

31 August 2007

Mr. Joseph Grillo
Champlin's Marina & Resort, Inc.
P.O. Box J
Block Island, RI 02807

Dear Mr. Grillo:

The Department of Environmental Management, Office of Air Resources has reviewed and approved your application for the installation of fuel burning equipment to supply power to your facility located at West Side Road, Block Island.

Enclosed is a minor source permit issued pursuant to our review of your application (Approval No. 2007).

Based on the representations made in this minor source permit application, the Office of Air Resources has determined that Emissions Cap No. 02-96 issued 12 December 2002 will need to be revised. Since your emissions cap will expire on 12 December 2007, all modifications to the emission cap will be made upon renewal. Please be advised that effective from the date of issuance of this permit, the quantity of distillate fuel oil combusted at your facility shall be limited to 297,872 gallons or less for any consecutive 12 month period. This revised limitation on distillate oil fuel use will be included in your emissions cap at renewal. Renewal of an emissions cap is subject to public comment. We will prepare a draft emissions cap and provide you a copy for your review and comment prior to publishing public notice.

Should you have any questions I can be reached at 222-2808, extension 7011.

Very truly yours,

Douglas L. McVay
Associate Supervising Engineer
Office of Air Resources

cc: Building Official – Block Island

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR RESOURCES

MINOR SOURCE PERMIT

CHAMPLIN'S MARINA & RESORT, INC.

APPROVAL NO. 2007

Pursuant to the provisions of Air Pollution Control Regulation No. 9, this minor source permit is issued to:

Champlin's Marina & Resort, Inc.

For the following:

The installation of a Caterpillar Model No. 3412 CDITA 1081 HP diesel generator set

to supply power to the marina. The generator set is to be fired with fuel oil containing

15 ppm sulfur, by weight, or less.

Located at: *West Side Road, Block Island*

This permit shall be effective from the date of its issuance and shall remain in effect until revoked by or surrendered to the Department. This permit does not relieve *Champlin's Marina & Resort, Inc.* from compliance with applicable state and federal air pollution control rules and regulations. The design, construction and operation of this equipment shall be subject to the attached permit conditions and emission limitations.

Stephen Majkut, Chief
Office of Air Resources

Date of Issuance

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF AIR RESOURCES

Permit Conditions and Emission Limitations

CHAMPLIN'S MARINA & RESORT, INC.

APPROVAL NO. 2007

A. Emission Limitations

1. Nitrogen Oxides (as Nitrogen Dioxide (NO₂))

The emission rate of nitrogen oxides discharged to the atmosphere from the engine-generator set shall not exceed 7.18 grams per brakehorsepower-hour (gr/bhp-hr) unless the rate of emissions is less than 17.11 lbs/hr.

2. Carbon Monoxide (CO)

The emission rate of carbon monoxide discharged to the atmosphere from the engine-generator set shall not exceed 1.27 gr/bhp-hr unless the rate of emissions is less than 3.02 lbs/hr.

3. Total Nonmethane Hydrocarbons (NMHC)

The emission rate of total nonmethane hydrocarbons discharged to the atmosphere from the engine-generator set shall not exceed 0.24 gr/bhp-hr unless the rate of emissions is less than 0.92 lbs/hr.

4. Sulfur Dioxide (SO₂)

a. The sulfur content of all diesel fuel burned in the engine-generator set shall not exceed 15 ppm by weight.

b. The emission rate of sulfur dioxide discharged to the atmosphere from the engine-generator set shall not exceed 0.01 lbs/hr.

5. Particulate Matter (PM)

The emission rate of particulate matter discharged from the engine exhaust shall not exceed 0.20 gr/bhp-hr unless the rate of emissions is less than 0.48 lbs/hr.

6. Opacity

Visible emissions from any engine-generator set at the facility shall not exceed 10% opacity except for a period or periods aggregating no more than three minutes in any one hour. This visible emission limitation shall not apply during startup of an engine. Engine startup shall be defined as the first ten minutes of firing following the initiation of firing.

B. Operating Requirements

1. The maximum firing rate for the engine-generator set shall not exceed 53 gallons per hour.
2. The quantity of diesel fuel oil combusted at the facility shall be limited to 297,872 gallons or less for any consecutive 12 month period.

C. Continuous Monitoring

1. The engine shall be equipped with a non-resettable elapsed time meter to indicate, in cumulative hours, the elapsed engine operating time.

D. Fuel Oil Testing

1. Compliance with the diesel fuel sulfur limits may be determined based on a certification from the fuel supplier. Fuel supplier certifications shall include the following information:
 - a. The name of the fuel supplier;
 - b. The sulfur content of the fuel from which the shipment came or the shipment itself;
 - c. The location of the fuel when the sample was drawn for analysis to determine the sulfur content of the fuel, specifically including whether the fuel was sampled as delivered to Champlin's Marina & Resort, Inc. or whether the sample was drawn from fuel in storage at the fuel supplier's facility or another location;
 - d. The method used to determine the sulfur content of the fuel.
2. As an alternative to fuel supplier certification, the owner/operator may elect to sample the fuel prior to combustion. Sampling and analysis shall be conducted for the fuel in the initial tank(s) of fuel to be fired in the engine and after each new

shipment of fuel is received. Samples shall be collected from the fuel tank immediately after the fuel tank is filled and before any fuel is combusted.

3. Each fuel supplier certification or each fuel oil analysis must demonstrate that the fuel oil contains 15 ppm sulfur by weight or less.

E. Record Keeping and Reporting

1. The owner/operator shall, on a monthly basis, no later than 15 days after the first of each month, determine and record the hours of operation and fuel use for each engine-generator set for the previous 12 months. The owner/operator shall keep records of this determination and provide such records to the Office of Air Resources or its authorized representative and EPA upon request.
2. The owner/operator shall, on a monthly basis, no later than 15 days after the first of each month, determine the total fuel used by the engine-generator sets during the previous 12 months.
3. The owner/operator shall notify the Office of Air Resources in writing within 30 days, whenever the fuel usage for the entire facility exceeds 297,872 gallons of diesel fuel oil in any consecutive 12-month period.
4. The owner/operator shall maintain copies of all fuel supplier certifications or fuel analyses and these copies shall be made accessible for review by the Office of Air Resources or its authorized representative and EPA. These records shall include a certified statement, signed by the owner/operator of the facility, that the records represent all of the fuel combusted at the facility.
5. The owner/operator shall notify the Office of Air Resources in writing of any planned physical or operational change to any equipment that would:
 - a. Change the representation of the facility in the application.
 - b. Alter the applicability of any state or federal air pollution rules or regulations.
 - c. Result in the violation of any terms or conditions of this permit.
 - d. Qualify as a modification under APC Regulation No. 9.

Such notification shall include:

- Information describing the nature of the change.

- Information describing the effect of the change on the emission of any air contaminant.
- The scheduled completion date of the planned change.

Any such change, which may result in an increased emission rate of any air contaminant, shall be subject to the approval of the Director.

6. The owner/operator shall notify the Office of Air Resources of any anticipated noncompliance with the terms of this permit or any other applicable air pollution control rules and regulations.
7. The owner/operator shall notify the Office of Air Resources, in writing, of any noncompliance with the terms of this permit within 30 calendar days of becoming aware of such occurrence and supply the Director with the following information:
 - a. The name and location of the facility;
 - b. The subject source(s) that caused the noncompliance with the permit term;
 - c. The time and date of first observation of the incident of noncompliance;
 - d. The cause and expected duration of the incident of noncompliance;
 - e. The estimated rate of emissions (expressed in lbs/hr or lbs/day) during the incident and the operating data and calculations used in estimating the emission rate.
 - f. The proposed corrective actions and schedule to correct the conditions causing the incidence of noncompliance.
8. All records required as a condition of this approval must be made available to the Office of Air Resources or its representative upon request. These records must be maintained for a minimum of five years after the date of each record.

F. Other Permit Conditions

1. To the extent consistent with the requirements of this approval and applicable Federal and State laws, the facility shall be designed, constructed and operated in accordance with the representation of the facility in the permit application.
2. Employees of the Office of Air Resources or its authorized representatives and EPA shall be allowed to enter the facility at all times for the purpose of inspecting any air pollution source, investigating any condition it believes may be causing air

pollution or examining any records required to be maintained by the Office of Air Resources.

3. At all times, including periods of startup, shutdown and malfunction, the owner/operator shall, to the extent practicable, maintain and operate the facility in a manner consistent with good air pollution control practice for minimizing emissions. Determination of whether acceptable operating and maintenance procedures are being used will be based on information available to the Office of Air Resources, which may include, but is not limited to, monitoring results, opacity observations, review of operating and maintenance procedures and inspection of the source.