

Commonwealth of Pennsylvania
Department of Environmental Protection
Air Quality Program
Northwest Regional Office

Homer City Generation LP
1750 Power Plant Road, Homer City, PA 15748
Title V Operating Permit 32-00055 (Renewal and Permit Modification)

Comment Response Document

February 26, 2026

I. Project Description

The application is for the Significant Modifications and Title V Renewal of the Operating Permit 32-00055 for Homer City Generation LP located in Center Township, Indiana County. The Title V Permit was originally issued in 2004. The permit was amended, modified, and renewed several times since the original Title V issuance. The current Significant Modifications and Renewal are required to memorialize the facility's decision to cease electrical generation with the coal fired boilers as of June 30, 2023, remove the sources no longer in operation, provide conditions for the sources that are still in operation (fugitives from roads and landfill), and include the Emission Reduction Credits authorized by the Department of Environmental Protection (DEP) in the August 6, 2025 Review of Emission Reduction Credit Application Memo as well as other Emission Reduction Credits obtained external to Homer City.

DEP published notice of the public comment period in the Pennsylvania Bulletin on November 1, 2025. The facility published notice of the public comment period in the Indiana Gazette newspaper on October 28, 29, and 30, 2025. The renewal/modification was submitted to the US EPA on October 15, 2025. The EPA had no comments on the proposed authorization. DEP received comments from 17 separate commenters. The comment period expired on December 1, 2025.

DEP has prepared the following responses to the public's comments on the draft Title V Renewal and Modification for Homer City Generation LP located (hereinafter referred to as "the facility").

DEP appreciates all the comments submitted and the concerns expressed.

II. List of Commenters

Comment Number	Commenter Name
1	Nicholas Hoffman
2	P Parker Boerner
3	Andrea McClain
4	Bailey Nace
5	Danielle Agape Biconik
6	Amanda Oaks
7	Susan Comfort
8	Don Hawkins
9	Stacey Patrick
10	Dr. Margaret Reardon
11	Rebecca Myers
12	Caleb Joshua
13	Chris Gainey
14	Jessica Jopp
15	Tamara L. Whited
16	Malia Paresa Giesey
17	Charles McPhedran, Esq. Lawrence Hafetz Jessica R. O'Neill Zachary M. Fabish

III. Comments and Responses

A. General Concerns

Comment: Commenters requested a public hearing, open debate, and the “democratic process” regarding the Title V operating permit renewal and expressed that the project was pushed through without public discourse or community support and the voices of the residents need to be considered in the permitting process. A commenter also requested a public hearing on the basis that “the sharp increase in VOC emissions at this facility will impact Homer City and nearby residents.” Commenters 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16.

Response: Under 25 Pa. Code §§ 127.402 and 127.521, a public hearing may be held at the discretion of DEP. The renewal of this Title V operating permit is necessary to remove sources of air contamination and air contamination control equipment and their associated permit requirements that are no longer applicable due to the shutdown of sources which were formerly authorized under the Title V permit. The only remaining air contamination source at the facility is the fugitive emissions from the roadways and the onsite landfill. The renewal of this Title V operating permit is also necessary to document the Emission Reduction Credits from the Shutdown Boilers 1, 2, and 3 at the facility and incorporate the Emission Reduction Credits purchased from INDSPEC Chemical Corporation (INDSPEC), Mack Trucks Macungie, Ball Metal Beverage, Bemis Hazleton, Huntley Power, Dunkirk Power and Cambria Cogen. The development of new sources of air contamination at the facility and the associated air contamination controls and requirements, including VOC emissions, are addressed in Plan Approval No. 32-00457A issued by DEP on November 18, 2025. DEP held a public meeting and public hearing on Plan Approval No. 32-00457A, received comments from 573 separate commenters and issued a comment and response document addressing the new sources of air contamination proposed to be constructed at the facility. Due to the limited focus of this renewal of the Title V operating permit and the robust public participation for Plan Approval No. 32-00457A, DEP did not believe a public hearing would result in significant new or additional comments on the subject of this renewal. DEP received comments from 17 separate commenters, with many being duplicative.

Comment: Commenter states the public needed to hear relevant officials and experts provide more information than what was given. Commenter 15.

Response: The renewal of this Title V operating permit is necessary to remove sources of air contamination and air contamination control equipment and their associated permit requirements that are no longer applicable due to the shutdown of sources which were formerly authorized under the Title V permit. The only remaining air contamination source at the facility is the fugitive emissions from the roadways and the onsite landfill. The renewal of this Title V operating permit is also necessary to document the Emission Reduction Credits from the

Shutdown Boilers 1, 2, and 3 at the facility and incorporate the Emission Reduction Credits purchased from INDSPEC, Mack Trucks Macungie, Ball Metal Beverage, Bemis Hazleton, Huntley Power, Dunkirk Power and Cambria Cogen. A public meeting on this renewal would have focused solely on these subjects and not Plan Approval No. 32-00457A or the broader development of the site.

B. Emission Reduction Credits

Comment: *The commenters believe the Emission Reduction Credits generated by the shutdown coal boilers should not be allowed to be used for a purpose other than power generation to support the PJM grid. The commenter indicated allowing the use of the credits for use other than to support the PJM grid will increase electric consumer prices and may prevent other power generators from securing Emission Reduction Credits. The commenters also expressed concern that a large percentage, if not all the generated power will be consumed at the site and the existing infrastructure will be wasted. Lastly, the commenter indicated if the permit is granted, it should stipulate that whatever amount of electricity be generated should be put into the grid prior to using the electricity for use at the site. Commenters 1, 2, and 7.*

Response: The Emission Reduction Credits are generated from overcontrol or shutdown of another source of air contamination. The process for generating Emission Reduction Credits is provided in 25 Pa. Code §§ 127.206 – 127.210. The Emission Reduction Credits are surplus, permanent, quantifiable and enforceable. DEP can only determine whether the Emission Reduction Credits and their use meet applicable laws and regulations. DEP cannot speculate or dictate how power generated by the air contamination sources to which the Emission Reduction Credits are applied will be used.

Comment: *Commenter states DEP failed to consider new requirements applicable to facilities from which Emission Reduction Credits were generated in accordance with 25 Pa. Code § 127.206(c) so that the credits can be demonstrated as surplus to current emission standards. Commenter 17.*

Response: DEP has reviewed each of the credits and has ensured they are meeting new requirements or that there are no new requirements for the source. The attached spreadsheet (as the “Emission Reduction Credit summary”) provides a summary of each of the facilities, the county and state of origin, the sources, if they are subject to RACT (Reasonable Available Control Technology) 2 and/or RACT 3, the exemption basis for sources not subject to a case-by-case RACT, and if there are any new regulations. The facilities which generated the Emission Reduction Credits include INDSPEC, Mack Trucks Macungie, Ball Metal Beverage, Bemis Hazleton, Huntley Power, Homer City, Dunkirk Power, and Cambria Cogen. The facilities located outside of Pennsylvania (Ball Metal Beverage, Huntley Power, and Dunkirk Power) are not subject to Pennsylvania regulations and are therefore not subject to RACT 2 or RACT 3. However, the State of New York has provided review of the New York facilities for the Emission Reduction Credits and has authorized the transfer in accordance with their regulations.

The INDSPEC Source (235) Tank T3034 is not subject to RACT 2 or RACT 3 as indicated in 25 Pa. Code §§ 129.96(a) and 129.111(a), respectively because it is an exempt source. The source is instead subject to the requirements of 25 Pa. Code § 129.71. All of the other various sources covered by the INDSPEC Emission Reduction Credits (038, 040, 057, 100, 134, 147A, 147F, 147H, 149, 150, 159, 163, 165, 165A, 166, 170, 171, 178, 180B, 237, 135MPV, 147B, 165B) except 100, 135, and 150 are each emit less than 2.7 tons per year (TPY) and meet the RACT 3 presumptive requirement of 25 Pa. Code § 129.112(c)(2), which is to install, maintain, and operate in accordance with manufacturer's specifications and with good operating practices. Since there is no numerical RACT 2 or RACT 3 VOC emission limit for these sources, the credits do not need to be reduced and are considered surplus.

DEP reviewed the VOC Emission Reduction Credits for the INDSPEC sources that were greater than 2.7 TPY VOC. This included Emission Reduction Credits from the shutdown of Sources 100, 135MPV, 150, and 165B. These sources were subject to RACT 2 case-by-case review in accordance with 25 Pa. Code § 129.99. For additional details on that review, refer to DEP's Revised Emission Reduction Credits Review memo (INDSPEC Emission Reduction Credits memo) dated October 20, 2020, and the Review of Application for RACT 2 memo (RACT 2 memo) dated October 20, 2020. In response to this comment, DEP requested that Homer City review the same sources for RACT 3, and DEP conducted its own review of RACT 3 for these sources. Because no additional controls would have been needed for INDSPEC to meet RACT 3 for these sources, the Emission Reduction Credits do not need to be reduced. For additional details on the RACT 3 analysis, please refer to the INDSPEC Available Emission Reduction Credits after Potential RACT Reduction review memo dated February 26, 2026.

Mack Trucks Macungie, Source 003 is a burn off oven that has less than 2.7 TPY VOC and is subject to the presumptive requirements of 25 Pa Code § 129.112(c)(2). Since there is no numerical RACT2 or RACT 3 VOC emission limit for this source, the credits do not need to be reduced and are considered surplus. Similarly, Sources 104, 107H, and 119A at Mack Trucks Macungie are ovens (considered combustion sources) that are subject to presumptive requirements of 25 Pa. Code § 129.112(d), which is to install, maintain and operate the source in accordance with the manufacturer's specifications and with good operating practices for the control of the VOC emissions from the source. Since there is no numerical RACT 2 or RACT 3 VOC emission limits for this source, the credits do not need to be reduced and are considered surplus. Sources 103, 106, and 118A are paint booths subject to §129.52d and are exempt from RACT 3 in accordance with 25 Pa. Code § 129.111(a).

Sources 706 and 721 at Bemis Hazelton are also exempt from RACT 3 in accordance with 25 Pa. Code § 129.111(a) because they are flexographic printing presses which are subject to 25 Pa. Code §§ 129.67-129.67a.

The Sources 031, 032, and 033 at the Homer City Generation were the previous coal fired boilers, which were addressed in the November 22, 2024 DEP memo "Review of Emission Reduction Credit Application" from Jacob Chemsak. The boilers were subject to the presumptive VOC requirement of 25 Pa. Code § 129.112(d). Since there is no numerical RACT 3 VOC emission limits for Sources 031, 032, and 033, the credits do not need to be reduced and are considered surplus.

The Sources 031 and 032 at the Cambria Cogen facility were boilers subject to the presumptive VOC requirement of 25 Pa. Code § 129.112(d). Since there are no numerical RACT 3 VOC emission limits for this source, the credits do not need to be reduced and are considered surplus.

Comment: *Commenter states DEP failed to properly consider ambient impact equivalence or the overall control strategy in accordance with 25 Pa. Code § 127.208(3), and fails to demonstrate “the same conditions, limitations, and characteristics” in accordance with 25 Pa. Code § 127.208(4). Commenter 17*

Response: DEP properly considered the requirements of 25 Pa. Code § 127.208 relating to the use and transfer of Emission Reduction Credits. Ozone formation is a regional, photochemical process in which emissions of volatile organic compounds (VOCs) and nitrogen oxides (NO_x) react in sunlight over time and distance. The United States Congress established ozone transport regions under Section 184 of the Clean Air Act, 42 U.S.C. § 7511c, because ozone and its precursors do not remain within state boundaries. Winds can carry NO_x and VOC emissions from one jurisdiction to another, contributing to ozone levels. Both Pennsylvania and New York are included in one ozone transport region. Under Sections 184(a) and (b) of the Clean Air Act, 42 U.S.C. § 7511c(a) and (b), the entire ozone transport region is treated as a single moderate ozone nonattainment area. Under 25 Pa. Code § 127.208(9), for emissions offset transfers of VOCs or NO_x, the areas included within an ozone transport region established under Section 184 of the Clean Air Act, 42 U.S.C.A. § 7511c, are treated as a single nonattainment area. *See also*, 24 Pa. Bull. 443 at 445, 464 (Jan. 15, 1994) and 37 Pa. Bull. 2365 at 2370-2371 (May 19, 2007).

Consistent with 25 Pa. Code § 127.208(11), all of the Emission Reduction Credits included in this Title V Renewal are from facilities within the same ozone transport region. Those facilities and credits purchased include; INDSPEC - Butler County, PA 199.54 TPY; Mack Trucks Macungie - Lehigh County, PA 81 TPY; Ball Metal Beverage - Orange County, NY 46.08 TPY; Bemis Hazelton - Luzerne County, PA 24.18 TPY; Huntley Power - Erie County, NY 21.11 TPY; Dunkirk Power - Chautauqua County, NY 7.90 TPY; Cambria Cogen - Cambria County, PA 6.4 TPY; Homer City (Boilers 1, 2, and 3 permanent shutdown) - Indiana County, PA 11.30 TPY. All of the Emission Reduction Credits are generated by major stationary sources, and the sources generating these credits typically operated year-round, similar to Homer City facility. The Emission Reduction Credits reflect reductions in the same pollutant category, e.g. VOC Emission Reduction Credits represent VOC reductions. DEP does not allow inter-pollutant trading. 25 Pa. Code § 127.206(o) Under 25 Pa. Code § 127.208(5), (8), and (11) facilities do not have to be located in proximity to each other to use Emission Reduction Credits, but only located in the same ozone transport region.

EPA has stated that “the ambient impacts of VOC and NO_x emissions are areawide rather than source-specific. All such emissions within a broad area are considered comparable regardless of plume height, topography or related factors.” See, “Emission Trading Policy Statement: General Principles for Creation, Banking and Use of Emission Reduction Credits.” 51 Fed. Reg. 43813 at 43850-43851, U.S. Env’tl. Prot. Agency, Research Triangle Park, North Carolina, Dec. 4, 1986. Emission Reduction Credits are traded based on total

TPY emissions of ozone precursors across the ozone transport region, rather than on local ambient concentrations near an individual source. DEP has found that the proposed VOC Emission Reduction Credits for use as offsets for Homer City from other facilities in Pennsylvania and New York meet the ambient equivalence test set forth in 25 Pa. Code § 127.208(3) because ambient equivalence is presumed within the ozone transport region's nonattainment area.

In the 1994 final New Source Review rulemaking, DEP explained in response to comments received regarding procedures for evaluating ambient equivalent for ozone precursors that “[f]or NOx and VOC trades which comply with the trading requirements of § 127.208(9), modeling is not required unless the emission characteristics are significantly mismatched and the new or modified facility desires to demonstrate that the use of the offsets at an increased ratio or additional offsets from another facility will provide the required ambient equivalence.” See 24 Pa. Bull. 445 at 447 (Jan. 15, 1994). Because Homer City is proposing use of VOC Emission Reduction Credits purchased from facilities within the same ozone transport region and the regulatory history of DEP's NSR program 25 Pa. Code Chapter 127, Subchapter E reflects that no additional modeling is required for ozone precursor emissions complying with 25 Pa. Code § 127.208(9), DEP has concluded that no additional ambient equivalence analysis is required.

DEP has determined that Homer City's use of Emission Reduction Credits will not interfere with the overall control strategy of the Pennsylvania State Implementation Plan. The U.S. Environmental Protection Agency (EPA) has generated empirical relationships between single sources and ozone impacts with photochemical grid modeling for hypothetical sources that vary in stack height, emission rate, and geographic location nationwide. DEP downloaded the EPA's photochemical grid modeling results for annual maximum daily 8-hour ozone with VOC as a precursor for all hypothetical sources within the Ozone Transport Region. Based on these photochemical grid modeling results and Homer City's annual VOC emission limit of 332.16 TPY, the annual maximum daily 8-hour ozone concentration was calculated to be 0.1707 parts per billion (ppb), which is 17.07% of the EPA's recommended significant impact level of 1.0 ppb for 8-hour ozone. The ozone impact due to Homer City's VOC emissions would therefore be insignificant. Furthermore, the maximum certified 8-hour ozone design value for 2022-2024 at any ambient monitor in Pennsylvania outside of the Philadelphia-Wilmington-Trenton, PA-NJ-DE-MD nonattainment area is 68 ppb. Therefore, the annual maximum daily 8-hour ozone concentration from Homer City's VOC emissions would not threaten the 2015 8-hour ozone National Ambient Air Quality Standard (NAAQS) of 70 ppb. Based on a review of ambient monitor data from 2022-2024 for the seven counties in the Pittsburgh-Beaver Valley Area, the designation and classification of “attainment/unclassifiable” for the 2015 8-hour ozone NAAQS of 70 ppb would not be impacted and the EPA's December 6, 2016 determination of attainment for the 2008 8-hour ozone NAAQS would not be affected.

C. Permit Authorization

Comment: *The commenter states DEP's proposed issuance of an operating permit is unauthorized.* Commenter 17.

Response: The comment references the plan approval (32-00457A) and how the plan approval will be incorporated into the permit through the operating permit. However, the current operating permit does not incorporate the plan approval as it is a separate authorization. The modification removes the sources that are no longer operating (coal boilers, auxiliary boiler, oil fired space heaters, ammonia storage tanks, limestone and gypsum storage and handling, activated carbon storage and handling, lime and byproduct storage and handling, emergency diesel generators, diesel fire pump, unit mix coal blending yard, and associated controls (Electrostatic precipitators, selective catalytic reduction, flue gas desulfurization, activated carbon injection, Novel Integrated Desulfurization system, and dust collectors). The modification also adds the Emission Reduction Credits to the permit for the facility to use at a later date. The facility still has miscellaneous fugitive emissions (Source 104) from the roadways and the onsite landfill and is therefore required to have an operating permit as these sources emit air contaminants into the atmosphere and are considered air contamination sources that are not exempt from permitting. The requirements in Sections B-C of the operating permit contain emission restrictions, recordkeeping, work practices, and additional requirements to ensure compliance with the Clean Air Act and the Air Pollution Control Act and provide a reasonable assurance of compliance with the restrictions.

The renewal of the permit does not address the sources from plan approval 32-00457A. The facility will be required to submit a Title V Operating Permit application within 12 months of beginning operation [reference Pennsylvania Bulletin, Vol. 54, Number 30, July 27, 2024, Department of Environmental Protection Change in Practice Regarding Title V Operating Permit Application Submissions to Meet Federal Clean Air Act Requirements – page 4404].

D. Environmental Justice

Comment: *The commenter states DEP fails to consider environmental justice.*
Commenter 17.

Response: As stated above, the operating permit renewal does not address the sources from plan approval 32-00457A.

Since the renewed operating permit for Homer City Generation does not involve any new sources, and there is no increase of emissions associated with the renewed operating permit, the Office of Environmental Justice and Air Quality determined the need for environmental outreach or enhanced opportunities for community involvement and public participation was not necessary.

E. DEP's Role in the Pre-Application Process

Comment: *Commenter states DEP must disavow that it will "Provide a Concierge Level of Service" to Homer City.* Commenter 17.

Response: The commenter mischaracterizes the cited email from DEP Northwest Regional Director Erin Wells as "Providing a Concierge Level of Service" to Homer City. In fact, the email dated May 24, 2024, was part of the pre-application process in which DEP was

identifying to Homer City all DEP programs that will regulate the facility proposed by Homer City for this site, what authorizations will be required, and what applications will need to be submitted. DEP routinely relays information on the regulatory requirements to applicants through one or more pre-application meetings. This not only serves the company by identifying what is needed from each program for an administratively complete application, but also serves the public to ensure all impacts to the environment and public health are identified and addressed under applicable State and Federal law and regulations. Characterizing this process as “concierge level service” recognizes the effort of DEP to make sure all requirements are met for each specific project.

IV. Final Determination

Pursuant to 25 Pa Code Chapter 127, the comments submitted during the public comment period have been reviewed and are addressed in this document.

After consideration of all comments received, DEP is issuing the Title V Operating Permit 32-00055. The expiration date of the Title V Operating Permit is January 31, 2031.

Appendix - ERC Summary

Facility	Location County (State)	ERCs (TPY)	Source	Subject to RACT 3 Y/N/Exempt?	Comments	Any New Regulations
INDSPEC	Butler (PA)	130.94	(235) Tank T3034	235 exempt per 129.111(a)	235 exempt per 129.71	No
INDSPEC	Butler (PA)	68.6	038, 040, 057, 100, 134, 147A, 147F, 147H, 149, 150, 159, 163, 165, 165A, 166, 170, 171, 178, 180B, 237, 135MPV, 147B, 165B	100, 135MPV, 150 & 165 subject to CBC for RACT 3	All except 100, 135, and 150 less than 2.7 TPY(129.112(c)(2) - Presumptive RACT - Install, maintain and operation in accordance with mfg. specs and good operating practices.	No
Mack Trucks Macungie	Lehigh (PA)	81	(003)Burn Off Oven; (103)Cab Color Booth; (104)Cab Color Bake Oven,(106)H Line Chassis Booth; (107)H Line Chassis Bake Oven; (118A)New Multi-Color Spray Booth; (119A)New Multi-Color Oven	003 < 2.7 TPY; 104, 107H, and 119A(presumptive); 103, 106, and 118A are exempt from RACT 3 per 129.111(a)	104, 107, 119A presumptive is operation in accordance with mfg. specs and good operating practices. 103, 106, and 118A subject to 129.52d	No
Ball Metal Beverage	Orange (NY)	46.08	3 production lines for beverage containers	Not subject to PA regulation	Source in NY	No
Bemis Hazleton	Luzerne (PA)	24.18	706 & 721 (Flexographic Printing Presses)	Exempt per 129.111(a)	129.67- 129.67a (Graphic Arts Systems)	No
Huntley Power	Erie (NY)	21.11	Steam Generation Station	Not subject to PA regulation	Source in NY	No
Homer City	Indiana (PA)	11.3	031, 032, and 033 (Boilers 1-3)	Presumptive 129.112(d)	Install, maintain and operation in accordance with mfg. specs and good operating practices.	No
Dunkirk Power	Chautauqua (NY)	7.9	Steam Generation Station	Not subject to PA regulation	Source in NY	No
Cambria Cogen	Cambria(PA)	6.4	031 & 032	Presumptive 129.112(d)	Install, maintain and operation in accordance with mfg. specs and good operating practices.	No

Total

397.51