Permit No.: 2019-0778-ARR4   Effective: 5 years from issuance date below

Company Name: Oklahoma Gas and Electric Company

Facility Name: Horseshoe Lake Generating Station   ORIS Code: 2951

Facility Location: Harrah, Oklahoma County, Oklahoma

Contact: Brian McKibben (405) 553-3064

Mailing Address: OG&E, 321 N. Harvey, MC610, Oklahoma City, OK 73101-0321

This Permit is issued pursuant to OAC 252:100-8-6.3 and Title IV of the Clean Air Act subject to the permit application attached by reference. The owner and operator of the source shall comply with the standard requirements and special provisions set forth in the permit application under 40 CFR 72.31. This permit is deemed to incorporate the definitions of terms under 40 CFR 72.2. Per 40 CFR 72.51, each affected unit operated in accordance with this permit shall be deemed to be operating in compliance with the Acid Rain Program, except as provided in 40 CFR 72.9(g)(6). As published in 40 CFR 73.10, SO₂ initial Allowance Allocations for each affected unit per year are as follows. Allowances actually held by the facility may change as authorized.

<table>
<thead>
<tr>
<th>Units</th>
<th>SO₂ Allowance (TPY)</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>160</td>
</tr>
<tr>
<td>7</td>
<td>207</td>
</tr>
<tr>
<td>8</td>
<td>358</td>
</tr>
<tr>
<td>9</td>
<td>The facility holds enough allowance for the two new units</td>
</tr>
<tr>
<td>10</td>
<td></td>
</tr>
</tbody>
</table>

Director, Air Quality Division   Date
OKLAHOMA DEPARTMENT OF ENVIRONMENTAL QUALITY
AIR QUALITY DIVISION

MEMORANDUM

September 30, 2019

TO: Phillip Fielder, P.E., Chief Engineer

THROUGH: Phil Martin, P.E., Engineering Manager, Existing Source Permits Section

THROUGH: David Schutz, P.E., New Source Permits Section

FROM: Jian Yue, P.E., New Source Permits Section

SUBJECT: Evaluation of Permit Application No. 2019-0778-ARR4
Oklahoma Gas and Electric Company
Horseshoe Lake Generating Station
Facility ID: 1208
Section 14, T12N, R1EIM
Latitude: 35.50696°, Longitude: -97.18474°
Harrah, Oklahoma County

INTRODUCTION

Oklahoma Gas and Electric Company (OG&E) has requested an acid rain permit renewal for the referenced facility pursuant to Title IV of the Clean Air Act and implementing regulations found in 40 CFR Parts 72 through 78. This facility is currently operating under Permit No. 2014-0870-ARR3, issued on January 1, 2015. 40 CFR 72.30 (c) requires that the designated representative shall submit a complete Acid Rain permit application for each source with an affected unit at least 6 months prior to the expiration of an existing Acid Rain permit. The applicant submitted the renewal application on July 2, 2019.

The permit lists the SO₂ initial allowances for Units 6, 7, and 8 as published in 40 CFR 73.10. However, allowances can be traded, bought, and sold. Therefore, the actual allowances held by an affected unit may change which will not necessitate a revision to the permit. OG&E submitted this application with the assurance that Horseshoe Lake Generating Station holds enough SO₂ allowances for Units 9 &10.

TIER CLASSIFICATION AND PUBLIC REVIEW

This application has been classified as Tier II as a new acid rain permit that is independent of a Part 70 permit application (252:4-7-33(b)(1)(E)). Information on all permit actions is available for review by the public in the Air Quality section of the DEQ Web Page: http://www.deq.ok.gov/.
The applicant will publish a “Notice of Filing a Tier II Application” and a “Notice of Draft permit” in a local newspaper for a 30-day public review. A copy of the draft permit will also be available at the AQD office in Oklahoma City, and on the Air Quality section of the DEQ web page at [www.deq.ok.gov](http://www.deq.ok.gov).

**STATES REVIEW**

The facility is not located within 50 miles of the border of the state of Oklahoma and any other states.

**EPA REVIEW**

The draft permit will also be proposed to EPA for a 45-day concurrent review.

**RATA TEST**

The facility passed its annual RATA tests for units 6, 7, 9, and 10 on dates listed in the following table. Unit 8 is a peaking unit that is required to perform NOx correlation test once every 5 years.

<table>
<thead>
<tr>
<th>Unit</th>
<th>Test Type</th>
<th>Test Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>Appendix D Annual RATA</td>
<td>7/1/2019</td>
</tr>
<tr>
<td>7</td>
<td>Appendix D Annual RATA</td>
<td>5/24/2019</td>
</tr>
<tr>
<td>8</td>
<td>Appendix E 5 Year Cycle</td>
<td>8/30/2018</td>
</tr>
<tr>
<td>9</td>
<td>Appendix D Annual RATA</td>
<td>5/1/2019</td>
</tr>
<tr>
<td>10</td>
<td>Appendix D Annual RATA</td>
<td>4/30/2019</td>
</tr>
</tbody>
</table>

**FEES PAID**

No fee is required.

**SUMMARY**

RATA tests have been performed according to 40 CFR Part 75. There are no active Compliance or Enforcement Air Quality issues concerning this facility. Issuance of the permit is recommended, contingent on public and EPA review.
SUBJECT: Acid Rain Permit Renewal No. 2019-0778-ARR4
Oklahoma Gas and Electric Company
Horseshoe Lake Generating Station, Harrah, Oklahoma County
Facility ID: 1208

Dear Mr. McKibben:

Air Quality Division has completed the initial review of your permit application referenced above. This application has been determined to be a Tier II. In accordance with 27A O.S. § 2-14-301 & 302 and OAC 252:4-7-13(c) the application and enclosed draft permit are now ready for public review. The requirements for public review include the following steps which you must accomplish:

1. Publish at least one legal notice (one day) of “Notice of Tier II Permit Application Filing” and “Notice of Tier II Draft Permit” in at least one newspaper of general circulation within the county where the facility is located (Instructions enclosed).
2. Provide for public review (for a period of 30 days following the date of the newspaper announcement) a copy of this draft permit and a copy of the application at a convenient location (preferably a public location) within the county of the facility.
3. Send to AQD a copy of the proof of publication notice from Item #1 above together with any additional comments or requested changes which you may have on the draft permit.

Thank you for your cooperation. If you have any questions, please refer to the permit number above and contact me at (405) 702-4100 or the permit writer, Jian Yue, at (405) 702-4205.

Sincerely,

Phillip Fielder, P.E., Chief Engineer
AIR QUALITY DIVISION
Enclosures
Oklahoma Gas and Electric Company  
Attn: Mr. Brian McKibben  
321 N. Harvey, MC610  
Oklahoma City, OK 73101-0321

SUBJECT: Acid Rain Permit Renewal No. 2019-0778-ARR4  
Oklahoma Gas and Electric Company  
Horseshoe Lake Generating Station, Harrah, Oklahoma County  
Facility ID: 1208

Dear Mr. McKibben:

Enclosed is the permit authorizing operation of the referenced facility per 40 CFR 72.73. Thank you for your cooperation in this matter. If we may be of further service, please contact our office at (405) 290-8247.

Very truly yours,

Jian Yue, P.E.  
New Source Performance Section  
AIR QUALITY DIVISION

enclosure

cc: EPA Region 6  
Compliance Assurance & Enforcement Division (6EN-AA)  
Attn: Mr. David Garcia  
1445 Ross Avenue, Dallas, Texas 75202