



SC DEPARTMENT *of* **ENVIRONMENTAL SERVICES**

Bureau of Air Quality Response to Comments on Air Quality

Valara Holdings High Performance Compute Center Spartanburg, Spartanburg County, South Carolina Permit Number CP-50000422 v1.0

The following is the South Carolina Department of Environmental Services, Bureau of Air Quality's (SCDES or Department) response to the comments made during the formal comment period held May 26, 2026, through July 31, 2026, regarding the draft synthetic minor air construction permit CP-50000422 v1.0 for Valara Holdings High-Performance Compute Center (Valara or facility). An availability session to answer questions from the public and a public hearing, to receive oral and written comments on the proposed project, were held by the Department on June 25, 2026.

During the comment period, over 350 written and oral comments were received. The Department has reviewed each comment and revised the draft permit where appropriate based on the Department's regulatory authority. The Department received additional comments after July 31, 2026. Individuals submitting comments after the comment period have been added to the notification list, along with those making comments before and during the open comment period, and will receive notification of the Department decision and response document.¹

The written Department decision, permit, statement of basis, this response document, and a letter of notification are located for viewing at the SCDES Columbia office located at 2600 Bull Street, Columbia SC 29201, and on our webpage at <https://des.sc.gov/programs/bureau-air-quality/air-quality-department-decisions>.

Hard copies of all the above-listed documents and written comments received can be requested by contacting our Freedom of Information Office online at

¹ In responding to comments made during the formal comment period, the Department has also addressed various concerns raised in comments received after the comment period had expired. The Department's acknowledgment of and response to concerns raised in any comments received after the comment period should not be construed as an interpretation by the Department that a response to these comments is legally required.

<https://des.sc.gov/about-scdes/contact-us/freedom-information-act-requests>, by email at foi@des.sc.gov, or by phone at (803) 898-3882.

The following is a summary of the changes to the draft permit and other actions taken by the Department in response to public comments received:

- In the statement of basis, uncontrolled emissions of formaldehyde from the turbines have been updated to use the uncontrolled emission factor from AP-42 Chapter 3.1 - Stationary Gas Turbines Table 3.1-3. Updated controlled emissions of formaldehyde utilize an emission factor published by the Electric Power Research Institute (EPRI).
- In the statement of basis, uncontrolled and controlled emissions of benzene from the turbines have been updated to utilize an emission factor published by EPRI.
- Permit conditions B.2, B.3, and B.4 have been updated to require the facility to submit reports quarterly to the Department during the first year of operation. The facility may then request to move to a semiannual reporting schedule, if its emissions are less than 80% of the respective emissions limitations. Permit conditions B.7, B.9, and B.10 have also been revised to reflect the changes made in conditions B.2, B.3, and B.4.
- The algorithms in permit conditions B.2 and B.4 have been revised to more clearly identify that startup and shutdown emissions are included in the monthly rolling sums. Updated equations for formaldehyde and benzene are now included separately from other HAP. The equation for hexane and single HAPs is clarified to denote the 33% control efficiency of the oxidation catalyst. Revisions have been made to more clearly identify what emission factors are being used in each equation.
- Conditions B.16, B.24, and B.25 have been updated according to the EPA's changes made to NSPS Subpart KKKKa - Standards of Performance for Stationary Combustion Turbines on July 16, 2026.
- Condition B.28 has been revised to remove the clause allowing for representative source testing and to specify testing at varied load levels.
- The statement of basis has been revised to include information on SC Regulation 61-62.68 - Chemical Accident Prevention Provisions, particularly with regards to aqueous ammonia.
- Other minor grammatical updates to the statement of basis and permit.
- The air dispersion modeling summary has been revised to make minor corrections to generator stack locations consistent with the modeling performed. The modeling summary now accurately reflects the modeling analyses provided with this project.

The following is a summary of the comments received and the Department responses to those comments:

General Support or Opposition

Comments were received expressing general support for or in opposition to issuance of the permit.

Response: The Department's technical review of an air construction permit application is conducted in accordance with applicable current state and federal air quality requirements established to protect public health and the environment. Before an air construction permit may be issued, an applicant must demonstrate that the proposed facility can comply with the applicable regulatory requirements.

In its application, Valara has provided all the necessary information to demonstrate that it can comply with all relevant state and federal regulations. The Department's permitting decision cannot be based on the number of comments received supporting or opposing a proposed project. Rather, the Department must evaluate the technical and regulatory issues raised in the comments and determine whether those issues affect the facility's ability to comply with applicable current air quality requirements.

The Department has reviewed the comments received regarding the draft construction permit and has addressed the substantive issues raised, as reflected throughout this response-to-comments document.

Major Source Maximum Achievable Control Technology (MACT) Applicability

Comments were received calling into question the emission factors used to estimate hazardous air pollutant (HAP) emissions from the turbines and whether those factors were appropriate, particularly for formaldehyde and benzene. Attention was drawn to other permits which used higher emission factors to estimate formaldehyde emissions from similar turbines and asserted that using those factors would appear to make Valara a potential major source of HAP. Commenters concluded that as a major source of HAP, Valara would be subject to applicable major source MACT regulations, particularly the National Emission Standards for Hazardous Air Pollutants (NESHAP) Subpart YYYYY - National Emission Standards for Hazardous Air Pollutants for Stationary Combustion Turbines. Commenters also asserted that the draft permit's MACT avoidance limits were unenforceable because the facility was using an incorrect emission factor.

Response: Based on review of the comments and available information, the Department has adjusted the original emission factors used to estimate formaldehyde and benzene from the turbines. Uncontrolled emission calculations in the statement of basis have been updated

using the uncontrolled emission factor found in AP-42 Chapter 3.1 - Stationary Gas Turbines Table 3.1-3 for formaldehyde (not the footnoted emission factor). While the Department has updated the potential uncontrolled emissions for formaldehyde using this factor, it is important to note that this emission factor was developed using data largely collected from the 1980s-1990s and may not be representative of emissions from turbines built today, given the advances in technology over the last several decades.

Valara has provided to the Department published test data from the Electric Power Research Institute (EPRI), and the Department has also reviewed additional information, including performance testing results for similar turbines to the ones Valara is proposing to construct. Based on this review, the Department has recalculated the potential controlled emission rates of formaldehyde from the turbines using an emission factor from the EPRI testing². The EPRI factor is more conservative than any of the other test results reviewed by the Department and is considered a more accurate estimate of potential controlled emissions than the factor originally presented in the draft statement of basis or any alternative emission factor derived from AP-42 (which, as discussed above, is based on older data sets). The statement of basis has been updated to reflect this updated emissions factor.

Uncontrolled and controlled emissions for benzene have also been updated to reflect test data published by EPRI. The EPRI factor for benzene is more conservative than the emission factor published in AP-42, as detailed in the updated statement of basis.

The updated calculations show that the facility wide potential controlled emissions for formaldehyde are 10.58 tons per year, based on a conservative assumption that all sources at the facility are operating continuously and concurrently throughout the year (8,760 hours each). Valara has provided information that facility design has excess power generation capacity built in, and the expected operations of the facility will not require or use all of the full power generation all the time. In other words, some of the equipment is redundant to provide operational flexibility to the facility. Therefore, the facility can effectively restrict its emissions of formaldehyde and total HAP to below the 10 ton per year and 25 ton per year major source thresholds by operating at levels below the full, continuous rate of operation on which the listed estimates were based. The use of such limits combined with associated monitoring, recordkeeping, and reporting provisions is commonplace and well-accepted as an available means of restricting potential emissions to below major source thresholds.

The monitoring and recordkeeping requirements in the draft and final permit require the facility to calculate HAP emissions from all sources at the facility based on each source's actual hours of operation. The required source testing for formaldehyde will provide site-specific emission factors to accurately calculate these emissions. The final permit language

² *Formaldehyde and VOC Emissions from a General Electric LM6000 Combustion Turbine with SCR and CO Catalysts*. EPRI, Palo Alto, CA: 2006. 1013170.

in condition B.2 has been revised to clarify what emission factors should be used for calculating emissions. The final permit limits and associated conditions, as revised, ensure the permit's MACT avoidance limits are practically enforceable. By not operating at full capacity all of the time, the Department expects that the facility will be able to manage their emissions such that they will comply with the existing limits in permit CP-50000316. By retaining the HAP limits established in CP-50000316, the facility will remain an area source of HAP and avoid major source MACT applicability. By contrast, if the facility were to become subject to major source MACT requirements, the facility could be allowed to emit greater than 10 tons per year of formaldehyde.

Continuous Emission Monitoring Systems (CEMS)

A commenter asked if each turbine would have nitrogen oxides (NO_x) CEMS. Another commenter asked why CEMS was not required for carbon monoxide (CO) monitoring. Other commenters proposed using CO CEMS as a surrogate to monitor HAP emissions.

Response: The draft and final permit require the facility to install, operate, and maintain NO_x CEMS on each turbine. The facility must do this to comply with the requirements in the New Source Performance Standards (NSPS) Subpart KKKKa - Standards of Performance for Stationary Combustion Turbines, and S.C. Regulation 61-62.5, Standard No. 5.2 - Control of Oxides of Nitrogen (NO_x). There are no applicable regulations requiring the facility to operate a CO CEMS to demonstrate compliance. While the operation of a CO CEMS may provide information indicative of overall oxidation catalyst performance, it would not provide a direct measure of HAP emissions from the turbines. In light of this, the Department has determined that requiring a CO CEMS would not be supported by the regulations and would not provide meaningful information to monitor HAP emissions.

The permit does require that the facility develop and implement a catalyst management plan per condition B.10. This plan will detail the catalyst maintenance and replacement procedures the facility will use to ensure that the catalysts operate within their performance specifications. This plan is required to be submitted to the Department for approval within 30 days of startup of the first turbine. By maintaining the catalysts within their performance specifications, the facility can effectively minimize its HAP emissions.

The final permit has revised condition B.28 to remove the clause for representative source testing on the turbines. The facility will be required to conduct a source test within 180 days of startup of each turbine for formaldehyde.

General Modeling Comments and Questions

Comments were received asking specific questions regarding the modeling demonstration for compliance with Standard No. 2. These questions include:

- Why was Greenville background monitoring data used instead of Spartanburg?

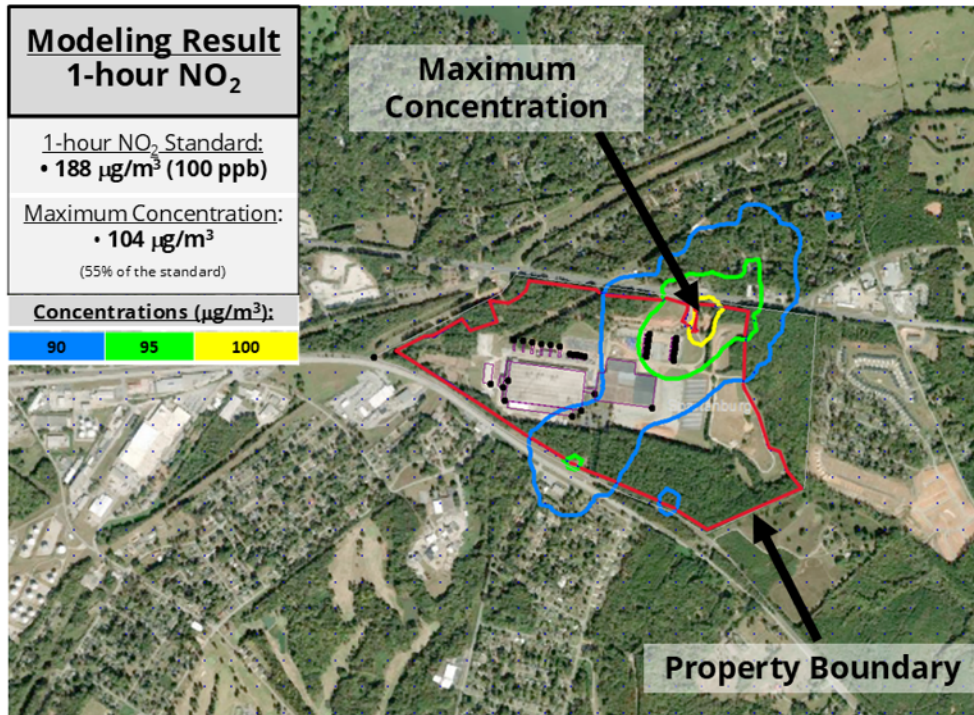
Response: Greenville Employment Security Commission (ESC) background monitoring data were used for particulate matter less than 10 microns in diameter (PM_{10}), particulate matter less than 2.5 microns in diameter ($PM_{2.5}$) and nitrogen dioxide (NO_2). For those pollutants, monitoring data from Spartanburg (T.K. Gregg Recreation Center) are available only for $PM_{2.5}$. The Greenville ESC monitor's background values for $PM_{2.5}$ (both 24-hour and Annual averaging periods) were used because they are higher (i.e., more conservative) than those from the Spartanburg monitor. Although Greenville ESC is further from Valara, that monitor site is still similar to the airshed background values at the TK Gregg site. See more information on modeling background levels below.

- Are those background values current and representative of the area?

Response: The background values used in the modeling analysis are from the most recent certified monitoring data available at the time the application was submitted, which was the representative period from 2022 to 2024. Background values are based on 3 consecutive years of data. The most representative monitoring site was chosen for each pollutant. The representativeness analysis was based on the monitor's proximity to the Valara site and a comparison of land use, terrain, and climate between the monitor and Valara locations.

- What neighborhoods, schools, or churches are closest to the modeled maximum impacts?

Response: The maximum modeled concentration (impact), for each pollutant and averaging period modeled, is located on the Valara property boundary in the immediate vicinity of the Valara main entrance on South Pine Street, which is near the intersection of South Pine Street and Rushing Road. An example of this is shown in the NO_2 / 1-hour modeled concentration map below. The modeled concentration isopleths are superimposed on a background map, showing the Valara property boundary and surrounding areas. The map can be used to locate various entities relative to the location of the maximum modeled concentrations.



- Were cumulative impacts from nearby industry, traffic, and other emission sources included in the demonstration?

Response: A representative background monitoring value was added to the maximum modeled concentration for each criteria pollutant and averaging period. The background monitoring concentration, from a nearby monitor, represents pollutant concentrations in the ambient air from other emission sources, such as industry, vehicular traffic, etc. The total (modeled facility impact plus background) concentration was then compared to the respective ambient air quality standard. For example, the maximum modeled concentration for NO₂ / 1-hour based on the facility impact alone was 29.6 µg/m³. This value was then added to the appropriate background concentration, yielding a maximum total of 103.6 µg/m³. The 103.6 µg/m³ total was compared to the standard in the modeling analysis.

- What emission rates were modeled?

Response: Maximum allowable emission rates based on the use of control devices required by the permit were modeled. The modeled emission rates and resulting concentrations were also conservatively based on an assumption of all sources operating continuously and concurrently. The facility's actual emissions are expected to be less than or equal to the controlled emission rates. Source testing and CEMS (continuous emission monitoring systems) data will verify the actual emission rates are no greater than the modeled emission rates. If actual stack emissions data indicate higher rates, the facility must demonstrate ambient air quality compliance with those higher emissions.

- Was the air dispersion modeling released for public review?

Response: A summary of the inputs and outputs of the air dispersion modeling was available for public review on the SCDES Public Notice website during the notice period for the draft permit and remains available for review upon request through SCDES's Freedom of Information Office (foi@des.sc.gov). The summary includes a comparison of output concentrations to the applicable standards. The underlying digital air dispersion modeling files (AERMOD files) are also available by request through the SCDES Freedom of Information Office (foi@des.sc.gov). Please note that the AERMOD air dispersion model, used for the Valara analysis, is a highly technical atmospheric dispersion modeling system used by engineers and meteorologists. The modeling system includes several preprocessors (that handle meteorology, terrain, land surface characteristics, and building data). Data is typically easier to review using third-party proprietary software.

- Has modeling been validated at this location?

Response: The AERMOD modeling system, used for the Valara analysis, has been fully validated, approved, and promulgated by the EPA as the preferred air dispersion model for regulatory applications. While EPA validation testing did not occur specifically in the Spartanburg area, the EPA's evaluation process included model testing at different geographical locations. The EPA concluded that AERMOD is valid for use across the United States, including South Carolina and the Spartanburg area, without the requirement for additional validation testing.

- Is secondary formation of ozone and PM_{2.5} addressed in the demonstration?

Response: Secondary formation was not addressed, as SCDES's Modeling Guidelines for Air Quality Permits do not require evaluation of secondary formation of ozone and PM_{2.5} in a modeling analysis for a non-PSD permit. Additionally, secondary formation generally has minimal influence for sources with emissions below major source thresholds. Valara's emissions of pollutants that contribute to secondary formation (NO_x, sulfur dioxide (SO₂) and

volatile organic compounds (VOC) are capped so as to remain below major source thresholds.

- Why is the SCDES PM_{2.5} annual limit still 12 µg/m³?

Response: South Carolina Regulation 61-62.1, Standard No. 2, contains currently effective state ambient air quality standards. The state ambient air quality standard for annual PM_{2.5} concentrations (primary) is 12 µg/m³ at this time. The state will continue to implement this standard in reviewing air dispersion modeling analyses for all non-PSD permit applications until the federal revised PM_{2.5} standard (should it remain in effect) is adopted into state regulation and submitted to EPA for approval into the State Implementation Plan (SIP). Nonetheless, Valara's modeled PM_{2.5} impact, including the existing background impact, has been shown to be compliant with the current federal National Ambient Air Quality Standards (NAAQS) (9.0 µg/m³).

- Did Valara and SCDES run independent models, what inputs were reviewed, and what information determines what inputs are used?

Response: Valara submitted a modeling analysis to SCDES. The consulting firm, Jacobs, performed the air dispersion modeling analysis on Valara's behalf based on the planned design of equipment, stacks, and nearby structures for the construction project as described in the permit application materials. SCDES performed a review of the Valara modeling analysis via independent model runs, including verification of all data inputs and model settings used in Valara's analysis. The SCDES review was performed by an air quality meteorologist/modeler in the Modeling Section of the Bureau of Air Quality. The review of the modeling confirmed the results of Valara's analysis, which showed that emissions of PM₁₀, PM_{2.5}, NO_x and CO will result in ground-level concentrations below the respective standards.

Modeling Realism

Comments were received stating that modeling is "not real," but reflects predictions and estimates, so the permit should be denied.

Response: S.C. Regulation 61-62.1 requires that facilities requesting a construction permit submit an "air dispersion modeling analysis or other information demonstrating that emissions from the facility, including those in the application, will not interfere with attainment or maintenance of any ambient air quality standard." Modeling analyses are inherently projections of estimated/predicted emission concentrations and are a standard component of air quality permitting throughout the country. Valara submitted an air dispersion modeling analysis using AERMOD, the current EPA-preferred regulatory guideline model for refined permit modeling. The model simulates the release and dispersion of

pollutants in the air to produce (generally conservative) predictions of maximum pollutant ground-level concentrations at the facility property line and beyond. The Valara modeling analysis, which was reviewed by SCDES, indicates that Valara's emissions of PM₁₀, PM_{2.5}, NO_x and CO will result in ground-level concentrations below the respective standards.

Formaldehyde and Standard No. 8 Modeling

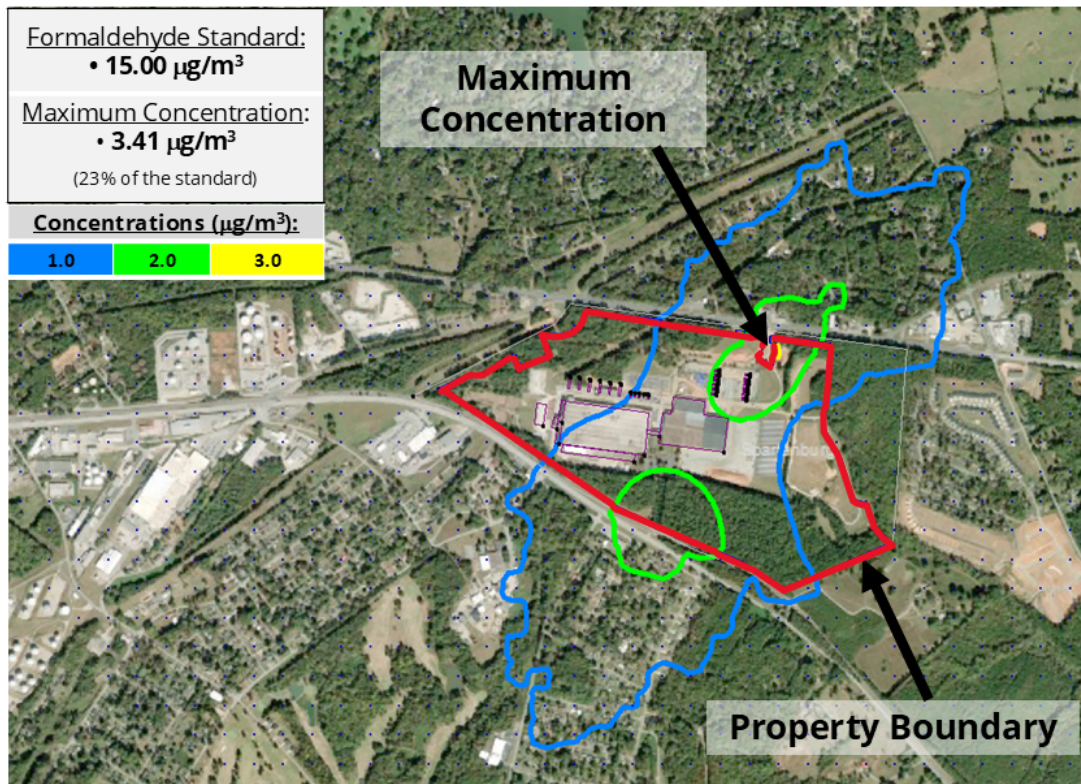
Comments were received requesting that formaldehyde or other pollutants be modeled under Standard No. 8 to assess cancer and other risks from air toxics. Comments asserted that SCDES must rescind the existing exemption from Standard No. 8 for sources that burn only virgin fuel and should adopt a long-term formaldehyde standard to protect against cancer risk. Comments were also received mentioning Georgia's formaldehyde guideline. These comments included an analysis of formaldehyde concentrations using EPA's SCREEN3 tool and an AERMOD analysis and compared formaldehyde modeling results to Georgia's guidelines and concluded that Valara would exceed Georgia's guideline. The comments assert that the facility must be required to reduce its air toxic emissions before a permit is issued.

Response: S.C. Regulation 61-62.5, Standard No. 8 (Standard No. 8) provides that Standard No. 8 "does not apply to fuel burning sources which burn only virgin fuel or specification used oil." All Standard No. 8 (air toxic) emissions at the Valara facility will be from the combustion of natural gas, which is virgin fuel. Thus, a modeling analysis for Standard No. 8 was not required and was not conducted by the facility for the turbine project. Formaldehyde will have the highest emission rate among Standard No. 8 pollutants at the Valara facility. The facility voluntarily provided a formaldehyde modeling analysis for Department review as supplemental information with the initial generator project. The facility analysis, reviewed by SCDES, showed that the impact of formaldehyde emissions from the initial generator project would be below the applicable Standard No. 8 concentration threshold. Separately, SCDES performed additional modeling using AERMOD (EPA's preferred regulatory guideline model for refined permit modeling) to ensure that the formaldehyde impact would remain below the Standard No. 8 concentration threshold with additional formaldehyde emissions associated with the current project (addition of 11 turbines). This additional modeling was updated using the most current information, including the EPRI emission factor identified in review of comments, discussed in the responses above. Of note, the maximum modeled ambient formaldehyde concentrations from the facility are driven almost entirely by the initial generator project, with only a marginal contribution from the turbines. The modeling analysis showed maximum allowable concentrations for formaldehyde after this project would remain at just 23% of the relevant concentration threshold. The results of the analysis are further presented below.



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Formaldehyde (24-hour) Model Result Facility Impact



The results shown above reflect a conservative estimate given equipment redundancies and the facility's planned operation at levels below the full, continuous rate of operation on which the concentration values were based.

The comments compared modeled formaldehyde concentrations against the "Georgia Guideline for Ambient Impact Assessment of TAPs" (Georgia Guideline) and stated concern that concentrations from the facility would be in excess of the Georgia Guideline's specified annual concentration threshold for formaldehyde. The Department is unable to speak directly to the development and use of the Georgia Guideline, which does not apply in South Carolina and also does not include a 24-hour average concentration threshold akin to the Department's Standard No. 8's thresholds. We also note that ambient concentration restrictions or threshold levels vary widely from state to state and have not been promulgated by EPA. The Georgia Guideline indicates that Georgia's annual threshold was derived from EPA Integrated Risk Information System (IRIS) data for formaldehyde. According to EPA, IRIS values represent the first two steps of the four-step risk assessment process described by the National Research Council and are not necessarily intended for use as regulatory levels. For further information, see www.epa.gov/iris.

Modeling Background Data and Data Exclusions

Comments were made about the integrity of data exclusions and the adjustment of background data for atypical activity, particularly regarding PM_{2.5}.

Response: Relevant EPA guidance provide a framework for states to exclude ambient air data that are not considered to be representative because they are atypical or not expected to occur again in the future, including, but not limited to, construction, roadway repairs, forest fires [wildfires], or unusual agricultural activities.³ Prescribed fires generally are also considered to be atypical activities. Wildfires and prescribed fires were the focus of SCDES exclusions. EPA's guidance also recognizes that state permitting authorities retain discretion in regard to how they evaluate background concentrations using appropriate criteria.

Valara Holdings used PM_{2.5} background data from the Greenville ESC monitor site to support their PM_{2.5} modeling demonstrations. The background values used in the analysis are from the 2022-2024 period (which represents the most recent certified monitoring data available at the time the application was submitted) for both the 24-hour and annual averaging periods. These background design values are SCDES-adjusted based on the data exclusion principles in the EPA guidance document referenced above.

Before discussion of data exclusions, it should be noted that the Greenville ESC data were chosen as conservative backgrounds compared to those at the TK Gregg monitor site (about 5 miles northwest of Valara) and the Valara facility location. The Greenville ESC monitor site is a conservative choice since the location is surrounded by more developed, urban area (i.e., more background emissions related to more urbanized influences) compared to the TK Gregg monitor site or Valara's location, and SCDES-adjusted Greenville ESC values (used for air dispersion modeling purposes) are higher than those from the TK Gregg monitor for the relevant time period. Viewing the region on a map, such as Google Earth, shows that the immediate area around the facility is less urban. Another way to show this is via the Bureau's land use tool (on the Bureau's [Air Dispersion Modeling Data webpage](#))⁴, which assesses how urban an area is based on land use categories within 3 km of a location. The tool classifies the Greenville ESC monitor, TK Gregg monitor, and Valara facility sites as 42% urban, 30% urban, and 8% urban, respectively (per SCDES guideline, which classifies developed medium-

³ See, e.g., 40 C.F.R. Part 51, Appendix W (Guideline on Air Quality Models), Section 8.3.2(c)(ii); U.S. EPA, Additional Methods, Determinations, And Analyses to Modify Air Quality Data Beyond Exceptional Events (https://www.epa.gov/sites/default/files/2019-04/documents/clarification_memo_on_data_modification_methods.pdf); U.S. EPA, Guidance on Developing Background Concentrations for Use in Modeling Demonstrations (<https://www.epa.gov/system/files/documents/2024-11/background-concentrations.pdf>)

⁴<https://des.sc.gov/programs/bureau-air-quality/air-dispersion-modeling-overview/air-dispersion-modeling-data>

and high-intensity land cover as “urban”). Thus, PM_{2.5} background concentrations at the more rural Valara site are likely to be less than those portrayed by the TK Gregg monitor and especially the Greenville ESC monitor.

To exclude the impacts of atypical activities from a monitored PM_{2.5} data set, it is necessary to first identify monitored days that are potentially influenced by atypical activities. The SCDES approach for qualifying a day as atypical generally follows the EPA [PM_{2.5} Wildland Fire Exceptional Events Tiering Document](#).⁵ The “Clear Causal Relationship” element was satisfied for each Atypical Activity demonstration. With sufficient justification for exclusion, Tier 1 and Tier 2 exclusions were applied at all PM_{2.5} monitored locations in South Carolina. The tiering thresholds were based on the lesser value of either (a) the most recent 5-year month-specific 98th percentile for 24-hour PM_{2.5} data, or (b) the minimum annual 98th percentile for 24-hour PM_{2.5} data for the most recent 5-year period as prescribed by the EPA guidance.

Tier 1 days were days that were greater than or equal to 1.5 times the tiering threshold (the 98th percentile as described above). To exclude a Tier 1 day, fire emissions had to be linked to the monitor location using one of the following two criteria: Evidence from satellite imagery (daytime visible satellite, Aerosol Optical Depth imagery, Smoke Dust Mask, or daily true color images from VIIRS or MODIS for wildfire events); or evidence from Hybrid Single-Particle Lagrangian Integrated Trajectory (HYSPLIT) forward and backward trajectories with a connection to smoke plumes from the National Oceanic and Atmospheric Administration (NOAA) Hazard Mapping System (HMS) products and/or South Carolina Forestry Commission historical fire information.

Tier 2 days were days with a 24-hour average between the tiering threshold and less than 1.5 times the tiering threshold. In addition to evidence from one of the above under Tier 1, at least two additional pieces of evidence demonstrating that the fire emissions affected the monitor were necessary to exclude a day. The following additional evidence was reviewed for exclusions under Tier 2: meteograms, smoke text narratives, HRRR near-surface smoke graphics and BlueSky PM_{2.5} hourly maps, SC Forestry Commission Prescribed Fire information, and significant changes in hourly temporal patterns during the PM_{2.5} event.

Additionally, if the data were impacted by fireworks (categorized under exceptional events by a holiday and/or cultural event), those data were also excluded if hourly observations also spiked during the standard celebration times. Further, the SCDES Air Lab typically marked fireworks-impacted data with an “IH” qualifier code. A few additional exclusions were made when the SCDES Air Lab flagged events with a smoke indicator separately, using hourly observations and the aforementioned smoke maps, to mark this data with the appropriate smoke-impacted monitor qualifier code. Many additional days were identified as Tier 3 days under the Exceptional Events rule, but SCDES elected not to investigate or exclude them

⁵ <https://www.epa.gov/system/files/documents/2024-04/final-pm-fire-tiering-4-30-24.pdf>

because of the workload involved. In addition, some Tier 2 data did not qualify for exclusion as noted in the table below.

As the commenter suggests, SCDES excluded a significant amount of 2023 data mainly because of Canadian wildfire smoke and other wildland fire smoke impacting the state. As shown in the table below, a total of 40 days were found to be impacted by Canadian wildfire smoke, 3 days were impacted by Western US fires, and 8 days were impacted by Western North Carolina wildfires. In addition, four prescribed fire days were excluded from the final adjusted background data in 2023. The number of adjustments made to years 2022 and 2024 due to prescribed fire was similar to 2023, with 5 days excluded in 2022 and 6 days excluded in 2024.

The commenter suggests that unadjusted design values over the past five years have been steady without significant change and, thus, should not be “disregarded as anomalous background data which will not occur again”. A design value is a 3-year average which intentionally smooths any variation between individual years, similar in principle to a rolling average. The 2023 monitor data is largely contaminated with Canadian wildfire activity that meets the criteria for atypical activity and exceptional events. This has contributed to a significantly higher-than-typical 3-year design value average over the past three design value years. Specifically, the unadjusted 2023 annual average was $8.9 \mu\text{g}/\text{m}^3$, while the same 2024 and 2025 unadjusted annual averages were $8.3 \mu\text{g}/\text{m}^3$ and $8.1 \mu\text{g}/\text{m}^3$, respectively. The inclusion of the higher 2023 annual average carries over for the three years to calculate the design value. Although the data may seem “typical” to the naked eye based on longer-term trends across a wide area, the individual exclusions reflect specific events in location and time that are not considered to be typical or are unlikely to recur in the near future.

On July 21, 2026, Congress amended Section 319(b) of the Clean Air Act to modify the handling of air quality monitoring with respect to prescribed fires. Prescribed fires and other actions to mitigate wildfire risk are eligible events for excluding air monitoring data for regulatory determinations. This action further strengthens the case for allowing prescribed fire exclusions in the handling of air quality monitoring data with efforts to prevent wildfire emissions, protect ecosystems and wildlife habitats, and make American forests and communities safer, healthier, and cleaner. It also promotes the efficient use of state air quality resources and provides certainty that states will not be penalized for taking action to prevent wildfires. The South Carolina Forestry Commission has developed a Smoke Management Plan that outlines guidelines to reduce smoke impacts from forestry, wildlife, and agricultural prescribed burning. The South Carolina Forestry Commission also grants permits to burn on favorable weather days to mitigate fire spread.

The SCDES process applies best professional and technical judgment, consistent with relevant guidance, to exclude data as an atypical activity. In some cases, there were not

enough indicators in the Tier 2 demonstrations to confidently exclude such data. Thus, those days were retained in the calculations to derive background data for air dispersion modeling purposes. See the table below for more information on the screening method applied for Greenville ESC monitoring data used as background data for Valara Holdings. Some dates in 2023 are grouped by event to abbreviate the table.

Table 1. List of days when the measured 24-hour average PM_{2.5} concentrations at the Greenville ESC site were greater than the applicable Tier 1 or Tier 2 screening thresholds and/or flagged by the SCDES air lab as a smoke, dust, or fireworks event. Data are sorted from earliest to latest date.

Date	Daily Value (µg/m ³)	Atypical?	Event Type	Criteria for Exclusions*
2/12/22	20.5	Yes	Prescribed fire	A, B, D, H
3/5/22	22.0	Yes	Prescribed fire	A, B, C, D, E, H
4/5/22	16.4	Yes	Prescribed fire	B, C, D, H
7/4/22	16.5	Yes	Fireworks	F, H
7/5/22	11.7	Yes	Fireworks	F, H
12/28/22	21.5	Deferred	Prescribed fire	D, E – Not excluded
12/29/22	20.0	Deferred	Prescribed fire	D, E – Not excluded
2/8/23	16.6	Yes	Prescribed fire	B, D, E
3/1/23	16.6	Yes	Prescribed fire	B, D, E, H
3/16/23	16.8	Yes	Prescribed fire	A, D, E
3/22/23	18.3	Yes	Prescribed fire	B, D, E
5/23/23	15.4	Deferred	Canadian Wildfires	B – Not excluded
5/24/23	16.4	Yes	Canadian Wildfires	A, D, E
6/2/23-6/10/23	22.7 (max)	Yes	Canadian Wildfires	B, D, E, G (Tier 1)
6/16/23-6/19/23	25.9 (max)	Yes	Canadian Wildfires	A, D, E, G (Tier 1)
6/27/23-7/1/23	27.0 (max)	Yes	Canadian Wildfires	A, B, D, E, G (Tier 1)
7/4/23-7/5/23	16.7 (max)	Yes	Fireworks	F, H
7/16/23-7/19/23	39.5 (max)	Yes	Canadian Wildfires	A, G (Tier 1)
7/25/23-7/28/23	13.6 (max)	Yes	Canadian Wildfires	A, D, E, G
8/19/23-8/23/23	15.6 (max)	Yes	Canadian Wildfires	A, D, E
8/25/23-8/26/23	14.6 (max)	Yes	Canadian Wildfires	A, D, E
8/31/23	10.5	Yes	Canadian Wildfires	G, H
9/4/23-9/5/23	11.4 (max)	Yes	Canadian Wildfires	G, H
9/19/23-9/21/23	12.6 (max)	Yes	Canadian Wildfires	G, H
10/4/23-10/5/23	13.7 (max)	Yes	Western US fires	G, H

10/11/23	13.5	Yes	Western US fires	G, H
11/3/23-11/10/23	18.4 (max)	Yes	West NC Wildfires	A, B, D, E, G, H
11/13/23	11.6	Yes	West NC Wildfires	G, H
12/21/23	17.2	Deferred	Prescribed fire	Not excluded
12/22/23	18	Deferred	Prescribed fire	E – Not excluded
12/23/23	19.7	Deferred	Prescribed fire	D, E – Not excluded
2/9/24	19.5	Yes	Prescribed fire	B, D, E
2/22/24	24.8	Yes	Prescribed fire	A, D, E
3/14/24	23.6	Yes	Prescribed fire	A, D, G
3/15/24	24.9	Yes	Prescribed fire	B, D, E, G
7/4/24	11.7	Yes	Fireworks	F, H
8/2/24	20.9	Yes	Prescribed fire	A, E, H
11/17/24	20.0	Yes	Prescribed fire	B, D, E
12/24/24	28.0	Deferred	Unknown	Not excluded

*See below for criteria used for exclusion on specific days:

A – SC daytime visible satellite imagery, SC Aerosol Optical Depth (AOD) and/or Smoke Dust Mask, or daily true color images from VIIRS or MODIS

B – HYSPLIT backward and forward trajectories AND fire point/smoke polygon data

C – Meteograms with smoke or haze symbols

D – Smoke text narrative discussions from NOAA's Office of Satellite and Product Operations

E – Near-surface smoke present in the HRRR Model OR BlueSky PM_{2.5} hourly map (100 meters)

F – Data flagged during the day with a fireworks (IH) qualifier code

G – Data flagged during the day with a dust or smoke impact (IA, IM, IT, IF, IG) qualifier code

H – Evidence of changes in hourly temporal patterns not typical of the normal diurnal pattern

Tier 1 – One day (or more for multiple) that qualifies as a Tier 1 Exceptional Event

PurpleAir

Comments were received concerning recent neighborhood studies conducted surrounding the facility using PurpleAir PM_{2.5} sensors. Commenters asserted that the data gathered indicated that the area was not in attainment for the NAAQS with respect to the PM_{2.5} standard or that any potential impact from the facility's construction and operation would cause an exceedance.

Response: The PurpleAir PM_{2.5} air sensors are a low-cost method to assess local air quality trends, but do not meet the stringent requirements for air quality instruments used for regulatory purposes such as Federal Reference or Equivalent monitors. They are easy to deploy with no large-scale infrastructure requirements and are useful for short-term projects to assess relative ambient air quality and ambient air trends but are highly variable. Since they are non-regulatory, sensors can only be used as an indicator of air quality trends

and are not used for regulatory decision making or comparison to federal standards. Additional information can be found on the EPA's sensor webpage (<https://www.epa.gov/air-sensor-toolbox/frequent-questions-about-air-sensors>). Hourly data also cannot be compared to the annual NAAQS standard of $9 \mu\text{g}/\text{m}^3$. Additionally, the data presented was less than one full year of data which cannot be compared to the annual NAAQS standard. The daily data presented did not exceed the 24-hour NAAQS of $35 \mu\text{g}/\text{m}^3$.

Source Testing (Performance Testing)

Comments were received asking what source testing, also referred to as performance testing, is required on the turbines and how frequently they will be tested. Some commenters suggested testing the turbines for formaldehyde on an on-going basis. Comments were received suggesting that testing be required for $\text{PM}_{2.5}$, hexane, acetaldehyde, and other HAP on the turbines to develop more accurate emission factors for the facility. Some commenters asked how frequently the facility must report source testing results to the Department.

Response: The Department's draft permit included requirements for the facility to conduct a one-time initial source test for both NO_x and formaldehyde on the turbines.

The NO_x testing requirement was included as required by NSPS Subpart KKKKa. After the initial NO_x test, the draft permit required the facility to install, operate, and maintain NO_x CEMS on each turbine for on-going compliance with the limits in NSPS KKKKa. These requirements are unchanged in the final permit.

Because the facility's estimated facility-wide formaldehyde emissions were calculated as potentially near the permit's limits, the Department's draft permit included initial source testing for formaldehyde on the turbines but allowed for testing representative source(s) as approved by the Department. The final permit has been revised to ensure that each of the eleven turbines performs an initial source test for formaldehyde, per condition B.28. The condition has also been revised to include testing at various loads. As noted above, the facility's twenty-four natural gas fired permanent engines, permitted previously under CP-50000316, will be the primary source of formaldehyde emissions from this facility. It should be noted that condition B.16 of CP-50000316 requires an initial test and subsequent testing for the facility's twenty-four natural gas fired permanent engines. The results from these tests will be used in the monthly rolling sums calculations used to verify the facility's emissions remain below 10 tons per year of formaldehyde.

There are no applicable regulations requiring the testing of other HAP or $\text{PM}_{2.5}$ on the turbines.

Condition B.11 of the final permit requires the facility to comply with S.C. Regulation 61-62.1, Section IV - Source Tests. This regulation requires the facility to submit a test plan to the Department at least 60 days prior to conducting the test for approval. This regulation also requires that the results of the test be submitted to the Department within 30 days of conducting the test. SCDES staff will be on site to observe these tests.

Buffer Between Facility-Wide Limits and Major Source Thresholds

Comments were received stating that the facility wide limits should be structured such that there would be a "buffer" between violating the permit and the facility becoming subject to regulations the facility's limits are in place to avoid.

Response: The final permit retains federally and practically enforceable facility wide emission limits of less than 250.0 tons per year of NO_x, CO, and VOC, each, to avoid prevention of significant deterioration (PSD) applicability and limits of less than 10.0 tons per year of any single HAP and less than 25.0 tons per year of total combined HAP to avoid major source MACT applicability. The use of such limits combined with associated monitoring, recordkeeping, and reporting provisions is commonplace and well-accepted as an available means of restricting potential emissions to below major source thresholds. The facility is required to calculate its actual emissions from all sources on-site on a monthly and 12-month rolling sum basis and report those emission calculations to the Department. The permit contains requirements for the facility to monitor control device operation, perform maintenance checks, implement a catalyst management plan, and establish operating ranges for monitored parameters indicative of a well performing control device. The facility is also required to conduct source testing for formaldehyde to establish a site-specific emission factor for use in its controlled emissions calculations. These requirements, along with the required continuous emission monitoring for NO_x, are appropriate for verifying the facility's emissions are below the established emissions limits.

Potential controlled emissions of NO_x, CO, VOC, acetaldehyde, hexane, and total HAPs are estimated to be 89.3%, 80.7%, 24.4%, 18.0%, 40.7%, and 92.6% of the major source PSD or MACT threshold, as applicable (i.e., controlled emissions estimates indicate a buffer between the controlled emissions and the major source thresholds). Should the calculation of actual emissions of formaldehyde, the only pollutant whose controlled emissions estimates are above major source thresholds, approach the 10 ton per year threshold, the facility is expected by regulation and by its permit to adjust operations (i.e., reduce operating hours) to ensure its emissions stay below the threshold and below permit limits.

Reporting Frequency

Comments were received expressing concern that the frequency that the facility needed to report its emissions calculations needed to be more than twice a year (semiannually).

Response: To address the commenters' concerns, the Department has revised draft permit conditions B.2, B.3, and B.4 and associated conditions. The final permit requires the facility to report emission calculations to the Department on a quarterly basis for the first year of operation. The facility may then move to a semiannual reporting schedule if its actual emissions remain below 80% of their major source threshold limits.

Operating Ranges and Catalyst Management Plan

Comments were received requesting that the operating ranges for the control equipment used on the turbines be incorporated into the facility's future operating permit. Commenters also requested the terms of the catalyst management plan be incorporated into the future operating permit.

Response: Per condition B.10 of the draft permit, the facility is required to establish operational ranges for monitored parameters which demonstrate proper operation of its pollution control equipment. This condition also requires the facility to implement a catalyst management plan to ensure that the catalyst activity remains within performance specifications. Condition B.10 of the permit also includes requirements for documentation and submittal of operating ranges (and any updates to those ranges) to the Department.

This facility will become a Title V facility when the facility becomes operational. As such, the Department will include appropriate monitoring, recordkeeping, and reporting as required by S.C. Regulation 61-62.70, Title V Operating Permit Program.

Noise Pollution

Comments were received expressing concern regarding anticipated noise or sound pollution generated by the facility and the facility's proposed power generating equipment. A commenter asked what the expected noise level from the proposed turbines would be. Another commenter asked if the facility would have nighttime operations. Other comments mentioned Title IV of the Clean Air Act. Some comments asked if any noise studies or noise monitoring would be conducted.

Response: The Department's air quality permit issuance and the permit's requirements are based on the facility's proposed equipment and all applicable state and federal air regulations. Title IV of the 1970 Clean Air Act required the establishment of the Office of Noise Abatement and Control ("ONAC") within the EPA to carry out investigations and studies

on noise and how noise affects public health and welfare. While ONAC was closed in the 1980s, EPA still “retains authority to investigate and study noise and its effects, disseminate information to the public regarding noise pollution and its adverse health effects, respond to inquiries on matters related to noise, and evaluate the effectiveness of existing regulations for protecting the public health and welfare, pursuant to the Noise Control Act of 1972 and the Quiet Communities Act of 1978.”⁶ Title IV of the 1970 Clean Air Act does not delegate authority to the States. The South Carolina Pollution Control Act does not address noise pollution. Therefore, concerns about noise generated by the facility are not within the scope of the Department’s authority or this air permitting decision.

The application submitted is for the continuous operation of 11 natural gas fired turbines, including during the night. Noise concerns are addressed at the local level. Spartanburg County has adopted a Noise Ordinance. Any noise-related complaints should be directed to county officials.

Light Pollution

Comments were received expressing concern regarding anticipated light pollution coming from the facility.

Response: The Department’s air quality permit decision and permit requirements are based on the facility’s proposed equipment and all applicable state and federal air regulations. There are no applicable air quality standards that regulate light pollution. Therefore, any potential light pollution generated by the facility is not within the scope of the Department’s air permit decision.

Power Usage

Comments were received expressing concern about strain on the electrical grid the facility may cause. Others were concerned about potential impacts on electric and gas utility rates or potential outages. A commenter asked whether the facility would be paying its own power bill. Another commenter asked directly whether the facility would impact residential electric utility rates.

Response: With this construction permit application, Valara is proposing to install 11 natural gas fired turbines to generate electricity to power the data center. Valara has indicated that 97% of their energy needs will be met with their own equipment and is not proposing to sell any of the electricity generated to the grid.

⁶ United States Environmental Protection Agency, *Clean Air Act Title IV – Noise Pollution, The Role of EPA* (2026), <https://www.epa.gov/clean-air-act-overview/clean-air-act-title-iv-noise-pollution>

The facility's potential impact on the electrical grid, if any, is not part of the Department's evaluation of the application. Likewise, any potential impact on utility rates is not part of the Department's review of the proposed project.

Any billing or payment arrangements for utility services are matters between the facility and the applicable utility provider and are not matters administered by the Department.

Water Usage and Treatment

Comments were received concerning the facility's potential water usage. Comments were received asking how much water the facility would use, if there would be any impacts on well or city water quality, if the facility would impact residential water utility rates, if the facility will be using well water, and if the facility would cause water outages, boil advisories, or other restrictions on public water use. A commenter asked if rainwater was a suitable alternative water source for the facility. Other comments asked questions related to water treatment and discharges from the facility. One commenter stated that the facility may cause the sewer to overflow in the area.

Response: The facility has applied to the Department for a synthetic minor air construction permit. The facility's potential water usage, water discharges, and any potential impacts on water quality or utility rates are outside of the scope of the technical review for this air permit application. The Department does not have the regulatory authority to dictate the use of rainwater or condensers to generate usable water on-site.

Valara will receive city water from the local water utility Spartanburg Water. Valara has stated that they will not be using well water. Valara has also stated that they will have a wastewater permit issued by Spartanburg Water.⁷ Complaints, concerns, or other issues regarding city water quality should be directed at Spartanburg Water. Environmental complaints or concerns may also be submitted to the Department via the Department's "Report It!" webpage (<https://www.des.sc.gov/report-it>)⁸ or by contacting the Department's regional office at 864-372-3273.

Dust

Comments were received expressing concern about dust generated from ongoing construction activities at the site.

⁷ NorthMark letter to Representative Travis Moore, pg. 5, August 9, 2026.

⁸ Complaints may also be submitted online at:

https://epermitting.des.sc.gov/ext/nform/?FormTag=COMPLNT_SUBM_ENVIRO

Response: Emissions sources are required to control fugitive particulate matter, including dust, in accordance with S.C. Regulation 61-62.6, Section III (Control of Fugitive Particulate Matter Statewide).

If dust is observed leaving the facility property line, complaints should continue to be submitted through the Department's "Report It!" webpage at <https://www.des.sc.gov/report-it> or by contacting the Department's regional office at 864-372-3273. Department personnel investigate environmental complaints as they are received and may take appropriate action, including referral for enforcement, when necessary to ensure compliance with applicable state and federal requirements.

Property Values

Comments were received expressing concern that the facility would potentially lower property values in the area. A commenter asked if their property taxes would increase. One commenter alleged that the land the facility is located on belonged to the commenter.

Response: Matters such as impacts on property values and taxes are outside of the Department's purview when evaluating an application for an air construction permit. The Department's air permitting decision is based on its technical review of the application and the applicable state and federal air quality requirements in effect at the time of review.

The Department does not have regulatory authority to determine where a facility may be located or to consider potential changes in property values when making an air quality permitting decision. Similarly, the Department does not have authority over property taxation, and potential changes in property taxes are not evaluated as part of the Department's review of an air construction permit application.

With respect to the comment concerning ownership of the property, public records indicate that Kohler, the previous owner of the property, sold the property to Valara on March 7th, 2025. A review of historical landownership is outside the scope of the Department's technical evaluation of an air construction permit application.⁹

⁹<https://qpublic.schneidercorp.com/Application.aspx?AppID=857&LayerID=16069&PageTypeID=4&PageID=7149&Q=384681844&KeyValue=7-18-00-061.00>

Zoning

Comments were received concerning the location of the facility relative to residences, schools, churches, etc. Some comments asserted that the facility should be constructed in a more rural area. Other comments asserted that the facility belonged in a heavy-industry zoned area.

Response: The Department recognizes that commenters have concerns about the facility's proximity to residences, schools, churches, and other community locations. However, zoning decisions are made by local authorities and are not part of the Department's technical review of an air construction permit application. The Department does not have authority to determine where a facility may or may not be located based on local zoning classifications. The interpretation, application, and enforcement of local zoning ordinances fall under the jurisdiction of the appropriate local governmental authorities.

Traffic

Comments were received concerning traffic generated by the facility and its impact on local roadway infrastructure.

Response: The Department does not have regulatory authority over truck traffic on public roadways, including traffic generated during construction, as roadway design, traffic management, and transportation infrastructure are under the jurisdiction of the South Carolina Department of Transportation (SCDOT). In addition, emissions from vehicle tailpipes are regulated by the U.S. Environmental Protection Agency under the Clean Air Act and are not regulated through this air permitting action. Any proposed changes to local roadway infrastructure would fall under the authority of SCDOT or local governmental authorities, depending on the ownership of the road, and are outside the scope of the technical review of the facility's air construction permit application.

Electromagnetic Fields

Comments were received suggesting that the proposed facility may create an electromagnetic field or produce electromagnetic radiation which could create health impacts on the surrounding community or interfere with electronic devices such as pacemakers or hearing aids.

Response: There are no applicable state or federal air quality regulations pertaining to electromagnetic fields or electromagnetic radiation that are relevant to the Department's review of this project. Accordingly, whether the facility may generate electromagnetic fields or electromagnetic radiation, and any potential impacts associated with them, are not evaluated as part of the Department's review of this air construction permit application.

The U.S. Environmental Protection Agency provides general information regarding electromagnetic fields at <https://www.epa.gov/radtown/electric-and-magnetic-fields-power-lines>.

Heat

Comments were received claiming the proposed facility would heat up the local area.

Response: There are no state or federal air regulations under the purview of the Department which regulate heat emanating from the facility. Thus, any potential impact the facility may have on local temperatures is outside the scope of the Department's review of this air construction permit application.

Facility Design

Comments were received putting forward alternative technologies or facility design choices including the use of alternative control technologies, renewable power generation, on-site water generation, and constructing the entire facility underground or in space. Some commenters specifically suggested that the facility use combined cycle turbines over simple cycle turbines.

Response: The Department's evaluation of an application for an air quality permit is based on the equipment and operations proposed by the applicant and all relevant state and federal air quality requirements in effect at the time of the Department's technical review. For this project, the facility plans to install 11 natural gas-fired turbines, each equipped with selective catalytic reduction and oxidation catalyst control devices. The permit application and its supporting materials demonstrate that the proposed facility can meet the applicable regulatory standards using the equipment and control technologies specified in the application. The Department does not have the authority, through this air permitting process, to require the applicant to adopt alternative technologies or facility designs.

Spartanburg County Council

Comments were received concerning the project's approval by the county council, particularly whether the council knew the full scope of the facility's plans to construct additional equipment beyond what was permitted in 2025. Additional concerns were raised about how the facility or project was presented by the council, other elected officials, or as reported by media outlets. A commenter asked what initial criteria were used by the council to approve the construction. Other commenters alleged that the Department knew the full scope of the project and failed to inform the public.

Response: The Department received an application from Valara for twenty-four 2 megawatt (MW) natural gas fired engines on May 14, 2025. The Department subsequently issued a synthetic minor construction permit for those engines on September 17, 2025 (preceded by a public notice and comment period from July 18 to August 16, 2025). The application for the engines did not contain any information for any subsequent phases of construction. After issuance of the first construction permit for the engines, a pre-application meeting was held at the request of Valara to discuss an additional phase of construction (the turbines). Valara went on to submit an application for the turbines on March 11, 2026 for which this permit was drafted. The Department is not involved with any decision-making processes with the Spartanburg County Council. The Department does not have any involvement or control over the accuracy of media statements by third-parties or the accuracy of reporting on the proposed data center by media outlets.

Site Cleanup

Comments were received asking if the facility had conducted any efforts to remediate the site of historical contamination.

Response: Valara has provided information regarding their site's remediation efforts. The site included a legacy landfill used by previous occupants of the property. This landfill has been remediated, and environmental monitoring is in place to ensure the remediation remains effective. Former graywater retention ponds were excavated, and the excavated material was sent off-site for disposal. The existing buildings contained asbestos and lead-based paint which are being removed. Several tons of unexploded ordinance were also removed from the site.¹⁰

Climate Change

Comments were received expressing concern over the facility's potential impact on climate change due to increased carbon dioxide (CO₂) and methane emissions.

Response: The Department's permitting decision is based on a technical review of the application and regulatory requirements in effect at the time the application was submitted, and whether the facility has demonstrated the ability to meet all applicable air quality regulations if operated according to the information provided in the application. Currently, the facility is not subject to any state or federal regulations which limit or govern greenhouse gas emissions.

¹⁰ NorthMark letter to Representative Travis Moore, pg. 6, August 9, 2026.

Emergency Response

Comments were received expressing concern about various chemical, natural gas, and safety risks and asking what emergency response plans exist for turbines, fuel, ammonia, earthquake, explosion, or fire incidents.

Response: Valara will store aqueous ammonia on-site in order to operate the selective catalytic reduction control devices for NO_x reduction used on their power generating equipment. However, the facility has stated that the ammonia stored on-site will have a concentration of less than 20%. Since the ammonia will have a concentration of less than 20%, the facility is not subject to S.C. Regulation 61-62.68, Chemical Accident Prevention Provisions, or the Risk Management Planning provisions of 40 CFR 68. Therefore, the facility is not required to submit a Risk Management Plan to the EPA or the Department at this time. Should the facility operations change such that they are subject to those regulations, the facility would then be required to submit a Risk Management Plan (RMP).

The facility is not required to submit other emergency plans to the Department as part of a construction permit application. No emergency plans were evaluated as part of the technical review process of the air construction permit application.

Although not required to submit emergency plans as part of the air permit application, Valara and all facilities that store specified hazardous substances are subject to the Clean Air Act's "General Duty Clause," which requires them to identify hazards which may result from chemical releases using appropriate hazard assessment techniques, to design and maintain a safe facility taking such steps as are necessary to prevent releases, and to minimize the consequences of accidental releases. This provision of the Clean Air Act is delegated to and implemented only by the U.S. EPA. Counties and municipalities also implement and enforce mandatory building codes in accordance with state statutory requirements. Additionally, the U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration is the primary federal safety regulator for natural gas pipelines.

Permit Type and Prevention of Significant Deterioration (PSD)

Comments were received asking why the permit is a synthetic minor construction permit rather than a PSD construction permit. Some comments expressed that the facility should be considered a major source and raised concern about "sham permitting." These commenters expressed that the projects should be under one permit. Other comments referenced colocation and how that may apply to this facility. Commenters asked what would trigger PSD review, what limits the facility is taking, and if the public would be able to see actual emissions data from the facility. Some comments asserted that the limits in the draft permit are not practically enforceable. Some commenters pointed out that combined cycle turbines would have different applicability to the PSD regulations.

Response: S.C. Regulation 61-62.5, Standard No. 7 - Prevention of Significant Deterioration, applies to the construction of any new major stationary source or major modification of any existing stationary source, as defined in the regulation. New sources, like Valara, are a major source under PSD if their potential emissions are 250 tons per year or more of any regulated New Source Review (NSR) pollutant. Any source that meets this criterion would trigger PSD review, unless the project proposes and accepts federally enforceable limitations that constrain the source's capacity to emit a pollutant to less than major source thresholds. The construction permit application for the project must include required information regarding the proposed limitations and supporting monitoring, recordkeeping, and reporting to verify compliance.

State and federal PSD regulations identify a list of 28 source categories for which a 100 ton per year threshold applies. Sources that are not one of the listed categories have a 250 ton per year threshold. As some commenters point out, combined cycle turbines would potentially be categorized under one of the identified source categories and thus subject to a 100 ton per year threshold for PSD applicability. However, simple cycle turbines do not fall under one of the identified 28 source categories and thus are subject to a 250 ton per year threshold for PSD applicability. Valara has proposed the construction of simple cycle turbines for this project, so they are subject to the 250 ton per year threshold for PSD applicability. As mentioned earlier, the Department does not have the authority to dictate alternative facility designs, including the use of combined cycle turbines over simple cycle turbines.

Synthetic minor construction permits are commonly utilized to establish federally enforceable limits for facilities in South Carolina. In synthetic minor construction permit CP-50000316, the facility established facility wide emission limits of less than 250.0 tons per year of NO_x, CO, and VOC emissions, each, to avoid being a major source with respect to state and federal PSD regulations. These facility-wide limits have been retained and are expressly included in CP-50000422 and will limit combined emissions from all sources at the facility (including both the previously permitted engines and the newly permitted turbines).

The facility-wide synthetic minor limits in this permit and the previous permit are federally enforceable and enforceable as a practical matter, as they include rolling limits on potential to emit supported by monitoring, recordkeeping, and reporting requirements to calculate emissions and verify compliance. Each month, the facility must calculate 12-month rolling sums of emissions from all sources at the facility, including all of the engines, turbines, and smaller exempt sources. The equations to be used in calculating the monthly rolling sums are included in both CP-50000316 and this permit. To calculate emissions, the facility must maintain supporting records related to inputs into the equations as specified in the permit. The facility is also required to establish and monitor compliance with operating parameters (i.e., monitor temperature of the catalysts and maintain the catalysts according to a maintenance plan). As mentioned earlier, the draft permit has been revised so that rolling

sums and other records are submitted to the Department on a quarterly basis for the first year of operation. The facility may then move to a semiannual reporting schedule if actual emissions remain below 80% of their major source threshold limits. Establishing rolling emission limits with associated monitoring, recordkeeping, and reporting requirements is a well-accepted practice in synthetic minor permitting and is consistent with applicable EPA guidance for ensuring that said limits are enforceable as a practical matter. In addition, both draft permits underwent a public notice period to allow for the public to comment.

CP-50000422 maintains the facility wide federally enforceable emissions limitations to limit the facility's potential to emit to less than 250.0 tons per year of NO_x, CO, and VOC emissions, each, so that the facility may avoid becoming a major source with respect to state and federal PSD regulations. By contrast, a PSD source could be allowed to emit greater than 250 tons per year of these pollutants. Since Valara intends to continue operating as a minor source with respect to PSD and is retaining relevant synthetic minor limits, it does not require a PSD construction permit, and the engines and turbines may be permitted under separate construction permits, even though emissions from equipment associated with both permits are together subject to the established facility-wide limitations. The issuance of a synthetic minor permit does not exempt a facility from complying with the Clean Air Act, federal regulations, or state regulations.

Colocation refers to when two or more facilities are considered to be one facility when determining air regulatory applicability. Valara is the only facility at 4000 S Pine St, and there are no contiguous or adjacent properties which have air permits, so Valara is not colocated with any other facilities. All of the equipment at the facility will be owned and operated by Valara. As such, both projects have been evaluated together and the facility will operate under one single Title V operating permit.

As mentioned previously, in order to comply with the limitations outlined in their permits, Valara must, in part, periodically report to the Department its actual emissions from all sources at the facility. As a Title V facility, Valara will also need to report these emissions to the EPA and the Department as part of its Emissions Inventory. The EPA compiles and publishes Emission Inventory data from across the country, and this data is accessible to the public. Alternatively, this information may be requested as part of a FOIA request from the Department.

Title V Permitting Process

Comments were received asserting that the facility should already be going through Title V permitting.

Response: As discussed above, this permit is a synthetic minor construction permit that includes federally enforceable limits to constrain potential to emit below the PSD major

source thresholds. However, with this project, the facility will become a major source with respect to Title V regulations. A Title V permit is a type of operating permit issued by the Department. The facility will have 12 months from startup to submit a Title V operating permit application per condition H.3 of this permit and applicable federal and state regulations. During such time and throughout the Title V permitting process, the facility must continue to operate consistent with all applicable construction permits. The facility's construction permits are sufficient such that, when followed, the facility will remain compliant with all applicable state and federal regulations. The Title V operating permit will contain all the relevant permit conditions from each construction permit, in addition to all applicable monitoring, reporting, and recordkeeping requirements pertaining to the Title V program. It is consistent with established regulations that an operating permit application is submitted after a source(s) becomes operational. The timeframe for the application to be submitted is dependent on the type of operating permit to be issued.

Turbine Operation

Comments were received asking how the turbines are expected to be operated and whether the predicted number of startup/shutdown events was conservative. Commenters also asked for the facility's maintenance and decommissioning plans for the turbines. Some commenters asked whether there would be a visible plume from the operating turbines. Commenters asked what monitoring the facility must conduct to demonstrate compliance.

Response: Valara submitted an application for the construction of eleven natural gas-fired simple cycle turbines. Uncontrolled and controlled emissions from the turbines were estimated conservatively assuming the turbines would be operated continuously throughout the year. Part of this estimation assumed the turbines would have a number of startups and shutdowns, as the potential emission profile of a startup/shutdown is different than when the turbine is operating normally. As detailed in the statement of basis, it is assumed that the 17 MW turbines would have 29 startup/shutdowns and the 54 MW turbines would have 65 startup/shutdowns. The facility has indicated that the number of startups and shutdowns is intended to be a conservatively high estimate. The permit requires Valara to calculate the emissions from startup and shutdown events separately from normal turbine operation and include those calculated emissions in its facility wide rolling sums. Valara is required to manage its operations and resulting emissions such that it complies with all the emission limits as described in the permit. Valara has stated that the 17 MW turbines and the previously permitted engines are expected to be operating less than 75% of the time once the larger 54 MW turbines are operational.

The turbines are subject to S.C. Regulation 61-62.5 - Standard No. 4, Emissions from Process Industries. This regulation subjects the turbines to a 20% opacity limit. Normal operation of natural gas-fired turbines is not expected to produce opacity or a visible plume from the

exhaust stack. The facility is required to operate, install, and maintain its turbines in accordance with the requirements of NSPS Subpart KKKKa and S.C. Regulation 61-62.5, Standard No. 5.2, Control of Oxides of Nitrogen (NO_x). The requirements of these regulations are expected to be sufficient to comply with the opacity limit.

Per condition B.10, the facility is required to monitor the temperature of its catalysts and ensure that the temperature is within their operating ranges. The facility is also required to implement a catalyst management plan. Per condition B.7, the facility is required to maintain fuel records. The facility is also required to operate a NO_x CEMS on each turbine to monitor NO_x emissions. Conditions B.2, B.3, and B.4 include additional information the facility is required to maintain in order to calculate their monthly rolling sums.

The facility is not required to submit specific maintenance or decommissioning plans as part of its air construction permit application. No maintenance or decommissioning plans were evaluated as part of the Department's technical review of the application.

Fence-line Monitoring or Downwind Monitoring Stations

Comments were received requesting that downwind or fence-line monitoring be established to monitor emissions from the facility with live data available to be public. Some commenters stated that a sampling plan would be required to collect baseline data to compare data from monitors and assess potential impacts.

Response: The Department maintains a statewide network of air monitoring stations as required by EPA regulations in order to demonstrate compliance with the NAAQS. These air monitoring stations are located throughout the state of South Carolina, two of which are located near the facility in the upstate region; Greenville and Spartanburg. These air monitoring stations collect data throughout the year and follow EPA siting requirements. Siting requirements are designed to ensure that data captured by the monitors is representative of a given area. The data collected from these monitors is not only used to determine whether South Carolina is meeting the requirements of the NAAQS but also provides background information used in modeling demonstrations, as explained earlier. The real time data from the air monitoring stations is available on [AirNow.gov](https://www.airnow.gov/).¹¹ South Carolina follows requirements set and approved by the EPA for strict quality assurance procedures, including established Quality Assurance Project Plans (QAPP), Standard Operating Procedures (SOP), and set sampling schedules.

Fenceline monitoring is not required as a condition of this permit, as there are no applicable state or federal regulations requiring the facility to install fence-line monitors. The facility is required to install, operate, and maintain NO_x CEMS on each turbine per the draft and final

¹¹ <https://www.airnow.gov/>

permits. CEMS provide continuous data, and the draft and final permits require the facility to use this data in its facility wide rolling sum emission calculations. The facility is required to report its rolling sums to the Department periodically. These reports can be requested by the public in a FOIA request.

Environmental Justice and EJScreen

Comments were received raising environmental justice concerns related to the proposed project. Commenters discussed the historical land uses in the surrounding area, concerns regarding past and existing sources of pollution and their effects on nearby residents, and environmental and demographic information identified using EPA's EJScreen tool.

Response:

The Department is committed to protecting the health and environment of all communities in South Carolina and to working closely with communities and permit applicants to address concerns raised during the permitting process. We actively engage with residents and stakeholders across South Carolina to ensure that all communities have meaningful opportunities to participate in our decision-making. For this permit, the Department provided an extended public notice period and held an availability session and public hearing at Spartanburg Memorial Auditorium on June 25, 2026.

When EJScreen was supported by the EPA, it provided environmental and demographic information for a selected geographic area and allowed that information to be compared with data for other areas. As described by EPA, EJScreen was a screening tool and was not intended to quantify specific risk values for a particular location. Information provided through EJScreen therefore served a different purpose from the site-specific technical analyses used to determine compliance with applicable air quality requirements.

As part of the Department's technical review of this application, air dispersion modeling was conducted to evaluate the potential air quality impacts of emissions from the proposed facility. The modeling demonstrated compliance with applicable ambient air quality standards beginning at the facility fenceline and extending outward. These ambient air quality standards are established to protect public health and the environment, including sensitive or vulnerable populations.

The Department's air permitting decision is based on applicable state and federal air quality requirements and its technical review of the information submitted as part of the permit application. The proposed permit contains the emission limitations, pollution control requirements, testing, monitoring, recordkeeping, and reporting provisions necessary to demonstrate compliance with the applicable state and federal air quality requirements. These requirements include, but are not limited to, the installation and operation of selective catalytic reduction and oxidation catalyst control devices on each turbine to reduce

emissions of regulated pollutants. The permit also requires the facility to conduct initial source testing for nitrogen oxides (NO_x) and formaldehyde from the turbines to demonstrate compliance with applicable permit requirements.

Health Effects

Many comments were received expressing concern over the potential health effects of the potential emissions from the facility. In particular, commenters were concerned about the potential health effects NO_x, CO, PM_{2.5}, and formaldehyde emissions to people, wildlife, livestock, other domestic animals, and flora.

Response: Federal and state air quality regulations are established to be protective of public health and the environment using scientific data and human health risk assessments. These regulations include standards for ambient air quality, emissions limits, control requirements, and operational requirements for industrial facilities. The EPA is required to designate areas of the country as nonattainment when monitoring data shows pollutant concentrations exceed or violate a set federal standard. There are no nonattainment areas in South Carolina for any pollutants.

State ambient air quality standards have been adopted into regulation within S.C. Regulation 61-62.5, Standard No. 2, including (but not limited to) ambient concentration standards for NO_x, CO, and PM_{2.5}. Valara's proposed projects have been evaluated together to determine whether the potential emissions would interfere with attainment of ambient air quality standards. An ambient air quality analysis was performed using an EPA-approved air dispersion computer model to simulate how the facility's maximum emissions would be dispersed into the atmosphere surrounding the proposed site. The model demonstrated compliance with all applicable air quality standards at and beyond the property boundary.

Formaldehyde is not a criteria pollutant, but it is listed as a hazardous air pollutant (HAP). As mentioned earlier, the facility is maintaining facility wide limits on HAP emissions to avoid becoming subject to major source MACT regulations, including NESHAP Subpart YYYYY.

Formaldehyde is regulated under S.C. Regulation 61-62.5, Standard No. 8 - Toxic Air Pollutants. This is a health-based regulation that sets maximum allowable 24-hour average concentrations for listed toxic air pollutants (TAP) designed to be protective of human health. As discussed above, Standard No. 8 does not apply to this project or the previously permitted engines, but air dispersion analysis was nonetheless performed to evaluate projected formaldehyde concentrations for the facility, and this analysis showed that concentrations associated with this permit and the previous permit would fall below the Standard No. 8 maximum allowable concentration for formaldehyde. Please see the previous section on "Formaldehyde and Standard No. 8 Modeling" for further information.

In addition to the above, the facility is subject to the requirements of NSPS Subpart KKKKa and S.C. Regulation 61-62.5, Standard No. 5.2. These regulations require the facility to operate and maintain its turbines to meet certain emission requirements, particularly for NO_x. Proper operation and maintenance of the turbines required by the NSPS will help minimize the potential emissions for other pollutants as well, thus furthering health and environmental protection.

In addition, secondary ambient air quality standards have been established for certain pollutants that are intended to protect public welfare, including potential impacts to vegetation, crops, animals, wildlife, and property. The facility has demonstrated compliance with applicable secondary ambient air quality standards, as addressed in the modeling summary for this facility.

Compliance Monitoring and Enforcement

Comments were received expressing concern over the process for the facility to demonstrate compliance. Specifically, commenters took issue with the facility calculating and submitting emissions calculations as described in the draft permit. These commenters preferred using additional CEMS to report more pollutants including CO and PM_{2.5}. Concern was raised that the facility may otherwise falsely underreport emissions. Commenters expressed concern that the semiannual reporting schedule could allow the facility to be in non-compliance for an extended period of time. Some commenters asked what the consequences for noncompliance were. Other commenters stated that the Department's enforcement strategy is too lax and would not incentivize the facility to stay in compliance. Some commenters requested that the facility be automatically shut down if permit limits were exceeded.

Response: Permit conditions B.2, B.3, and B.4 describe the records the facility must maintain in order to calculate their facility wide rolling sums. Maintaining the rolling sums below the emission limits described in permit condition B.1 is the primary means by which the facility demonstrates compliance with their limits. The facility must also conduct parameter monitoring and operate within established temperature parameters to support compliance with the permit's limits. As discussed above, the permit contains conditions that include appropriate limits and associated monitoring, recordkeeping, and reporting, including a requirement to calculate emissions each month according to the specified algorithm, to verify compliance with the permit's synthetic minor limits. As such, these limits are legally and practically enforceable.

In addition to rolling sums calculations, the facility is required to install, operate, and maintain NO_x CEMS. However, there are no applicable state or federal regulations which require the use of CO or PM_{2.5} CEMS. There are other ways to demonstrate compliance with established emission limitations other than CEMs. Establishing annual emission limits with

associated parametric monitoring, recordkeeping, and reporting requirements, including monthly calculations, is a well-accepted practice in synthetic minor permitting and is consistent with applicable EPA guidance to ensure that said limits are enforceable. In addition, various records are required to be submitted to the Department for review at least semiannually. Inspection and review of these records enables the Department to verify whether the facility is maintaining compliance with their permit. As mentioned earlier, to address some of concern raised by commenters, the final permit has been revised to require the facility to submit their rolling sums on a quarterly basis for at least the first year of operation.

The monitoring, testing, recordkeeping, and reporting requirements in an air permit are the responsibility of the facility. The facility may perform the requirements of the permit itself or outsource them to a contractor. This manner of documenting and reporting compliance is consistently applied to other permitted facilities and is an accepted practice in environmental permitting across the country. The Department will review all compliance information submitted by the facility (or obtained on site) to determine compliance and will take enforcement action against a permitted facility for violations occurring as a result of inaccurate reports or certifications, as appropriate.

The Department's regional inspectors will also conduct routine unannounced inspections to verify that the conditions of the permit are being met, as well as additional inspections on a complaint driven basis. During inspections, the Department may review the records the facility is required to maintain. Alleged violations of any permit condition or any applicable state and federal regulation are detailed in the inspection report and would result in the facility being referred to the Department's Bureau of Air Quality's (BAQ) Enforcement Section. If the Enforcement Section determines that a violation has occurred, enforcement action may be taken requiring corrective action and the possible payment of civil penalties. Penalties are assessed in accordance with the Department's Uniform Enforcement Policy. In the event violations are found, appropriate penalties and corrective action to bring the facility back into compliance would be determined based on all relevant information at the time of the Department's review. The Department strongly encourages the public to report any environmental concerns as soon as they are observed so that the Department can investigate and respond to any noncompliance and take enforcement action as needed.

Public Participation

Comments were received asserting that the public noticing and opportunity to comment on this permit and the previous permit have been inadequate. Commenters alleged that the facility sought to minimize the public notice process by seeking two synthetic minor permits rather than one. Some commenters asked why there was not a public hearing for CP-50000316. Finally, some commenters requested changes to the permitting of the engines in

CP-50000316, including reducing the number of permitted engines or including additional operating limitations.

Response: CP-50000316 underwent public noticing from July 18, 2025 to August 16, 2025. Comments were received during the public notice period, and the Department responded to the comments received and made appropriate changes to the draft permit. A request for a public hearing was not received during the public notice period, so a hearing was not held for CP-50000316.

Condition B.1 of CP-50000422 supersedes condition B.1 of CP-50000316. This was done because, based on the facility's application for this new project, the facility will become a major source under Title V operating permit regulations, so the original Title V avoidance limits needed to be removed. The facility's application and supplemental information provided to the Department demonstrate that it is capable of managing its proposed operations within the PSD and major source MACT avoidance limits, as discussed elsewhere in this response. Therefore, no additional operational limits or revisions to the permitting of the engines are necessary at this time.

Draft permit CP-50000422 was originally placed on public notice from May 26, 2026 to July 1, 2026. Due to the immense community interest in the project, the Department extended the public notice period to July 31, 2026. Requests for a hearing were received prior to the notice period, and the Department held an availability session and hearing at Spartanburg Memorial Auditorium on June 25, 2026. As outlined in this response document, the Department received oral and written comments from the community and has responded to those comments received.

Concerns With CP-50000316

A commenter alleged that the issuance of CP-50000316 was a violation of S.C. Regulation 61-62.1, -62.4, -62.5, 62.70, and Title V of the Clean Air Act.

Response: The previous permit issued to Valara (CP-50000316) is a final permit action and concerns specific to that permit are outside the scope of this permit action. Notwithstanding, the Department notes the following in response to the comments raised:

S.C. Regulation 61-62.1, Section II(N) outlines the public participation procedures the Department must follow for synthetic minor construction permits. The Department has followed the requirements of this regulation for both construction permits.

All facilities are subject to the requirements of S.C. Regulation 61-62.4, which requires facilities to "take all steps necessary to protect human health and welfare and otherwise minimize the effects of unintended, short-term or other releases of air contaminants and

other substances which produce unintended hazardous conditions.” This regulation requires facilities take necessary emergency actions to address unintended imminently hazardous releases (as defined in the regulation) and to notify the Department of these occurrences. The issuance of a synthetic minor permit does not violate this regulation.

The applicable parts of S.C. Regulation 61-62.5 are identified in each statement of basis, and the applicable requirements of each part are included in each construction permit as permit conditions. The issuance of a synthetic minor permit does not violate this regulation.

S.C. Regulation 61-62.70 is the state regulation which adopts the requirements of Title V of the Clean Air Act into state regulation and establishes the state’s Title V Operating Permit Program. Part of this regulation, S.C. Regulation 61-62.70.7(h), outlines the requirements for public participation and public notice of Title V operating permits. Many of these requirements are consistent with S.C. Regulation 61-62.1 Section II(N). Regardless, Valara has not yet applied for a Title V operating permit. When Valara applies for a Title V operating permit, the Department will draft an operating permit and it will go on public notice following the requirements of S.C. Regulation 61-62.70.7(h).

Comparisons to Kohler, BMW, and Other Power Facilities

Comments were received comparing the potential emissions of Valara to the site’s previous owner Kohler and to a nearby BMW facility. In particular, commenters stated that the potential emissions from Valara are higher for some pollutants than Kohler’s or BMW’s potential emissions. Commenters also mentioned that the BMW facility is located on a larger property. Other commenters compared Valara and its emissions to other sources, including power facilities, in the county or South Carolina.

Response: Valara is a different type of facility than Kohler and BMW. Kohler manufactured bathroom fixtures and BMW is an automotive manufacturer. Additionally, while Valara may have some similarities to other facilities, each facility is evaluated distinctly based on information specific to each facility as presented in a permit application. Different facilities can have very different emission units, so the potential emissions profile of each facility is different, and the applicable industry sector specific NESHAP and NSPS requirements are different. However, all facilities subject to state and federal air quality regulations must meet the requirements applicable to them. For a comparison of the air dispersion modeling analysis between Valara and Kohler, visit www.des.sc.gov/valara.¹² The comparison shows that the maximum modeled concentrations for PM, NO₂, and CO are lower for Valara than for Kohler. Air permitting decisions are based on the permit application received and all

¹² <https://www.des.sc.gov/community/community-engagement/environmental-sites-projects/valara-holdings-high-performance-compute-center>

applicable air quality regulations. The Department cannot dictate where a new facility locates.

Land Development Permit

Comments were received alleging that the facility received the wrong land development permit. The facility is currently under litigation concerning this issue, and commenters asserted that this matter must be resolved before the issuance of any air construction permit.

Response: Land development permits are issued by Spartanburg County under the County's Unified Land Management Ordinance and are separate from the air construction permits issued by the Department.

The Department does not have regulatory authority over the issuance, interpretation, or enforcement of Spartanburg County land development permits. Accordingly, the status or validity of a land development permit is not part of the Department's technical review of an application for an air construction permit.

Similarly, the Department does not have regulatory authority to delay or withhold an air construction permit decision based solely on ongoing litigation that is unrelated to the air permitting requirements under review. The Department's permitting decision is based on whether the application demonstrates compliance with the applicable state and federal air quality requirements.

Public Service Commission and Regulatory Applicability

Comments were received asserting that, because litigation concerning the construction of the facility is ongoing, the Department should not issue the air construction permit until those legal issues are resolved. Some commenters inferred that, if the South Carolina Public Service Commission determines that Valara is a utility for purposes of its regulations, the facility should also be regulated as a utility under applicable air quality regulations.

Response: The Public Service Commission is a distinct South Carolina state agency which has broad authority over utilities, including electric utilities. Litigation involving the Public Service Commission concerns whether Valara should be considered a utility under the Public Service Commission's definitions and thus subject to their regulations, including the Siting Act. On August 27, 2026, the Public Service Commission determined that Valara is not subject to the Siting Act since the facility is generating electricity for private use only. We note that the Public Service Commission's decision is a matter distinct from the Department's review of the air permit application pursuant to state or federal air quality regulations.

Under 40 CFR Part 60, Subpart TTTTa, Standards of Performance for Greenhouse Gas Emissions for Modified Coal-Fired Steam Electric Generating Units and New Construction and Reconstruction Stationary Combustion Turbine Electric Generating Units, § 60.5509a(a)(1) applicability is partially determined by any stationary combustion turbine that “serves a generator or generators capable of selling greater than 25 megawatts (MW) of electricity to a utility power distribution system.” Valara has stated that it has no intention of selling electricity, and the permit includes condition B.27 which prohibits the facility from selling electricity. Moreover, this condition requires Valara to obtain a letter from the local power utility certifying that the facility lacks the power connections necessary to sell electricity to the grid. Stationary turbines at a facility not capable of selling electricity to the grid are not subject to Subpart TTTTa.

Under 40 CFR Part 72, Subpart A, Acid Rain Program General Provisions, “utility” is defined as “any person that sells electricity.” § 72.6(b)(8) provides that a “non-utility unit” is not an affected unit subject to the Acid Rain Program.

Finally, as discussed elsewhere in this response document, the Department does not have regulatory authority to delay or withhold an air construction permit decision based solely on ongoing litigation that is unrelated to the air permitting requirements under review. The Department’s permitting decision is based on whether the application demonstrates compliance with the applicable state and federal air quality requirements.

Acid Rain

Comments were received expressing concern about the facility’s potential contribution to acid rain. Commenters expressed concern about the facility’s potential sulfur dioxide (SO₂) and NO_x emissions and the potential effects on the surrounding environment.

Response: As discussed in the response above, the facility is not subject to 40 CFR Part 72, Acid Rain Program. However, it is important to note that the facility’s proposed power generating equipment will use natural gas. Natural gas combustion generates comparatively lower sulfur dioxide emissions than diesel or coal combustion, thereby minimizing the facility’s potential contribution to acid rain.

As discussed earlier, the facility is required to monitor and report its actual NO_x emissions to the Department. The facility is subject to state and federal regulations which are designed to limit the potential emissions of NO_x. By complying with these regulations, the facility will also limit its potential contribution to acid rain.

Data Center Moratorium

Comments were received asserting that the moratorium proposed by the Spartanburg County Council regarding the consideration of development applications for new data centers should apply to this facility.

Response: The referenced moratorium proposed by the Spartanburg County Council is a county matter. Its implementation falls under the authority of Spartanburg County, not the Department. The Department's evaluation of an air quality construction permit application is based on state and federal air quality regulations and does not include evaluation of compliance with county or local ordinances or laws.

Certificate of Environmental Compatibility and Public Convenience and Necessity

Comments were received asking about items that Valara would be required to submit to the Public Service Commissions under the Siting Act, including a Certificate of Environmental Compatibility and Public Convenience and Necessity.

Response: The South Carolina Utility Facility Siting and Environmental Protection Act (Siting Act), provides that a major utility facility, as defined under this act, obtain a Certificate of Environmental Compatibility and Public Convenience and Necessity from the Public Service Commission.¹³ The Department is not involved with any decision-making before the Public Service Commission, and the facility is not required to submit this certificate as part of an air construction permit application. As explained earlier, the Public Service Commission recently reached a decision that Valara is not subject to the Siting Act. No Certificate of Environmental Compatibility and Public Convenience and Necessity was submitted or reviewed during the Department's evaluation of the air construction permit application.

Environmental Impact Assessment/Study/Analysis and Economic Impact Analysis

Comments were received asking whether an Environmental Impact Assessment, Study, or Analysis or an Economic Impact Analysis had been completed.

Response: An Environmental Impact Assessment, Study, or Analysis is not required for an air construction permit application. Likewise, an Economic Impact Analysis is also not required for an air construction permit. Neither of these items were received or reviewed by the Department as part of the evaluation of Valara's air construction permit application. As discussed above, the facility performed air dispersion analysis to show compliance with applicable ambient air quality standards.

¹³ S.C. Code Ann. § 58-33-10 *et seq.*

Complaint process

Comments were received asking for clarity on how complaints should be submitted.

Response: Environmental complaints or concerns, including concerns of dust, odors, and stack emissions, can be submitted via the Department's "Report It!" webpage (<https://www.des.sc.gov/report-it>)¹⁴ or by contacting the Department's regional office by phone at 864-372-3273. Department personnel investigate complaints as they are received and the Department may take appropriate actions, including referrals to enforcement, as necessary to uphold state and federal regulations.

Revision of State and Federal Regulations

Comments were received asserting that state and/or federal regulations are outdated and are not protective of human health or the environment.

Response: The Department drafts and issues permits based on current applicable state and federal regulations. These regulations are designed to be protective of human health and the environment. The EPA is responsible for promulgating federal regulations as directed by Congress. The application and supporting materials for this air construction permit have indicated that the facility has the ability to comply with all applicable state and federal regulations. Any changes to existing regulations are outside the scope of this permit action.

¹⁴ Complaints may also be submitted online at:
https://epermitting.des.sc.gov/ext/nform/?FormTag=COMPLNT_SUBM_ENVIRO