

API Preferred Options for Cogen

API's Proposed Language – replace (a)(2) and add (b)(6)

§ 60.5509 Am I subject to the subpart?

(a)(2) A stationary combustion turbine that has a base load rating greater than 73 MW thermal (250 MMBtu/h), was constructed for the purpose of supplying, and supplies, more than 50% of total energy output, including MW electricity and MW thermal to a utility distribution system on a 3-year rolling average basis, combusts fossil fuel for more than 10.0 percent of the heat input during a 3-year rolling average basis, combusts over 90% natural gas on a heat input basis on a 3-year rolling average basis,

Where:

1. MW electricity is the total amount of electricity produced by the unit in MMBTU/h
2. MW thermal is the total amount of steam generated by the unit to be consumed by the host facility in MMBTU/h

If MW electricity sold to a utility distribution system / (MW electricity + MW thermal) is $> 50\%$, then the unit would be included in this subpart.

(b)(6) Any facility that sells electricity $\leq 50\%$ is not subject to this subpart provided the owner or operator of the facility:

- i. Notifies the Administrator of the exemption claim
- ii. Retains records of the MW electricity sold to a utility distribution system, MW electricity and MW steam of the unit and performs a calculation to demonstrate the electricity sold to a utility distribution system is $\leq 50\%$ of the unit's MW electricity + MW thermal. The owner or operator may also choose to meet this requirement by retaining a record of the manufacturer's design of the unit and by maintaining records that the unit is operated consistent with the manufacturer's design and has supplied electricity to a utility distribution system on a 3-year rolling basis.
- iii. Reconfirms through calculations that the facility qualifies for the exemption, if there is a modification of the unit.