



March 11, 2011

*By Express Mail*

Chief, Env. Enforcement Section  
Env. and Natural Resources Division  
U.S. Department of Justice  
P.O. Box 7611, Ben Franklin Station  
Washington, D.C. 20044-7611  
Re: DJ #90-5-2-1-09886

Director, Air Enforcement Division  
Office of Enforcement and Compliance  
U.S. Environmental Protection Agency  
Ariel Rios Building [2242A]  
1200 Pennsylvania Avenue, N.W.  
Washington, D.C. 20460

Director, Air and Radiation Division  
U.S. EPA – Region 5 (A-18J)  
77 West Jackson Boulevard  
Chicago, IL 60604

**RE:** *United States of America v. American Municipal Power, Inc.*  
Case No. 2:10-CV-438-MHW  
Periodic Report for July 1-December 31, 2010-Environmental

This report is being submitted to comply with the requirements of the above-captioned Consent Decree executed by and between the United States on behalf of U.S. EPA and American Municipal Power, Inc. ("AMP") related to AMP's Gorsuch Station in Marietta, Ohio. AMP appreciates the two week extension granted by the United States for submittal of this periodic report on or before March 14, 2011. Specifically, pursuant to Section XII of the Consent Decree, AMP submits this periodic report to update U.S. EPA as to AMP's activities related to Gorsuch Station, from July 1 to December 31, 2010, which are set forth as follows:

American Municipal Power Inc.

1111 Schrock Road, Suite 100 • Columbus, OH 43229 • [www.amppartners.org](http://www.amppartners.org)

Tel 614.540.1111 • Fax 614.540.1113

## **Section XII, 79(a) Periodic Report Requirements:**

### **Update on Section IV: Retirement of the Gorsuch Station**

AMP permanently shut down and ceased to operate the Gorsuch Station as a coal fired steam and electric generation plant on November 11, 2010. By the end of 2010, the four electric generating unit boilers (B001, B002, B003, and B004) were taken out of service and rendered incapable of combusting coal or producing steam. A retirement notice, which included photographic documentation of the retirement activities, was submitted on January 3, 2011 to Ohio EPA. This notice and all accompanying documentation is attached as Appendix A to this periodic report.

### **Update on Section V: NO<sub>x</sub> Emissions/Surrender of NO<sub>x</sub> Allowances**

The 2010 facility-wide NO<sub>x</sub> ton limitation for Gorsuch Station set by Section V. of the Consent Decree is 2,600 tons. The 2010 Clean Air Interstate Rule ("CAIR") NO<sub>x</sub> allocation for the facility is 1,363 tons. Actual 2010 facility-wide NO<sub>x</sub> emissions at Gorsuch Station totaled 1,702 tons as measured by CEMS and reported in accordance with the procedures specified in 40 CFR part 75. Although actual NO<sub>x</sub> emissions were less than the Consent Decree's 2010 Plant-Wide NO<sub>x</sub> Tonnage limitation, the emissions were greater than the 2010 CAIR allocation. Therefore, no Super Compliant allowances were generated, as that term is defined in the Consent Decree. Since all 2010 CAIR NO<sub>x</sub> allowances allocated will be used to satisfy compliance obligations below the Consent Decree's 2,600 ton NO<sub>x</sub> limit, there are no NO<sub>x</sub> allowances to surrender to USEPA.

Except as set forth in the Gorsuch Title V Semi-Annual Report (July-December 2010), Appendix B, the existing low NO<sub>x</sub> burners and the existing rotating overfire air systems on Units 2 and 3 were continuously operated during all times these units were in operation, consistent with the technological limitations, manufacturers' specifications, and good engineering and maintenance practices for minimizing emissions to the extent practicable.

### **Update on Section VI: SO<sub>2</sub> Emissions and the Surrender of SO<sub>2</sub> Allowances**

The 2010 facility-wide SO<sub>2</sub> Tonnage limitation for Gorsuch Station set by Section VI. of the Consent Decree is 26,000 tons. AMP's 2010 CAIR SO<sub>2</sub> allocation for the facility is 19,530 tons. Actual 2010 Plant-Wide SO<sub>2</sub> emissions at Gorsuch Station totaled 16,651 tons as measured by CEMS and reported in accordance with the procedures specified in 40 CFR Part 75. Thus, AMP generated 2,879 Super Compliant SO<sub>2</sub> allowances, as that term is defined in the Consent Decree. AMP plans to use, sell, trade or transfer all 2010 Super Compliant SO<sub>2</sub>

allowances. As such, AMP does not anticipate surrendering any 2010 allocated SO<sub>2</sub> allowances to USEPA.

Except as set forth in the Gorsuch Title V Semi-Annual Report (July-December 2010), Appendix B, AMP continuously operated all existing SO<sub>2</sub> control measures, including coal blending procedures, to reduce SO<sub>2</sub> emissions at all times that the Gorsuch Station was in operation, consistent with the technological limitations, manufacturer's specifications, and good engineering and maintenance practices.

### **Update on Section VII: PM Emission Reductions**

AMP operated each ESP at each unit for which an ESP is attached at Gorsuch Station when the units were in operation, consistent with the technological limitations, manufacturer's specifications and good engineering and maintenance practices for each ESP. Specifically and to the extent reasonably practicable, AMP: (a) fully energized each section of the ESP for each unit; (b) operated the automatic control systems on each ESP to maximize PM collection efficiency; and (c) maximized power levels delivered to the ESP consistent with the manufacturer's specifications, the operational design of the unit and good engineering practices; and (d) optimized the plate-cleaning and discharge electrode-cleaning systems for each ESP.

### **Section XII, 79(b) Periodic Report Requirements:**

#### **Update on Super Complaint Allowances (Paragraphs 45, 57)**

As explained in Section XII, 79(a) above, AMP did not generate any Super Compliant NO<sub>x</sub> Allowances for 2010. AMP did generate 2,879 Super Compliant SO<sub>2</sub> Allowances for 2010 based on emissions reductions beyond the requirements of the Consent Decree.

### **Section XII, 79(c) Periodic Report Requirements:**

#### **Update on Section VIII: Netting Credits or Offsets**

AMP has not yet initiated a Nonattainment New Source Review (NSR) project at Gorsuch. However, the following offsets, for the purposes of any Nonattainment NSR project, have been generated in 2010 based on emissions reductions:

<b>Pollutant</b>	<b>Tons</b>
NO <sub>x</sub>	3,698
PM	1,917
SO <sub>2</sub>	31,868

AMP has not verified whether or not sufficient offsets are available under Ohio's Emission Reduction Credit Banking Program yet since AMP has not yet commenced any Nonattainment NSR project at Gorsuch to date.

**Section XII, 79(d) Periodic Report Requirements:**

**Update on Section IX: Environmental Mitigation Project**

The update on the Environmental Mitigation Project was previously submitted by AMP on February 25, 2011 under signature of Randell J. Corbin, AVP, Energy Policy & Sustainability.

Both this report and the update on the Environmental Mitigation Project have been posted on the AMP website in a public area.

**Periodic Report Certification:**

*This information was prepared either by me or under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my evaluation, or the direction and my inquiry of the person(s) who manage the system, or the person(s) directly responsible for gathering the information, I hereby certify under penalty of law that, to the best of my knowledge and belief, this information is true, accurate and complete. I understand that there are significant penalties for submitting false, inaccurate, or incomplete information to the United States.*

Sincerely,



Randy Meyer  
Director of Environmental Affairs

Enclosures (Appendix A)  
(Appendix B)

cc: Jason Dunn, by electronic mail  
Seema Kakade, by electronic mail



January 03, 2011

***Via Electronic Mail***

Robert Hodanbosi, Chief  
Ohio EPA  
Division of Air Pollution Control  
P.O. Box 1049  
Columbus, Ohio 43216-1049

RE: American Municipal Power, Inc's Gorsuch Station: Confirmation of Retirement of Coal-Fired Boilers B001, B002, B003 and B004

Dear Mr. Hodanbosi:

As you know, American Municipal Power Inc. ("AMP") entered into a Consent Decree with the United States ("US") on behalf of U.S. EPA on October 8, 2010 to resolve claims made by the US against AMP's electric power generating asset, the Richard H. Gorsuch Station ("Gorsuch"), located in Marietta, Ohio (OEPA premise number 0684020037). As part of the Consent Decree process, AMP committed to retire the four coal-fired boilers, B001-B004, at Gorsuch.

By this letter, AMP confirms that the four coal-fired boilers, B001-B004, at Gorsuch have been taken out of service and permanently retired. In doing so, the following activities have occurred:

- The natural gas lines have been blanked and purged;
- The ID fans, FD fans, PA fan and the pulverizer breakers have been removed;
- The cubicle doors have been screwed shut with self-tapping screws;
- The coal pipes have been severed from the feeder to the pulverizer;
- The coal bunkers have been emptied.

# APPENDIX A

Further documentation is provided in the attached Power Point presentation.

AMP continues to comply with all applicable requirements of its permits. Please do not hesitate to contact me with any questions.

On behalf of the members,

A handwritten signature in black ink that reads "Michael R. Perry". The signature is fluid and cursive, with a long horizontal stroke at the end.

Michael R. Perry  
Vice President Generation Operations  
American Municipal Power, Inc.  
Attachments

cc: Mike Hopkins, Ohio EPA  
Dean Ponchak, Ohio EPA  
April R. Bott, Bott Law group

# RHGS - Shutdown

Fuel Systems

Combustion Air

Water Systems

Generation

APPENDIX A

*All the coal has been removed –  
from all 16 bunkers*

