

Note to engineer: This condition is only for existing institutional emergency engines at area sources avoiding MACT 4Z (as an alternative, they can opt to comply with 4Z as an emergency engine instead and use that permit condition). Institutional establishments include medical centers, nursing homes, research centers, institutions of higher education, correctional facilities, elementary and secondary schools, libraries, religious establishments, police stations, and fire stations.

1. AVOIDANCE CONDITION FOR EXISTING INSTITUTIONAL AREA SOURCE EMERGENCY ENGINES SUBJECT TO 40 CFR 63 SUBPART ZZZZ - In accordance with 15A NCAC 2Q .0317, the Permittee is avoiding applicability of 40 CFR 63 Subpart ZZZZ "National Emission Standards for Hazardous Air Pollutants for Reciprocating Internal Combustion Engines (RICE)." The Permittee is permitted to operate the following stationary RICE: **(NO EQUIPMENT SELECTED)**. These sources are exempt from this Subpart in accordance with 40 CFR 63.6585. To maintain this exemption, the Permittee shall comply with the following requirements:
 - a. The stationary RICE must meet the definition of emergency stationary RICE in 40 CFR 63.6675.
 - b. The stationary RICE may be operated for any combination of the following purposes for a combined maximum of 100 hours per calendar year:
 - i. Maintenance checks and readiness testing may be conducted, provided that the tests are recommended by federal, state or local government, the manufacturer, the vendor, the regional transmission organization or equivalent balancing authority and transmission operator, or the insurance company associated with the engine. The owner or operator may petition the Division of Air Quality Regional Supervisor for approval of additional hours to be used for maintenance checks and readiness testing, but a petition is not required if the owner or operator maintains records indicating that federal, state, or local standards require maintenance and testing of emergency RICE beyond 100 hours per calendar year.
 - ii. The stationary RICE may not operate or be contractually obligated to be available for more than 15 hours per calendar year for the following purposes:
 - A. Emergency demand response for periods in which the Reliability Coordinator under the North American Electric Reliability Corporation (NERC) Reliability Standard EOP-002-3, Capacity and Energy Emergencies (incorporated by reference, see §63.14), or other authorized entity as determined by the Reliability Coordinator, has declared an Energy Emergency Alert Level 2 as defined in the NERC Reliability Standard EOP-002-3.
 - B. Periods where there is a deviation of voltage or frequency of 5 percent or greater below standard voltage or frequency.
 - iii. The stationary RICE may operate up to 50 hours per calendar year in non-emergency situations. The 50 hours of operation in non-emergency situations are counted as part of the 100 hours per calendar year for maintenance and testing and emergency demand response provided above. Prior to May 3, 2014, the 50 hours per year for non-emergency situations can be used for peak shaving or non-

emergency demand response to generate income for a facility, or to otherwise supply power as part of a financial arrangement with another entity if the engine is operated as part of a peak shaving (load management program) with the local distribution system operator and the power is provided only to the facility itself or to support the local distribution system. On or after May 3, 2014, the 50 hours per year for non-emergency situations cannot be used for peak shaving or non-emergency demand response, or to generate income for a facility to an electric grid or otherwise supply power as part of a financial arrangement with another entity.

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