

**New York State Department of Environmental Conservation
Division of Environmental Permits**

NYSDEC Headquarters
625 Broadway
Albany, NY 12233
(518) 402-9167

July 01, 2021

DANSKAMMER ENERGY LLC
994 RIVER RD
NEWBURGH, NY 12550

Re: DEC ID # 3-3346-00011/00017
DANSKAMMER GENERATING STATION

Dear Applicant :

Please be advised that your application for a DEC permit(s) is complete and a technical review has commenced. Notice and the opportunity for public comment is required for this application. Enclosed is a Notice of Complete Application for your project. Please have the Notice published in the newspaper identified below once during the week of 06/28/2021 on any day Monday through Friday.

MID HUDSON TIMES/WALLKILL VALLEY PUBLICATIONS
PO BOX 434
WALDEN, NY 12586

On the Notice of Complete Application, that information presented between the horizontal lines, on the enclosed page(s) should be published. Do not print this letter or the information contained below the second horizontal line. Please request the newspaper publisher to provide you with a Proof of Publication for the Notice. Upon receipt of the Proof of Publication promptly forward it to this office. You must provide the Proof of Publication before a final decision can be rendered on your application. You are responsible for paying the cost of publishing the Notice in the newspaper.

Notification of this complete application is also being provided by this Department in the NYSDEC Environmental Notice Bulletin.

This notification does not signify approval of your application for permit. Additional information may be requested from you at a future date, if deemed necessary to reach a decision on your application. Your project is classified major under the Uniform Procedures Act. Accordingly, a decision is due within 90 days of the date of this notice unless a public hearing is held, which may extend this time frame. If a public hearing is necessary, you will be notified.

If you have any questions please contact me at the above address or phone number above.

Sincerely,

MICHAEL T HIGGINS
Division of Environmental Permits

THIS IS NOT A PERMIT

**New York State Department of Environmental Conservation
Notice of Complete Application**

Date: 06/28/2021

Applicant: DANSKAMMER ENERGY LLC
994 RIVER RD
NEWBURGH, NY 12550

Facility: DANSKAMMER GENERATING STATION
994 RIVER RD
NEWBURGH, NY 12550

Application ID: 3-3346-00011/00017

Permits(s) Applied for: 1 - Article 19 Title IV (Phase II Acid Rain)
1 - Article 19 Air Title V Facility
1 - Article 17 Titles 7 & 8 Industrial SPDES - Surface Discharge

Project is located: in NEWBURGH in ORANGE COUNTY

Project Description:

The New York State Department of Environmental Conservation ("Department" or "NYSDEC") has prepared a draft Title V Permit, a draft Title IV Permit and a draft State Pollutant Discharge Elimination System (SPDES) Permit, subject to public comments or other information, for the Danskammer Energy Center, located in the Town of Newburgh, Orange County.

Danskammer Energy, LLC ("Danskammer" or "Facility") is proposing to construct a new natural gas fired combined cycle power generation facility, the Danskammer Energy Center, in the Town of Newburgh, Orange County, New York, which will consist of an optimal 536 net megawatt (MW) facility located at the site of its existing Danskammer Generating Station. The proposed Facility (combustion turbine) will be primarily fueled by natural gas with ultra-low sulfur diesel (ULSD) as a backup fuel for up to the full load equivalent of 720 hours per year.

TITLE V PERMIT - TITLE IV PERMIT MODIFICATION

The proposed Danskammer Energy Center will consist of one (1) Mitsubishi M501JAC combustion turbine at the proposed project site. Hot exhaust gases from the combustion turbine will flow into one (1) heat recovery steam generator (HRSG). The HRSG will be equipped with a natural gas fired duct burner. The proposed HRSG will produce steam to be used in a steam turbine. Upon leaving the HRSG, the turbine exhaust gases will be directed to one (1) exhaust stack. Other ancillary combustion equipment at the proposed project includes a natural gas fired auxiliary boiler, emergency diesel fire pumps, and an emergency diesel generator.

Danskammer Energy is proposing to utilize pipeline quality natural gas as the primary fuel for the combustion turbine and duct burner with ULSD (with a maximum sulfur content of 0.0015% by weight) as a backup fuel for up to 720 full load hours per year.

The facility's existing steam generating boilers will be retired once the new facility is constructed and operational.

To satisfy the emission offset requirements of 6 NYCRR Part 231, the facility proposes to obtain the following Emission Reduction Credits (ERCs) from the shutdown of the existing Danskammer Generating Station steam generating boilers (Emission Units D-0001, D-0002, D-0003 and D-0004):

NO_x - 44.2 tpy

VOC - 2.1 tpy

CLIMATE LEADERSHIP AND COMMUNITY PROTECTION ACT (CLCPA)

This permitting action constitutes a significant modification to the facility's Title V permit. Pursuant to the requirements of Section 7(2) of the Climate Leadership and Community Protection Act, Chapter 106 of the Laws of 2019 (CLCPA or Climate Act), the Department has requested and received information regarding the project's purported consistency with the CLCPA.

While the Department is making a draft Title V and draft SPDES permit available for public review and comment, the Department has not made a tentative or final determination to issue any final permit for the proposed project. Prior to issuing any final permit for the proposed project, the Department would need to, among other things, ensure that its action is either consistent with the requirements of the Climate Act or otherwise sufficiently mitigated or justified. The Department has yet to make such a determination regarding the proposed project's consistency with the Climate Act.

There are substantial greenhouse gas (GHG) emissions which are currently associated with the existing and proposed uses. Based on the information currently available, it appears that the proposed project would be inconsistent with or would interfere with the attainment of the Statewide GHG emission limits established in the Climate Act. Environmental Conservation Law Article 75; 6 NYCRR Part 496.

Pursuant to Section 7(2) of the Climate Act, if an agency's decision would be inconsistent with or would interfere with the Statewide GHG emission limits, then the agency must also: (1) provide a detailed statement of justification of the project notwithstanding inconsistency with the Climate Act; and (2) identify alternatives or GHG mitigation measures to be required. Based on the information provided to date, the Department is not currently able to satisfy either of these two elements with respect to the proposed project absent additional information.

In addition to relevant permits from the Department, the proposed project also requires a Certificate from the New York State Board on Electric Generation Siting and the Environment (Siting Board) pursuant to Article 10 of the Public Service Law (Article 10). The Article 10 review process for the proposed project is currently ongoing before the Siting Board. Among other things, the Article 10 process is expected to assess the potential need or justification for the project.

As part of its Application, the Applicant has not proposed currently a sufficient GHG mitigation plan to meet measures to meet requirements of the Climate Act. The Department anticipates that additional GHG mitigation measures will likely be necessary to meet the requirements of the Climate Act, should a final permit be issued for the proposed project. The draft permit contains a condition addressing potential GHG mitigation requirements, requiring the applicant to identify and propose potential GHG mitigation measures for Department approval.

In addition to public comments on the draft permit, the Department also seeks comments on the proposed project's compliance with the Climate Act, including: (1) whether the proposed project would be inconsistent with or would interfere with the attainment of the Statewide GHG emission limits; (2) the potential need or justification for the project; and (3) appropriate alternatives or GHG mitigation measures to be required.

In accordance with 6 NYCRR Parts 621.7(d)(9) and 201-6.3(c), the Administrator of the United States Environmental Protection Agency (USEPA) has the authority to bar issuance of any Title V Facility Permit if it is determined not to be in compliance with applicable requirements of the Clean Air Act or 6NYCRR Part 201.

Persons wishing to inspect the subject Title V permit files, including the application and associated supporting materials, that are relevant to this permitting decision should contact the NYSDEC representative identified below. The [Draft Permit and Permit Review Report](#) may be viewed and printed from the Department web site at: <http://www.dec.ny.gov/chemical/32249.html>.

SPDES PERMIT MODIFICATION

The Draft SPDES Permit contains a number of outfall modifications and deletions, which include permanently closing outfalls associated with cooling water, that will no longer be used and are associated with the existing Generating Station. The repowering project will eliminate all discharges associated with the existing cooling water system because the repowering project includes the construction and operation of a closed loop cooling system.

In addition, flow rates and treatment system will be changing. A new package sewage treatment system will be installed as part of the repowering project with a design flow rate of 5,000 gallons per day (GPD). This system will provide the necessary capacity for the treatment of sanitary wastewater generated at both the existing Generating Station and the Danskammer Energy Center.

As part of the repowering project, an auxiliary area is being added at the Site where the former reserve coal pile area is currently located. The auxiliary area will store back-up ultra-low sulfur diesel (ULSD) for the combined cycle plant and a water treatment facility to demineralize water for the combined cycle plant cooling system. Stormwater from the auxiliary area will be discharged from the southeast corner of the site to a new outfall.

In addition, an administration building, air cooled condensers, and other associated structures will be constructed southwest of the existing precipitator area. A series of stormwater catch basins and subsurface piping has been designed to collect all stormwater within this area and will tie into the existing stormwater collection system for discharge.

The Draft SPDES Permit includes updated forms and the latest general conditions. Details of changes are specified in the [draft permit and fact sheet/statement of basis](#) which may be viewed and printed from the Department web site at: <http://www.dec.ny.gov/permits/6054.html>.

PUBLIC STATEMENT HEARINGS

The Department has determined that it will hold public statement hearings to receive comments on these draft permits. Such hearings will be scheduled and held at a future date to be determined. A subsequent notice providing the dates and times and other necessary hearing details will be issued and published in the Department's Environmental Notice Bulletin (ENB). For additional information, a copy of the Department's [permit hearing procedures](#) is available on the Department web site at: <http://www.dec.ny.gov/permits/6234.html>.

Persons wishing to inspect the subject permit files, including applications and relevant supporting materials which have been made available to the DEC (the "permitting authority") and are relevant to this permitting decision should contact the DEC representative listed below.

PUBLIC COMMENTS

Comments on this project must be submitted in writing to the Department by no later than August 29, 2021. Electronic submission of comments must be submitted to the Department at: DanskammerEnergy@dec.ny.gov. Comments may also be submitted via USPS mail to: New York State Department of Environmental Conservation, Division of Environmental Permits, Bureau of Energy Project Management, Attention: Michael Higgins, 625 Broadway, Albany, NY 12233-1750.

Availability of Application Documents:

Filed application documents, and Department draft permits where applicable, are available for inspection during normal business hours at the address of the contact person. To ensure timely service at the time of inspection, it is recommended that an appointment be made with the contact person.

State Environmental Quality Review (SEQR) Determination

Project is not subject to SEQR because it is a Type II action.

SEQR Lead Agency

None Designated

State Historic Preservation Act (SHPA) Determination

A cultural resources survey has been completed and cultural resources were identified. Based on information provided in the survey report, the New York State Office of Parks, Recreation and Historic Preservation (OPRHP) has determined that the proposed activity will have no adverse impact on registered or eligible archaeological sites or historic structures. No further review in accordance with SHPA is required.

Coastal Management

This project is located in a Coastal Management area and is subject to the Waterfront Revitalization and Coastal Resources Act.

DEC Commissioner Policy 29, Environmental Justice and Permitting (CP-29)

The proposed action is subject to CP-29. An enhanced public participation plan was submitted by the applicant and has become part of the complete application.

Availability For Public Comment

Comments on this project must be submitted in writing to the Contact Person no later than 08/29/2021 or 60 days after the publication date of this notice, whichever is later.

Contact Person

MICHAEL T HIGGINS
NYSDEC
625 Broadway
Albany, NY 12233
(518) 402-9179