

DOCKETED

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CALIFORNIA ENERGY COMMISSION

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July 3, 2015

Christopher Doyle
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SUBJECT: BLYTHE ENERGY PROJECT, 99-AFC-8C
**Staff Response to June 30, 2015 Comments on the Revised Staff
Analysis of Amendment Proposal for the Blythe Energy Project**

Dear Mr. Doyle:

Staff has reviewed the June 30, 2015 comments provided by Blythe Energy, Inc. on the Revised Staff Analysis of Amendment Proposal for the Blythe Energy Project.

Staff is in agreement with the following suggested corrections to be made to the Air Quality Analysis conditions of certification in the Revised Staff Analysis.

1. For **AQ-T2**, the word “content” was inadvertently deleted from the redline version of the conditions. However the final clean version of the conditions of certification in the Revised Staff Analysis, Appendix A shows the condition correctly. The first sentence in the condition will read as follows:

*“The turbines shall be exclusively fueled with pipeline quality natural gas with a sulfur **content** not exceeding 0.5 grains per 100 dscf on a rolling twelve month average basis.”*

For **AQ-T3**, the word “turbines” was inadvertently deleted from the redline version of the conditions. However the final clean version of the conditions of certification in the Revised Staff Analysis, Appendix A shows the condition correctly. The first sentence in the condition will read as follows:

*“The **turbines** are subject to the federal NSPS codified at 40 CFR Part 60, Subparts A (General Provisions) and GG (Standards of Performance for Stationary Gas Turbines).”*

2. For **AQ-T5**, the applicant requests to revise the text from “and” to “or” in item b of the condition, so that the Staff Analysis is consistent with the Title V Permit, Condition 5 for the units identified in Permits #B007953 and #B007954. The wording change proposed by Staff would change the meaning of the condition in a manner that is not consistent with the amendment proposed by the Project Owner or with the corresponding condition adopted by the Mojave Desert Air Quality Management District in the Title V permit. The

sample calculations provided by the Project Owner in the air permit application and the Petition to Amend were not intended to be applied as permit conditions, as stated in the District's Preliminary Decision/Preliminary Determination for the significant modification.

In addition, the first sentence within the verification language will be removed as it does not apply once the correction has been made within item b.

Item b of **AQ-T5** will read as follows:

b. The emissions from each startup or shutdown event shall not exceed the following, verified by CEMS:

The first sentence of the verification for **AQ-T5** which reads "The emission limits defined in this condition apply to one combined startup/shutdown event (one cycle)." will be deleted.

3. **AQ-T11** was deleted in the Revised Staff Analysis, but not replaced with the corresponding condition in the Title V Permit. **AQ-T11** will read as follows:

"The owner/operator shall provide stack sampling ports and platforms necessary to perform source tests required to verify compliance with District rules, regulations and permit conditions. The location of these ports and platforms shall be subject to District approval.

Verification: *Prior to the first firing of natural gas in either turbine the owner/operator shall provide to the District and the CEC CPM as built drawings of the stack or other suitable documentation of the correct and complete installation of all necessary sampling ports and access platforms."*

4. In **AQ-T14**, the misspelling of the word "required" in the last sentence of the first paragraph will be corrected.
5. In **AQ-T17**, subsection i., "NO₂" will be changed to "NO_x" so that the condition requires the operator to report average NO_x concentration. The condition will read as follows:
 - i. *Average NO_x concentration and average CO mass emission rate, for all operating periods except during startup, shutdown and malfunction, for each gas turbine and associated duct burner, calculated on a rolling 12-month basis.*

However, staff does not agree with the following change:

6. For **AQ-CT1**, please revise the word "compliance" to "accordance" to ensure consistency with Condition 1 in the Title V Permit for the units identified in Permit #B007957 and #B007958.

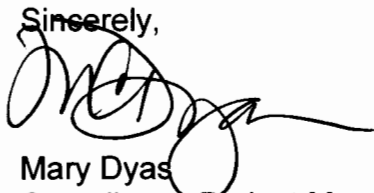
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On July 1, 2015, staff confirmed with the District that the correct word in the May 7, 2015 Final Determination for New Source Review Action & Title V Federal Operating Permit is "compliance," and not the word "accordance".

Energy Commission staff will make first five changes above to the conditions of certification in the Order that will be considered for approval at the July 8, 2015 business meeting at the Energy Commission.

If you have any questions, please call me at (916) 651-8891, or send an e-mail to me at mary.dyas@energy.ca.gov.

Sincerely,

A handwritten signature in black ink, appearing to read 'MDyas', with a long horizontal flourish extending to the right.

Mary Dyas
Compliance Project Manager
Siting, Transmission & Environmental Protection Division

cc: Energy Commission Docket Unit