## STATE OF NEVADA DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES DIVISION OF ENVIRONMENTAL PROTECTION – BUREAU OF AIR POLLUTION CONTROL

## Director's Review and Preliminary Determination of Permit Issuance for

Sierra Pacific Power Company (dba NV Energy) North Valmy Generating Station Humboldt County, Nevada May 9, 2025

Sierra Pacific Power Company (dba NV Energy) (NVE) submitted an application for a Prevention of Significant Deterioration (PSD) major modification to Class I Air Quality Operating Permit AP4911-0457.03, FIN A0375, for the North Valmy Generating Station facility in Humboldt County, Nevada. The project is located approximately 4 miles north of Interstate Highway 80, in all or portions of Sections 20, 21, 28, and 29, Township 35N, Range 43E, M.D.B.&M.

NVE is proposing to convert System 01 – Unit #1 Boiler (S2.001) and System 02 – Unit #2 Boiler (S2.002) from coal firing to natural gas firing. The electric generating capacity of each unit is expected to remain at their current levels following the conversion from coal to natural gas. NVE's plan is to convert one unit to natural gas firing in 2025 and the second unit to natural gas firing in 2026. This schedule will allow one unit to always be operational to meet system reliability needs during the conversion of the other unit, and to maintain the facility's availability for peak summer run conditions. Due to the planned fuel conversion schedule, rather than revising the fuel type from coal to natural gas under Systems 01 (S2.001) and 02 (S2.002), natural gas firing alternative operating scenarios for each unit will be added to the permit as System 01A – Unit #1 Boiler (Alternate Operating Scenario – Natural Gas Firing) (S2.002A). Conditions have been written in the draft permit where neither unit may operate natural gas and coal simultaneously. Correspondingly, the requested emission limits for the natural gas firing scenarios will not be included in the potential to emit as the current coal firing emission limits are higher. In order to install the new natural gas burners and other equipment needed to convert the units from coal firing to natural gas firing, physical changes will be made to Systems 01 (S2.001) and 02 (S2.002).

The Nevada Division of Environmental Protection – Bureau of Air Pollution Control (BAPC) has reviewed the application for the above-referenced operating permit, and has made a preliminary determination to issue the operating permit. The facility-wide Potential to Emit (PTE), including emissions from Non-Permit equipment are given in the table below.

	NV Energy – North Valmy Generating Station – Potential to Emit (PTE)			
Current emissions estimates indicate NVE is a Class I Major Stationary Source, as emissions of one or more criteria pollutant are greater than 100 tons per year (TPY). NVE is classified as a major source of HAPs as the PTE for the combined HAPs are greater than 25 TPY.	Pollutant		Facility-Wide (tons/year)	Changes (tons/year)
	PM	Particulate Matter	1,561.3	0.00
	PM <sub>10</sub>	Particulate Matter ≤ 10 microns in diameter	1,560.7	0.00
	PM <sub>2.5</sub>	Particulate Matter ≤ 2.5 microns in diameter	1,560.1	0.00
	SO <sub>2</sub>	Sulfur Dioxide	21,027.3	0.00
	NOx	Oxides of Nitrogen	14,161.8	0.00
	СО	Carbon Monoxide	73,023.2	0.00
	VOC	Volatile Organic Compounds	480.4	0.00
	Pb	Lead	236.5	0.00
	HAP (single)	Hazardous Air Pollutants	> 10	0.00
	HAPs (all)	Hazardous Air Pollutants	2,027.0	0.00
	GHG (CO <sub>2e</sub> )	Greenhouse Gases (Carbon Dioxide Equivalent)	6,758,308.7	0.00

The project is located in Air Quality Hydrographic Area (HA) 64 of the Clovers Area. HA 64 is designated as PSD and is triggered for PM<sub>10</sub> and SO<sub>2</sub>. NVE will be subject to the following: 40 CFR Part 60 Subpart D – Standards of Performance for Fossil-Fuel-Fired Steam Generators for System 01A (S2.001A); 40 CFR Part 60 Subpart Da – Standards of Performance for Electric Utility Steam Generating Units for System 02A (S2.002A).

The Nevada Division of Environmental Protection – Bureau of Air Quality Planning (BAQP) performed a Significant Impact Level (SIL) air quality modeling analysis. The BAQP allowed the use of SIL values for the North Valmy Generating Station due to previous results from the facility-wide air quality impact analyses, the already established proximity to the NAAAQs, or PSD increment values. The proposed changes in this permit action demonstrate that continued operation of NVE will not result in violations of the SIL. Prevention of Significant Deterioration (PSD) review is triggered for this permit action. No adverse air quality impacts are anticipated as a result of the proposed action. NVE shall comply with all State and Federal air quality requirements and all conditions established within the proposed draft operating permit.