

DOCKETED

Docket Number:	06-AFC-10C
Project Title:	Starwood Power Project
TN #:	213084
Document Title:	2016 Annual Operational Compliance Report for Midway Peaking, LLC
Description:	Annual Compliance Report (ACR) for 2016 for Midway Peaking, LLC (formerly Starwood)
Filer:	Eric Veerkamp
Organization:	Midway Peaking, LLC
Submitter Role:	Applicant
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Docketed Date:	8/30/2016



Midway Peaking, LLC

9405 Arrowpoint Boulevard
Charlotte, NC 28273-8110
704-525-3800
Fax 704-529-5313

August 10, 2016

Eric Veerkamp
Compliance Project Manager
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814-5512
961-654-4611

Subject: Midway Peaking, LLC Project (06-AFC-10)

Dear Mr. Veerkamp

Enclosed is the Annual Compliance Report prepared for the Midway Peaking, LLC Project. This information is being submitted to comply with the requirements of COM-7 of Certification in the Energy Commission's Final Decision.

Sincerely,

A handwritten signature in blue ink, appearing to read "B. Bergman", with a long horizontal flourish extending to the right.

Brad Bergman

General Manager

Midway Peaking, LLC

7365 Mission Gorge Rd, Suite C

San Diego, CA 92120

619.229.3770 ext 340

Midway Peaking, LLC**Annual Compliance Report (5/6/2015 – 5/5/2016)**

1. Updated Compliance Matrix.
 - a. See Attachment A.
2. Summary of Project operating status.
 - a. The project is operating as anticipated.
3. Documents required by specific conditions.
 - a. See Attachment B.
4. Cumulative listing of post-certification changes.
 - a. Amendment 1 – Relocation of equipment and modification to site plan.
 - b. Amendment 2 – Relocation of the gas meter.
 - c. Amendment 3- Modification to the offsite noise evaluation receptor locations.
 - d. Amendment 4- Modification of the Start- up emissions limits and testing frequency
5. Explanation of missed submittal deadlines.
 - a. None to report
6. List of filings submitted to, or permits issued by, other government agencies during the year.
 - a. None to report.
7. Scheduled compliance activities.
 - a. Midway Peaking will continue to submit notifications as required by the permit.
8. Additions to the on-site compliance file.
 - a. None to report.
9. Evaluation of the on-site contingency plan for unplanned closure.
 - a. This document has been reviewed and does not appear to need any updating.
10. Complaints, notices of violation, warnings and citations.



Cogentrix

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9405 Arrowpoint Boulevard
Charlotte, NC 28273-8110
704-525-3800
Fax 704-529-5313

- a. San Joaquin Air pollution Control District NOV 5014617 for excess NH3 during a source test on April 14, 2015

See Attachment C



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Charlotte, NC 28273-8110
704-525-3800
Fax 704-529-5313

ATTACHMENT A

Compliance Matrix

Midway Peaking, LLC
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Condition	Timeline	Description of Action	Responsibility	Required Submittal Date (Late)	Date Submitted to CPM/CBO/COUNTY	Date Approved	Status Comments
AQ-25	Quarterly Operation Report	All equipment shall be maintained in good operating condition and shall be operated in a manner to minimize emissions of air contaminants into the atmosphere. The project owner shall submit maintenance records for all equipment to the CPM and the APCO in the Quarterly Operation Report	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		
AQ-26	Quarterly Operation Report	No air contaminant shall be released into the atmosphere which causes a public nuisance. The project owner will document any complaints that it has received from the public in the Quarterly Operation Report (AQ-SC10). The project owner shall make the site available for inspection by representatives of the District, CARB and the Commission.	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		
AQ-27	Quarterly Operation Report	No air contaminant shall be discharged into the atmosphere for a period or periods aggregating more than three minutes in any one hour which is as dark as, or darker than, Ringelmann 1 or 20% opacity. The project owner shall document any known opacity violations in the Quarterly Operation Report (AQ-SC10). The project owner shall make the site available for inspection by representatives of the District, CARB and the Commission.	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		
AQ-30	Quarterly Operation Report	The CTGs shall be fired exclusively on PUC-regulated natural gas with a sulfur content of no greater than 1.0 grain of sulfur compounds (as S) per 100 dry scf of natural gas. The project owner shall compile the required data on the sulfur content of the natural gas and submit the information to the CPM and the APCO in the Quarterly Operation Report (AQ-SC10).	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		
AQ-31	Quarterly Operation Report	Emission rates from each CTG, except during startup and shutdown periods, shall not exceed any of the following limits: NOx (as NO ₂) – 2.8 lb/hr and 2.5 ppmvd @ 15% O ₂ ; CO – 4.19 lb/hr and 6.0 ppmvd @ 15% O ₂ ; VOC (as methane) – 0.82 lb/hr and 2.0 ppmvd @ 15% O ₂ ; PM10 – 1.85 lb/hr; or SOx (as SO ₂) – 0.89 lb/hr. NOx (as NO ₂) emission rates are one hour rolling averages. All other emission rates are three hour rolling averages. The project owner shall submit to the CPM and APCO CTG emissions data demonstrating compliance with this condition as part of the Quarterly Operation Report.	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		
AQ-32	Quarterly Operation Report	Combined emission rates from the two Swiftpac unit CTG's operating under permit units C-7286-1 and C-7286-2, and the two Swiftpac unit CTG's operating under permit units C-7286-3 and C-7286-4, except during startup and shutdown periods, shall not exceed any of the following Swiftpac two turbine limits: NOx (as NO ₂) – 5.6 lb/hr and 2.5 ppmvd @ 15% O ₂ ; CO – 8.38 lb/hr and 6.0 ppmvd @ 15% O ₂ ; VOC (as methane) – 1.64 lb/hr and 2.0 ppmvd @ 15% O ₂ ; PM10 – 3.70 lb/hr; or SOx (as SO ₂) – 1.78 lb/hr. NOx (as NO ₂) emission rates are one hour rolling averages. All other emission rates are three hour rolling averages. The project owner shall submit to the CPM and APCO CTG emissions data demonstrating compliance with this condition as part of the Quarterly Operation Report.	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		
AQ-33	Quarterly Operation Report	The ammonia (NH ₃) emissions shall not exceed either of the following limits: 4.24 lb/hr or 10 ppmvd @ 15% O ₂ over a 24 hour rolling average. The project owner shall submit to the CPM and APCO CTG emissions data demonstrating compliance with this condition, using approved calculation methods, as part of the Quarterly Operation Report.	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		
AQ-34	Quarterly Operation Report	During start-up, CTG exhaust emission rates shall not exceed any of the following limits: NOx (as NO ₂) 30.00 – lb/hr; CO – 12.5 lb/hr; VOC (as methane) – 0.83 lb/hr; PM10 – 1.85 lb/hr; or SOx (as SO ₂) – 0.89 lb/hr, based on per event average. [District Rules 2201 and 4703] Federally enforceable Through Title V permit. The project owner shall submit to the CPM and APCO CEM-derived emissions data for NOx and CO (except when source testing is required for shutdowns) and shall provide calculated PM10 and VOC emission from fuel consumption data and source test results to demonstrate compliance with this condition as part of the Quarterly Operation Report (AQ-SC10).	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		
AQ-35	Quarterly Operation Report	During shutdown, CTG exhaust emission rates shall not exceed any of the following limits: NOx (as NO ₂) – 1.50 lb/hr; CO – 21.33 lb/hr; VOC (as methane) – 0.83 lb/hr; PM10 – 1.85 lb/hr; or SOx (as SO ₂) – 0.89 lb/hr, based on a per event averages. The project owner shall submit to the CPM and APCO CEM-derived emissions data for NOx and CO (except when source testing is required for shutdowns) and shall provide calculated PM10 and VOC emission from fuel consumption data and source test results to demonstrate compliance with this condition as part of the Quarterly Operation Report (AQ-SC10).	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		
AQ-36	Quarterly Operation Report	Startup shall be defined as the period of time during which a unit is brought from a shutdown status to its SCR operating temperature and pressure, including the time required by the unit's emission control system to reach full operations. Shutdown shall be defined as the period of time during which a unit is taken from an operational to a non-operational status as the fuel supply to the unit is completely turned off. The project owner shall submit to the CPM and APCO the CTG startup and shutdown event duration data demonstrating compliance with Condition AQ-37 as part of the Quarterly Operation Report (AQ-SC10).	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		
AQ-37	Quarterly Operation Report	The duration of each startup or shut down time shall not exceed two hours. Startup and shutdown emissions shall be counted toward all applicable emission limits. The project owner shall submit to the CPM and APCO the CTG startup and shutdown event duration data demonstrating compliance with this condition as part of the Quarterly Operation Report (AQ-SC10).	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		
AQ-38	Quarterly Operation Report	The emission control systems shall be in operation and emissions shall be minimized insofar as technologically feasible during startup and shutdown. The project owner shall submit to the CPM and APCO the CTG startup and shutdown emissions data demonstrating compliance with this condition as part of the Quarterly Operation Report (AQ-SC10).	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		
AQ-39	Quarterly Operation Report	Daily emissions from the CTG shall not exceed any of the following limits: NOx (as NO ₂) – 79.8 lb/day; CO – 117.6 lb/day; VOC – 19.7 lb/day; PM10 – 44.4 lb/day; or SOx (as SO ₂) – 21.4 lb/day. The project owner shall submit to the CPM and APCO CTG emissions data demonstrating compliance with this condition as part of the Quarterly Operation Report (AQ-SC10).	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		
AQ-40	Quarterly Operation Report	Combined daily emissions from the two Swiftpac unit CTG's operating under permit units C-7286-1 and C-7286-2, and the two Swiftpac unit CTG's operating under permit units C-7286-3 and C-7286-4 shall not exceed any of the following Swiftpac two turbine limits: NOx (as NO ₂) – 159.6 lb/day; CO – 235.2 lb/day; VOC – 39.4 lb/day; PM10 – 88.8 lb/day; or SOx (as SO ₂) – 42.8 lb/day. The project owner shall submit to the CPM and APCO CTG emissions data demonstrating compliance with this condition as part of the Quarterly Operation Report (AQ-SC10).	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		
AQ-41	Quarterly Operation Report	Quarterly hours of operation of each CTG shall not exceed any of the following limits: 1 st Quarter—800 hours, 2 nd Quarter—800 hours, 3 rd Quarter—1,400 hours, or 4 th Quarter—1,000 hours. The project owner shall submit to the CPM and APCO CTG emissions data demonstrating compliance with this condition as part of the Quarterly Operation Report (AQ-SC10).	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		

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AQ-42	Quarterly Operatinon Report	Annual emissions from each CTG, calculated on a twelve month rolling basis, shall not exceed any of the following limits: NOx (as NO ₂) – 12,736 lb/year; CO – 18,826 lb/year; VOC – 3281 lb/year; PM10 – 7,400 lb/year; or SOx (as SQ) – 3,560 lb/year. The project owner shall submit to the CPM and APCO CTG emissions data demonstrating compliance with this condition as part of the Quarterly Operation Report (AQ-SC10).	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		
AQ-43	Quarterly Operatinon Report	Combined annual emissions from the two Swiftpac unit CTG's operating under permit units C-7286-1 and C-7286-2, and the two Swiftpac unit CTG's operating under permit units C-7286-3 and C-7286 calculated on a twelve consecutive month rolling basis, shall not exceed any of the following Swiftpac two turbine limits: NOx (as NO ₂) – 25,742 lb/year; CO – 37652 lb/year; VOC – 6562 lb/year; PM10 – 14,800 lb/year; or SOx (as SQ) – 7,120 lb/year. The project owner shall submit to the CPM and APCO CTG emissions data demonstrating compliance with this condition as part of the Quarterly Operation Report (AQ-SC10).	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		
AQ-44	Quarterly Operatinon Report	The combined annual Nox emissions from the CTG's operating under permits C-7286-1, C-7286-2, C-7286-3, C-7286-4 Calculated on a twelve month rolling basis shall not exceed 50,000 lb/yr. The project owner shall submit their information to the CPM and The APCO as Part of the Quarterly Operation Report	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		
AQ-45	Quarterly Operatinon Report	Each one hour period shall commence on the hour. Each one hour period in a three hour rolling average will commence on the hour. The three hour average will be compiled from the three most recent one hour periods. Each one hour period in a twenty-four hour average for ammonia slip will commence on the hour. The project owner shall compile required emission compliance data using these standards and shall submit the information to the CPM and the APCO as part of the Quarterly Operation Report (AQ-SC10).	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		
AQ-46	Quarterly Operatinon Report	Daily emissions will be compiled for a twenty-four hour period starting and ending at twelve-midnight. Each month in the twelve consecutive month rolling average emissions shall commence at the beginning of the first day of the month. The twelve consecutive month rolling average emissions to determine compliance with annual emissions limitations shall be compiled from the twelve most recent calendar months. The project owner shall compile required emission compliance data using these standards and shall submit the information to the CPM and the APCO as part of the Quarterly Operation Report (AQ-SC10).	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		
AQ-47	at least 15 days prior to the Quarterly Operation Report (AQ-SC10)	Submit to the CPM and APCO for approval any requested modifications to the calculation procedure, not including revised source test correction factors, at least 15 days prior to the Quarterly Operation Report (AQ-SC10) where the modified calculation procedure is first used.	Midway Peaking, LLC	as needed			
AQ-48	On-going operating requirements; frequency based on test results, submit results within 60 days	Source testing to measure startup and shutdown NOx, CO, and VOC mass emission rates shall be conducted for one of the gas turbines C-7286-1, C-7286-2, C-7286-3, or C-7286-4 prior to the end of the commissioning period and at least once every seven years thereafter. CEM relative accuracy shall be determined during startup source testing in accordance with 40 CFR 60, Appendix B. If CEM data is not certifiable to determine compliance with NOx and CO startup emission limits, then source testing to measure startup NOx and CO mass emission rates shall be conducted at least once every 12 months. The results and field data collected during source tests shall be submitted to the CPM and the District within 60 days of testing. Testing shall be conducted for the CTG upon initial operation, and at least once every seven years.	Midway Peaking, LLC	2016			7yr Testing was completed on 04/14/2016
AQ-49	On-going operating requirements; submit results within 60 days of testing	Source testing to determine compliance with the NOx, CO and VOC emission rates (lb/hr and ppmvd @ 15% O ₂), NH ₃ emission rate (ppmvd @ 15% O ₂) and PM10 emission rate (lb/hr) shall be conducted at least once every 12 months. Source testing may be conducted while units C-7286-1 and C-7286-2 and units C-7286-3 and C-7286-1 are operating simultaneously. If any units of C-7286-1, C-7286-2, C-7286-3, or C-7286-1 are operating independently for more than 400 hours during any given calendar year, source testing shall also be conducted while they are operating independently. The results and field data collected during source tests shall be submitted to the CPM and the District within 60 days of testing.	Midway Peaking, LLC	as needed	ongoing		
AQ-50	On-going operating requirements; submit results within 60 days of testing	Source Testing to determine compliance with the NOx, CO and VOC emission rates (lb/hr and ppmvd @ 15% O ₂), NH ₃ emission rate (ppmvd @ 15% O ₂) and PM10 emission rate (lb/hr) shall be conducted at least once every 12 months. The source testing Frequency may be reduced to once every 24 months if the actual operation of both units within a Swiftpac combined is less than 877 hours during any 12 consecutive months rolling period, (District Rules 1081,2201, and 4703 and 40 CFR 60.4400(a). The results and field data collected during a source test shall be submitted to the CPM and The District within 60 days of Testing	Midway Peaking, LLC	Annually	ongoing		
AQ-51	On-going operating requirements; submit results within 60 days of testing	Source testing shall be conducted while both units within a Swiftpac are operating simultaneously. If one unit operates independently from the other unit within the same Swiftpac for more than 400 hours during any calendar year, source testing shall also be conducted while that unit is operating independently, (District Rules 1081,2201, and 4703 and 40 CFR 60.4400(a).) The results and field data collected during a source test shall be submitted to the CPM and The District within 60 days of Testing	Midway Peaking, LLC				Source and RATA test completed on 04/14/2015, next test due 4/13/17
AQ-52	Quarterly Operation Report	The sulfur content of each fuel source shall be: (i) documented in a valid purchase contract, a supplier certification, a tariff sheet or transportation contract or (ii) monitored within 60 days of the end of the commission period and weekly thereafter. If the sulfur content is demonstrated to be less than 1.0 gr/1 00 scf for eight consecutive weeks, then the monitoring frequency shall be every six months. If the result of any six month monitoring demonstrates that the fuel does not meet the fuel sulfur content limit, weekly monitoring shall resume. The result of the natural gas fuel sulfur monitoring data and other fuel sulfur content source data shall be submitted to the CPM and the APCO in the Quarterly Operation Report (AQ-SC10).	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		
AQ-53	Ongoing operating requirement; notification 30 days prior to any source test	The following test methods shall be used: NOx - EPA Method 7E or 20; CO - EPA Method 10 or 10B; VOC - EPA Method 18 or 25; PM10 - EPA Method 5/202 (front half and back half) or 201 and 202a; ammonia - BAAQMD ST-1B; and O ₂ - EPA Method 3, 3A, or 20 EPA approved alternative test methods, as approved by the District, may also be used to address the source testing requirements of this permit. The project owner shall notify the CPM and the District 30 days prior to any compliance source test.	Midway Peaking, LLC	as needed	ongoing		
	Ongoing operating requirement; submit test plan 15 days prior to any source test	The project owner shall provide a source test plan to the CPM and District for the CPM and District approval 15 days prior to testing.	Midway Peaking, LLC	as needed	ongoing		
AQ-54	Quarterly Operatinon Report	Fuel sulfur content shall be monitored using one of the following methods: ASTM Methods D1072, D3246, D4084, D4468, D4810, D6228, D6667 or Gas Processors Association Standard 2377. The fuel sulfur content data shall be submitted to the CPM and the APCO in the Quarterly Operation Report (AQ-SC10).	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		

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AQ-56	Ongoing operating requirement; notification 15 days prior to any source test	Compliance demonstration (source testing) shall be District witnessed, or authorized and samples shall be collected by a California Air Resources Board certified testing laboratory. Source testing shall be conducted using the methods and procedures approved by the District. The District must be notified 30 days prior to any compliance source test, and a source test plan must be submitted for approval 15 days prior to testing. The results and field data collected during source tests shall be submitted to the CPM and the District within 60 days of testing	Midway Peaking, LLC	as needed	ongoing		
AQ-59	Quarterly Operatinon Report	The CEMS shall complete a minimum of one cycle of operation (sampling, analyzing, and data recording) for each successive 15-minute period or shall meet equivalent specifications established by mutual agreement of the District, the ARB and the EPA. The project owner shall submit to the CPM and APCO CEMS audits demonstrating compliance with this condition as part of the Quarterly Operation Report (AQ-SC10).	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		
AQ-60	Quarterly Operatinon Report	The NOx, CO and O ₂ CEMS shall meet the requirements in 40 CFR 75, Appendix A or shall meet equivalent specifications established by mutual agreement of the District, the ARB, and the EPA. [District Rule 1080 and 40 CFR 60.4345(a)]The project owner shall submit to the CPM and APCO CEMS audits demonstrating compliance with this condition as part of the Quarterly Operation Report (AQ-SC10).	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		
AQ-61	Quarterly Operatinon Report	The owner operator shall perform audits of the CEMS as specified by 40 CFR Part 75, Appendices A and B. At least once every Quality assurance (QA) operating quarter., except during quarters in which relative accuracy and total accuracy testing is performed, in accordance with EPA guidelines. A calendar quarter that does not qualify as a QA operating quarter shall be excluded in determining the deadline for the next audit. N0 more that four successive calendar quarters shall elapse after the quarter in which an audit was last performed without a subsequent audit having been conducted. The project owner shall comply with the applicable requirements for thquality assurance testinf anf maintenance of the continuous wmissin monito wquipment in accordance with the procedures and guidance specified in 40 CFR Part 75, Appendices Q and Bthe District shall be notifies prior to completing of the audits. audit reports shall be submitted along with quarterly compliance reports to the District [District Rules 1080 and 4703, n6.2.3, 40 CFR 60.4345(e) and 40 CFR 75, Appendix B]	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		
AQ-62	Quarterly Operation Report	The owner/operator shall perform a relative accuracy test audit (RATA) for the NOx, CO and O ₂ CEMS as specified by 40 CFR Part 75, Append A and B at least once every four Quality Assurance operating quarters if the incentive criteria of 40 CFR Appendix B, Section 2.3.1.2 have been met. A calendar quarter that does not qualify as a QA operating quarter shall be excluded in determining the deadline foe the next RATA. No more that eight successive calendar quarters shall elapse after the quarter in which a RATA was last performed without a subsequent RATA having been conducted. The project owner shall comply with the applicable requirements for quality assurance testing and maintenance of the continuous emission monitor equipment in accordance with the procedures and guidance specified in 40 CFR Part 75, Appendices A and B. The project owner shall submit to the CPM and APCO CEMS audits demonstrating compliance with this condition as part of the Quarterly Operation Report (AQ-SC10). [District Rule 1080, 40 CFR60.4345(a) and 40 CFR 75 Appendices A and B]	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		
AQ-63	Quarterly Operation Report	For the purposes of performing quarterly audits and RATA on the CEMS, a Quality Assurance (QA) operating quarter shall be defined as a calendar quarter in which there are at least 168 unit operating hours, or, for a common stack or bybass stack, a calendat quarter in which there are at least 168 sack operating hous. An operation hour is defined as a clock hour during which a unit combusts any fuel either for part of the hour or for the entire hour. [40 CFR 72] The project owner shall submit to the CPM and APCO emission data required in the Quarterly Operation Reports (AQ-SC10) that follows the definitions of this condition.	Midway Peaking, LLC		ongoing		
AQ-64	Quarterly Operation Report	Results of the CEM system shall be averaged over a one hour period for NOx emissions and a three hour period for CO emissions using consecutive 15-minute sampling periods in accordance with all applicable requirements of CFR 60.13. The project owner shall submit to the CPM and APCO emission data required in the Quarterly Operation Reports (AQ-SC10) that follows the definitions of this condition.	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		
AQ-65	Quarterly Operation Report	Excess NOx emissions shall be defined as any operating hour in which the 4-hour or 30-day rolling average NOx concentration exceeds applicable emissions limit and a period of monitor downtime shall be any unit operating hour in which sufficient data are not obtained to validate the hour for either NOx or O ₂ (or both). [40 CFR 60.4350(g)] The project owner shall submit to the CPM and APCO emission data required in the Quarterly Operation Reports (AQ-SC10) that follows the definitions of this condition.	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		
AQ-66	Quarterly Operation Report	Results of continuous emissions monitoring shall be reduced according to the procedures established in 40 CFR, Part 51, Appendix P, paragraphs 5.0 through 5.3.3, or by other methods deemed equivalent by mutual agreement with the District, the ARB, and the EPA. The project owner shall submit to the CPM and APCO emission data required in the Quarterly Operation Reports (AQ-SC10) that follows the definitions of this condition.	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		
AQ-70	Quarterly Operation Report	The owner or operator shall submit a written report of CEM operations for each calendar quarter to the APCO. The report is due on the 30th day following the end of the calendar quarter and shall include the following: Time intervals, data and magnitude of excess NOx emissions, nature and the cause of excess (if known), corrective actions taken and preventative measures adopted; Averaging period used for data reporting corresponding to the averaging period specified in the emission test period used to determine compliance with an emission standard; Applicable time and date of each period during which the CEM was inoperative (monitor downtime), except for zero and span checks, and the nature of system repairs and adjustments; A negative declaration when no excess emissions occurred. The project owner shall submit to the CPM and APCO the CEMS audits demonstrating compliance with this condition as part of the Quarterly Operation Report required by this condition and condition AQ-SC10.	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		
AQ-72	Quarterly Operation Report	The project owner shall notify the District of any breakdown condition as soon as reasonably possible, but no later than one hour after its detection, unless the owner or operator demonstrates to the District's satisfaction that the longer reporting period was necessary. The project owner shall comply with the notification requirements of the District and submit written copies of these notification reports to the CPM and the APCO as part of the Quarterly Operation Report (AQ-SC10).	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		
AQ73	Quarterly Operation Report	The District shall be notified in writing within ten days following the correction of any breakdown condition. The breakdown notification shall include a description of the equipment malfunction or failure, the date and cause of the initial failure, the estimated emissions in excess of those allowed ant the method utilized to restore Normal operation. [District Rule 100.7.0] The project owner shall comply with the notification requirements of the District and Submit written copies of these notification reports to the CPM and the APCO as part of the quarterly operation report. (AQ-SC-10)	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		

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AQ-77	Quarterly Operation Report	Disturbances of soil related to any construction, demolition, excavation, extraction, or other earthmoving activities shall comply with the requirements for fugitive dust control in District Rule 8021 unless specifically exempted under Section 4.0 of Rule 8021 or 8011. [District rules 8011 and 8011] The project owner shall document compliance with rule 8021 in the Monthly compliance report (AQ-SC3) and as necessary after construction is complete in the Quarterly Operation Report (AQ-SC10)	Midway Peaking, LLC	Within 30 days of the end of the quarter and in monthly compliance report.	ongoing		
AQ-78	Quarterly Operation Report	The project owner shall document compliance with Rule 8071 as necessary after construction is complete in the Quarterly Operation Report (AQ-SC10).	Midway Peaking, LLC	as needed	ongoing		
AQ-79	Quarterly Operation Report	The project owner shall document compliance with Rule 8071 as necessary after construction is complete in the Quarterly Operation Report (AQ-SC10).	Midway Peaking, LLC	as needed	ongoing		
AQ-80	Quarterly Operation Report	The project owner shall document compliance with Rules 8011 and 8071 as necessary after construction is complete in the Quarterly Operation Report (AQ-SC10).	Midway Peaking, LLC	as needed	ongoing		
AQ-81	Quarterly Operation Report	The project owner shall document compliance with Rule 8061 as necessary after construction is complete in the Quarterly Operation Report (AQ-SC10).	Midway Peaking, LLC	as needed	ongoing		
AQ82	Quarterly Operation Report	The project owner shall document compliance with Rule 8071 as necessary after construction is complete in the Quarterly Operation Report (AQ-SC10).	Midway Peaking, LLC	as needed	ongoing		
AQ-83	Quarterly Operation Report	The project owner shall document compliance with Rule 8071 as necessary after construction is complete in the Quarterly Operation Report (AQ-SC10).	Midway Peaking, LLC	as needed	ongoing		
AQ-84	Quarterly Operation Report	The project owner shall document compliance with Rule 8071 as necessary after construction is complete in the Quarterly Operation Report (AQ-SC10).	Midway Peaking, LLC	as needed	ongoing		
AQ-85 86	Quarterly Operation Report	The project owner shall document compliance with Rule 8071 as necessary after construction is complete in the Quarterly Operation Report (AQ-SC10).	Midway Peaking, LLC	as needed	ongoing		
	Quarterly Operation Report	The project owner shall document compliance with Regulation VIII rules as necessary after construction is complete in the Quarterly Operation Report (AQ-SC10).	Midway Peaking, LLC	as needed	ongoing		
AQ-SC8	Quarterly and Annual Operation Reports	Quarterly average fuel sulfur data from the most representative gas utility pipeline monitoring station shall be submitted with the Quarterly Operation Reports (AQ-SC10) and the applicant shall demonstrate that the actual annual SO2 emissions remain below the 2.28 tons of emissions that have been offset by complying with this condition.	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		

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and ongoing during Operations
Updated 5.27.16

AQ-SC10	Quarterly Operation Report	The project owner shall submit the Quarterly Operation Reports to the CPM and APCO no later than 30 days following the end of each calendar quarter that include operational and emissions information as necessary to demonstrate compliance with the Conditions of Certification.	Midway Peaking, LLC	Within 30 days of the end of the quarter	ongoing		
BIO-11	Ongoing monitoring during operations (every 3 months)	Following the start of operations, the evaporation pond shall be monitored twice monthly, for two hours for wildlife usage and water quality by the designated biologist or biological monitor. Monitoring is not required if the pond does not contain water. If a substantial number of birds and other wildlife are using the pond and water quality is poor, remedial actions to reduce wildlife use shall be implemented. The project owner shall submit copies of the evaporation pond monitoring report to the CPM, USFWS, and CDFG four times each year.	Midway Peaking, LLC	Quarterly	ongoing		
HAZ-1	Annual Compliance Report	The project owner shall not use any hazardous materials not listed in Appendix B or in greater quantities than those identified by chemical name in Appendix B unless approved in advance by the Compliance Project Manager (CPM). The project owner shall provide to the CPM, in the Annual Compliance Report, a list of hazardous materials and storage quantities contained at the facility.	Midway Peaking, LLC	annually			
HAZ-8	Annual Compliance Report	The project owner shall include a statement in the Annual Compliance Report that all current project employee and appropriate contractor background investigations have been performed, and updated certification statements are appended to the Operations Security Plan.	Midway Peaking, LLC	annually			
NOISE-2	Within 5 days of receiving a noise complaint	The project owner shall file a copy of the noise complaint resolution form with the local jurisdiction and the CPM, documenting the resolution of the complaint. If mitigation is required to resolve a complaint, and the complaint is not resolved within a three-day period, the project owner shall submit an updated noise complaint resolution form when the mitigation is implemented.	Midway Peaking, LLC	as needed			
SOIL & WATER-2	Annual Compliance Report	Once operational, the project owner shall provide in the annual compliance report information on the results of monitoring and maintenance activities.	Midway Peaking, LLC	annually			
SOIL & WATER-4	On-going during operation	The project owner shall comply with the waste discharge requirements issued by the Central Valley Regional Water Quality Control Board regarding the evaporation pond facility. The project owner shall report to the CPM any notice of violation, cease and desist order, clean-up and abatement order, or other enforcement action taken by the RWQCB related to the waste-discharge requirements. The project owner shall describe all actions taken to correct violations and operate the project in compliance with waste-discharge requirement permit conditions. The project owner shall provide confirmation from the RWQCB that any violations have been resolved to the satisfaction of the RWQCB.	Midway Peaking, LLC	as needed			
SOIL & WATER-5	Annual Compliance Report	The project owner shall shut down the reverse osmosis system and cease discharge into the wastewater evaporation pond if: 1) the evaporation pond reaches maximum capacity (to avoid any evaporation pond overflow); or 2) the pond cannot be used due to project use of groundwater or other pond use restrictions established by Waste Discharge Requirements (WDRs) issued by the Central Valley Regional Water Quality Control Board (RWQCB) in accordance with Condition of Certification SOIL & WATER-4. In the event that the project uses groundwater in any amount or volume of the total water volume necessary for plant industrial use, discharge into the evaporation pond shall be prohibited unless and until the project owner (a) submits a new or revised Report of Waste Discharge (ROWD) to the Central Valley RWQCB; (b) receives new or revised WDRs for used of the evaporation pond; and (c) retrofits or reconstructs the evaporation pond to meet any conditions or pond design parameters established in the new or revised WDRs. The project owner, in the annual compliance report, shall provide a wastewater-accounting summary that states the amount of waste water in acre-feet discharged into the evaporation pond and, as appropriate, the quantity of residue in pounds or tons removed from the pond and/or the volume of wastewater disposed of offsite for each year. In addition, the project owner shall provide a written description within 30 days of any incident where the evaporation pond reached maximum capacity, or discharge to the pond was prohibited, and the reverse osmosis system had to be shut down.	Midway Peaking, LLC	As required			
SOIL & WATER-6	Annual Compliance Report	The project owner shall i) submit copies to the CPM and the County of Fresno of any proposed well construction or operation changes, ii) submit copies of any water well monitoring reports required by the County of Fresno well standards to the CPM in the annual compliance report	Midway Peaking, LLC	As Required			
SOIL & WATER-8	60 days after permanent closure	Upon permanent closure of the facility, the project owner shall ensure that the onsite water supply well is properly plugged and destroyed according to all applicable County of Fresno and state requirements. No later than 60 days after permanent closure of the facility, the project owner shall provide documentation to the CPM that the water supply well was properly plugged and destroyed according to all applicable County of Fresno and state requirements (including County of Fresno well destruction permit requirements).	Midway Peaking, LLC	As Required			
SOIL & WATER-9	60 days prior to use of onsite well for commercial operation	Prior to use of groundwater from onsite well, the project owner shall install and maintain metering devices as part of the groundwater supply and distribution system to monitor and record in gallons per day the total volume of water supplied to the project from the onsite well. The metering devices shall be operational for the life of the project. In accordance with Condition of Certification WATER RESOURCES-1, the project's annual groundwater use shall not exceed 136 acre-feet per year without prior approval by the CPM. At least 60 days prior to the use of onsite well water for commercial use, the project owner shall submit to the CPM evidence that metering devices have been installed and are operational on the groundwater supply and distribution system.	Midway Peaking, LLC	As Required			
	Annual Compliance Report	As part of the annual water use summary required by WATER RESOURCES-1, the project owner shall provide to the CPM the monthly range and monthly average of daily groundwater use in gallons per day, as well as the total volume of groundwater used by the project on a monthly and annual basis in acre-feet.	Midway Peaking, LLC	As Required			

Midway Peaking, LLC
Quarterly-Annual Reporting
and ongoing during Operations
Updated 5.27.16

TLSN-2	Annual Compliance Report	The project owner shall ensure that every reasonable effort will be made to identify and correct, on a case-specific basis, any complaints of interference with radio or television signals from operation of the project-related lines and associated switchyards. The project owner shall maintain written records for a period of five years, of all complaints of radio or television interference attributable to plant operation together with the corrective action taken in response to each complaint. The record shall be signed by the project owner and also the complainant, if possible, to indicate concurrence with the corrective action or agreement with the justification for a lack of action.	Midway Peaking, LLC	As Required			
TLSN-4	Annual Compliance Report	The project owner shall ensure that the rights-of-way of the proposed transmission line are kept free of combustible material, as required under the provisions of Section 4292 of the Public Resources Code and Section 1250 of Title 14 of the California Code of Regulations. During the first five years of plant operation, the project owner shall provide a summary of inspection results and any fire prevention activities carried out along the right-of-way and provide such summaries in the Annual Compliance Report.	Midway Peaking, LLC	As Required			
VIS-1	Annual Compliance Report	The project owner shall provide a status report regarding surface treatment maintenance in the Annual Compliance Report.	Midway Peaking, LLC	As Required			
VIS-2	Within 10 days of receiving a lighting complaint	Within 10 days of receiving a lighting complaint, the project owner shall provide the CPM with a complaint resolution form report as specified in the compliance General Conditions including a proposal to resolve the complaint, and a schedule for implementation. The project owner shall notify the CPM within 10 days after completing implementation of the proposal. A copy of the complaint resolution form report shall be included in the subsequent Monthly Compliance Report following complaint resolution.	Midway Peaking, LLC	As needed			None this period
VIS-3	ongoing during operation	Within 10 days of receiving a lighting complaint, the project owner shall provide the CPM with a complaint resolution form report as specified in the compliance General Conditions including a proposal to resolve the complaint, and a schedule for implementation. A copy of the complaint resolution form report shall be submitted to the CPM within 30 days of complaint resolution.	Midway Peaking, LLC				None this period
WASTE-4	Within 10 days of becoming aware	Within 10 days upon becoming aware of any impending waste management-related enforcement action by any local, state, or federal authority the project owner shall notify the CPM in writing of any such action taken or proposed to be taken against the project itself, or against any waste hauler or disposal facility or treatment operator with which the owner contracts. The CPM shall notify the project owner of any changes that will be required in the manner in which project-related wastes are managed.	Midway Peaking, LLC	As needed			None this period
WASTE-5	Annual Compliance Report	In the Annual Compliance Reports, the project owner shall document the actual waste management methods used during the year and provide a comparison of the actual methods used to those management methods proposed in the original Operation Waste Management Plan	Midway Peaking, LLC	annually			
WATER RESOURCES-1	Annual Compliance Report	Water used for project operation for process, sanitary and landscape irrigation purposes shall be groundwater from the upper semi-confined aquifer obtained from the adjacent onsite water well and/or Baker Farms irrigation water filter backwash (backwash water). Water use shall not exceed the annual water-use limit of 136 acre-feet without prior approval by the CPM. The project owner shall monitor and record the total water used on a monthly basis. If the amount of water to be used will exceed 136 acre-feet per year during any annual reporting period, the project owner shall provide a written request and explanation for the anticipated water-use increase to the CPM sixty (60) days prior to the date when the water-use limit is expected to be exceeded. If the project owner can demonstrate that the requested increase is necessary and is not caused by wasteful practices or malfunctions in the water processing systems, the CPM shall approve an up to one-year increase in the water-use limit for the period requested. The project owner, in the annual compliance report, shall provide a water-accounting summary that states the source and quantity of water used on a monthly basis in units of gallons and on an annual basis in units of acre-feet.	Midway Peaking, LLC	annually			
WATER RESOURCES-3	Annual Compliance Report	Applicant will collect data from the meters and submit to the CPM a monthly summary to be compiled in the annual compliance report (pond to plant, pond to irrigation [Baker], and backwash to pond). Ensure that more than 50% of the water collected in the pond is available for agricultural use.	Midway Peaking, LLC	annually			
	Within 90 days of amending the contract	Provide the CPM with a copy of the amended contract with Baker Farms within 90 days.	Midway Peaking, LLC	as needed			
WATER RESOURCES-4	Within 90 days upon receiving notice of termination of the contract with Baker Farms	The 7-year existing backwash filter water contract between Baker Farms and Applicant requires a 2-year notice before termination. In the event this contract is not renewed or is terminated pursuant to notice, Applicant will proceed to modify project to accept the upper aquifer water. This includes the installation of a double-lined wastewater retention pond.	Midway Peaking, LLC	as needed			



Midway Peaking, LLC

9405 Arrowpoint Boulevard
Charlotte, NC 28273-8110
704-525-3800
Fax 704-529-5313

ATTACHMENT B

Documents Required by Specific Conditions



Midway Peaking, LLC

9405 Arrowpoint Boulevard
 Charlotte, NC 28273-8110
 704-525-3800
 Fax 704-529-5313

HAZ-1	19.5 % aqua ammonia	96,000 pounds
	Carbon dioxide (fire suppression)	2800 cubic feet
	Mineral oil (dielectric fluid)	9670 gallons
	O2 calibration gas	1152 cubic feet
	NOx/CO calibration gas	2160 cubic feet
	Mobil DTE 13M (hydraulic oil)	255 gallons
	Mobil jet oil 254 (lubricating oil)	276 gallons
	Mobil DTE oil light (lubricating oil)	779 gallons
	Oily debris (waste; dirty rags / PPE)	110 gallons
	Used oil (waste oil)	110 gallons
HAZ-8	All employee and appropriate contractor background certifications have been performed. The Operations Security Plan contains the most recent certification statement.	
SOIL & WATER-2	Facility monitoring indicated that no maintenance activity was required to maintain the condition of access roads, grading or provide dust control. No maintenance activity was performed this reporting period.	
SOIL & WATER-5	0.296 acre feet of water was discharged into the unlined surface impoundment, no sediment was removed.	



Midway Peaking, LLC

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SOIL & WATER-6	Nothing to report.
SOIL & WATER-9	No ground water was used for process, sanitary or landscape irrigation this period.
TLSN-2	No complaints of radio or television interference to report.
TSLN-4	Rights-of-way for the transmission line are free of combustible material. No fire prevention measures were carried out along the rights-of-way this period.
VIS-1	The condition of surfaces of buildings and structures are in good condition.
	There are no scheduled maintenance activities, relating to surface treatment scheduled for the coming year.
WASTE-5	All facility waste streams, quantities, storage and disposal methods were in accordance with sections 2 through 5 of the waste management plan. Best management practices were utilized to minimize waste generated in accordance with section 6 of the waste management plan. Contingency plan implementation and spill cleanup as described in section 7 was not required. Facility inspections have been performed in accordance with section 8.



Midway Peaking, LLC

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WATER RESOURCES- 1	Row Labels	Backwash Water Used by Midway Peaking (Gal x1000)
		2015
	5	422.8
	6	1477.1
	7	1594.7
	8	1265.7
	9	207.6
	10	291.4
	11	294.7
	12	173.9
	2016	1395.7
	1	295.9
	2	212.3
	3	385.2
	4	502.3
	Grand Total	2.18 ACRE FEET



Midway Peaking, LLC

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WATER RESOURCES -3	Row Labels	Backwash Water Supply to Pond (acre-feet)	Pond to Plant (acre feet)	Pond to Irrigation Water [Baker] (acre feet)	Percent available for agricultural use
	2015		265.499	5.605	0.000
	5	66.245	1.297	0.000	
	6	74.473	4.533	0.000	
	7	69.100	4.893	0.000	
	8	11.628	3.884	0.000	
	9	9.033	0.637	0.000	
	10	10.330	0.894	0.000	
	11	24.680	0.904	0.000	
	12	10	0.533	0.000	
2016		104.424	3.584	0.000	
	1	13	0.908	0.000	
	2	38.190	0.605	0.000	
	3	19.251	0.530	0.000	
	4	46.970	1.541	0.000	
	Grand Total	369.923	8.562	0.000	97.685



Midway Peaking, LLC

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ATTACHMENT C

Nov's and Citations



CalPeak Operating Services, LLC

9405 Arrowpoint Boulevard
Charlotte, NC 28273-8110
704-525-3800
Fax 704-529-5313

June 30, 2015

Lupe Jauregui
Supervising Air Quality Inspector
San Joaquin Valley Air Pollution Control District
1990 E. Gettysburg Ave.
Fresno, CA. 93726-0244

Re: Midway Peaking Response to NOV Number 5014617

Dear Mr. Jauregui,

Midway Peaking, LLC (Midway) has received NOV Number 5014617 (enclosed and attachments signed).

Upon recognition of the exceedance of the NH₃ limit during annual source testing, Midway retained the services of a third party, Environex, specializing in the analysis and resolution of catalyst operational issues. Midway also submitted a petition for a Short Variance on May 7, 2015 to investigate and implement a solution to the elevated NH₃ concentrations. A 90 day Short Variance was granted by SJVAPCD from May 21st, 2015 through August 19th, 2015. It was determined during the analysis that a CO catalyst replacement is needed. Replacement of the catalyst will allow the facility to increase NO_x water injection, decreasing the load on the NO_x catalyst. This will result in a reduction in the amount of ammonia required, and a corresponding drop in ammonia slip. The facility is pursuing a Regular Variance as the expected delivery date of the replacement catalyst is expected to be in the later part of the fourth quarter 2015 after the Short Variance end date. The additional time required will allow Midway to commission and configure the new catalyst to facility dimensions, install, re-test and ensure the unit can meet all emissions limits.

If you have any questions on this matter, please contact me directly at (619) 229-3770x303.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ramiro L. Gonzalez".

Ramiro L. Gonzalez
General Manager
Midway Peaking, LLC

Enclosure Signed SJVAPCD NOV form



Cogentrix

CalPeak Operating Services, LLC

9405 Arrowpoint Boulevard
Charlotte, NC 28273-8110
704-525-3800
Fax 704-529-5313

Distribution List

- Jeff Malone, Director of Asset Management, CalPeak Operating Services, LLC (e copy)
- Richard "Sid" Frymyer, Director of Operations, Cogentrix Energy Power Management (e-copy)
- Jeff S. Spurgeon, Director of Asset Management, Cogentrix Energy Power Management (e-copy)
- Matt Lydon, Sr. EHS Director, Cogentrix Energy Power Management (e-copy)



SAN JOAQUIN VALLEY UNIFIED AIR POLLUTION CONTROL DISTRICT

Northern Region Office
4800 Enterprise Way
Modesto, CA 95356-8718
(209) 557-6400

Central Region Office
1990 E Gettysburg Ave
Fresno, CA 93726-0244
(559) 230-5950

Southern Region Office
34946 Flyover Court
Bakersfield, CA 93308
(661) 392-5500

NOTICE OF VIOLATION NO. 5014617

ISSUED TO:

NAME: Midway Peaking LLC
ADDRESS: 7365 Mission Gorge Rd., Suite C
CITY: San Diego
PHONE: (619) 229-3770 x340

STATE: CA

PERMIT/FACILITY: C-7286
PERMITS: -1-2 & -2-2
ZIP: 92120

OCCURRENCE LOCATION:

NAME: Midway Peaking LLC
ADDRESS: 43627 W Panoche Rd
CITY: Firebaugh
DATE: April 14, 2015

STATE: CA **ZIP:**
TIME: 12:00 am

Same as Above

THIS NOTICE HAS BEEN ISSUED AS A RESULT OF A VIOLATION OF:

- San Joaquin Valley Unified Air Pollution Control District Rules and Regulation
- California Health and Safety Code / California Code of Regulations

Rule(s)/Section(s): 2070 - Standards for Granting Applications

Equipment Type (If Applicable): Power Generation Unit 1 (Two 311 MMBtu/hr natural gas-fired turbine generators)

Description: Source test conducted on 4/14/15 failed to demonstrate compliance with the ammonia emission concentration limit stipulated in Condition 10 of PTO C-7286-1-1 & -2-2

RECIPIENT NAME: Tony Gilmore **TITLE:** EH&S Manager

SIGNING THIS NOTICE IS
NOT AN ADMISSION OF GUILT x  **SIGNATURE**

RETURN A COPY OF THIS NOTICE WITH A WRITTEN DESCRIPTION OF THE IMMEDIATE CORRECTIVE ACTION YOU HAVE TAKEN TO PREVENT A CONTINUED OR RECURRENT VIOLATION.

**THIS VIOLATION IS SUBJECT TO SUBSTANTIAL PENALTY,
YOUR RESPONSE DOES NOT PRECLUDE FURTHER LEGAL ACTION.**

ISSUED BY: John Copp DATE: Mon June 22, 2015 TIME: 1:28 pm MAILED

INSTRUCTIONS

THIS VIOLATION IS SUBJECT TO SUBSTANTIAL PENALTY, AND YOUR RESPONSE DOES NOT PRECLUDE FURTHER LEGAL ACTION.

A VARIANCE SHOULD BE SOUGHT IF IT IS NECESSARY TO CONTINUE TO OPERATE IN VIOLATION OF DISTRICT REGULATIONS. A VARIANCE CANNOT BE GRANTED FOR OPERATING WITHOUT A PERMIT OR FOR ACTIVITIES WHICH CREATE A NUISANCE

FOR FURTHER INFORMATION ON ELIGIBILITY FOR, OR THE FILING OF A VARIANCE PETITION, CALL THE COMPLIANCE DIVISION AT THE INDICATED REGIONAL OFFICE

OPERATION WITHOUT A PERMIT

A permit application must be submitted immediately to the District's Permit Services Division. The permit application must reference the Notice of Violation number: 5014617.

If there are any questions regarding the submission of a permit application, contact the Permit Services Division at the indicated Regional office.

ALL OTHER VIOLATIONS

Within 10 days, return a copy of this notice with a written description of the corrective action you have taken to prevent continued or recurrent violation. Immediate corrective action must be taken to stop the violation.

If you have any questions or require additional information, contact the Compliance Division at the indicated Regional Office for assistance.

Para asistencia en Español, por favor llama a la oficina del Distrito del Aire a (559) 230-6000.

FedEx 146525 Rev. 02/09 RR00 15 . . .



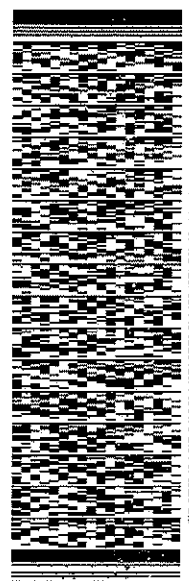
ORIGIN ID: NYFA (619) 229-3770
TONY SILMORE
CALIFORNIA
735 MISSION GORGE ROAD
SUITE C
SAN DIEGO, CA 92120
UNITED STATES US

SHIP DATE: 16MAR16
ACTWGT: 0.50 LB
CAD: 420095FINET13730
BILL SENDER

TO FINANCIAL DEPARTMENT
SAN JOAQUIN VALLEY APCD
1990 E GETTYSBURG AVE
FRESNO CA 93726

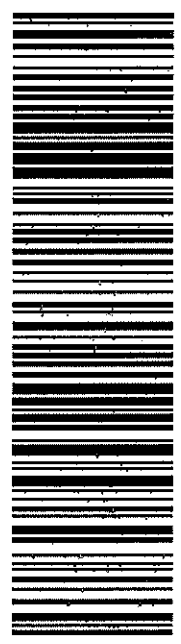
REF: C16-0176
DEPT
PO
INV: (559) 230-6000

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TRK# 7758 8786 4975
0201
THU - 17 MAR 10:30A
PRIORITY OVERNIGHT

WC FATA
93726
CA-US FAT



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Use of this system constitutes your agreement to the service conditions in the current FedEx Service Guide, available on fedex.com. FedEx will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim. Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of \$100 or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is \$1,000, e.g. jewelry, precious metals, negotiable instruments and other items listed in our Service Guide. Written claims must be filed within strict time limits, see current FedEx Service Guide.



Midway Peaking, LLC

9405 Arrowpoint Boulevard
Charlotte, NC 28273-8110
704-525-3800
Fax 704-529-5313

March 16, 2016

San Joaquin Valley Unified
Air Pollution Control District
Attn: Finance
1990 E Gettysburg Ave.
Fresno, CA 93726-0244

RE: **CASE NUMBER:** C16-0176
NOV NUMBER: 5014617
PERMIT NUMBER: C-7286-1-2 & -2-2

Finance Department:

Please find enclosed settlement payment of \$12,865.00 for the Penalties discussed in the Notice of Violation & Proposed Settlement that we received from Clay Bishop, Supervising Air Quality Specialist, dated March 07, 2016. The notice and the signed form following the notice are enclosed.

As per the Notice, "Entering into this settlement shall not constitute an admission of violating District Rules, nor shall it be inferred to be such an admission in any administrative or judicial proceeding." Further, "In accordance with Health and Safety Code section 42400.7, recovery of a civil penalty precludes further civil or criminal prosecution for this violation."

Proof of present compliance resulting from our follow-up on this matter was submitted in a Test Report to Mr. John Copp on Dec 17, 2015.

Midway Peaking, LLC is committed to safe and environmentally responsible operations and will continue to work to keep the units compliant with their permits. Should you require additional information please contact Tony Gilmore, Compliance Coordinator at 619-229-3770 x340.

Sincerely,

A handwritten signature in blue ink, appearing to read "Brad Bergman", with a horizontal line extending to the right.

Brad Bergman
General Manager, CalPeak Operating Services, LLC

Enclosure (1) \$12,865 Check
Enclosure (2) Signed Notice of Violation and Proposed Settlement



Midway Peaking, LLC

9405 Arrowpoint Boulevard
Charlotte, NC 28273-8110
704-525-3800
Fax 704-529-5313

DISTRIBUTION LIST

- Richard "Sid" Frymyer, Director of Operations, Cogentrix Energy Power Management (e-copy)
- Jeff S. Spurgeon, Director of Asset Management, Cogentrix Energy Power Management (e-copy)
- Matt Lydon, Sr. EHS Director, Cogentrix Energy Power Management (e-copy)
- Jeff Malone, Director of Asset Management, CalPeak Operating Services, LLC (e copy)



Cogentrix

MIDWAY PEAKING, LLC
 9405 Arrowpoint Boulevard
 Charlotte, NC 28273-8110

WELLS FARGO BANK, N.A.
 Charlotte, NC

045978

11-24/1210

Date 03/16/2016

Pay Amount \$12,865.00***

Pay ****TWELVE THOUSAND EIGHT HUNDRED SIXTY-FIVE AND XX / 100 DOLLAR****

To The Order Of **SAN JOAQUIN VALLEY UNIFIED AIR**
 1990 E GETTYSBURG AVENUE
 FRESNO, CA 93726

[Signature]
 Authorized Signature

Case # C16-0176

⑈045978⑈ ⑆121000248⑆ 4122596158⑈

Check Date: 03/16/2016		Vendor Number: 000016807		Check No. 045978		
Invoice Number	Invoice Date	Voucher ID	Gross Amount	Discount Taken	Late Charge	Paid Amount
C160176	Mar/07/2016	00001586	12,865.00	0.00	0.00	12,865.00
CASE #C16-0176						
Check Number	Date	Total Gross Amount	Total Discounts	Total Late Charges	Total Paid Amount	
045978	Mar/16/2016	\$12,865.00	\$0.00	\$0.00	\$12,865.00	



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



March 7, 2016

Mr. Tony Gilmore
Midway Peaking LLC
7365 Mission Gorge Rd., Suite C
San Diego, CA 92120



RE: NOTICE OF VIOLATION & PROPOSED SETTLEMENT

CASE NUMBER: C16-0176
NOV NUMBER: 5014617
PERMIT NUMBER: C-7286-1-2 & -2-2

Dear Mr. Gilmore:

On June 15, 2015, staff from the San Joaquin Valley Air Pollution Control District (District) conducted a records review of Midway Peaking, located at 43627 W. Panoche Road, Firebaugh, California. The review revealed that a source test conducted on April 14, 2015, failed to demonstrate compliance with the ammonia emission concentration limit stipulated in condition 10 of permits C-7286-1-1 and -2-2.

In light of the above, it has been determined that you are in violation of District Rule 2070 - Standards for Granting Applications.

California Health & Safety Code Section 42402.1 specifies that the penalty for such violations can include civil penalties of up to \$25,000.00 for each day of each violation. The monetary amount of the District's offer specified below takes into account the magnitude and severity of the violation, as well as the prior history of violations of a similar nature at the facility. All parties we deal with, whether private, commercial, or governmental, are treated similarly in the settlement process, with any settlements offered being based upon an evaluation of the same factors and criteria in all cases.

If you are interested in settling this matter, I am authorized to settle this matter in accordance with the District's settlement policy as follows:

1. Payment of a civil penalty in the sum of \$12,865.00. In accordance with Health and Safety Code section 42400.7, recovery of a civil penalty precludes further civil or criminal prosecution for this violation.
2. Proof of present compliance must be submitted in writing if not already provided.
3. In the event any further violations occur, the District may offer evidence to prove the facts of the current violation in connection with any petition for a variance, permit revocation, abatement order before the District Hearing Board, or other legal proceeding. Similarly, you may raise any defenses or contrary proof you may have concerning the facts of present violations.
4. Entering into this settlement shall not constitute an admission of violating District Rules nor shall it be inferred to be such an admission in any administrative or judicial proceeding.

This letter constitutes an offer of settlement and is not a demand for payment. If you wish to meet with District personnel to discuss this settlement, please contact Shannon Moore at (559) 230-5999, who will be glad to discuss any information which you consider to be related to the settlement of this violation.

If the above terms are acceptable to you, sign and return the last page of this letter together with a check in the sum of \$12,865.00 to:

San Joaquin Valley Unified
Air Pollution Control District
Attn: Finance
1990 E Gettysburg Ave
Fresno, CA 93726-0244

Please write the Case Number **C16-0176** on your check. Please use the yellow envelope provided.

You may write or call Shannon Moore at (559) 230-5999 to request an office conference if you wish to discuss the matter with representatives of the District's Compliance Staff. If we do not hear from you within 14 days, we will assume that you are not interested in resolving this matter as outlined above and will refer the violation to our Legal Counsel for further action.

Sincerely,



Clay Bishop
Supervising Air Quality Specialist

IF YOU HAVE ANY LEGAL QUESTIONS REGARDING SETTLEMENT, PENALTIES, OR PROCEDURES, YOU SHOULD SEEK THE ADVICE OF YOUR ATTORNEY.

I have read the above settlement offer and agree to the terms and conditions of this offer.

Signature:  _____

Title: General Manager _____

Date: 3/16/16 _____



San Joaquin Valley
AIR POLLUTION CONTROL DISTRICT



RECEIVED
APR 04 2016

March 31, 2016

Mr. Tony Gilmore
Midway Peaking LLC
7365 Mission Gorge Rd, Suite C
San Diego, CA 92120

RE: NOTICE OF VIOLATION & PROPOSED SETTLEMENT
CASE NUMBER: C16-0176
NOV NUMBER: 5014617
PTO NUMBER: C-7286
LOCATION: 43627 W Panoche Rd, Firebaugh, CA

Dear Mr. Gilmore:

On March 21, 2016, the District received check number 45978 in the amount of \$12,865.00. The District considers Case number C16-0176 settled and closed.

Thank you for your cooperation in settling this matter.

Sincerely,

Shannon Moore
Air Quality Specialist II
Mutual Settlement Group

SM/lv