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December 11, 2009

<b>DOCKET</b>	
<b>07-AFC-3</b>	
DATE	<u>DEC 11 2009</u>
RECD.	<u>DEC 11 2009</u>

File No. 030137-0012

**VIA FEDEX**

CALIFORNIA ENERGY COMMISSION  
Attn: Docket No. 07-AFC-3  
1516 Ninth Street, MS-4  
Sacramento, California 95814-5512

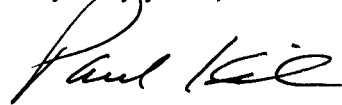
Re: CPV Sentinel Energy Project: Docket No. 07-AFC-3

Dear Sir/Madam:

Pursuant to California Code of Regulations, title 20, sections 1209, 1209.5, and 1210, enclosed herewith for filing please find Applicant's Submittal of Air Quality Data (with CD of AFC Amendment Air Quality Modeling data).

Please note that the enclosed submittal and CD was also served on all parties via U.S. Mail.

Very truly yours,



Paul E. Kihm  
Senior Paralegal

Enclosures

cc: CEC 07-AFC-3 Proof of Service List (w/encls., via e-mail and U.S. Mail)  
Michael J. Carroll, Esq. (w/ encls.)

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(714) 540-1235

STATE OF CALIFORNIA  
ENERGY RESOURCES  
CONSERVATION AND DEVELOPMENT COMMISSION

In the Matter of:	)	Docket No. 07-AFC-03
	)	
APPLICATION FOR CERTIFICATION,	)	SUBMITTAL OF AIR QUALITY DATA
FOR THE CPV SENTINEL ENERGY	)	
PROJECT POWER PLANT BY CPV	)	
SENTINEL, LLC	)	
	)	

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On behalf of CPV Sentinel, LLC (“Applicant”) for the CPV Sentinel Energy Project Power Plant (“Project”), we submit the following air quality data.

On July 25, 2007, the Applicant filed an application to the South Coast Air Quality Management District (SCAQMD) for a Permit to Construct/Permit to Operate for the Project. SCAQMD issued a Preliminary Determination of Compliance for the Project on May 7, 2008 and a Final Determination of Compliance on August 29, 2008.

On November 3, 2008, the Energy Commission held an evidentiary hearing on the Project covering all topics except Air Quality. The Energy Commission ordered the evidentiary record closed for all topics except Air Quality on December 5, 2008. The evidentiary hearing on Air Quality was tolled pending the Applicant’s identification of an available emission offset package for the Project.

The Applicant had originally intended to rely on SCAQMD Rule 1309.1 - Priority Reserve as its source of emission offsets for particulate matter (PM) and sulfur oxides (SOx). As the Energy Commission is aware, a ruling in California Superior Court<sup>1</sup> precluded that option, at least for the near term. The passage of Assembly Bill 1318,<sup>2</sup> however, establishes the availability of a sufficient quantity of emission offsets for the Project.

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<sup>1</sup> *NRDC et al. v. SCAQMD*, Case Number B110792.

<sup>2</sup> Introduced by Assembly Member V. Manuel Perez on February 27, 2009. Signed by Governor Schwarzenegger on October 11, 2009 and filed with the Secretary of State on the same day.

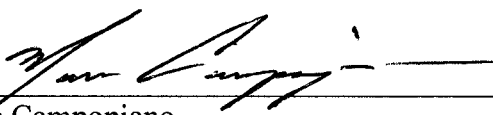
On November 19, 2008, the Applicant submitted to the Energy Commission certain Project design refinements that would improve the overall performance of the Project. Since the refinements would result in very minor changes to the Project's emissions sources, the Applicant also filed an amended application with the SCAQMD on October 15, 2009.<sup>3</sup> While processing the amended application with the SCAQMD, the following very minor revisions to the Project were identified:

- **Carbon Monoxide (CO) BACT Reduced** – The CO BACT limit has been reduced from 6 ppm to 4 ppm based on recent determinations by the SCAQMD.
- **Fire Pump Changed to Tier 3** – The fire water pump engine has been changed to a Tier 3 engine. At the time the Project application was filed with the Energy Commission, only Tier 2 engines were commercially available. During SCAQMD review of the amendment, the Applicant was informed that certified Tier 3 engines are available.
- **Vendor Guarantee Reduced** – The vendor guaranteed emission rate for PM<sub>10</sub> has been reduced from 6 to 5 lb/hour.
- **Minor Modeling Modifications** – At the request of the SCAQMD, the Applicant performed Air Quality dispersion modeling to evaluate the minor revisions to the Project, which included: (1) the reduced PM<sub>10</sub> emissions of 5 lb/hr; (2) the fire water pump Tier 3 emissions limits; and (3) slight changes to physical stack parameters of select sources. The reduced CO emissions associated with the more stringent BACT determination of 4 ppm were not included in the revised dispersion modeling since this change occurred too late to be incorporated; thus, the modeling is overly conservative for CO emissions. The modeling demonstrated that changes in emissions related to the minor Project revisions would be negligible. The modeling also verified that none of Project's significance determinations for Air Quality would be effected. The model input and output files are attached separately.

The Applicant submits this air quality data for Staff's consideration prior to the Prehearing Conference and Evidentiary Hearing scheduled for January 4, 2010.

DATED: December 11, 2009

Respectfully submitted,

  
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Marc Campopiano  
LATHAM & WATKINS LLP  
Counsel to Applicant

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<sup>3</sup> The amended application to the SCAQMD was filed with the Energy Commission on October 30, 2009.

**STATE OF CALIFORNIA  
ENERGY RESOURCES  
CONSERVATION AND DEVELOPMENT COMMISSION**

In the Matter of: ) Docket No. 07-AFC-3  
)  
Application for Certification, ) **PROOF OF SERVICE**  
for the CPV SENTINEL ENERGY PROJECT )  
) (February 26, 2009]  
)  
\_\_\_\_\_ )

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CPV SENTINEL ENERGY PROJECT  
CEC Docket No. 07-AFC-3

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**DECLARATION OF SERVICE**

I, Paul Kihm, declare that on December 11, 2009, I served and filed copies of the attached:

**APPLICANT'S SUBMITTAL OF AIR QUALITY DATA**

to all parties identified on the Proof of Service List above in the following manner:

**California Energy Commission Docket Unit**

- Transmission by depositing one original paper copy (with CD of AFC Amendment Air Quality Modeling data) with FedEx overnight mail delivery service at Costa Mesa, California, with delivery fees thereon fully prepaid and addressed to the following:

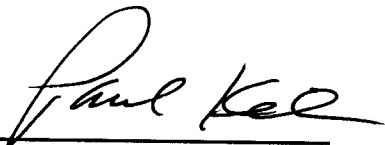
**CALIFORNIA ENERGY COMMISSION**  
Attn: DOCKET NO. 07-AFC-3  
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**For Service to All Other Parties**

- Transmission via electronic mail to all email addresses on the Proof of Service list; and
- by depositing one paper copy with the United States Postal Service (with CD of AFC Amendment Air Quality Modeling data) via first-class mail at Costa Mesa, California, with postage fees thereon fully prepaid and addressed as provided on the Proof of Service list to those addresses **NOT** marked "email preferred."

I further declare that transmission via U.S. Mail was consistent with the requirements of California Code of Regulations, title 20, sections 1209, 1209.5, and 1210.

I declare under penalty of perjury that the foregoing is true and correct. Executed on December 11, 2009, at Costa Mesa, California.

  
\_\_\_\_\_  
Paul Kihm