8:30 a.m. and 5:00 p.m. Such data are retained in the Permit, Source Test, and Emission Inventory Files.

The files contain information as to the source emissions, and these emissions are depicted in comparison to the applicable emission standards or limitations as stated in the Air Pollution Control Regulations and Standards for the State of South Carolina.