



North Carolina Department of Environment and Natural Resources  
Division of Air Quality

Beverly Eaves Purdue  
Governor

B. Keith Overcash, P.E.  
Director

Dee Freeman  
Secretary

July 23, 2009

Mr. Terrance W. Ryan  
Vice President, Asset Management  
North Carolina Electric Membership Corporation  
P.O. Box 27306  
Raleigh, NC 27611-7306

SUBJECT: 2009 Clean Air Interstate Rule (CAIR) Allowances from New Unit Set-aside  
North Carolina Electric Membership Corporation (NCEMC) – Hamlet Plant  
Air Quality Permit No. 09488R04  
Facility ID 7700082  
Hamlet, North Carolina  
Richmond County

Dear Mr. Ryan:

This is in response to the December 17, 2008, request from Ms. June Small for 2009 NO<sub>x</sub> allowances for the NCEMC Hamlet Plant. We have determined the facility is considered a new unit under 40 CFR 96.142, *CAIR NO<sub>x</sub> allowance allocations* and 40 CFR 96.342, *CAIR NO<sub>x</sub> Ozone Season allowance allocations*. Paragraph (c)(3) of either regulation allows the CAIR designated representative to request control period CAIR NO<sub>x</sub> allowances based on the amount of NO<sub>x</sub> emissions during the calendar year immediately preceding the control period. Since the 2008 NO<sub>x</sub> emissions from this facility were 42 tons of which 31 tons were emitted during the ozone season (May 1 through September 30), the approved 2009 annual NO<sub>x</sub> allocation will be 42 tons which includes 31 tons allocated for the ozone season.

The Division of Air Quality (DAQ) will issue these allowances (from North Carolina's new unit set-aside account) through EPA's Clean Air Markets Division (CAMD). Should the facility emit less than the allocated quantities, the State of North Carolina will return the remaining allowances to its new unit set-aside account; such allowances cannot be banked, traded, or sold. Should the actual amount of NO<sub>x</sub> emissions from the facility exceed its allocation, you must obtain sufficient allowances to cover that difference from the cap and trade market operated by CAMD.

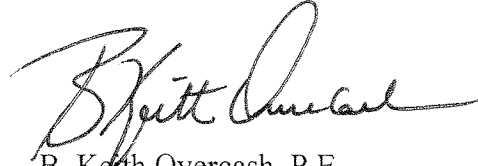
Until DAQ completes a periodic reallocation per 15A NCAC 02D .2413, you must make an annual allocation request. NO<sub>x</sub> allocations for the requested year must be based upon the previous year's actual NO<sub>x</sub> emissions. Requests for CAIR NO<sub>x</sub> annual allowances should be made on or before

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May 1, and requests for CAIR NOx ozone season allowances should be made on or before February 1.

Should you have any questions regarding this approval, please contact Alan Drake at (919) 715-6256 or Glenn Sappie at (919) 715-3822.

Sincerely,

A handwritten signature in black ink, appearing to read "B. Keith Overcash". The signature is fluid and cursive, with a large initial "B" and a long, sweeping underline.

B. Keith Overcash, P.E.

cc: Michael Abraczinskas – RCO  
Alan Drake – RCO  
Michael Pjetraj – RCO  
Glenn Sappie – RCO  
Steven Vozzo – FRO  
Central File – Richmond County